Business Plan

MUNICIPAL BROADBAND

AN

ENTERPRISE

OF

CITY OF PECULIAR, MISSOURI

Prepared by:

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Carl Brooks, City Engineer
City of Peculiar, Missouri
250 S. Main Street
Peculiar, Mo 64078

RE: Business Case and Customer Survey Report

Dear Mr. Brooks:

Enclosed please find a copy of our completed "Business Case" report evaluating the feasibility of a municipal broadband network. This report includes the findings of a community survey intended to determine the interest of citizens in high speed broadband and their preference as to the role of the City in such an endeavor.

We have appreciated the support of the City in this effort and the time that local businesses and institutions afforded us in providing their inputs. If you have any questions regarding the content of this report or survey please contact me.

Gary M. Lee PE
President

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I. INTRODUCTION

Peculiar, Missouri is a municipal government organization governed by a mayor and board of alderman. The city is managed by a professional staff lead by the city administrator.

The City of Peculiar proposes to facilitate the building and operating a fiber-to-the- home (FTTH) broadband communications network to bring broadband to their underserved citizens. The broadband initiative may be owned by the citizens of Peculiar and operated as either a municipal enterprise under the direction of the city or by a private company selected by the City. The City will design the network to ensure that community anchor institutions have access to very high-bandwidth broadband to provide essential services to the community as described herein.

The City government officials have engaged the local citizens. Public officials have reached out to every local organization both governmental and non-governmental in an attempt to fully inform and solicit public input. The response has been overwhelming. First and foremost the citizens view this as their project and their network. The citizens input and creative ideas have led to a wide range of improvements to this plan. It is the City's goal to keep this level of citizen involvement active throughout the life of this network. At the heart of this City lead project is better communications which drives the business, health, education and growth of their City.

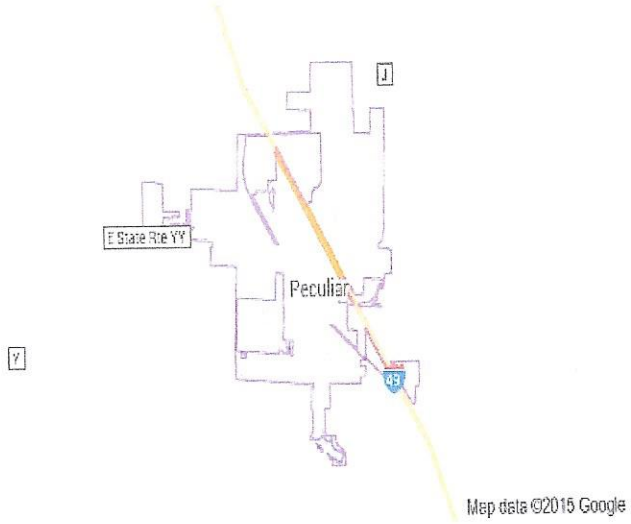
The City has engaged numerous local government and private stakeholders in developing a team approach to this endeavor. Businesses have provided evidence of how job creation will be enhanced, healthcare officials have illustrated the benefits to providing rural healthcare and education institutions have laid out their plans for using this network in expanding their services. All of this has been provided in a spirit of collaboration rarely seen in government. This City is committed to extending this spirit through implementation and on into the ongoing operation and management of the system itself. The City is leveraging the revenues anticipated by this system to provide allied services in the area of job incubators and improved water and sewer service systems.

The recirculation of currency within the local community in the form of reinvestment in local institutions and enterprises is a major goal of all the City's endeavor. In this manner, the City enhances its own destiny by providing a more sustainable community not only in economic terms but also in terms of natural and human resources.

II. EXECUTIVE SUMMARY

The City of Peculiar intends to construct a Last Mile, Fiber-To-The-Home (FTTH) 47 mile network to enable 100 Mbps broadband service, video, VoIP telephony, distance learning, tele-medicine, and other advanced broadband applications to 1,900 households, 5 businesses, and 3 critical community anchor institutions within 8.44 square miles of "underserved" areas of the city. The estimated project cost is $6.5MM.

- 10 direct job years will be impacted in areas such as fiber installation, technicians, construction workers, project managers and network operators. Significantly more positions will be created through attraction of new business with broadband acting as a platform to create innovative new products and services.
- The proposed service area consists of 8.44 sq. mi.
- Over 90% of homes own computers although over 56% of homes lack access to high-speed broadband. The project will rectify this.



- 1 community anchor and critical community facilities, 1,900 households and 5 businesses will be served.
- Telecommuting to CenterPoint Intermodal Center and Honeywell will be facilitated for a City workforce.
- We will serve the chronically underserved.

III. Mission, Strategies, Etc.

3.1 Vision

Peculiar Broadband envisions its enterprise as a national example of how to deploy and operate a publicly owned broadband network. This arm of the municipal government will provide the highest quality broadband service to its citizens, thus enhancing the provisions of basic services, public safety, education and job creation.

3.2 Mission

The mission of Peculiar Broadband is to provide the highest quality broadband service at an affordable cost to its residents, businesses and institutions. It will seek to provide applications over its high speed network in support of anchor institutions, thus encouraging the growth of jobs in the City.

3.3 Values

Peculiar Broadband seeks to conduct all of its business in the best interest of the citizens of the City; to abide by high ethical standards; to conduct business in a transparent and open atmosphere; and encourage professional growth in its staff through targeted training.

3.4 Objectives

The City of Peculiar has unique initiatives and complimentary economic development plans in place. The City is poised for explosive new economic development. Both risk suffocating in silence without access to high-speed broadband. Broadband is the missing piece of critical public infrastructure that neither private enterprise nor the City can fund alone. This report presents seven compelling points of impact that demonstrate the opportunities to create sustainable leverage through a broadband-enabled fiber network for the residents, businesses and critical community facilities of the City of Peculiar.

- ***First*** - While over 90% of homes own a computer, around 100% of homes in our service territory have no access to high-speed broadband equal to the capability that we propose to build. 90% percent of those surveyed, stated that they want reliable, high-speed broadband service. Current municipal conditions are obsolete compared to the technological change and innovation that are accelerating in this industry.
- ***Second*** - An Enhanced Enterprise Zones (EEZs) has been established in the city to attract business investments and spur economic development to disadvantaged areas. Building a broadband- enabled fiber network will ensure these EEZ companies have the connectivity and bandwidth required to compete regionally, nationally and globally.
- ***Third*** - The region's premier industrial park development, CenterPoint Interniodal Center, located just 8 miles north of Peculiar, in Jackson County has landed a new Honeywell facility and together they will employ 6,000 people. A broadband-enabled fiber network will mean telecommuting employment opportunities for six residents, which wouldn't otherwise be possible without broadband connectivity to perform these jobs. Feeder industries that could locate and grow in the City's EEZs will find it impossible to do so without high-speed broadband access.
- ***Fourth*** – The City currently has 2 providers serving the Internet market using dial-up, DSL, wireless, or other means. From our customer service survey we determined that there is low satisfaction with these providers who deliver sub-par service compared to the broadband service available in those served by the Google Network

in KC, MO. None of the competitors has adequate market share to support the financial investment required to build a broadband-enabled fiber-to-the-home network for the City.

- ***Fifth*** – The City's asset portfolio includes affordable land, a strong labor pool and a comprehensive network of highways. Without a communications infrastructure to match, the city of Peculiar cannot attract the investment necessary to generate economic development. It will remain on the wrong side of the Digital Divide.
- ***Sixth*** - Area schools increasingly rely on Internet to communicate between parents, teachers, students and the community. This includes grade reports, attendance, events, on-line classes and other communications. A broadband-enabled fiber network would springboard distance learning opportunities for citizens. The Raymore-Peculiar School District is currently served by More Net and has recently entered into a 10 year fiber lease with United Fiber. The district believes their current broadband needs are met by their relationship.
- ***Seventh*** - This project exemplifies collaborative local effort to enhance economic development. Broadband is the electricity of our generation. It is no longer a luxury. Without reliable high-speed internet, businesses, schools, libraries, hospitals, families, workers and students cannot compete, thrive or participate in a global economy that is advancing without them.

3.5 Strategy

The City will build a passive optical fiber-to-the-home network preferably on an open and non-discriminatory basis along existing electric distribution rights-of-way, with planned drops to every home. Utilizing existing rights-of-way eliminates adverse environmental impact.

Services offered over the network will include High Speed Internet access and triple-play broadband bundles from multiple Internet, video and voice providers as well as home security, video surveillance, distance learning, tele-medicine, and other future end-user applications. The network will also connect critical community anchor institutions and small businesses.

IV. CUSTOMER EXPERIENCE

It is Peculiar Broadband's directive that all system design, operational schemes and network configurations focus first on the intended experience of the typical customer.

- Customers will access basic high speed data transmission and all related services by selecting one of several Internet options.
- Customers may access ancillary services through Peculiar Broadband approved affiliates including VOIP and Video services.
- Customers will be billed for data services directly by individual approved service providers.
- Customers will have a selection of video and VOIP providers through the Broadband system and will be billed directly for those services by the selected provider.

V. SERVICE OFFERING

6.1 Description of Existing Services

Existing services in the proposed service area are very limited and include DSL provided by CenturyLink and high speed over cable provided by FairPoint and Comcast. In the case of DSL service, availability is limited by proximity to the Central Office. The same is true for high speed over cable.

Competitor speeds, markets and pricing are detailed in the "Competitive Service Offering" however current services have both limited availability and are expensive relative to the speed they deliver (in particular compared to our proposed pricing discussed below).

6.2 Suggested Pricing

The proposed plan will offer two residential service levels priced at $50.00 and $70.00 respectively, to give residents a choice of affordable alternatives based on their specific needs and financial situation.

The Entry Level service, priced at $50.00 per month offers a full 250Mbps downstream and 250Mbps upstream speed. For many families this level of service will more than satisfy their needs and at only $50.00 per month offers a true broadband experience at a price not much more than their current alternative.

The Highest Speed Level data package, which is priced at $70.00 per month, offers speeds of 1000Mbps downstream and 1000Mbps upstream. This package is designed for the serious internet user and offers exceptional download and upload capability ideal for file sharing, gaming and other uses. At only $70.00 per month the Highest Speed Level package is only slightly more than $10 dollars above the Pew study's national average for broadband expense, while delivering an outstanding option for those who seek exceptional speed for an additional cost.

Small Business packages will also be available with the Entry Level package priced at $99.95 per month and delivering 250Mbps downstream and 250Mbps upstream and the High Level package priced at $259.95 per month and delivering 1000Mbps downstream and 10Mbps upstream. These are outstanding speeds for small business application and compare favorably with the cost of DSL or Cable Data plans (if those services were available). The City will offer these packages to community anchor institutions as well however the City will apply a 25% discount to the above pricing for any anchor or small disadvantaged business.

The following "Competitor Service Offering" section provides information to compare competitive broadband services in the proposed service area. Again, a key point is that comparable services are NOT available to the majority of the residents covered in this application, so the comparisons are furnished to demonstrate that the proposed pricing is reasonable and affordable without respect to competition. Finally, the City's non-profit structure and community service focus motivates it over the long term to provide the service at rates that are attractive to its customers.

In summary, the City service plan will offer superior speeds at prices that are at or below those offered by competitors in the limited areas where they do exist. At $50.00 the residential Entry Level service package offers a price comparable to that of DSL. The Peculiar pricing and service plan will enable residents and businesses in the proposed

service area to experience broadband services that have superior performance characteristics at prices at or below national averages and those of any local competitor.

6.3 Competitive Service Offering

There are two major internet providers for City of Peculiar, Missouri zip code 64078 that supply wired/cable internet to residential lots: XFINITY by Comcast and EarthLink. Providers such as DISH and AT&T also supply internet to some areas of Peculiar but through satellite, Wi-Fi or dial-up means. These providers offer a wide variety of packages that include basic internet or added television channels.

The provider offering the largest selection of internet packages is XFINITY from Comcast. Ranging from 6Mbps to 250Mbps, their packages can also include HBO, Streampix, and local channels. The following is a list of XFINITY Comcast offers including the package name, data speed, and price range for each:[1,2]

- Performance Starter – 6Mbps (Download) – 1Mbps (Upload) - $29.99/Mo (First 12 Months)
- Performance 25 – 25Mbps (Download) - $39.99/Mo (First 12 Months)
- Performance – 50Mbps (Download) – 5Mbps (Upload) - $44.95/Mo (First 12 Months)
- Blast! – 105Mbps (Download) – 10Mbps (Upload) - $49.99/Mo (First 12 Months)
- Economy Plus – 3Mbps (Download) – .8Mbps (Upload) - $39.99/Mo
- Extreme 150 – 150Mbps (Download) – 20Mbps (Upload) - $114.95/Mo
- Extreme 250 – 3Mbps (Download) - $69.99/Mo Residential
- Extreme 250 – 3Mbps (Download) - $149.99/Mo Buisness

The second provider is Earth Link, a smaller company, and appears to only have one offer available in the Peculiar zip code. The offer is for a cable package at 20Mbps for $29.95 a month for the first six months. Other offers from Earth Link that are shown available in the 64078 zip code are dial-up connections.[3]

Fairpoint Communications offers an in-home router internet service with a maximum of 7 Mbps for $65 a month. This would require Fairpoint bringing internet to the home but devices would connect to the internet through a larger wireless router. The fastest service available through most residential areas of Peculiar, MO is 7 megabits per second.

