

Resolutions Adopted by the Pennichuck Water Works, Inc.
Board of Directors on March 27, 2015

Resolved: that the plan for the financing of Pennichuck Water Works, Inc.'s (PWW) distribution and operations facility and the refinancing of PWW's existing "balloon" payment debt, together with associated debt issuance and other associated costs, as recommended by the Audit, Finance and Risk Committee and as described to the Board, such plan to consist of the following items:

Project Funding	\$ 7,000,000
Debt Refinancing (including accrued interest)	\$ 16,356,950
Estimated Issuance and Other Cost	\$ 1,394,549
Contingency	\$ <u>748,501</u>
 Total Estimated 2015 Financing Plan	 \$ 25,500,000

(the "2015 Financing Plan"), be and it is hereby approved.

Further Resolved: that the officers of PWW are hereby authorized, empowered and directed to take any and all actions to develop and effect the borrowings contemplated by the 2015 Financing Plan, including taking any and all actions to obtain all necessary approvals and consents for the borrowings contemplated by such Plan from the City of Nashua in its capacity as the sole shareholder of PWW's parent company, Pennichuck Corporation, the New Hampshire Public Utilities Commission, and any other person from which approval or consent may be required related to such borrowings as determined by such officers.

Further Resolved: that the officers of PWW are directed to finalize the terms of the 2015 Financing Plan, including preparation of loan and trust agreements, credit facility agreements, bond purchase agreements, official statements, petitions and such other documents that are necessary to effect the 2015 Financing Plan, and to present such documents to the Audit, Finance and Risk Committee and then to this Board for further approvals as may be required by such final documents.



RESOLUTION

APPROVING THE PROPOSAL OF PENNICHUCK CORPORATION TO BORROW AND ISSUE UP TO TWENTY-FIVE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$25,500,000) IN AN AGGREGATE PRINCIPAL AMOUNT OF TAX-EXEMPT BONDS AND/OR OTHER BORROWINGS

CITY OF NASHUA

In the Year Two Thousand and Fifteen

WHEREAS, the City of Nashua is the sole shareholder of Pennichuck Corporation (“Pennichuck”) and each of its subsidiaries;

WHEREAS, Article IX (3) of the Articles of Incorporation of Pennichuck and Article V §2 of the by-laws of Pennichuck require the approval of the sole shareholder (the City of Nashua) for Pennichuck to create, incur or assume any indebtedness for borrowed money or to issue or sell any debt securities or warrants, which includes borrowing and issuing bonds on behalf of Pennichuck or its subsidiaries; and

WHEREAS, Pennichuck is proposing to borrow and issue up to \$25,500,000 in an aggregate principal amount of tax-exempt bonds and/or other borrowings for the purpose of: 1) refinancing up to \$16,400,000 of Pennichuck Water Works’s currently outstanding tax-exempt bonds including accrued interest of approximately \$200,000; 2) to fund up to \$7,000,000 of the cost of constructing a new facility to replace Pennichuck’s obsolete operations facility, currently located on Will Street in Nashua; and 3) to fund up to \$2,100,000 of various costs of issuance of the new bonds, including transaction costs, capitalized interest, and, if necessary and appropriate, credit enhancements such as a debt service reserve fund or other credit measures as may be determined by Pennichuck in response to prevailing market conditions.

NOW, THEREFORE, BE IT RESOLVED by the Board of Aldermen of the City of Nashua that the City approves Pennichuck Corporation’s proposal to borrow and issue up to \$25,500,000 in an aggregate principal amount of tax-exempt bonds and/or other borrowings for the purposes described above.

PASSED BY THE BOARD OF ALDERMEN – MAY 12, 2015
APPROVED BY THE MAYOR: MAY 13, 2015
ATTEST: PATRICIA PIECUCH, DEPUTY CITY CLERK

Pennichuck Water Works, Inc.
BALANCE SHEET
ASSETS AND DEFERRED CHARGES
For the Twelve Months Ended December 31, 2014

Schedule LDG-1
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Pro Forma

	Account Number	12/31/2014	Pro Forma Adjustments	Pro Forma 12/31/2014
<u>PLANT ASSETS</u>				
Plant in Service	301 to 348	179,434,201	7,000,000 (1)	186,434,201
Work in process	105	1,393,003	-	1,393,003
Utility Plant		180,827,204	7,000,000	187,827,204
Accumulated depreciation	108	46,015,735	233,020 (2)	46,248,755
Net Plant		134,811,469	6,766,980	141,578,449
Net Acquisition Adjustment	114 & 115	399,742	-	399,742
Total Net Utility Plant		134,411,727	6,766,980	141,178,707
<u>CURRENT ASSETS</u>				
Cash	131 & 133	6,000	-	6,000
Restricted Cash-RSF	131	5,263,282	-	5,263,282
Restricted Cash-Project Fund	131	16,846,980	-	16,846,980
Restricted Cash-Refund Escrow Fund	131	23,725,255	-	23,725,255
Accounts receivable-billed, net	141, 142 & 143	1,584,566	-	1,584,566
Accounts receivable-unbilled, net	173	1,635,389	-	1,635,389
Accounts receivable-other	142	-	-	-
Inventory	151	750,469	-	750,469
Prepaid expenses	162	431,946	-	431,946
Prepaid property taxes	163 & 236	786,452	-	786,452
Prepaid taxes	162.3	-	-	-
		51,030,338	-	51,030,338
<u>OTHER ASSETS</u>				
Debt issuance expenses	181	4,439,485	2,100,000	6,539,485
Acquisition Premium - MARA	186	73,735,918	-	73,735,918
Other & Deferred Charges	182,184,186	9,191,835	-	9,191,835
		87,367,237	2,100,000	89,467,237
TOTAL ASSETS		\$ 272,809,302	\$ 8,866,980	\$ 281,676,282

