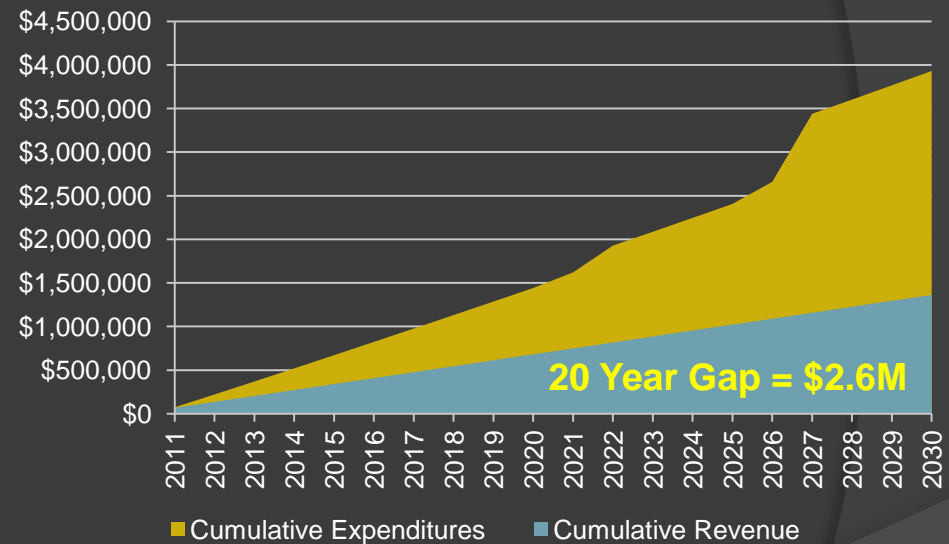


Sunset Ranch System

20 Year Averages	
System Value	\$2,600,000
Average Annual Renewal (AALCI)	\$67,000
Average Annual Improvements	\$44,000
Average Annual Operations & Maintenance	\$85,000
Existing Annual Debt Servicing	\$0
Results	
Average Annual Costs	\$196,000
Average Annual Revenue	\$68,000
Sustainability Gap	(\$128,000)



Observations (Sunset Ranch)

- ⦿ Additional revenue or borrowing needed starting in 2013
- ⦿ Based on existing rate revenues
 - Reserves depleted after 2012
 - Borrowing maximized in 2016
- ⦿ \$128,000 Gap = \$650 per connection
 - Translates to 255% increase
 - Current fee is \$256