[1]http://internetprovidersbyzip.com/service/xfinity-performance-starter-internet
[2]http://www.xfinity.com/internet-service.html?INTCMP=ILCCOMCOMHS165216
[3]http://internetprovidersbyzip.com/service/earthlink-cable-internet

VI. TARGET MARKET

7.1 Customer Survey

Survey Highlights

- Over 95% of Peculiar, Missouri homes have computers, and virtually all of them access the Internet
- Over 85% of the residents want faster Internet.
- Nearly HALF are dissatisfied with the cost of their CURRENT Internet service
- 45% - are dissatisfied with the speed of their CURRENT Internet service
- The majority - over 88% - said they would likely switch to Broadband Internet if it was available.
- 77% of these surveyed believe the City should play some role in assisting in deploying a fiber network.
- 27% of those surveyed believe the City should only to solicit interest from private companies to build a fiber network.
- 23% believe the City should play no role.

Survey Methodology

A phone survey was complete by Triton fully supervised by Universal Asset Management. Prior to the beginning of data collection, all surveyors were trained specifically on each survey question and its response set. At least once per shift, each surveyor was monitored on-line while conducting an actual survey.

In order to generate a random probability of households, the calling list provided to Triton was randomized prior to outbound dialing. The completed sample response includes 200 residents. This sample size will generate data useful in making business decisions based on commonly accepted statistical norms at the 95% confidence level with a margin of error of +/-6%, assuming an overall population of approximately 1,900 residents.

In addition, the City conducted an on-line survey soliciting input from 500 City resident email addresses – 179 residents responded to the survey. The "survey monkey" used in this effort was identical to the phone survey.

The results of both surveys have been compiled and are illustrated in the table located in Appendix F.

7.2 Customer Potential

The Peculiar Broadband network will traverse approximately 47 fiber miles, passing 1,900 residences, 5 businesses and 1 critical anchor institution.

VII. MARKETING AND SALES

8.1 Market Strategy

It is the strategy to focus primarily on the sale of high speed connectivity and related Internet services as Peculiar Broadband's core business and expertise. Initially, the City will make Voiceover Internet Protocol (VOIP) and Video services through approved vendors subject to an RFP/RFQ process. It is generally envisioned that accessing traditional voice and video services from dedicated service providers will eventually diminish over time as more and more providers appear on the World Wide Web and their services offerings become ever more robust and sophisticated. This will particularly be the case as Internet Protocol TV (IPTV) evolves over the next ten years. While this plan contemplates the decrease in the reliance on traditional carriers of traditional voice and video over the next five years, it envisions a companion increase in high speed data services required by similar content and services now being delivered over the Internet. Using this approach to future projections it is anticipated that Peculiar Broadband can reduce its market risk.

In addition to basic Internet service, Peculiar Broadband may offer email and web services along with hosting special applications developed specifically for broadband use. To make certain that applications are provided that meet the needs of City institutions and businesses a strategic planning committee has been launched to solicit public/stakeholder guidance in deploying the highest priority applications and insuring that the network design supports these efforts.

It is further recognized that both the younger and older population of the City may have specific needs to assure wide acceptance and use of broadband services. For this reason stakeholders representing these demographics have been added to the strategic planning process.

It is intended to acquire customers using the "rural water district" model. The creation of a rural water district is similar to this endeavor in many ways. The City is starting this initiative with a water and sewer utility customer base, water and sewer infrastructure and an existing enterprise organization. There is good reason to use this model:

1) It has been refined over the years by USDA and it works.
2) Some of the City's potential customers are customers of a rural water district and therefore familiar with the methodology.

The model works as follows:

1) A user agreement is developed which requires the signer to agree to the following:
   a) Payment of an initial fee of $50.00
   b) Subscribe to at least the minimum Internet services plan for one year.
   c) Provide an easement across their property and right to install an Optical Network Terminal (ONT) on their building being served including a perpetual right of egress to maintain equipment.
   d) Customer acknowledges that they are responsible for providing power to the ONT.
2) A City-wide sales effort is launched to sign up as many customers as possible

3) Customers will be directed to several locations to sign up for service including bank branches, water district offices, city halls, etc.

4) All user agreement signatures must be attested by a notary so that they may be properly recorded with the City's recorder of deeds

5) Once user agreements have been recorded, provision of service begins in concert with the construction of the network

A sample user agreement is show below:

BROADBAND USERS AGREEMENT

This agreement entered into between Peculiar Broadband, a Broadband service provider, hereinafter called the "Agency," and _____, hereinafter called "Customer."

WITNESSETH

Whereas, the Customer desires to purchase broadband services from the Agency and to enter into a broadband users agreement as required by the infrastructure build-out team as set forth by the Agency.

NOW THEREFORE, in consideration of the mutual covenants, promises, and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows:

The Agency shall furnish, subject to industry standards and Rules and Regulations now enforced or as hereafter amended, such quantity of services as Customer may desire in connection with Customer's occupancy of the following described property:

1. Commonly known as _____
2. Legal property address _____
3. Legally described as _____

_____

_____

_____

The Agency shall install at the Agency's expense an ONT (Optical Network Termination device), a point of termination/demarcation and service lines which shall begin outside the home and extend to the property line, drop. The Agency shall have exclusive right to mount an ONT and physical drop to the premise. The service line (drop) shall connect with the ONT of the Agency at the nearest place of desired use by the Customer, provided the Agency has determined in advance that the system has sufficient capacity to permit delivery of Broadband Services at that point.

The Customer agrees to grant to the Agency, its successors and assigns, a perpetual easement in, over, under and upon the above-described land, with the right to erect, construct, install, and lay, and thereafter use, operate, inspect, repair, maintain, replace, and remove services lines and appurtenant facilities, together with the right to utilize adjoining lands belonging to the Customer for the purpose of ingress to and egress from the above-described lands.

The Customer shall install and maintain at the Customer's expense all inside wiring from the Customer's side of the ONT and extend to the dwelling or place of use. The service line (drop) shall connect to the Agency's ONT.

The Customer also agrees to be fully responsible for the inside wiring from the ONT to the home including the installation of approved devices if required.

The Customer agrees to comply with and be bound by the Articles, Rules and Regulations of the Agency, now in force, or as hereafter duly and legally supplemented, amended, or changed. The Customer also agrees to pay Broadband rates, time, and place as shall be determined by the Agency , and agrees to the imposition of such penalties for noncompliance as are now set out in the Agency 's Rules and Regulations, or which may be hereafter adopted and imposed by the Agency .

The Customer agrees to pay an installation fee in the amount of $50.00. In the event service to the Customer is terminated, either voluntarily by the Customer, or by the Agency for cause, the deposit shall be held and applied by the Agency to any unpaid balance then owing on the Customer's account.

Should the account be fully paid at the time of termination of service to the Customer, the deposit shall be refunded by the Agency within a reasonable time thereafter.

The Agency shall have final authority in any question of location of any service line connection to its Broadband (ONT); shall determine the services requested; and may shut off services to a Customer who allows a connection or extension to be made of the customer's service line for the purpose of supplying Broadband services to another user. In the event the total Broadband services shall be insufficient to meet all of the needs of the Customers, or in the event there is a shortage of Broadband capacity, the Agency may prorate the services available among the various Customers on such basis as is deemed equitable.

The Customers agrees that no other present or future source of interconnection will be made to any lines served by the Agency 's lines and will disconnect from the present Broadband facilities prior to connecting to and switching to the Agency 's system and shall eliminate their present or future cross-connections in the Customer's system.

The Customer or Representative shall connect the inside wiring to the Agency's ONT and shall commence to use Broadband services from the system on the date the service is made available, to the Customer by the Agency. Broadband service charges to the Customer shall commence on the date service is made available, regardless of whether the Customer connects to the system.

In the event the Customer shall breach this contract by refusing or failing, without just cause, to connect a service line to the Agency 's distribution system as set forth above, the Customer agrees to pay the Agency a lump sum of ($100.00) Dollars ($) as liquidated damages.

It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the Customer in either of the respects set forth above would be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in an attempt to make a reasonable forecast of probable actual loss because of the difficulty of estimating with exactness the resulting damages.

The failure of a customer to pay service charges duly imposed shall result in the automatic imposition of the following penalties:

1. Nonpayment within ten days from the due date will be subject to a penalty of ten percent of the delinquent account.
2. Nonpayment within thirty days from the due date will result in the services being shut off from the Customer's property.
3. In the event it becomes necessary for the Agency to shut off the services from a Customer's property, a fee set by the Agency in its rate schedule will be charged for a reconnection of the service.

IN WITNESS WHEREOF, we have executed this agreement this _____ day of _____, 20____.

SEAL

_____

(Name of Agency)

_____

President

ATTEST:

_____

Customer

_____

Customer

_____

Customer

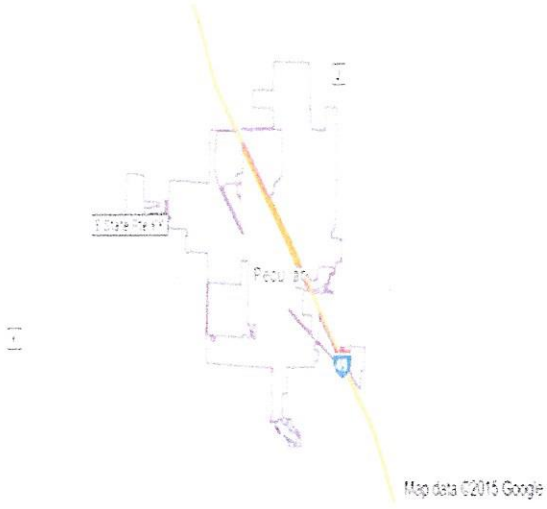
VIII. TECHNOLOGY

9.1 Capacity Planning

Last Mile – Internet service bandwidth needs have been increasing rapidly over the last 10 years. From real life experience the amount of internet bandwidth currently needed is in a mini-max range of 28 to 45 Mbps per 1000 customers. This number is expected to approximately triple current rates to 87 to 138 Mbps. The Peculiar network with (based approximately on 65% penetration) 1,235 customers would need internet bandwidth of 1000 Mbps with allowance to grow to 2 Gbps as needed. The network is scheduled to be completed over a two year period and actual bandwidth needs will be forecast throughout the construction process. Electronic network equipment and the appropriate software will be selected to capture and archive the utilization data both to look for network congestion, throughput and latency, as well as forecast actual growth. Additional bandwidth will be provisioned well ahead of the actual need. The last mile systems' internet will be deployed using the GPON Standard protocols and there are several software tools available to monitor and forecast bandwidth available.

9.2 System Design

The type of system planned is a bi-directional FTTH (Fiber To The Home) network using GPON (Gigabit Passive Optical Network) electronics. The service available will depend on the local market but 1000 Mbps symmetrical service to every home can be easily provided. Video and voice services will also be offered. The network will be an open network model, with competing services available.



A bi-directional FTTH (Fiber to the Home) network using EPON (Ethernet Passive Optical Network), GPON or FRoG electronics to allow The City of Peculiar to transport broadband services throughout their service area. The network will be designed to initially transport high speed data services and will also be designed to include voice and video services as well, at a later date to be determined in the City's sole discretion. Our initial recommendation is to use EPON.

The project includes approximately 1900 passings using 47 miles of fiber optic network.

The size of the digital service provisioned to support the network will be determined by the network's demand. The actual optical service ties between the office and optical distribution cabinets located at each hub will be a 10GigE.

From the Headend or each Hub a fiber network using the distributed tap architecture will be designed to serve the area.

Fiber routes will be laid out logically to economically connect each service group back to the Optical Distribution cabinet located at the Headend or each Hub. Network architecture will be a star design with the possibility to ring the network in the future. There will be four distinct fibers designated to each Hub plus additional fibers as needed

to allow for growth and business opportunities. As in a typical fiber network design there will be one fiber designated for each group of 32 passings plus spares. There may be other services or network fibers added to this number when finalizing the network design.

Although the optical link budgets and electronics are identical to a typical fiber network build, the network will not employ 1:32 splitters but will use a design distributing optical taps throughout the serving area enabling the overall average fiber count to be reduced, allowing for less up front capital and efficient longer term maintenance. This will allow each drop to be connectorized simplifying the installation process and result in a more efficient overall cost per mile.

Penetration is modeled at 70% of the homes passed for internet service.

The Optical Network Terminal will be capable of providing video, Ethernet and telephone connections.

IX. OPERATIONAL PLAN

10.1 Services Provided

The City intends to contract with an experienced firm to operate the system or provide service over their networks.

The attached process model illustrates the services to be provided in the execution of O&M tasks and system management responsibilities. Each of the elements shown in this diagram has been expanded with more detailed process mapping.

X. FUNDING

It would be most desirable to attract a private company that would finance the deployment of the proposed broadband network. If such a private entity cannot be obtained it is suggested that a private-public partnership be considered. Under such an arrangement the City may consider expanding its water and sewer enterprise to include the fiber network. Under such an arrangement the fiber network would be funded using tax-exempt municipal revenue bonds combined with the water and sewer enterprise fund. Such bonds would be re-paid from the proceeds of the fiber network.