Notes:

(1) To record the assets related to the construction of the new Distribution Center.

(2) To record the impact of full year depreciation related to the construction of the new Distribution Center.

Pennichuck Water Works, Inc.
BALANCE SHEET
EQUITY AND LIABILITIES
For the Twelve Months Ended December 31, 2014

Schedule LDG-1
Page 2 of 2

Pro Forma

	Account Number	12/31/2014	Pro Forma Adjustments		Pro Forma 12/31/2014
STOCKHOLDERS' EQUITY					
Common stock	201	\$ 30,000	\$ -		\$ 30,000
Paid in capital	211	125,644,596	-		125,644,596
Comprehensive Income	219	-	-		-
Retained earnings	215	2,139,009	(707,122)	(2)	1,431,887
		<u>127,813,605</u>	<u>(707,122)</u>		<u>127,106,483</u>
LONG TERM DEBT					
Bonds, notes and mortgages	221	98,146,709	9,100,000	(1)	107,246,709
Intercompany advances	223	(16,753,043)	474,102	(3)	(16,278,941)
Other Long Term Debt	224	-	-		-
CURRENT LIABILITIES					
Accounts payable	231	692,276	-		692,276
Accrued property taxes	236	-	-		-
Accrued interest payable	237	663,432	-		663,432
Other accrued expenses	241	4,333,287	-		4,333,287
Accrued taxes	236	4,171	-		4,171
Customer deposits	235	178,282	-		178,282
		<u>5,871,449</u>	<u>-</u>		<u>5,871,449</u>
OTHER LIABILITIES AND DEFERRED CREDITS					
Deferred income taxes & liability	282	19,532,502	-		19,532,502
Customer advances	252	84,000	-		84,000
CIAC, net	271 & 272	26,892,453	-		26,892,453
Pension Liability	241	8,017,005	-		8,017,005
Other deferred credits	251 to 255, 282, 283	3,204,622	-		3,204,622
		<u>57,730,583</u>	<u>-</u>		<u>57,730,583</u>
TOTAL EQUITY AND LIABILITIES		<u>\$ 272,809,302</u>	<u>\$ 8,866,980</u>		<u>\$ 281,676,282</u>

Notes:

(1) To record the new Debt as follows:

Tax Exempt Bonds	\$ 9,100,000
Taxable Bonds	-
Total Bond Debt	<u>\$ 9,100,000</u>

(2) To record the impact of interest, depreciation, property taxes and income tax benefit on retained earnings.

(3) To record the net source/use of funds through the intercompany debt

Pennichuck Water Works, Inc.
OPERATING INCOME STATEMENT
For the Twelve Months Ended December 31, 2014

Schedule LDG-2

	Account Number	TWELVE MONTHS 12/31/14	New Debt and Assets Pro Forma	Refinanced Debt Pro Forma	PRO FORMA 12 MONTHS 12/31/14
Water Sales	460 to 462	\$ 27,799,183	\$ -		\$ 27,799,183
Jobbing Net and Other Revenues	415, 416, 471	394,182	-		394,182
Total Revenues		28,193,365	-		28,193,365
Production Expenses	601 to 652	4,099,166	-		4,099,166
Transmission & Distribution Expenses	660 to 678	1,868,516	-		1,868,516
Engineering Expenses	660	964,081	-		964,081
Customer Acct & Collection Exp	902 to 904	442,290	-		442,290
Administrative & General Expense	920 to 950	5,785,972	-		5,785,972
Inter Div Management Fee	930	(2,055,908)	-		(2,055,908)
Total Operating Expense		11,104,117	-		11,104,117
Dep Exp/Acq Adj Expense	403 & 406	4,359,561	233,020	-	4,592,581
Amortization Expense:CIAC	405	(597,916)	-	(2)	(597,916)
Amortization Expense	407	1,502,551	-		1,502,551
Gain on Debt Forgiveness	414	(53,925)	-		(53,925)
Property Taxes	408.1	4,468,936	214,830	-	4,683,766
Income Tax	409 to 410	2,474,292	(404,755)	(56,607)	2,012,930
Total Operating Deductions		12,153,498	43,095	(56,607)	12,139,986
Net Operating Income		4,935,750	(43,095)	56,607	4,949,262
Other Income and Deductions	421, 426	17,218	-		17,218
Interest Expenses	427 to 429	2,813,959	500,500	142,910	3,457,369
Debt Issuance Costs (New)			73,500	-	73,500
Net Income		2,139,009	(617,095)	(90,027)	1,435,610

Notes:

- 1 - To record the change in interest expense associated with financing.
- 2 - To record the impact of assets on depreciation and property taxes.
- 3 - To record the tax impact resulting from additional expenses.
- 2 - To record the amortization of new debt expense.

