

**P/L Statements**

**Entire Water System**

Total Ordinary Income	\$ 23,992
Total Ordinary Expenses	\$ <u>59,560</u>
Net Ordinary Income	\$(35,568)
Other Expenses (Amort-Rate Case Exp)	\$ <u>2,500</u>
Net Total Income	\$(38,068)

[ Depreciation = \$26,912      Amortization AIAC = \$ -10,105 ]

[February, 2011: Total Ord. Income = \$14,534      Total Ord. Expenses = \$55,608  
 Net Ord. Income = \$(41,074) Note: Developer's AIAC subtracted from Expenses]

	<u>ICR Water System</u>	<u>TRR Water System</u>
Total Ordinary Income	\$ 10,365	\$ 13,627
Total Ordinary Expenses	\$ <u>22,791</u>	\$ <u>36,770</u>
Net Ordinary Income	\$(12,426)	\$(23,143)
Other Expenses	\$ <u>500</u>	\$ <u>2,000</u>
Net Total Income	\$(12,926)	\$(25,143)

<b>February Expenses of Note</b>	<u>TRR</u>	<u>ICR System</u>	<u>Ratio</u>
Depreciation:	\$19,720	\$7,192	2.74:1.0
Amortization CIAC	\$ -6,933	\$ -3,173	2.18:1.0
aQuality Contract	\$5,600	\$1,400	4.00:1.0
aQuality Extras	\$ 944	\$ 217	4.35:1.0
Accounting Contract+Nonroutine	\$1,088	\$1,633	0.67:1.0
Liability Insurance	\$6,845	\$6,845	1.0/1.0
Legal/Professional Serv.	\$1,919	\$2,879	0.67/1.0
Electric Power	\$3,703	\$1,395	2.65:1.0
Other Vendors/Outside Serv.	\$1,627	\$1,475	0.67/1

**Balance Sheet Statement**

Total Current Assets	\$273,847
Accounts Receivable	\$ <u>25,245</u>
Net Current Assets	\$299,092
Total Current Liabilities	\$ <u>44,668</u>
Current Assets Exceed Liabilities	\$254,424

**Cash Flow**

Total Deposits	\$20,263
Total Disbursements	\$ <u>46,261</u>
Cash Deficit for February	\$(25,988)

**February 2012 Financial Notes**

<b>February Revenues</b>	<b><u>Feb. 2012</u></b>	<b><u>Feb. 2011</u></b>
Residential	\$17,053	\$12,111
Commercial	\$ 2,567	\$ 1,650
Lake Fill	\$ <u>4,238</u>	\$ <u>675</u>
Total	\$23,858	\$14,436

Water revenues for February of this year were \$9,422 more than for February of last year. In large part, this was due to about a \$5K improvement in residential sales and \$3.6K more in golf-course water revenues.

<b>February Expenses</b>	<b><u>February 2012</u></b>	<b><u>February 2011</u></b>
aQuality total expenses	\$ 8,161	\$ 7,165
Accounting Services total	\$ 2,721	\$ 5,633
Liability Insurance	\$13,690	\$12,435
Property Taxes	-----	\$ 4,923
Other Vendors/Outside Serv. \$ 3,102		\$ 733
Electric Power total:	\$ 5,097	\$ 5,269

Accounting fees for February, 2011 were \$2,912 more than for February of this year. About \$3,100 was paid W&A for meter reading software/hardware conversion work.

This year's insurance costs rose a modest \$1,255. No property taxes were paid this February. Other Vendors/Serv. charges included a \$1,475 payment to Inland Potable Services for the Magner tank inspection and \$1,627 to Advanced Pump Control Systems for the TRR well-field pump service.

<b>February Net Income</b>	<b><u>February 2012</u></b>	<b><u>February 2011</u></b>
Net Ordinary Income	\$(35,568)	\$(41,074)
Net Total Income	\$(38,068)	\$(43,574)

February, 2012 NOI improved by \$5,506 compared with February, 2011. This was due to increased revenues of \$9,458 offsetting increased expenses of \$3,952.

### **Balance Sheet**

February, 2012 saw a deterioration in our Current Assets - Current Liabilities (CA-CL) by \$44,731. Liquid assets (CA) fell by \$26,043 to \$273,847, while accounts payable (CL) rose by \$24,783 since January, 2012.

### **Cash Flow**

February continued a negative cash flow trend of \$(25,988). This sum is several times larger than any negative cash flow for FY 2011.