If such a plan were adopted, it is suggested that in addition to the fiber network funding, funds also be provided to upgrade the existing water meters to SMART – automatic metering with communications being provided by the fiber network. This would add approximately $500,000 to the project cost. It is also suggested that the supervisory monitoring and control system be enhanced for the water and sewer utility again with communication provided by the fiber network. This would add approximately $200,000 to the project cost.

The total cost of the proposed project is as follows:

▪ Fiber Network	$6,500,000
▪ PMI – SMART Meters	$500,000
▪ SCADA – Control Upgrade	$200,000
	$7,200,000

Another option to consider deploying is an initial project phase based upon the most economical construction areas (those areas where the cost of the network per subscriber is below $5,000). If this plan was adapted FDHs (Fiber Distribution Hubs – See Appendix A) 5,6,8 & 10 would be delayed as their unit subscriber construction costs range from $5,000 to $10,000 each.

The project cost for this approach as a phase 1 would be as follows:

▪ Fiber Network	$4,400,000
▪ PMI – SMART Meters	$350,000
▪ SCADA – Control Upgrade	$200,000
	$4,950,000

XI. IMPLEMENTATION

The City survey indicated an even split in citizen response between preferring minimal to "no" City involvement in securing a broadband network to preferring significant City participation. It is therefore suggested that a request for proposal be considered that would seek proposals based upon the following options:

1. Total private ownership including operation and maintenance.
2. Municipal finance and ownership of assets but private operation and maintenance.

The decision with regards to deployment of the broadband network would depend upon the responses received. The second alternative is a private-public partnership arrangement.

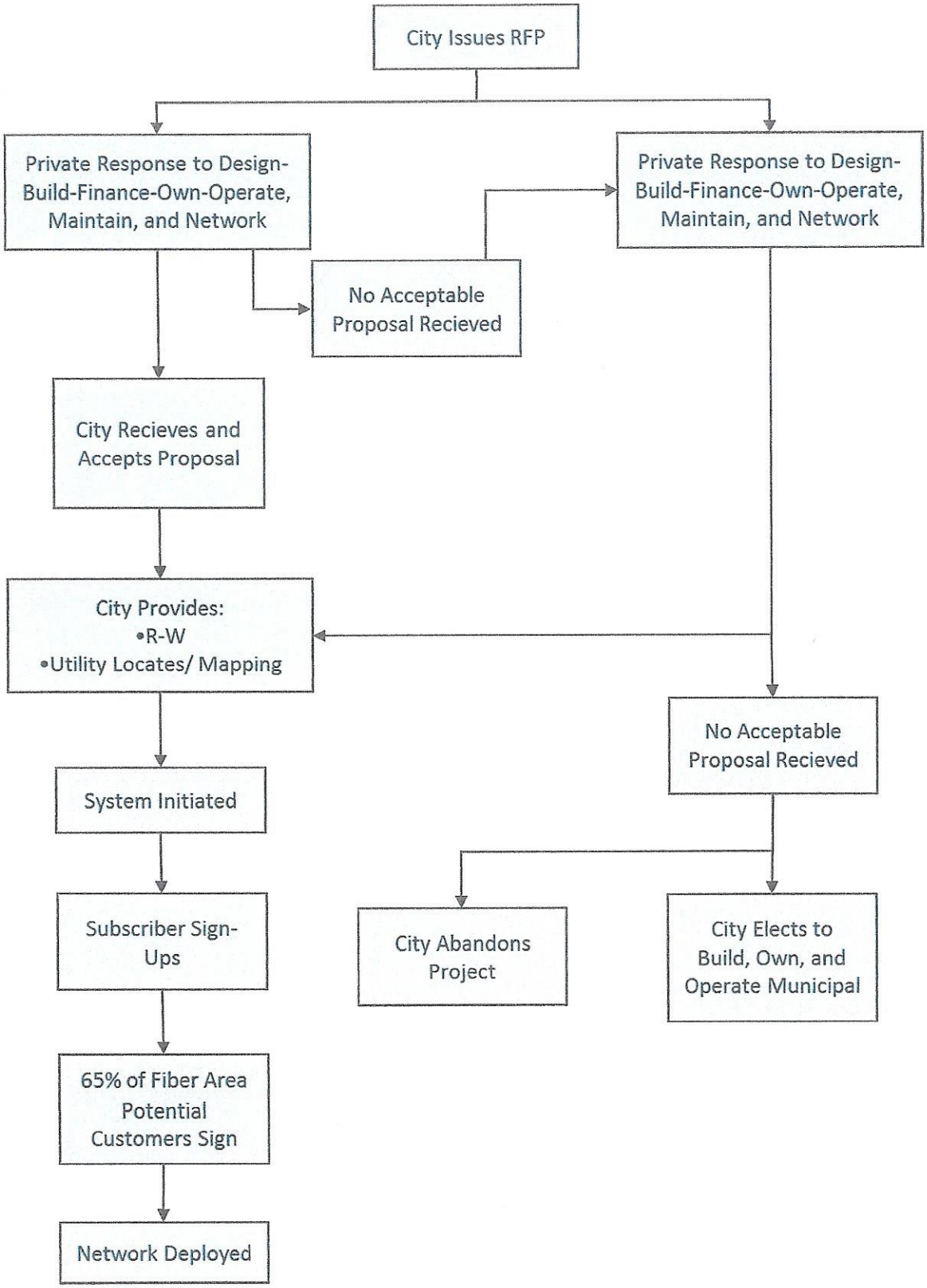
A public-private partnership (PPP) is a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies. These schemes are sometimes referred to as PPP.

PPP involves a contract between a public sector authority and a private party, in which the private party provides a public service or project and assumes substantial financial, technical and operational risk in the project. In some types of PPP, the cost of using the service is borne exclusively by the users of the service and not by the taxpayer.[1] In other types (notably the private finance initiative), capital investment is made by the public sector on the basis of a contract with the private entity or entities to provide agreed services and the cost of providing the service is borne wholly by the Private Entity. Government contributions to a PPP may also be in kind (notably the transfer of existing assets). In projects that are aimed at creating public goods like in the infrastructure sector, the government may provide a capital in the form of providing access to low interest long term tax exempt financing. In this project it is proposed that the water and sewer utilities be combined with proposed fiber network. In this scenario the City would own the asset of the network while the private entity or entities would be responsible for providing services including operation and maintenance of the system.

Under this plan the City would control the design and construction of the network with the private entity or entities assuming responsibility for the headend equipment, customer service, operations and system maintenance. The contracts entered into between the public and private entities would detail service level requirements and the public entity would exercise strict control over the enforcement of those service level objectives. The City would prepare requests for proposals detailing all work scopes and specifications for services to be provided by the private entities. All proposals would be received by the City in an open competitive process in compliance with city ordinances and State of Missouri statutes.

13.1 General

The following process map outlines the implementation plan. It is planned to begin construction in January and to complete construction 24 months later.


City Issues RFP
Private Response to Design-Build-Finance-Own-Operate, Maintain, and Network
Private Response to Design-Build-Finance-Own-Operate, Maintain, and Network
No Acceptable Proposal Recieved
City Recieves and Accepts Proposal
City Provides:
•R-W
•Utility Locates/ Mapping
No Acceptable Proposal Recieved
System Initiated
Subscriber Sign-Ups
City Abandons Project
City Elects to Build, Own, and Operate Municipal
65% of Fiber Area Potential Customers Sign
Network Deployed

It is suggested that if an RFP is initiated by the City that potential responders should have 60 days to respond. Thus if an RFP was tendered on Nov. 1, 2015 all proposals would be due by Jan 1, 2015. In consideration of the holidays associated with this time period it is suggested that the tender period be extended to Feb. 1, 2016.

Allowing for proposal review and negotiations, it is likely that a contract could be obtained on or about April 1, 2016. The buildout of the project is likely to require two years but could be deployed sooner depending upon subscriber sign-up response time.

13.2 Pro Forma

Proforma

City Of Peculiar, Missouri

Revenue	
Video	$ 50.00
Data	$ 65.00
Voice	$ 20.00
Business HSD	$ 200.00
Installation fees (per connect)	$ 50.00
Wholesale	

Costs of Goods Sold	
Video Program Cost	$ 36.00
Internet Connectivity	
Telephone	$ 15.00
Pole Rental	$ -

Expenses	Annual Inflation Factor	Test Year Annual Cost
Salaries & Wages	See Salaries Tab	
Employee Insurance Group, Health Life	See Salaries Tab	
Taxes Payroll	See Salaries Tab	
Paryroll Service Expense	See Salaries Tab	
Consulting Fees	2%	$ 15,000
Service Call Maintenance	From Pulse Model	
Equipment	2%	$ 20,000
Legal & Accounting Fees	2%	$ 5,000
Travel	2%	$ 2,000
Training & Education	2%	$ 2,000
Advertising	2%	$ 7,500
Dues & Subscriptions	2%	$ 500
Fees & Licenses	2%	$ 1,000
Postage & Shipping	2%	$ 5,000
Telephone & Communication	2%	$ 1,200
Computer Expense	2%	$ 2,500
Meals & Entertainment	2%	$ 500
Rents & Utilities	2%	$ 10,000
Misc. Expense	2%	$ 25,000
Management Fee	2%	$ 7,500

Capital Expenditures	
Installation (per customer connect)	$ -
Video CPE	$ -
Data CPE	$ -
Telephone CPE	$ -
Non-RUS Debt Amount	$ 6,477,894.77
Non RUS Interest Rate (APR)	4%
Non Rus Loan Term (Years)	20
RUS Loan Rate (APR)	4.0%
RUS Loan Term (Years)	20

Proforma

City Of Peculiar, Missouri

Project Costs	Budget Original
NETWORK & ACCESS EQUIPMENT	$ 932,980
OUTSIDE PLANT	$ 4,725,355
SUBSCRIBER EQUIPMENT	$ -
BILLING SUPPORT AND OPERATIONS SUPPORT SYSTEMS	$ 25,000
OPERATING EQUIPMENT (vehicles, office equipment, etc.)	$ 15,000
PROFESSIONAL SERVICES	$ 629,560
START UP COSTS	$ 50,000
OTHER	$ 100,000
Total	$ 6,477,895
Total For Project	$ 6,477,894.77

Broadband Income Statement

	Quarter 5	Quarter 6	Quarter 7	Quarter 8	Quarter 9	Quarter 10	Quarter 11	Quarter 12	Quarter 13	Quarter 14	Quarter 15	Quarter 16	Quarter 17	Quarter 18
Revenues														
Video	$ 62,165	$ 62,165	$ 62,165	$ 62,165	$ 64,030	$ 64,030	$ 64,030	$ 64,030	$ 65,950	$ 65,950	$ 65,950	$ 65,950	$ 67,929	$ 67,929
Data	$ 183,074	$ 183,074	$ 183,074	$ 183,074	$ 183,074	$ 183,074	$ 183,074	$ 183,074	$ 183,074	$ 183,074	$ 183,074	$ 183,074	$ 183,074	$ 183,074
VOIP	$ 27,172	$ 27,172	$ 27,172	$ 27,172	$ 27,987	$ 27,987	$ 27,987	$ 27,987	$ 28,826	$ 28,826	$ 28,826	$ 28,826	$ 29,691	$ 29,691
Business HSD	$ 6,180	$ 6,180	$ 6,180	$ 6,180	$ 6,365	$ 6,365	$ 6,365	$ 6,365	$ 6,556	$ 6,556	$ 6,556	$ 6,556	$ 6,753	$ 6,753
Installation fees (per connect)	$ 2,088	$ 2,088	$ 2,088	$ 2,088	$ 2,150	$ 2,150	$ 2,150	$ 2,150	$ 2,215	$ 2,215	$ 2,215	$ 2,215	$ 2,281	$ 2,281
Wholesale														
Total	$ 280,678	$ 280,678	$ 280,678	$ 280,678	$ 283,606	$ 283,606	$ 283,606	$ 283,606	$ 286,622	$ 286,622	$ 286,622	$ 286,622	$ 289,728	$ 289,728
Costs of Goods Sold														
Video Program Cost	$ 44,759	$ 44,759	$ 44,759	$ 44,759	$ 46,101	$ 46,101	$ 46,101	$ 46,101	$ 47,484	$ 47,484	$ 47,484	$ 47,484	$ 48,909	$ 48,909
Internet Connectivity	$ 13,562	$ 13,562	$ 13,562	$ 13,562	$ 13,562	$ 13,562	$ 13,562	$ 13,562	$ 13,562	$ 13,562	$ 13,562	$ 13,562	$ 13,562	$ 13,562
Telephone	$ 18,106	$ 18,106	$ 18,106	$ 18,106	$ 18,106	$ 18,106	$ 18,106	$ 18,106	$ 18,106	$ 18,106	$ 18,106	$ 18,106	$ 18,106	$ 18,106
Pole Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ 76,427	$ 76,427	$ 76,427	$ 76,427	$ 77,769	$ 77,769	$ 77,769	$ 77,769	$ 79,152	$ 79,152	$ 79,152	$ 79,152	$ 80,577	$ 80,577
Gross Profit	$ 204,251	$ 204,251	$ 204,251	$ 204,251	$ 205,836	$ 205,836	$ 205,836	$ 205,836	$ 207,469	$ 207,469	$ 207,469	$ 207,469	$ 209,151	$ 209,151
Operating Expenses														
Salaries & Wages	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547
Employee Insurance Group, Health Life	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277
Taxes Payroll	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188
Paryroll Service Expense	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455
Consulting Fees	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
Repairs & Maintenance	$ 3,232	$ 3,232	$ 3,232	$ 3,232	$ 3,232	$ 3,232	$ 3,232	$ 3,232	$ 3,232	$ 3,232	$ 3,232	$ 3,232	$ 3,232	$ 3,232
Equipment	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
Legal & Accounting Fees	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508
Travel	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102
Training & Education	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508
Advertising	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
Dues & Subscriptions	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127
Fees & Licenses	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254
Postage & Shipping	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203
Telephone & Communication	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Computer Expense	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508
Meals & Entertainment	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102
Rent & Utilities	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030
Misc. Expense	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
Management Fee	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
Total	$ 64,114	$ 64,114	$ 64,114	$ 64,114	$ 64,114	$ 64,114	$ 64,114	$ 64,114	$ 64,114	$ 64,114	$ 64,114	$ 64,114	$ 64,114	$ 64,114
Operating Profit	$ 140,137	$ 140,137	$ 140,137	$ 140,137	$ 141,722	$ 141,722	$ 141,722	$ 141,722	$ 143,355	$ 143,355	$ 143,355	$ 143,355	$ 145,037	$ 145,037
Interest Expense	$ 62,631	$ 62,105	$ 61,584	$ 61,067	$ 60,554	$ 60,046	$ 59,541	$ 59,042	$ 58,546	$ 58,054	$ 57,567	$ 57,084	$ 56,604	$ 56,129
Principal Payment	$ 52,581	$ 52,140	$ 51,702	$ 51,268	$ 50,838	$ 50,411	$ 49,988	$ 49,568	$ 49,152	$ 48,739	$ 48,330	$ 47,924	$ 47,522	$ 47,123
Net Income	$ 24,925	$ 25,892	$ 26,851	$ 27,802	$ 30,331	$ 31,266	$ 32,193	$ 33,113	$ 35,657	$ 36,562	$ 37,458	$ 38,347	$ 40,911	$ 41,785
Principal and Interest	$ 115,212	$ 114,245	$ 113,286	$ 112,335	$ 111,392	$ 110,456	$ 109,529	$ 108,609	$ 107,698	$ 106,793	$ 105,897	$ 105,008	$ 104,126	$ 103,252
Coverage	1.22	1.23	1.24	1.25	1.27	1.28	1.29	1.30	1.33	1.34	1.35	1.37	1.39	1.40