Pennichuck Water Works, Inc.
OPERATING INCOME STATEMENT
For the Twelve Months Ended December 31, 2014

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Supporting Calculations:

Interest Expense:

	Debt Amount	Interest	
		Rate	Amount
New tax exempt bond debt - 2015	\$ 9,100,000	5.500%	\$ 500,500
Refinanced tax exempt bond debt - 2015	\$ 16,400,000	5.500%	\$ 902,000
Retired Debt:			
Series A Bonds	\$ (12,125,000)	4.700%	\$ (569,875)
2005A Bonds	\$ (1,765,000)	4.700%	\$ (82,955)
2005B Bonds	\$ (2,310,000)	4.600%	\$ (106,260)
Accrued Interest	\$ (200,000)		
Totals	\$ 9,100,000		Net Interest \$ 643,410

Debt issuance amortization

	Costs	Amortization	
		Rate	Amount
New tax exempt bond debt 2015	\$ 2,100,000	3.50%	\$ 73,500
Totals	\$ 2,100,000		Amortization \$ 73,500

Depreciation

Additions:

	Asset Cost	Depreciation	
		Rate	Amount
Structures & Improvements - Bldg	\$ 6,900,000	3.17%	\$ 218,730
Information Systems	\$ 100,000	14.29%	\$ 14,290
Totals	\$ 7,000,000		\$ 233,020

Property Taxes

Merrimack	\$ 24.09
State of New Hampshire	\$ 6.60
Total Tax Rate	\$ 30.69
Property Taxes	\$ 214,830

Pennichuck Water Works, Inc.
Pro Forma Capital Structure for Ratemaking Purposes
For the Twelve Months Ended December 31, 2014

Schedule LDG-3

	<u>Pro Forma</u> <u>2014</u>	<u>Pro Forma</u> <u>Eliminations</u>	<u>Pro Forma 2014</u> <u>with</u> <u>Eliminations</u>	<u>Component</u> <u>Ratio</u>
Long-term Debt	107,246,709	-	107,246,709	98.68%
Intercompany Debt	\$ -	-	-	0.00%
<u>Common Equity:</u>				
Common Stock	30,000	(30,000) (1)	-	
Paid In Capital	125,644,596	(125,644,596) (1)	0	
Comprehensive Income	-	-	-	
Retained Earnings	<u>1,431,887</u>		<u>1,431,887</u>	
Total Common Equity	<u>127,106,483</u>		<u>1,431,887</u>	1.32%
Total Capital	<u>\$ 234,353,192</u>		<u>\$ 108,678,596</u>	100.00%

Notes:

(1) Per Order 25,292 in DW 11-026, eliminate the MARA and related equity:

MARA	78,783,384
Equity as of 1/25/12	9,863,910
Paid in Capital as of 1/25/12	<u>39,011,140</u>
	127,658,434
Less: Dividends Paid in Feb 2013	(3,587,772)
Less: Dividends Paid in Mar 2014	(3,426,066)
Plus reclass RSF offset in March 2014	<u>5,000,000</u>
	<u>125,644,596</u>

Cash Flow	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net Income	2,521,669	1,730,720	2,295,886	2,479,555	2,702,596	2,925,266	3,206,985	3,260,567	3,242,992
Depreciation and Amortization									
D&A PP&E (incl MARA)	5,475,509	5,631,145	6,123,631	6,263,454	6,348,906	6,410,541	6,480,876	6,639,272	6,832,563
Amortization of Deferred Debt Expense	281,553	289,787	289,787	275,135	227,331	232,245	228,400	226,950	229,500
TOTAL DEPRECIATION AND AMORTIZATION	5,757,062	5,920,932	6,413,418	6,538,589	6,576,237	6,642,786	6,709,276	6,866,222	7,062,063
NET CASH FLOWS FROM OPERATIONS	8,278,731	7,651,652	8,709,304	9,018,144	9,278,833	9,568,052	9,916,261	10,126,789	10,305,054
Changes in PP&E									
Purchases of PP&E	(18,960,000)	(13,672,980)	(6,770,000)	(7,315,807)	(7,535,281)	(7,761,340)	(7,994,180)	(8,234,006)	(8,481,026)
Proceeds from borrowings (net of draws from 2014/2015 project funds)	12,186,000	4,100,000	6,270,000	7,315,807	7,535,281	7,761,340	7,994,180	8,234,006	8,481,026
TOTAL CHANGES IN PP&E	(6,774,000)	(9,572,980)	(500,000)	-	-	-	-	-	-
Changes due to Financings									
Refunding Debt Issuance Costs	(486,000)								
Project Escrow Fund Releases - 2014 Bond Fund	13,258,000	3,588,980							
Funding of Project Escrow Fund - 2015 Bond Fund	(7,000,000)								
Project Escrow Fund Releases - 2015 Bond Fund	516,000	5,984,000	500,000						
DSRF Releases	-	-	-	-	-	-	-	-	-
Principal Payments	(701,024)	(2,520,210)	(2,765,063)	(2,944,717)	(3,155,634)	(3,388,138)	(5,632,981)	(3,484,251)	(3,760,612)
Return of Acquisition Premium	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS	5,586,976	7,052,770	(2,265,063)	(2,944,717)	(3,155,634)	(3,388,138)	(5,632,981)	(3,484,251)	(3,760,612)
CHANGE IN CASH BEFORE DISTRIBUTIONS	7,091,707	5,131,442	5,944,242	6,073,426	6,123,199	6,179,914	4,283,280	6,642,538	6,544,442
CBFRR Net of Return on Acquisition Premium	(7,465,139)	(7,465,139)	(7,465,139)	(7,465,139)	(7,465,139)	(7,465,139)	(7,465,139)	(7,465,139)	(7,465,139)
Taxes Paid to Parent (Reduces Distribution)	1,653,971	1,135,185	1,505,879	1,626,348	1,772,641	1,918,692	2,103,472	2,138,617	2,127,089
NET DISTRIBUTIONS	(5,811,168)	(6,329,954)	(5,959,260)	(5,838,791)	(5,692,498)	(5,546,447)	(5,361,667)	(5,326,522)	(5,338,050)
CHANGE IN CASH AFTER DISTRIBUTIONS	1,280,539	(1,198,512)	(15,018)	234,635	430,701	633,467	(1,078,386)	1,316,016	1,206,392
BEGINNING CASH BALANCE	6,000	1,286,539	88,027	73,009	307,644	738,346	1,371,812	293,426	1,609,442
ENDING CASH BALANCE	1,286,539	88,027	73,009	307,644	738,346	1,371,812	293,426	1,609,442	2,815,834

Cash Flow	2024	2025	2026	2027	2028	2029	2030	2031	2032
Net Income	3,241,380	3,230,406	3,192,675	3,164,292	3,141,114	3,136,746	3,177,802	3,157,410	3,086,305
Depreciation and Amortization									
D&A PP&E (incl MARA)	7,008,641	7,223,012	7,484,527	7,745,702	8,014,531	8,270,131	8,476,152	8,770,506	9,102,517
Amortization of Deferred Debt Expense	234,723	229,726	235,725	241,903	248,267	253,864	244,037	250,861	257,530
TOTAL DEPRECIATION AND AMORTIZATION	7,243,364	7,452,738	7,720,252	7,987,605	8,262,798	8,523,995	8,720,189	9,021,367	9,360,047
NET CASH FLOWS FROM OPERATIONS	10,484,743	10,683,144	10,912,926	11,151,897	11,403,912	11,660,741	11,897,991	12,178,777	12,446,351
Changes in PP&E									
Purchases of PP&E	(8,735,456)	(8,997,520)	(9,267,446)	(9,545,469)	(9,831,833)	(10,126,788)	(10,430,592)	(10,743,510)	(11,065,815)
Proceeds from borrowings (net of draws from 2014/2015 project funds)	8,735,456	8,997,520	9,267,446	9,545,469	9,831,833	10,126,788	10,430,592	10,743,510	11,065,815
TOTAL CHANGES IN PP&E	-	-	-	-	-	-	-	-	-
Changes due to Financings									
Refunding Debt Issuance Costs									
Project Escrow Fund Releases - 2014 Bond Fund									
Funding of Project Escrow Fund - 2015 Bond Fund									
Project Escrow Fund Releases - 2015 Bond Fund									
DSRF Releases	-	-	-	-	-	-	-	-	-
Principal Payments	(4,052,366)	(4,379,917)	(4,714,232)	(5,076,390)	(5,462,509)	(5,811,678)	(6,071,561)	(6,491,741)	(6,598,892)
Return of Acquisition Premium	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS	(4,052,366)	(4,379,917)	(4,714,232)	(5,076,390)	(5,462,509)	(5,811,678)	(6,071,561)	(6,491,741)	(6,598,892)
CHANGE IN CASH BEFORE DISTRIBUTIONS	6,432,378	6,303,227	6,198,695	6,075,507	5,941,403	5,849,063	5,826,430	5,687,036	5,847,460
CBFRR Net of Return on Acquisition Premium	(7,465,139)	(7,465,139)	(7,465,139)	(7,465,139)	(7,465,139)	(7,465,139)	(7,465,139)	(7,465,139)	(7,465,139)
Taxes Paid to Parent (Reduces Distribution)	2,126,032	2,118,834	2,094,086	2,075,470	2,060,267	2,057,402	2,084,331	2,070,956	2,024,318
NET DISTRIBUTIONS	(5,339,107)	(5,346,305)	(5,371,053)	(5,389,669)	(5,404,872)	(5,407,737)	(5,380,808)	(5,394,183)	(5,440,821)
CHANGE IN CASH AFTER DISTRIBUTIONS	1,093,270	956,922	827,642	685,837	536,531	441,326	445,621	292,853	406,638
BEGINNING CASH BALANCE	2,815,834	3,909,104	4,866,026	5,693,668	6,379,505	6,916,036	7,357,361	7,802,983	8,095,836
ENDING CASH BALANCE	3,909,104	4,866,026	5,693,668	6,379,505	6,916,036	7,357,361	7,802,983	8,095,836	8,502,474