Broadband Personnel (Salaries and Benefits)

Personnel	# of Employees	Starting Salaries Including Benefits Per Employee	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6	Quarter 7	Quarter 8	Quarter 9	Quarter 10	Quarter 11	Quarter 12	Quarter 13	Quarter 14	Quarter 15	Quarter 16	Quarter 17	Quarter 18	Quarter 19	Quarter 20
Manager	1	$ 65,000.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00
Assistant Manager	0	$ 60,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Secretary/Receptionist	1	$ 25,000.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00
Network Manager	1	$ 45,000.00	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50
Maintenance Tech	1	$ 40,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00
Call Center Operator	1	$ 25,000.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00
Sales Manager	0	$ 60,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Account Executive	0	$ 55,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Product Development	0	$ 45,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Strategic Planning	0	$ 40,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Bookkeeper	0.25	$ 55,000.00	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38
Information Technology (IT)	0.25	$ 50,000.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00
Legal	0	$ 50,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Billing/Collections	0	$ 30,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Totals	5.5		$ 46,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88

OPERATING EXPENSES

	Inflation Factor	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6	Quarter 7	Quarter 8	Quarter 9	Quarter 10	Quarter 11	Quarter 12	Quarter 13	Quarter 14	Quarter 15	Quarter 16	Quarter 17	Quarter 18
Consulting Fees	3%	$ 1,000	$ 1,008	$ 1,015	$ 1,023	$ 1,030	$ 1,038	$ 1,046	$ 1,054	$ 1,062	$ 1,070	$ 1,078	$ 1,086	$ 1,094	$ 1,102	$ 1,110	$ 1,119	$ 1,127	$ 1,135
Repairs & Maintenance	3%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Equipment	3%	$ 1,000	$ 1,008	$ 1,015	$ 1,023	$ 1,030	$ 1,038	$ 1,046	$ 1,054	$ 1,062	$ 1,070	$ 1,078	$ 1,086	$ 1,094	$ 1,102	$ 1,110	$ 1,119	$ 1,127	$ 1,135
Legal & Accounting Fees	3%	$ 500	$ 504	$ 508	$ 511	$ 515	$ 519	$ 523	$ 527	$ 531	$ 535	$ 539	$ 543	$ 547	$ 551	$ 555	$ 559	$ 563	$ 568
Travel	3%	$ 100	$ 101	$ 102	$ 102	$ 103	$ 104	$ 105	$ 105	$ 106	$ 107	$ 108	$ 109	$ 109	$ 110	$ 111	$ 112	$ 113	$ 114
Training & Education	3%	$ 500	$ 504	$ 508	$ 511	$ 515	$ 519	$ 523	$ 527	$ 531	$ 535	$ 539	$ 543	$ 547	$ 551	$ 555	$ 559	$ 563	$ 568
Advertising	3%	$ 1,000	$ 1,008	$ 1,015	$ 1,023	$ 1,030	$ 1,038	$ 1,046	$ 1,054	$ 1,062	$ 1,070	$ 1,078	$ 1,086	$ 1,094	$ 1,102	$ 1,110	$ 1,119	$ 1,127	$ 1,135
Dues & Subscriptions	3%	$ 125	$ 126	$ 127	$ 128	$ 129	$ 130	$ 131	$ 132	$ 133	$ 134	$ 135	$ 136	$ 137	$ 138	$ 139	$ 140	$ 141	$ 142
Fees & Licenses	3%	$ 250	$ 252	$ 254	$ 256	$ 258	$ 260	$ 261	$ 263	$ 265	$ 267	$ 269	$ 271	$ 273	$ 276	$ 278	$ 280	$ 282	$ 284
Postage & Shipping	3%	$ 200	$ 202	$ 203	$ 205	$ 6,000	$ 6,045	$ 6,090	$ 6,136	$ 6,182	$ 10,679	$ 10,759	$ 10,840	$ 10,921	$ 11,003	$ 11,086	$ 11,169	$ 11,252	$ 11,337
Telephone & Communication	3%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Computer Expense	3%	$ 500	$ 504	$ 508	$ 511	$ 515	$ 519	$ 523	$ 527	$ 531	$ 535	$ 539	$ 543	$ 547	$ 551	$ 555	$ 559	$ 563	$ 568
Meals & Entertainment	3%	$ 100	$ 101	$ 102	$ 102	$ 103	$ 104	$ 105	$ 105	$ 106	$ 107	$ 108	$ 109	$ 109	$ 110	$ 111	$ 112	$ 113	$ 114
Rent &Utilities	3%	$ 2,000	$ 2,015	$ 2,030	$ 2,045	$ 2,061	$ 2,076	$ 2,092	$ 2,107	$ 2,123	$ 2,139	$ 2,155	$ 2,171	$ 2,188	$ 2,204	$ 2,221	$ 2,237	$ 2,254	$ 2,271
Misc. Expense	3%	$ 1,000	$ 1,008	$ 1,015	$ 1,023	$ 1,030	$ 1,038	$ 1,046	$ 1,054	$ 1,062	$ 1,070	$ 1,078	$ 1,086	$ 1,094	$ 1,102	$ 1,110	$ 1,119	$ 1,127	$ 1,135
Management Fee	3%	$ 1,000	$ 1,008	$ 1,015	$ 1,023	$ 1,030	$ 1,038	$ 1,046	$ 1,054	$ 1,062	$ 1,070	$ 1,078	$ 1,086	$ 1,094	$ 1,102	$ 1,110	$ 1,119	$ 1,127	$ 1,135

Quarter 19	Quarter 20	Quarter 21	Quarter 22	Quarter 23	Quarter 24	Quarter 25	Quarter 26	Quarter 27	Quarter 28	Quarter 29	Quarter 30	Quarter 31	Quarter 32	Quarter 33	Quarter 34	Quarter 35	Quarter 36	Quarter 37	Quarter 38	Quarter 39	Quarter 40
$ 1,144	$ 1,153	$ 1,161	$ 1,170	$ 1,179	$ 1,188	$ 1,196	$ 1,205	$ 1,214	$ 1,224	$ 1,233	$ 1,242	$ 1,251	$ 1,261	$ 1,270	$ 1,280	$ 1,289	$ 1,299	$ 1,309	$ 1,318	$ 1,328	$ 1,338
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 1,144	$ 1,153	$ 1,161	$ 1,170	$ 1,179	$ 1,188	$ 1,196	$ 1,205	$ 1,214	$ 1,224	$ 1,233	$ 1,242	$ 1,251	$ 1,261	$ 1,270	$ 1,280	$ 1,289	$ 1,299	$ 1,309	$ 1,318	$ 1,328	$ 1,338
$ 572	$ 576	$ 581	$ 585	$ 589	$ 594	$ 598	$ 603	$ 607	$ 612	$ 616	$ 621	$ 626	$ 630	$ 635	$ 640	$ 645	$ 649	$ 654	$ 659	$ 664	$ 669
$ 114	$ 115	$ 116	$ 117	$ 118	$ 119	$ 120	$ 121	$ 121	$ 122	$ 123	$ 124	$ 125	$ 126	$ 127	$ 128	$ 129	$ 130	$ 131	$ 132	$ 133	$ 134
$ 572	$ 576	$ 581	$ 585	$ 589	$ 594	$ 598	$ 603	$ 607	$ 612	$ 616	$ 621	$ 626	$ 630	$ 635	$ 640	$ 645	$ 649	$ 654	$ 659	$ 664	$ 669
$ 1,144	$ 1,153	$ 1,161	$ 1,170	$ 1,179	$ 1,188	$ 1,196	$ 1,205	$ 1,214	$ 1,224	$ 1,233	$ 1,242	$ 1,251	$ 1,261	$ 1,270	$ 1,280	$ 1,289	$ 1,299	$ 1,309	$ 1,318	$ 1,328	$ 1,338
$ 143	$ 144	$ 145	$ 146	$ 147	$ 148	$ 150	$ 151	$ 152	$ 153	$ 154	$ 155	$ 156	$ 158	$ 159	$ 160	$ 161	$ 162	$ 164	$ 165	$ 166	$ 167
$ 286	$ 288	$ 290	$ 292	$ 295	$ 297	$ 299	$ 301	$ 304	$ 306	$ 308	$ 310	$ 313	$ 315	$ 318	$ 320	$ 322	$ 325	$ 327	$ 330	$ 332	$ 335
$ 11,422	$ 11,508	$ 11,594	$ 11,681	$ 11,768	$ 11,857	$ 11,946	$ 12,035	$ 12,125	$ 12,216	$ 12,308	$ 12,400	$ 12,493	$ 12,587	$ 12,681	$ 12,777	$ 12,872	$ 12,969	$ 13,066	$ 13,164	$ 13,263	$ 13,362
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 572	$ 576	$ 581	$ 585	$ 589	$ 594	$ 598	$ 603	$ 607	$ 612	$ 616	$ 621	$ 626	$ 630	$ 635	$ 640	$ 645	$ 649	$ 654	$ 659	$ 664	$ 669
$ 114	$ 115	$ 116	$ 117	$ 118	$ 119	$ 120	$ 121	$ 121	$ 122	$ 123	$ 124	$ 125	$ 126	$ 127	$ 128	$ 129	$ 130	$ 131	$ 132	$ 133	$ 134
$ 2,288	$ 2,305	$ 2,322	$ 2,340	$ 2,357	$ 2,375	$ 2,393	$ 2,411	$ 2,429	$ 2,447	$ 2,465	$ 2,484	$ 2,503	$ 2,521	$ 2,540	$ 2,559	$ 2,578	$ 2,598	$ 2,617	$ 2,637	$ 2,657	$ 2,677
$ 1,144	$ 1,153	$ 1,161	$ 1,170	$ 1,179	$ 1,188	$ 1,196	$ 1,205	$ 1,214	$ 1,224	$ 1,233	$ 1,242	$ 1,251	$ 1,261	$ 1,270	$ 1,280	$ 1,289	$ 1,299	$ 1,309	$ 1,318	$ 1,328	$ 1,338
$ 1,144	$ 1,153	$ 1,161	$ 1,170	$ 1,179	$ 1,188	$ 1,196	$ 1,205	$ 1,214	$ 1,224	$ 1,233	$ 1,242	$ 1,251	$ 1,261	$ 1,270	$ 1,280	$ 1,289	$ 1,299	$ 1,309	$ 1,318	$ 1,328	$ 1,338