Cash Flow	2033	2034	2035
Net Income	3,038,453	2,995,814	2,972,521
Depreciation and Amortization			
D&A PP&E (incl MARA)	9,453,641	9,816,575	10,194,568
Amortization of Deferred Debt Expense	264,501	271,442	253,427
TOTAL DEPRECIATION AND AMORTIZATION	9,718,142	10,088,017	10,447,995
NET CASH FLOWS FROM OPERATIONS	12,756,595	13,083,831	13,420,516
Changes in PP&E			
Purchases of PP&E	(11,397,789)	(11,739,723)	(12,091,915)
Proceeds from borrowings (net of draws from 2014/2015 project funds)	11,397,789	11,739,723	12,091,915
TOTAL CHANGES IN PP&E	-	-	-
Changes due to Financings			
Refunding Debt Issuance Costs			
Project Escrow Fund Releases - 2014 Bond Fund			
Funding of Project Escrow Fund - 2015 Bond Fund			
Project Escrow Fund Releases - 2015 Bond Fund			
DSRF Releases	-	-	-
Principal Payments	(7,004,069)	(7,497,984)	(7,935,253)
Return of Acquisition Premium	-	-	-
TOTAL PAYMENTS	(7,004,069)	(7,497,984)	(7,935,253)
CHANGE IN CASH BEFORE DISTRIBUTIONS	5,752,526	5,585,847	5,485,263
CBFRR Net of Return on Acquisition Premium	(7,465,139)	(7,465,139)	(7,465,139)
Taxes Paid to Parent (Reduces Distribution)	1,992,931	1,964,964	1,949,686
NET DISTRIBUTIONS	(5,472,208)	(5,500,175)	(5,515,453)
CHANGE IN CASH AFTER DISTRIBUTIONS	280,318	85,673	(30,190)
BEGINNING CASH BALANCE	8,502,474	8,782,792	8,868,465
ENDING CASH BALANCE	8,782,792	8,868,465	8,838,275

P&L	2015	2016	2017	2018	2019	2020	2021	2022
Revenues	28,812,615	30,449,172	32,340,826	33,488,926	34,677,783	35,908,844	37,183,608	38,206,157
<i>Growth</i>	2.20%	5.68%	6.21%	3.55%	3.55%	3.55%	3.55%	2.75%
Operating Expenses								
Direct Operating Expenses	7,944,818	8,183,163	8,428,657	8,681,517	8,941,963	9,210,222	9,486,528	9,771,124
Corporate Expenses	(1,919,860)	(1,977,456)	(2,036,779)	(2,097,883)	(2,160,819)	(2,225,644)	(2,292,413)	(2,361,186)
Administration	6,167,744	6,352,776	6,543,360	6,739,660	6,941,850	7,150,106	7,364,609	7,585,547
Taxes Other Than Income	4,695,998	5,082,417	5,155,633	5,240,807	5,329,452	5,423,478	5,523,958	5,631,154
TOTAL OPERATING EXPENSES	16,888,700	17,640,900	18,090,870	18,564,101	19,052,446	19,558,162	20,082,682	20,626,640
Other Income (Expense)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Gain from forgiveness on ARRA loans	53,925	53,925	53,925	53,925	53,925	53,925	53,925	53,925
EBITDA	11,979,040	12,863,396	14,305,081	14,979,949	15,680,462	16,405,807	17,156,051	17,634,642
Depreciation and Amortization								
PP&E D&A (incl MARA)	(5,475,509)	(5,631,145)	(6,123,631)	(6,263,454)	(6,348,906)	(6,410,541)	(6,480,876)	(6,639,272)
TOTAL DEPRECIATION AND AMORTIZATION	(5,475,509)	(5,631,145)	(6,123,631)	(6,263,454)	(6,348,906)	(6,410,541)	(6,480,876)	(6,639,272)
EBIT	6,503,531	7,232,251	8,181,450	8,716,495	9,331,556	9,995,266	10,675,175	10,995,370
Interest Expense	(2,463,209)	(4,076,559)	(4,089,898)	(4,335,458)	(4,628,988)	(4,919,064)	(5,136,318)	(5,369,236)
Interest Income (DSRF)	-	-	-	-	-	-	-	-
Amortization of Premium	416,872							
Amortization of Deferred Debt Expense	(281,553)	(289,787)	(289,787)	(275,135)	(227,331)	(232,245)	(228,400)	(226,950)
NET INTEREST EXPENSE	(2,327,890)	(4,366,346)	(4,379,685)	(4,610,593)	(4,856,319)	(5,151,308)	(5,364,718)	(5,596,187)
EBT	4,175,641	2,865,905	3,801,765	4,105,903	4,475,237	4,843,958	5,310,458	5,399,183
Taxes	1,653,971	1,135,185	1,505,879	1,626,348	1,772,641	1,918,692	2,103,472	2,138,617
EARNINGS / NET INCOME	2,521,669	1,730,720	2,295,886	2,479,555	2,702,596	2,925,266	3,206,985	3,260,567
Debt Service Coverage - New Indenture Bonds, SRF Loans	7.20	2.19	2.32	2.43	2.54	2.66	2.78	2.86
ABT: 2015 Net Revs / Future MADS - New Indenture Bonds, SRF Loan	1.94							