DEBT

		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6	Quarter 7	Quarter 8	Quarter 9	Quarter 10	Quarter 11	Quarter 12	Quarter 13	Quarter 14	Quarter 15	Quarter 16	Quarter 17	Quarter 18
Loan Draw		$ 6,477,895	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Principal Payment			$ 54,385	$ 53,928	$ 53,475	$ 53,026	$ 52,581	$ 52,140	$ 51,702	$ 51,268	$ 50,838	$ 50,411	$ 49,988	$ 49,568	$ 49,152	$ 48,739	$ 48,330	$ 47,924	$ 47,522
Interest Rate	4.0%																		
Loan Term	20																		
Loan Balance		$ 6,477,895	$ 6,423,510	$ 6,369,582	$ 6,316,106	$ 6,263,080	$ 6,210,499	$ 6,158,359	$ 6,106,657	$ 6,055,389	$ 6,004,551	$ 5,954,140	$ 5,904,153	$ 5,854,585	$ 5,805,433	$ 5,756,694	$ 5,708,364	$ 5,660,439	$ 5,612,918
Loan Payment Total			$ (119,163.71)	$ (118,163.28)	$ (117,171.24)	$(116,187.54)	$(115,212.10)	$(114,244.84)	$(113,285.70)	$(112,334.62)	$(111,391.52)	$(110,456.34)	$(109,529.01)	$(108,609.47)	$(107,697.65)	$(106,793.48)	$(105,896.90)	$(105,007.85)	$(104,126.26)
Interest			$ 64,778.95	$ 64,235.10	$ 63,695.82	$ 63,161.06	$ 62,630.80	$ 62,104.99	$ 61,583.59	$ 61,066.57	$ 60,553.89	$ 60,045.51	$ 59,541.40	$ 59,041.53	$ 58,545.85	$ 58,054.33	$ 57,566.94	$ 57,083.64	$ 56,604.39
Principal			$ 54,384.76	$ 53,928.18	$ 53,475.43	$ 53,026.48	$ 52,581.30	$ 52,139.85	$ 51,702.12	$ 51,268.05	$ 50,837.64	$ 50,410.83	$ 49,987.61	$ 49,567.94	$ 49,151.80	$ 48,739.15	$ 48,329.96	$ 47,924.21	$ 47,521.87

Quarter 19	Quarter 20	Quarter 21	Quarter 22	Quarter 23	Quarter 24	Quarter 25	Quarter 26	Quarter 27	Quarter 28	Quarter 29	Quarter 30	Quarter 31	Quarter 32	Quarter 33	Quarter 34	Quarter 35	Quarter 36	Quarter 37	Quarter 38	Quarter 39	Quarter 40
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 47,123	$ 46,727	$ 46,335	$ 45,946	$ 45,560	$ 45,178	$ 44,798	$ 44,422	$ 44,049	$ 43,680	$ 43,313	$ 42,949	$ 42,589	$ 42,231	$ 41,877	$ 41,525	$ 41,176	$ 40,831	$ 40,488	$ 40,148	$ 39,811	$ 39,477
$ 5,565,795	$ 5,519,067	$ 5,472,732	$ 5,426,786	$ 5,381,226	$ 5,336,048	$ 5,291,250	$ 5,246,828	$ 5,202,778	$ 5,159,099	$ 5,115,786	$ 5,072,836	$ 5,030,248	$ 4,988,017	$ 4,946,140	$ 4,904,615	$ 4,863,439	$ 4,822,608	$ 4,782,120	$ 4,741,972	$ 4,702,161	$ 4,662,684
$(103,252.08)	$(102,385.23)	$(101,525.66)	$(100,673.31)	$ (99,828.11)	$ (98,990.01)	$ (98,158.95)	$ (97,334.86)	$ (96,517.69)	$ (95,707.38)	$ (94,903.88)	$ (94,107.12)	$ (93,317.05)	$ (92,533.61)	$ (91,756.75)	$ (90,986.41)	$ (90,222.54)	$ (89,465.08)	$ (88,713.98)	$ (87,969.19)	$ (87,230.65)	$ (86,498.31)
$ 56,129.18	$ 55,657.95	$ 55,190.67	$ 54,727.32	$ 54,267.86	$ 53,812.26	$ 53,360.48	$ 52,912.50	$ 52,468.28	$ 52,027.78	$ 51,590.99	$ 51,157.86	$ 50,728.36	$ 50,302.48	$ 49,880.17	$ 49,461.40	$ 49,046.15	$ 48,634.39	$ 48,226.08	$ 47,821.20	$ 47,419.72	$ 47,021.61
$ 47,122.90	$ 46,727.28	$ 46,334.99	$ 45,945.98	$ 45,560.25	$ 45,177.75	$ 44,798.46	$ 44,422.36	$ 44,049.41	$ 43,679.60	$ 43,312.89	$ 42,949.26	$ 42,588.68	$ 42,231.13	$ 41,876.58	$ 41,525.01	$ 41,176.39	$ 40,830.70	$ 40,487.90	$ 40,147.99	$ 39,810.93	$ 39,476.70

PENETRATION	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6	Quarter 7	Quarter 8	Quarter 9	Quarter 10	Quarter 11	Quarter 12	Quarter 13	Quarter 14	Quarter 15	Quarter 16	Quarter 17	Quarter 18
Cummulative miles constructed	5	23	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47
Customers Passed																		
Homes passed - constructed	-	479	958	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916
Businesses passed - constructed	-	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Anchors passed - constructed	-	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Penetration Rate																		
Customer penetration	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
Business penetration	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Anchor penetration	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Customers Connected																		
Residential Customers	-	335	671	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341
Businesses	-	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Anchors	-	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Customer monthly churn	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Gross connects	-	350	351	701	41	41	41	41	41	41	41	41	41	41	41	41	41	41
Product Penetration Rate																		
Video	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
HSD	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
In-house HSD	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
VOIP	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
Product Units																		
Video	-	101	201	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402
HSD	-	235	469	939	939	939	939	939	939	939	939	939	939	939	939	939	939	939
In-house HSD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VOIP	-	101	201	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402
Institution HSD	-	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10

Quarter 19	Quarter 20	Quarter 21	Quarter 22	Quarter 23	Quarter 24	Quarter 25	Quarter 26	Quarter 27	Quarter 28	Quarter 29	Quarter 30	Quarter 31	Quarter 32	Quarter 33	Quarter 34	Quarter 35	Quarter 36	Quarter 37	Quarter 38	Quarter 39	Quarter 40
47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47

1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916	1,916
5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5

70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341
5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5

1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41

30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%

402	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402
939	939	939	939	939	939	939	939	939	939	939	939	939	939	939	939	939	939	939	939	939	939
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
402	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402	402
10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10

COST PER FDH

City of Peculiar (Cost by FDH)

Outside Plant Cost														
FDH	Fiber Cost ($ / foot)	Main Line	Subscriber	Total OSP	Miles	Total Potential Drops	Subscription Rate	Subscriptions	Fiber Cost Per Subscriber	Days				Cost per subscription
1	$15.00	$307,296.00	$161,628.66	$468,924.66	3.88	268	70%	188	$2,500	12				$2,500
2	$15.00	$287,496.00	$242,442.98	$529,938.98	3.63	402	70%	281	$1,883	12				$1,883
3	$15.00	$342,144.00	$118,206.03	$460,350.03	4.32	196	70%	137	$3,355	14				$3,355
4	$15.00	$493,416.00	$126,649.32	$620,065.32	6.23	210	70%	147	$4,218	20				$4,218
5	$15.00	$145,728.00	$13,268.02	$158,996.02	1.84	22	70%	15	$10,324	6				$10,324
6	$15.00	$269,280.00	$34,979.34	$304,259.34	3.40	58	70%	41	$7,494	11				$7,494
7	$15.00	$355,608.00	$166,453.39	$522,061.39	4.49	276	70%	193	$2,702	14				$2,702
8	$15.00	$554,400.00	$112,175.11	$666,575.11	7.00	186	70%	130	$5,120	22				$5,120
9	$15.00	$223,344.00	$91,669.98	$315,013.98	2.82	152	70%	106	$2,961	9				$2,961
10	$15.00	$242,352.00	$47,041.18	$289,393.18	3.06	78	70%	55	$5,300	10				$5,300
C.O.	$15.00	$152,856.00	$41,010.26	$193,866.26	1.93	68	70%	48	$4,073	6				$4,073
Main Line		$3,373,920.00	$1,155,524.27	$4,529,444.27	42.60	1916	70%	1341	$3,377	136				
Ring		$195,911.13			4.37					14				
Total Main Line & Ring		$3,569,831.13												
Total Cost (Main + Drop)		$4,725,355.40								150				
Sub. Cost (Drop + Cutover)			$861.56		46.97									

Engineering Costs											Equipment Costs			
FDH		Engineering Mainline	Engineering Subscriber	Engineering by FDH				Subscriptions			Equipment Initial Cost	Equipment Incremental Cost (Per Sub)	Equipment Total Incremental Cost	Equipment Total Cost
1		$36,875.52	$28,140.00	$95,384.27				188			$0.00	$654.92	$122,862.99	$122,862.99
2		$34,499.52	$42,210.00	$106,882.55				281			$0.00	$654.92	$184,294.49	$184,294.49
3		$41,057.28	$20,580.00	$90,996.29				137			$0.00	$654.92	$89,855.02	$89,855.02
4		$59,209.92	$22,050.00	$122,042.28				147			$0.00	$654.92	$96,273.24	$96,273.24
5		$17,487.36	$2,310.00	$31,055.86				15			$0.00	$654.92	$10,085.77	$10,085.77
6		$32,313.60	$6,090.00	$59,555.97				41			$0.00	$654.92	$26,589.75	$26,589.75
7		$42,672.96	$28,980.00	$105,586.29				193			$0.00	$654.92	$126,530.54	$126,530.54
8		$66,528.00	$19,530.00	$127,670.99				130			$0.00	$654.92	$85,270.58	$85,270.58
9		$26,801.28	$15,960.00	$59,504.93				106			$0.00	$654.92	$69,683.49	$69,683.49
10		$29,082.24	$8,190.00	$57,151.46				55			$0.00	$654.92	$35,758.63	$35,758.63
C.O.		$18,342.72	$7,140.00	$38,543.82				48			$54,600.93	$654.92	$31,174.19	$85,775.12
Main Line		$404,870.40	$201,180.00											
Protection Ring		$23,509.34												
Total Cost		$428,379.74	$201,180.00	$629,559.74							$54,600.93		$878,378.70	$932,979.63
TOTAL CAPITAL COST		$6,287,894.77												

Proforma Phased Approach
City Of Peculiar, Missouri

Revenue		
Video	$	50.00
Data	$	65.00
Voice	$	20.00
Business HSD	$	200.00
Installation fees (per connect)	$	50.00
Wholesale		

Costs of Goods Sold		
Video Program Cost	$	36.00
Internet Connectivity		
Telephone	$	15.00
Pole Rental	$	-

Expenses	Annual Inflation Factor	Test Year Annual Cost
Salaries & Wages	See Salaries Tab	
Employee Insurance Group, Health Life	See Salaries Tab	
Taxes Payroll	See Salaries Tab	
Paryroll Service Expense	See Salaries Tab	
Consulting Fees	2%	$ 15,000
Service Call Maintenance	From Pulse Model	
Equipment	2%	$ 20,000
Legal & Accounting Fees	2%	$ 5,000
Travel	2%	$ 2,000
Training & Education	2%	$ 2,000
Advertising	2%	$ 7,500
Dues & Subscriptions	2%	$ 500
Fees & Licenses	2%	$ 1,000
Postage & Shipping	2%	$ 5,000
Telephone & Communication	2%	$ 1,200
Computer Expense	2%	$ 2,500
Meals & Entertainment	2%	$ 500
Rents & Utilities	2%	$ 10,000
Misc. Expense	2%	$ 25,000
Management Fee	2%	$ 7,500

Capital Expenditures		
Installation (per customer connect)	$	-
Video CPE	$	-
Data CPE	$	-
Telephone CPE	$	-
Non-RUS Debt Amount	$	4,408,806.91
Non RUS Interest Rate (APR)		4%
Non Rus Loan Term (Years)		20
RUS Loan Rate (APR)		4.0%
RUS Loan Term (Years)		20

Proforma

City Of Peculiar, Missouri

Project Costs	Budget Original
NETWORK & ACCESS EQUIPMENT	$ 579,061
OUTSIDE PLANT	$ 3,306,132
SUBSCRIBER EQUIPMENT	$ -
BILLING SUPPORT AND OPERATIONS SUPPORT SYSTEMS	$ 25,000
OPERATING EQUIPMENT (vehicles, office equipment, etc.)	$ 15,000
PROFESSIONAL SERVICES	$ 333,614
START UP COSTS	$ 50,000
OTHER	$ 100,000
Total	$ 4,408,807
Total For Project	$ 4,408,806.91

Broadband Income Statement

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6	Quarter 7	Quarter 8	Quarter 9	Quarter 10	Quarter 11	Quarter 12	Quarter 13	Quarter 14	Quarter 15	Quarter 16	Quarter 17	Quarter 18
Revenues																		
Video	$ -	$ 6,190	$ 18,569	$ 37,139	$ 51,004	$ 51,004	$ 51,004	$ 51,004	$ 52,534	$ 52,534	$ 52,534	$ 52,534	$ 54,110	$ 54,110	$ 54,110	$ 54,110	$ 55,733	$ 55,733
Data	$ -	$ 18,776	$ 56,327	$ 112,653	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205
VOIP	$ -	$ 2,550	$ 7,880	$ 16,233	$ 22,293	$ 22,293	$ 22,293	$ 22,293	$ 22,962	$ 22,962	$ 22,962	$ 22,962	$ 23,651	$ 23,651	$ 23,651	$ 23,651	$ 24,360	$ 24,360
Business HSD	$ -	$ 3,000	$ 6,000	$ 6,000	$ 6,180	$ 6,180	$ 6,180	$ 6,180	$ 6,365	$ 6,365	$ 6,365	$ 6,365	$ 6,556	$ 6,556	$ 6,556	$ 6,556	$ 6,753	$ 6,753
Installation fees (per connect)	$ -	$ 14,469	$ 14,389	$ 28,763	$ 1,716	$ 1,716	$ 1,716	$ 1,716	$ 1,767	$ 1,767	$ 1,767	$ 1,767	$ 1,820	$ 1,820	$ 1,820	$ 1,820	$ 1,875	$ 1,875
Wholesale																		
Total	$ -	$ 44,984	$ 103,165	$ 200,788	$ 231,397	$ 231,397	$ 231,397	$ 231,397	$ 233,833	$ 233,833	$ 233,833	$ 233,833	$ 236,341	$ 236,341	$ 236,341	$ 236,341	$ 238,926	$ 238,926
Costs of Goods Sold																		
Video Program Cost	$ -	$ 4,457	$ 13,370	$ 26,740	$ 36,723	$ 36,723	$ 36,723	$ 36,723	$ 37,824	$ 37,824	$ 37,824	$ 37,824	$ 38,959	$ 38,959	$ 38,959	$ 38,959	$ 40,128	$ 40,128
Internet Connectivity	$ -	$ 7,500	$ 7,500	$ 9,499	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666
Telephone	$ -	$ 1,857	$ 5,571	$ 11,142	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855
Pole Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ -	$ 13,814	$ 26,441	$ 47,381	$ 63,244	$ 63,244	$ 63,244	$ 63,244	$ 64,345	$ 64,345	$ 64,345	$ 64,345	$ 65,480	$ 65,480	$ 65,480	$ 65,480	$ 66,649	$ 66,649
Gross Profit	$ -	$ 31,171	$ 76,724	$ 153,407	$ 168,153	$ 168,153	$ 168,153	$ 168,153	$ 169,487	$ 169,487	$ 169,487	$ 169,487	$ 170,861	$ 170,861	$ 170,861	$ 170,861	$ 172,277	$ 172,277
Operating Expenses																		
Salaries & Wages	$ -	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547
Employee Insurance Group, Health Life	$ -	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277
Taxes Payroll	$ -	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188
Paryroll Service Expense	$ -	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455
Consulting Fees	$ -	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
Repairs & Maintenance	$ -	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663
Equipment	$ -	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
Legal & Accounting Fees	$ -	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508
Travel	$ -	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102
Training & Education	$ -	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508
Advertising	$ -	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
Dues & Subscriptions	$ -	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127
Fees & Licenses	$ -	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254
Postage & Shipping	$ -	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203
Telephone & Communication	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Computer Expense	$ -	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508
Meals & Entertainment	$ -	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102
Rent & Utilities	$ -	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030
Misc. Expense	$ -	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
Management Fee	$ -	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
Total	$ -	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545
Operating Profit	$ -	$ (32,375)	$ 13,179	$ 89,862	$ 104,608	$ 104,608	$ 104,608	$ 104,608	$ 105,942	$ 105,942	$ 105,942	$ 105,942	$ 107,316	$ 107,316	$ 107,316	$ 107,316	$ 108,732	$ 108,732
Interest Expense	$ -	$ -	$ -	$ 42,987	$ 42,626	$ 42,268	$ 41,913	$ 41,561	$ 41,213	$ 40,867	$ 40,523	$ 40,183	$ 39,846	$ 39,511	$ 39,180	$ 38,851	$ 38,525	$ 38,201
Principal Payment	$ -	$ -	$ -	$ 36,089	$ 35,786	$ 35,486	$ 35,188	$ 34,893	$ 34,600	$ 34,309	$ 34,021	$ 33,736	$ 33,452	$ 33,172	$ 32,893	$ 32,617	$ 32,343	$ 32,071
Net Income	$ -	$ (32,375)	$ 13,179	$ 10,786	$ 26,195	$ 26,854	$ 27,507	$ 28,154	$ 30,130	$ 30,766	$ 31,397	$ 32,023	$ 34,018	$ 34,633	$ 35,244	$ 35,849	$ 37,864	$ 38,459
Principal and Interest	$ 81,102	$ 80,421	$ 79,746	$ 79,076	$ 78,412	$ 77,754	$ 77,101	$ 76,454	$ 75,812	$ 75,176	$ 74,545	$ 73,919	$ 73,298	$ 72,683	$ 72,073	$ 71,468	$ 70,868	$ 70,273
Coverage	0.00	(0.40)	0.17	1.14	1.33	1.35	1.36	1.37	1.40	1.41	1.42	1.43	1.46	1.48	1.49	1.50	1.53	1.55

Quarter 19	Quarter 20	Quarter 21	Quarter 22	Quarter 23	Quarter 24	Quarter 25	Quarter 26	Quarter 27	Quarter 28	Quarter 29	Quarter 30	Quarter 31	Quarter 32	Quarter 33	Quarter 34	Quarter 35	Quarter 36	Quarter 37	Quarter 38	Quarter 39	Quarter 40
$ 57,405	$ 57,405	$ 59,127	$ 59,127	$ 60,901	$ 60,901	$ 62,728	$ 62,728	$ 64,610	$ 64,610	$ 66,548	$ 66,548	$ 68,544	$ 68,544	$ 70,601	$ 70,601	$ 72,719	$ 72,719	$ 74,900	$ 74,900	$ 77,147	$ 77,147
$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205	$ 150,205
$ 25,091	$ 25,091	$ 25,844	$ 25,844	$ 26,619	$ 26,619	$ 27,418	$ 27,418	$ 28,240	$ 28,240	$ 29,088	$ 29,088	$ 29,960	$ 29,960	$ 30,859	$ 30,859	$ 31,785	$ 31,785	$ 32,738	$ 32,738	$ 33,720	$ 33,720
$ 6,956	$ 6,956	$ 7,164	$ 7,164	$ 7,379	$ 7,379	$ 7,601	$ 7,601	$ 7,829	$ 7,829	$ 8,063	$ 8,063	$ 8,305	$ 8,305	$ 8,555	$ 8,555	$ 8,811	$ 8,811	$ 9,076	$ 9,076	$ 9,348	$ 9,348
$ 1,931	$ 1,931	$ 1,989	$ 1,989	$ 2,048	$ 2,048	$ 2,110	$ 2,110	$ 2,173	$ 2,173	$ 2,238	$ 2,238	$ 2,306	$ 2,306	$ 2,375	$ 2,375	$ 2,446	$ 2,446	$ 2,519	$ 2,519	$ 2,595	$ 2,595
$ 241,587	**$ 241,587**	**$ 244,329**	**$ 244,329**	**$ 247,152**	**$ 247,152**	**$ 250,061**	**$ 250,061**	**$ 253,057**	**$ 253,057**	**$ 256,142**	**$ 256,142**	**$ 259,320**	**$ 259,320**	**$ 262,594**	**$ 262,594**	**$ 265,965**	**$ 265,965**	**$ 269,438**	**$ 269,438**	**$ 273,015**	**$ 273,015**
$ 41,332	$ 41,332	$ 42,571	$ 42,571	$ 43,849	$ 43,849	$ 45,164	$ 45,164	$ 46,519	$ 46,519	$ 47,915	$ 47,915	$ 49,352	$ 49,352	$ 50,833	$ 50,833	$ 52,358	$ 52,358	$ 53,928	$ 53,928	$ 55,546	$ 55,546
$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666	$ 11,666
$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855	$ 14,855
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 67,853	**$ 67,853**	**$ 69,093**	**$ 69,093**	**$ 70,370**	**$ 70,370**	**$ 71,685**	**$ 71,685**	**$ 73,040**	**$ 73,040**	**$ 74,436**	**$ 74,436**	**$ 75,873**	**$ 75,873**	**$ 77,354**	**$ 77,354**	**$ 78,879**	**$ 78,879**	**$ 80,449**	**$ 80,449**	**$ 82,067**	**$ 82,067**
$ 173,735	**$ 173,735**	**$ 175,236**	**$ 175,236**	**$ 176,783**	**$ 176,783**	**$ 178,376**	**$ 178,376**	**$ 180,016**	**$ 180,016**	**$ 181,706**	**$ 181,706**	**$ 183,447**	**$ 183,447**	**$ 185,240**	**$ 185,240**	**$ 187,087**	**$ 187,087**	**$ 188,989**	**$ 188,989**	**$ 190,948**	**$ 190,948**
$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547	$ 45,547
$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277	$ 2,277
$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188	$ 3,188
$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455	$ 455
$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663	$ 2,663
$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508
$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102
$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508
$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127	$ 127
$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254
$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203	$ 203
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508	$ 508
$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102	$ 102
$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030	$ 2,030
$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015	$ 1,015
$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545	$ 63,545
$ 110,189	**$ 110,189**	**$ 111,691**	**$ 111,691**	**$ 113,237**	**$ 113,237**	**$ 114,830**	**$ 114,830**	**$ 116,471**	**$ 116,471**	**$ 118,161**	**$ 118,161**	**$ 119,902**	**$ 119,902**	**$ 121,695**	**$ 121,695**	**$ 123,541**	**$ 123,541**	**$ 125,444**	**$ 125,444**	**$ 127,403**	**$ 127,403**
$ 37,880	$ 37,562	$ 37,247	$ 36,934	$ 36,624	$ 36,317	$ 36,012	$ 35,710	$ 35,410	$ 35,112	$ 34,818	$ 34,525	$ 34,235	$ 33,948	$ 33,663	$ 33,380	$ 33,100	$ 32,822	$ 32,547	$ 32,274	$ 32,003	$ -
$ 31,802	$ 31,535	$ 31,270	$ 31,008	$ 30,748	$ 30,489	$ 30,234	$ 29,980	$ 29,728	$ 29,478	$ 29,231	$ 28,986	$ 28,742	$ 28,501	$ 28,262	$ 28,024	$ 27,789	$ 27,556	$ 27,324	$ 27,095	$ 26,868	$ -
$ 40,507	$ 41,092	$ 43,173	$ 43,749	$ 45,866	$ 46,431	$ 48,585	$ 49,141	$ 51,333	$ 51,880	$ 54,113	$ 54,650	$ 56,924	$ 57,453	$ 59,770	$ 60,290	$ 62,652	$ 63,163	$ 65,572	$ 66,075	$ 68,533	$ 127,403
$ 69,683	$ 69,098	$ 68,518	$ 67,942	$ 67,372	$ 66,806	$ 66,245	$ 65,689	$ 65,138	$ 64,591	$ 64,049	$ 63,511	$ 62,978	$ 62,449	$ 61,925	$ 61,405	$ 60,889	$ 60,378	$ 59,871	$ 59,369	$ 58,870	$ -
1.58	1.59	1.63	1.64	1.68	1.70	1.73	1.75	1.79	1.80	1.84	1.86	1.90	1.92	1.97	1.98	2.03	2.05	2.10	2.11	2.16	

Broadband Personnel (Salaries and Benefits)

Personnel	# of Employees	Starting Salaries Including Benefits Per Employee	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6	Quarter 7	Quarter 8	Quarter 9	Quarter 10	Quarter 11	Quarter 12	Quarter 13	Quarter 14	Quarter 15	Quarter 16	Quarter 17	Quarter 18	Quarter 19	Quarter 20
Manager	1	$ 65,000.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00	$ 16,250.00
Assistant Manager	0	$ 60,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Secretary/Receptionist	1	$ 25,000.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00
Network Manager	1	$ 45,000.00	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50	$ 2,812.50
Maintenance Tech	1	$ 40,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00
Call Center Operator	1	$ 25,000.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00
Sales Manager	0	$ 60,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Account Executive	0	$ 55,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Product Development	0	$ 45,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Strategic Planning	0	$ 40,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Bookkeeper	0.25	$ 55,000.00	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38	$ 859.38
Information Technology (IT)	0.25	$ 50,000.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00	$ 3,125.00
Legal	0	$ 50,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Billing/Collections	0	$ 30,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Totals	5.5		$ 49,046.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88	$ 45,546.88