P&L	2023	2024	2025	2026	2027	2028	2029	2030
Revenues	39,256,826	40,336,389	41,445,640	42,585,395	43,756,493	44,959,797	46,196,191	47,466,586
<i>Growth</i>	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Operating Expenses								
Direct Operating Expenses	10,064,258	10,366,185	10,677,171	10,997,486	11,327,411	11,667,233	12,017,250	12,377,768
Corporate Expenses	(2,432,021)	(2,504,982)	(2,580,131)	(2,657,535)	(2,737,261)	(2,819,379)	(2,903,961)	(2,991,079)
Administration	7,813,114	8,047,507	8,288,932	8,537,600	8,793,728	9,057,540	9,329,266	9,609,144
Taxes Other Than Income	5,742,823	5,858,118	5,977,544	6,100,932	6,227,694	6,358,019	6,492,118	6,631,535
TOTAL OPERATING EXPENSES	21,188,174	21,766,828	22,363,516	22,978,484	23,611,571	24,263,413	24,934,674	25,627,367
Other Income (Expense)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Gain from forgiveness on ARRA loans	53,925	53,925	53,925	53,925	53,925	53,925	53,925	53,925
EBITDA	18,123,778	18,624,686	19,137,248	19,662,036	20,200,047	20,751,509	21,316,642	21,894,344
Depreciation and Amortization								
PP&E D&A (incl MARA)	(6,832,563)	(7,008,641)	(7,223,012)	(7,484,527)	(7,745,702)	(8,014,531)	(8,270,131)	(8,476,152)
TOTAL DEPRECIATION AND AMORTIZATION	(6,832,563)	(7,008,641)	(7,223,012)	(7,484,527)	(7,745,702)	(8,014,531)	(8,270,131)	(8,476,152)
EBIT	11,291,215	11,616,045	11,914,236	12,177,509	12,454,345	12,736,978	13,046,511	13,418,192
Interest Expense	(5,691,635)	(6,013,911)	(6,335,270)	(6,655,024)	(6,972,680)	(7,287,330)	(7,598,499)	(7,912,023)
Interest Income (DSRF)	-	-	-	-	-	-	-	-
Amortization of Premium								
Amortization of Deferred Debt Expense	(229,500)	(234,723)	(229,726)	(235,725)	(241,903)	(248,267)	(253,864)	(244,037)
NET INTEREST EXPENSE	(5,921,134)	(6,248,634)	(6,564,997)	(6,890,749)	(7,214,583)	(7,535,597)	(7,852,364)	(8,156,060)
EBT	5,370,080	5,367,411	5,349,239	5,286,761	5,239,762	5,201,381	5,194,148	5,262,132
Taxes	2,127,089	2,126,032	2,118,834	2,094,086	2,075,470	2,060,267	2,057,402	2,084,331
EARNINGS / NET INCOME	3,242,992	3,241,380	3,230,406	3,192,675	3,164,292	3,141,114	3,136,746	3,177,802
Debt Service Coverage - New Indenture Bonds, SRF Loans	2.95	3.03	3.11	3.19	3.28	3.37	3.49	3.69
ABT: 2015 Net Revs / Future MADS - New Indenture Bonds, SRF Loan								