Operating Expense

	Inflation Factor	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6	Quarter 7	Quarter 8	Quarter 9	Quarter 10	Quarter 11	Quarter 12	Quarter 13	Quarter 14	Quarter 15	Quarter 16	Quarter 17
Consulting Fees	3%	$ 1,000	$ 1,008	$ 1,015	$ 1,023	$ 1,030	$ 1,038	$ 1,046	$ 1,054	$ 1,062	$ 1,070	$ 1,078	$ 1,086	$ 1,094	$ 1,102	$ 1,110	$ 1,119	$ 1,127
Repairs & Maintenance	3%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Equipment	3%	$ 1,000	$ 1,008	$ 1,015	$ 1,023	$ 1,030	$ 1,038	$ 1,046	$ 1,054	$ 1,062	$ 1,070	$ 1,078	$ 1,086	$ 1,094	$ 1,102	$ 1,110	$ 1,119	$ 1,127
Legal & Accounting Fees	3%	$ 500	$ 504	$ 508	$ 511	$ 515	$ 519	$ 523	$ 527	$ 531	$ 535	$ 539	$ 543	$ 547	$ 551	$ 555	$ 559	$ 563
Travel	3%	$ 100	$ 101	$ 102	$ 102	$ 103	$ 104	$ 105	$ 105	$ 106	$ 107	$ 108	$ 109	$ 109	$ 110	$ 111	$ 112	$ 113
Training & Education	3%	$ 500	$ 504	$ 508	$ 511	$ 515	$ 519	$ 523	$ 527	$ 531	$ 535	$ 539	$ 543	$ 547	$ 551	$ 555	$ 559	$ 563
Advertising	3%	$ 1,000	$ 1,008	$ 1,015	$ 1,023	$ 1,030	$ 1,038	$ 1,046	$ 1,054	$ 1,062	$ 1,070	$ 1,078	$ 1,086	$ 1,094	$ 1,102	$ 1,110	$ 1,119	$ 1,127
Dues & Subscriptions	3%	$ 125	$ 126	$ 127	$ 128	$ 129	$ 130	$ 131	$ 132	$ 133	$ 134	$ 135	$ 136	$ 137	$ 138	$ 139	$ 140	$ 141
Fees & Licenses	3%	$ 250	$ 252	$ 254	$ 256	$ 258	$ 260	$ 261	$ 263	$ 265	$ 267	$ 269	$ 271	$ 273	$ 276	$ 278	$ 280	$ 282
Postage & Shipping	3%	$ 200	$ 202	$ 203	$ 205	$ 6,000	$ 6,045	$ 6,090	$ 6,136	$ 6,182	$ 10,679	$ 10,759	$ 10,840	$ 10,921	$ 11,003	$ 11,086	$ 11,169	$ 11,252
Telephone & Communication	3%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Computer Expense	3%	$ 500	$ 504	$ 508	$ 511	$ 515	$ 519	$ 523	$ 527	$ 531	$ 535	$ 539	$ 543	$ 547	$ 551	$ 555	$ 559	$ 563
Meals & Entertainment	3%	$ 100	$ 101	$ 102	$ 102	$ 103	$ 104	$ 105	$ 105	$ 106	$ 107	$ 108	$ 109	$ 109	$ 110	$ 111	$ 112	$ 113
Rent &Utilities	3%	$ 2,000	$ 2,015	$ 2,030	$ 2,045	$ 2,061	$ 2,076	$ 2,092	$ 2,107	$ 2,123	$ 2,139	$ 2,155	$ 2,171	$ 2,188	$ 2,204	$ 2,221	$ 2,237	$ 2,254
Misc. Expense	3%	$ 1,000	$ 1,008	$ 1,015	$ 1,023	$ 1,030	$ 1,038	$ 1,046	$ 1,054	$ 1,062	$ 1,070	$ 1,078	$ 1,086	$ 1,094	$ 1,102	$ 1,110	$ 1,119	$ 1,127
Management Fee	3%	$ 1,000	$ 1,008	$ 1,015	$ 1,023	$ 1,030	$ 1,038	$ 1,046	$ 1,054	$ 1,062	$ 1,070	$ 1,078	$ 1,086	$ 1,094	$ 1,102	$ 1,110	$ 1,119	$ 1,127

Quarter 18	Quarter 19	Quarter 20	Quarter 21	Quarter 22	Quarter 23	Quarter 24	Quarter 25	Quarter 26	Quarter 27	Quarter 28	Quarter 29	Quarter 30	Quarter 31	Quarter 32	Quarter 33	Quarter 34	Quarter 35	Quarter 36	Quarter 37	Quarter 38	Quarter 39	Quarter 40
$ 1,135	$ 1,144	$ 1,153	$ 1,161	$ 1,170	$ 1,179	$ 1,188	$ 1,196	$ 1,205	$ 1,214	$ 1,224	$ 1,233	$ 1,242	$ 1,251	$ 1,261	$ 1,270	$ 1,280	$ 1,289	$ 1,299	$ 1,309	$ 1,318	$ 1,328	$ 1,338
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 1,135	$ 1,144	$ 1,153	$ 1,161	$ 1,170	$ 1,179	$ 1,188	$ 1,196	$ 1,205	$ 1,214	$ 1,224	$ 1,233	$ 1,242	$ 1,251	$ 1,261	$ 1,270	$ 1,280	$ 1,289	$ 1,299	$ 1,309	$ 1,318	$ 1,328	$ 1,338
$ 568	$ 572	$ 576	$ 581	$ 585	$ 589	$ 594	$ 598	$ 603	$ 607	$ 612	$ 616	$ 621	$ 626	$ 630	$ 635	$ 640	$ 645	$ 649	$ 654	$ 659	$ 664	$ 669
$ 114	$ 114	$ 115	$ 116	$ 117	$ 118	$ 119	$ 120	$ 121	$ 121	$ 122	$ 123	$ 124	$ 125	$ 126	$ 127	$ 128	$ 129	$ 130	$ 131	$ 132	$ 133	$ 134
$ 568	$ 572	$ 576	$ 581	$ 585	$ 589	$ 594	$ 598	$ 603	$ 607	$ 612	$ 616	$ 621	$ 626	$ 630	$ 635	$ 640	$ 645	$ 649	$ 654	$ 659	$ 664	$ 669
$ 1,135	$ 1,144	$ 1,153	$ 1,161	$ 1,170	$ 1,179	$ 1,188	$ 1,196	$ 1,205	$ 1,214	$ 1,224	$ 1,233	$ 1,242	$ 1,251	$ 1,261	$ 1,270	$ 1,280	$ 1,289	$ 1,299	$ 1,309	$ 1,318	$ 1,328	$ 1,338
$ 142	$ 143	$ 144	$ 145	$ 146	$ 147	$ 148	$ 150	$ 151	$ 152	$ 153	$ 154	$ 155	$ 156	$ 158	$ 159	$ 160	$ 161	$ 162	$ 164	$ 165	$ 166	$ 167
$ 284	$ 286	$ 288	$ 290	$ 292	$ 295	$ 297	$ 299	$ 301	$ 304	$ 306	$ 308	$ 310	$ 313	$ 315	$ 318	$ 320	$ 322	$ 325	$ 327	$ 330	$ 332	$ 335
$ 11,337	$ 11,422	$ 11,508	$ 11,594	$ 11,681	$ 11,768	$ 11,857	$ 11,946	$ 12,035	$ 12,125	$ 12,216	$ 12,308	$ 12,400	$ 12,493	$ 12,587	$ 12,681	$ 12,777	$ 12,872	$ 12,969	$ 13,066	$ 13,164	$ 13,263	$ 13,362
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 568	$ 572	$ 576	$ 581	$ 585	$ 589	$ 594	$ 598	$ 603	$ 607	$ 612	$ 616	$ 621	$ 626	$ 630	$ 635	$ 640	$ 645	$ 649	$ 654	$ 659	$ 664	$ 669
$ 114	$ 114	$ 115	$ 116	$ 117	$ 118	$ 119	$ 120	$ 121	$ 121	$ 122	$ 123	$ 124	$ 125	$ 126	$ 127	$ 128	$ 129	$ 130	$ 131	$ 132	$ 133	$ 134
$ 2,271	$ 2,288	$ 2,305	$ 2,322	$ 2,340	$ 2,357	$ 2,375	$ 2,393	$ 2,411	$ 2,429	$ 2,447	$ 2,465	$ 2,484	$ 2,503	$ 2,521	$ 2,540	$ 2,559	$ 2,578	$ 2,598	$ 2,617	$ 2,637	$ 2,657	$ 2,677
$ 1,135	$ 1,144	$ 1,153	$ 1,161	$ 1,170	$ 1,179	$ 1,188	$ 1,196	$ 1,205	$ 1,214	$ 1,224	$ 1,233	$ 1,242	$ 1,251	$ 1,261	$ 1,270	$ 1,280	$ 1,289	$ 1,299	$ 1,309	$ 1,318	$ 1,328	$ 1,338
$ 1,135	$ 1,144	$ 1,153	$ 1,161	$ 1,170	$ 1,179	$ 1,188	$ 1,196	$ 1,205	$ 1,214	$ 1,224	$ 1,233	$ 1,242	$ 1,251	$ 1,261	$ 1,270	$ 1,280	$ 1,289	$ 1,299	$ 1,309	$ 1,318	$ 1,328	$ 1,338

Debt

		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6	Quarter 7	Quarter 8	Quarter 9	Quarter 10	Quarter 11	Quarter 12	Quarter 13	Quarter 14	Quarter 15	Quarter 16	Quarter 17	Quarter 18
Loan Draw		$ 4,408,807	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Principal Payment			$ 37,014	$ 36,703	$ 36,395	$ 36,089	$ 35,786	$ 35,486	$ 35,188	$ 34,893	$ 34,600	$ 34,309	$ 34,021	$ 33,736	$ 33,452	$ 33,172	$ 32,893	$ 32,617	$ 32,343
Interest Rate	4.0%																		
Loan Term	20																		
Loan Balance		$ 4,408,807	$ 4,371,793	$ 4,335,090	$ 4,298,695	$ 4,262,606	$ 4,226,819	$ 4,191,333	$ 4,156,145	$ 4,121,252	$ 4,086,653	$ 4,052,343	$ 4,018,322	$ 3,984,587	$ 3,951,134	$ 3,917,963	$ 3,885,070	$ 3,852,453	$ 3,820,110
Loan Payment Total			$ (81,101.93)	$ (80,421.05)	$ (79,745.88)	$ (79,076.37)	$ (78,412.49)	$ (77,754.19)	$ (77,101.41)	$ (76,454.11)	$ (75,812.24)	$ (75,175.76)	$ (74,544.63)	$ (73,918.80)	$ (73,298.21)	$ (72,682.84)	$ (72,072.64)	$ (71,467.56)	$ (70,867.56)
Interest			$ 44,088.07	$ 43,717.93	$ 43,350.90	$ 42,986.95	$ 42,626.06	$ 42,268.19	$ 41,913.33	$ 41,561.45	$ 41,212.52	$ 40,866.53	$ 40,523.43	$ 40,183.22	$ 39,845.87	$ 39,511.34	$ 39,179.63	$ 38,850.70	$ 38,524.53
Principal			$ 37,013.86	$ 36,703.12	$ 36,394.98	$ 36,089.43	$ 35,786.44	$ 35,486.00	$ 35,188.08	$ 34,892.66	$ 34,599.72	$ 34,309.24	$ 34,021.20	$ 33,735.57	$ 33,452.35	$ 33,171.50	$ 32,893.01	$ 32,616.86	$ 32,343.03

Quarter 19	Quarter 20	Quarter 21	Quarter 22	Quarter 23	Quarter 24	Quarter 25	Quarter 26	Quarter 27	Quarter 28	Quarter 29	Quarter 30	Quarter 31	Quarter 32	Quarter 33	Quarter 34	Quarter 35	Quarter 36	Quarter 37	Quarter 38	Quarter 39	Quarter 40
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 32,071	$ 31,802	$ 31,535	$ 31,270	$ 31,008	$ 30,748	$ 30,489	$ 30,234	$ 29,980	$ 29,728	$ 29,478	$ 29,231	$ 28,986	$ 28,742	$ 28,501	$ 28,262	$ 28,024	$ 27,789	$ 27,556	$ 27,324	$ 27,095	$ 26,868
$ 3,788,038	$ 3,756,236	$ 3,724,701	$ 3,693,430	$ 3,662,422	$ 3,631,675	$ 3,601,185	$ 3,570,952	$ 3,540,972	$ 3,511,244	$ 3,481,766	$ 3,452,535	$ 3,423,549	$ 3,394,807	$ 3,366,306	$ 3,338,044	$ 3,310,020	$ 3,282,231	$ 3,254,675	$ 3,227,351	$ 3,200,256	$ 3,173,388
$ (70,272.59)	$ (69,682.62)	$ (69,097.61)	$ (68,517.50)	$ (67,942.27)	$ (67,371.86)	$ (66,806.25)	$ (66,245.38)	$ (65,689.22)	$ (65,137.73)	$ (64,590.87)	$ (64,048.60)	$ (63,510.89)	$ (62,977.68)	$ (62,448.96)	$ (61,924.67)	$ (61,404.79)	$ (60,889.27)	$ (60,378.08)	$ (59,871.18)	$ (59,368.53)	$ (58,870.11)
$ 38,201.10	$ 37,880.38	$ 37,562.36	$ 37,247.01	$ 36,934.30	$ 36,624.22	$ 36,316.75	$ 36,011.85	$ 35,709.52	$ 35,409.72	$ 35,112.44	$ 34,817.66	$ 34,525.35	$ 34,235.49	$ 33,948.07	$ 33,663.06	$ 33,380.44	$ 33,100.20	$ 32,822.31	$ 32,546.75	$ 32,273.51	$ 32,002.56
$ 32,071.49	$ 31,802.24	$ 31,535.25	$ 31,270.49	$ 31,007.96	$ 30,747.64	$ 30,489.50	$ 30,233.53	$ 29,979.70	$ 29,728.01	$ 29,478.43	$ 29,230.95	$ 28,985.54	$ 28,742.19	$ 28,500.89	$ 28,261.61	$ 28,024.34	$ 27,789.07	$ 27,555.77	$ 27,324.42	$ 27,095.02	$ 26,867.55