P&L	2031	2032	2033	2034	2035
Revenues	48,771,917	50,113,145	51,491,257	52,907,266	54,362,216
<i>Growth</i>	2.75%	2.75%	2.75%	2.75%	2.75%
Operating Expenses					
Direct Operating Expenses	12,749,101	13,131,574	13,525,521	13,931,286	14,349,225
Corporate Expenses	(3,080,812)	(3,173,236)	(3,268,433)	(3,366,486)	(3,467,481)
Administration	9,897,419	10,194,341	10,500,171	10,815,176	11,139,632
Taxes Other Than Income	6,777,863	6,928,917	7,084,107	7,243,450	7,406,992
TOTAL OPERATING EXPENSES	26,343,571	27,081,596	27,841,366	28,623,427	29,428,368
Other Income (Expense)	1,200	1,200	1,200	1,200	1,200
Gain from forgiveness on ARRA loans	53,925				
EBITDA	22,483,472	23,032,749	23,651,091	24,285,040	24,935,048
Depreciation and Amortization					
PP&E D&A (incl MARA)	(8,770,506)	(9,102,517)	(9,453,641)	(9,816,575)	(10,194,568)
TOTAL DEPRECIATION AND AMORTIZATION	(8,770,506)	(9,102,517)	(9,453,641)	(9,816,575)	(10,194,568)
EBIT	13,712,966	13,930,232	14,197,450	14,468,465	14,740,480
Interest Expense	(8,233,739)	(8,562,080)	(8,901,564)	(9,236,244)	(9,564,846)
Interest Income (DSRF)	-	-	-	-	-
Amortization of Premium					
Amortization of Deferred Debt Expense	(250,861)	(257,530)	(264,501)	(271,442)	(253,427)
NET INTEREST EXPENSE	(8,484,601)	(8,819,610)	(9,166,065)	(9,507,686)	(9,818,272)
EBT	5,228,365	5,110,623	5,031,385	4,960,779	4,922,207
Taxes	2,070,956	2,024,318	1,992,931	1,964,964	1,949,686
EARNINGS / NET INCOME	3,157,410	3,086,305	3,038,453	2,995,814	2,972,521
Debt Service Coverage - New Indenture Bonds, SRF Loans	3.80	4.14	4.30	4.42	4.62
ABT: 2015 Net Revs / Future MADS - New Indenture Bonds, SRF Loan					

Balance Sheet	2015	2016	2017	2018	2019	2020
Cash	1,286,539	88,027	73,009	307,644	738,346	1,371,812
Escrow - 2014 Bond Project Fund	3,588,980	-	-	-	-	-
Escrow - 2015 Bond Project Fund	6,484,000	500,000	-	-	-	-
Other Current Assets	28,219,569	28,219,569	28,219,569	28,219,569	28,219,569	28,219,569
PP&E	148,826,669	157,782,119	159,706,065	162,065,236	164,595,487	167,335,050
Acquisition Premium	72,000,526	70,239,407	68,447,329	66,616,663	64,741,958	62,815,584
Unamortized Bond Issuance Costs	4,611,339	4,321,552	4,157,165	4,028,346	3,951,720	3,874,702
Deferred Assets	442,610	672,300	569,293	475,633	388,955	309,251
Debt Service Reserve Fund	-	-	-	-	-	-
Other Assets	7,970,549	7,970,549	7,970,549	7,970,549	7,970,549	7,970,549
TOTAL ASSETS	273,430,780	269,793,522	269,142,978	269,683,640	270,606,583	271,896,517
Other Current Liabilities	2,283,545	2,283,545	2,283,545	2,283,545	2,283,545	2,283,545
<u>Long-Term Debt</u>						
Senior Lien Bonds	-	-	-	-	-	-
Senior Lien Notes	4,400,000	4,000,000	3,600,000	3,200,000	2,800,000	2,400,000
Subordinate Lien Bonds	71,234,612	69,620,053	74,324,293	79,939,226	85,591,507	91,267,071
OID	(248,494)	(248,494)	(248,494)	(248,494)	(248,494)	(248,494)
SRF Loans	11,497,619	15,091,968	14,418,065	13,720,538	12,998,610	12,251,475
TOTAL LONG-TERM DEBT	86,883,737	88,463,527	92,093,864	96,611,270	101,141,623	105,670,052
Other Liabilities	33,464,177	33,464,177	33,464,177	33,464,177	33,464,177	33,464,177
CIAC	26,275,215	25,657,401	25,039,893	24,422,385	23,804,877	23,187,563
TOTAL LIABILITIES	148,906,674	149,868,650	152,881,479	156,781,377	160,694,222	164,605,337
Equity						
Historical Equity	-	-	-	-	-	-
Acquisition Equity	125,674,596	125,674,596	125,674,596	125,674,596	125,674,596	125,674,596
Retained Earnings	2,139,009	(1,150,489)	(5,749,723)	(9,413,097)	(12,772,333)	(15,762,235)
Current Year Earnings	2,521,669	1,730,720	2,295,886	2,479,555	2,702,596	2,925,266
Current Year Distributions	(5,811,168)	(6,329,954)	(5,959,260)	(5,838,791)	(5,692,498)	(5,546,447)
TOTAL EQUITY	124,524,107	119,924,873	116,261,499	112,902,263	109,912,361	107,291,180
TOTAL LIABILITIES AND EQUITY	273,430,780	269,793,523	269,142,978	269,683,640	270,606,583	271,896,517

2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
293,426	1,609,442	2,815,834	3,909,104	4,866,026	5,693,668	6,379,505	6,916,036	7,357,361	7,802,983
28,219,569	28,219,569	28,219,569	28,219,569	28,219,569	28,219,569	28,219,569	28,219,569	28,219,569	28,219,569
170,292,795	173,386,602	176,584,911	179,905,414	183,341,112	186,869,858	190,497,708	194,231,449	198,126,233	202,239,023
60,834,488	58,793,656	56,687,856	54,511,855	52,260,422	49,925,925	47,505,313	44,981,579	42,350,801	39,610,361
3,806,186	3,743,916	3,684,036	3,624,023	3,574,247	3,523,871	3,472,877	3,421,247	3,369,919	3,334,493
229,967	156,858	97,945	65,431	42,292	20,481	3,072	1,459	429	-
-	-	-	-	-	-	-	-	-	-
7,970,549	7,970,549	7,970,549	7,970,549	7,970,549	7,970,549	7,970,549	7,970,549	7,970,549	7,970,549
271,646,979	273,880,591	276,060,699	278,205,945	280,274,216	282,223,920	284,048,592	285,741,887	287,394,861	289,176,977
2,283,545	2,283,545	2,283,545	2,283,545	2,283,545	2,283,545	2,283,545	2,283,545	2,283,545	2,283,545
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
96,961,337	102,659,179	108,354,877	114,047,080	119,708,757	125,342,148	130,928,716	136,454,084	141,907,985	147,269,194
(248,494)	(248,494)	(248,494)	(248,494)	(248,494)	(248,494)	(248,494)	(248,494)	(248,494)	(248,494)
11,478,291	10,694,885	9,889,221	9,054,818	8,190,695	7,295,866	6,369,287	5,409,879	4,473,624	3,680,058
108,191,135	113,105,569	117,995,603	122,853,404	127,650,957	132,389,520	137,049,509	141,615,469	146,133,115	150,700,758
33,464,177	33,464,177	33,464,177	33,464,177	33,464,177	33,464,177	33,464,177	33,464,177	33,464,177	33,464,177
22,571,624	21,956,757	21,341,890	20,727,063	20,113,680	19,503,200	18,893,261	18,284,353	17,690,672	17,108,153
166,510,481	170,810,048	175,085,215	179,328,189	183,512,359	187,640,442	191,690,492	195,647,544	199,571,509	203,556,633
-	-	-	-	-	-	-	-	-	-
125,674,596	125,674,596	125,674,596	125,674,596	125,674,596	125,674,596	125,674,596	125,674,596	125,674,596	125,674,596
(18,383,416)	(20,538,098)	(22,604,053)	(24,699,112)	(26,796,840)	(28,912,739)	(31,091,118)	(33,316,495)	(35,580,253)	(37,851,244)
3,206,985	3,260,567	3,242,992	3,241,380	3,230,406	3,192,675	3,164,292	3,141,114	3,136,746	3,177,802
(5,361,667)	(5,326,522)	(5,338,050)	(5,339,107)	(5,346,305)	(5,371,053)	(5,389,669)	(5,404,872)	(5,407,737)	(5,380,808)
105,136,498	103,070,543	100,975,484	98,877,756	96,761,857	94,583,478	92,358,101	90,094,343	87,823,352	85,620,345
271,646,979	273,880,591	276,060,700	278,205,945	280,274,216	282,223,921	284,048,593	285,741,887	287,394,861	289,176,977

2031	2032	2033	2034	2035
8,095,836	8,502,474	8,782,792	8,868,465	8,838,275
28,219,569	28,219,569	28,219,569	28,219,569	28,219,569
206,489,520	210,855,388	215,336,276	219,932,867	224,647,827
36,752,848	33,775,209	30,667,634	27,424,453	24,038,037
3,298,502	3,262,289	3,225,744	3,189,096	3,177,508
-	-	-	-	-
-	-	-	-	-
7,970,549	7,970,549	7,970,549	7,970,549	7,970,549
290,826,824	292,585,478	294,202,563	295,604,998	296,891,765
2,283,545	2,283,545	2,283,545	2,283,545	2,283,545
-	-	-	-	-
-	-	-	-	-
152,530,460	157,918,744	163,186,623	168,329,017	173,329,551
(248,494)	(248,494)	(248,494)	(248,494)	(248,494)
2,885,431	2,185,386	1,539,183	873,322	271,288
155,167,397	159,855,636	164,477,312	168,953,846	173,352,346
33,464,177	33,464,177	33,464,177	33,464,177	33,464,177
16,528,134	15,953,065	15,382,229	14,812,491	14,243,689
207,443,253	211,556,423	215,607,263	219,514,059	223,343,757
-	-	-	-	-
125,674,596	125,674,596	125,674,596	125,674,596	125,674,596
(40,054,251)	(42,291,025)	(44,645,541)	(47,079,296)	(49,583,656)
3,157,410	3,086,305	3,038,453	2,995,814	2,972,521
(5,394,183)	(5,440,821)	(5,472,208)	(5,500,175)	(5,515,453)
83,383,571	81,029,055	78,595,300	76,090,940	73,548,008
290,826,824	292,585,478	294,202,564	295,604,999	296,891,765