Penetration

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6	Quarter 7	Quarter 8	Quarter 9	Quarter 10	Quarter 11	Quarter 12	Quarter 13	Quarter 14	Quarter 15	Quarter 16	Quarter 17	Quarter 18
Cummulative miles constructed	5	23	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47
Customers Passed																		
Homes passed - constructed	-	393	786	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572
Businesses passed - constructed	-	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Anchors passed - constructed	-	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Penetration Rate																		
Customer penetration	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
Business penetration	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Anchor penetration	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Customers Connected																		
Residential Customers	-	275	550	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Businesses	-	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Anchors	-	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Customer monthly churn	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Gross connects	-	289	288	575	33	33	33	33	33	33	33	33	33	33	33	33	33	33
Product Penetration Rate																		
Video	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
HSD	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
In-house HSD	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
VOIP	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
Product Units																		
Video	-	83	165	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330
HSD	-	193	385	770	770	770	770	770	770	770	770	770	770	770	770	770	770	770
In-house HSD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VOIP	-	83	165	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330
Institution HSD	-	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Internet Connection Costs																		
Transport	1000																	
Cost per Mbps	15																	
Internet connectivity	$ 7,500.00	$ 7,500.00	$ 7,500.00	$ 9,499.24	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65
Revenue Unit Costs																		
Video (including equip fees)	$ 50.00	$ 50.00	$ 50.00	$ 50.00	$ 51.50	$ 51.50	$ 51.50	$ 51.50	$ 53.05	$ 53.05	$ 53.05	$ 53.05	$ 54.64	$ 54.64	$ 54.64	$ 54.64	$ 56.28	$ 56.28
Data	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00
VOIP	$ 20.00	$ 20.60	$ 21.22	$ 21.85	$ 22.51	$ 22.51	$ 22.51	$ 22.51	$ 23.19	$ 23.19	$ 23.19	$ 23.19	$ 23.88	$ 23.88	$ 23.88	$ 23.88	$ 24.60	$ 24.60
Business HSD	$ 200.00	$ 200.00	$ 200.00	$ 200.00	$ 206.00	$ 206.00	$ 206.00	$ 206.00	$ 212.18	$ 212.18	$ 212.18	$ 212.18	$ 218.55	$ 218.55	$ 218.55	$ 218.55	$ 225.10	$ 225.10
Installation fees (per connect)	$ 50.00	$ 50.00	$ 50.00	$ 50.00	$ 51.50	$ 51.50	$ 51.50	$ 51.50	$ 53.05	$ 53.05	$ 53.05	$ 53.05	$ 54.64	$ 54.64	$ 54.64	$ 54.64	$ 56.28	$ 56.28
Cost of Goods Sold Unit Costs																		
Programming costs	$ 36.00	$ 36.00	$ 36.00	$ 36.00	$ 37.08	$ 37.08	$ 37.08	$ 37.08	$ 38.19	$ 38.19	$ 38.19	$ 38.19	$ 39.34	$ 39.34	$ 39.34	$ 39.34	$ 40.52	$ 40.52
Telephone costs	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00
Service call and disco expense (3% service calls)	$ 70.00	$ 70.00	$ 70.00	$ 70.00	$ 71.40	$ 71.40	$ 71.40	$ 71.40	$ 72.83	$ 72.83	$ 72.83	$ 72.83	$ 74.28	$ 74.28	$ 74.28	$ 74.28	$ 75.77	$ 75.77
Customer Connection Expenditures																		
Installation (per customer connect)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Video CPE	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Data CPE	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Telephone CPE	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Revenue:																		
Video	$ -	$ 6,189.75	$ 18,569.25	$ 37,138.50	$ 51,003.54	$ 51,003.54	$ 51,003.54	$ 51,003.54	$ 52,533.65	$ 52,533.65	$ 52,533.65	$ 52,533.65	$ 54,109.66	$ 54,109.66	$ 54,109.66	$ 54,109.66	$ 55,732.95	$ 55,732.95
Data	$ -	$ 18,775.58	$ 56,326.73	$ 112,653.45	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60
Voice	$ -	$ 2,550.18	$ 7,650.05	$ 15,232.90	$ 22,293.18	$ 22,293.18	$ 22,293.18	$ 22,293.18	$ 22,961.97	$ 22,961.97	$ 22,961.97	$ 22,961.97	$ 23,650.83	$ 23,650.83	$ 23,650.83	$ 23,650.83	$ 24,360.36	$ 24,360.36
Business	$ -	$ 3,000.00	$ 6,000.00	$ 6,000.00	$ 6,180.00	$ 6,180.00	$ 6,180.00	$ 6,180.00	$ 6,365.40	$ 6,365.40	$ 6,365.40	$ 6,365.40	$ 6,556.36	$ 6,556.36	$ 6,556.36	$ 6,556.36	$ 6,753.05	$ 6,753.05
Install fees per connect	$ -	$ 14,468.83	$ 14388.98	$ 28,762.85	$ 1,715.57	$ 1,715.57	$ 1,715.57	$ 1,715.57	$ 1,767.04	$ 1,767.04	$ 1,767.04	$ 1,767.04	$ 1,820.05	$ 1,820.05	$ 1,820.05	$ 1,820.05	$ 1,874.65	$ 1,874.65
Costs of Goods Sold																		
Programming costs	$ -	$ 4,456.62	$ 13,369.86	$ 26,739.72	$ 36,722.55	$ 36,722.55	$ 36,722.55	$ 36,722.55	$ 37,824.23	$ 37,824.23	$ 37,824.23	$ 37,824.23	$ 38,958.95	$ 38,958.95	$ 38,958.95	$ 38,958.95	$ 40,127.72	$ 40,127.72
Telephone costs	$ -	$ 1,856.93	$ 5,570.78	$ 11,141.55	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40
Internet connectivity	$ 7,500.00	$ 7,500.00	$ 7,500.00	$ 9,499.24	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65
Service call expense (3% service calls)	$ -	$ 898.07	$ 2,662.70	$ 5,262.39	$ 7,135.43	$ 7,135.43	$ 7,135.43	$ 7,135.43	$ 7,278.14	$ 7,278.14	$ 7,278.14	$ 7,278.14	$ 7,423.70	$ 7,423.70	$ 7,423.70	$ 7,423.70	$ 7,572.18	$ 7,572.18
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Ongoing capital expenditures:																		
Installation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CPE	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total capital expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital Expenditure Payout Schedule																		
NETWORK & ACCESS EQUIPMENT	$ 193,020.29	$ 193,020.29	$ 193,020.29	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
OUTSIDE PLANT	$ 1,102,043.92	$ 1,102,043.92	$ 1,102,043.92	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
BUILDINGS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CUSTOMER PREMISE EQUIPMENT	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
BILLING SUPPORT AND OPERATIONS SUPPORT SYSTEMS	$ 25,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
OPERATING EQUIPMENT (vehicles, office equipment, etc.)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
PROFESSIONAL SERVICES	$ 213,494.30	$ 60,060.00	$ 60,060.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TESTING	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plant replacement and other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00

Quarter 19	Quarter 20	Quarter 21	Quarter 22	Quarter 23	Quarter 24	Quarter 25	Quarter 26	Quarter 27	Quarter 28	Quarter 29	Quarter 30	Quarter 31	Quarter 32	Quarter 33	Quarter 34	Quarter 35	Quarter 36	Quarter 37	Quarter 38	Quarter 39	Quarter 40
47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47
1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572
5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33
30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330
770	770	770	770	770	770	770	770	770	770	770	770	770	770	770	770	770	770	770	770	770	770
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330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330
10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65
$ 57.96	$ 57.96	$ 59.70	$ 59.70	$ 61.49	$ 61.49	$ 63.34	$ 63.34	$ 65.24	$ 65.24	$ 67.20	$ 67.20	$ 69.21	$ 69.21	$ 71.29	$ 71.29	$ 73.43	$ 73.43	$ 75.63	$ 75.63	$ 77.90	$ 77.90
$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00	$ 65.00
$ 25.34	$ 25.34	$ 26.10	$ 26.10	$ 26.88	$ 26.88	$ 27.68	$ 27.68	$ 28.52	$ 28.52	$ 29.37	$ 29.37	$ 30.25	$ 30.25	$ 31.16	$ 31.16	$ 32.09	$ 32.09	$ 33.06	$ 33.06	$ 34.05	$ 34.05
$ 231.85	$ 231.85	$ 238.81	$ 238.81	$ 245.97	$ 245.97	$ 253.35	$ 253.35	$ 260.95	$ 260.95	$ 268.78	$ 268.78	$ 276.85	$ 276.85	$ 285.15	$ 285.15	$ 293.71	$ 293.71	$ 302.52	$ 302.52	$ 311.59	$ 311.59
$ 57.96	$ 57.96	$ 59.70	$ 59.70	$ 61.49	$ 61.49	$ 63.34	$ 63.34	$ 65.24	$ 65.24	$ 67.20	$ 67.20	$ 69.21	$ 69.21	$ 71.29	$ 71.29	$ 73.43	$ 73.43	$ 75.63	$ 75.63	$ 77.90	$ 77.90
$ 41.73	$ 41.73	$ 42.99	$ 42.99	$ 44.28	$ 44.28	$ 45.60	$ 45.60	$ 46.97	$ 46.97	$ 48.38	$ 48.38	$ 49.83	$ 49.83	$ 51.33	$ 51.33	$ 52.87	$ 52.87	$ 54.45	$ 54.45	$ 56.09	$ 56.09
$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00
$ 75.77	$ 75.77	$ 77.29	$ 77.29	$ 77.29	$ 77.29	$ 78.83	$ 78.83	$ 78.83	$ 78.83	$ 80.41	$ 80.41	$ 80.41	$ 80.41	$ 82.02	$ 82.02	$ 82.02	$ 82.02	$ 83.66	$ 83.66	$ 83.66	$ 83.66
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$ 57,404.93	$ 57,404.93	$ 59,127.08	$ 59,127.08	$ 60,900.89	$ 60,900.89	$ 62,727.92	$ 62,727.92	$ 64,609.76	$ 64,609.76	$ 66,548.05	$ 66,548.05	$ 68,544.49	$ 68,544.49	$ 70,600.83	$ 70,600.83	$ 72,718.85	$ 72,718.85	$ 74,900.42	$ 74,900.42	$ 77,147.43	$ 77,147.43
$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60	$ 150,204.60
$ 25,091.17	$ 25,091.17	$ 25,843.90	$ 25,843.90	$ 26,619.22	$ 26,619.22	$ 27,417.80	$ 27,417.80	$ 28,240.33	$ 28,240.33	$ 29,087.54	$ 29,087.54	$ 29,960.17	$ 29,960.17	$ 30,858.97	$ 30,858.97	$ 31,784.74	$ 31,784.74	$ 32,738.28	$ 32,738.28	$ 33,720.43	$ 33,720.43
$ 6,955.64	$ 6,955.64	$ 7,164.31	$ 7,164.31	$ 7,379.24	$ 7,379.24	$ 7,600.62	$ 7,600.62	$ 7,828.64	$ 7,828.64	$ 8,063.50	$ 8,063.50	$ 8,305.40	$ 8,305.40	$ 8,554.57	$ 8,554.57	$ 8,811.20	$ 8,811.20	$ 9,075.54	$ 9,075.54	$ 9,347.80	$ 9,347.80
$ 1,930.89	$ 1,930.89	$ 1,988.81	$ 1,988.81	$ 2,048.48	$ 2,048.48	$ 2,109.93	$ 2,109.93	$ 2,173.23	$ 2,173.23	$ 2,238.43	$ 2,238.43	$ 2,305.58	$ 2,305.58	$ 2,374.75	$ 2,374.75	$ 2,445.99	$ 2,445.99	$ 2,519.37	$ 2,519.37	$ 2,594.95	$ 2,594.95
$ 41,331.55	$ 41,331.55	$ 42,571.50	$ 42,571.50	$ 43,848.64	$ 43,848.64	$ 45,164.10	$ 45,164.10	$ 46,519.03	$ 46,519.03	$ 47,914.60	$ 47,914.60	$ 49,352.03	$ 49,352.03	$ 50,832.60	$ 50,832.60	$ 52,357.57	$ 52,357.57	$ 53,928.30	$ 53,928.30	$ 55,546.15	$ 55,546.15
$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40	$ 14,855.40
$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65	$ 11,665.65
$ 7,572.18	$ 7,572.18	$ 7,723.62	$ 7,723.62	$ 7,723.62	$ 7,723.62	$ 7,878.09	$ 7,878.09	$ 7,878.09	$ 7,878.09	$ 8,035.65	$ 8,035.65	$ 8,035.65	$ 8,035.65	$ 8,196.37	$ 8,196.37	$ 8,196.37	$ 8,196.37	$ 8,360.29	$ 8,360.29	$ 8,360.29	$ 8,360.29
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$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00	$ 48,000.00

City of Peculiar (Cost by FDH)

Outside Plant Cost														
FDH	Fiber Cost ($ / foot)	Main Line	Subscriber	Total OSP	Miles	Total Potential Drops	Subscription Rate	Subscriptions	Fiber Cost Per Subscriber	Days				Cost per subscription
1	$15.00	$307,296.00	$161,628.66	$468,924.66	3.88	268	70%	188	$2,500	12				$2,500
2	$15.00	$287,496.00	$242,442.98	$529,938.98	3.63	402	70%	281	$1,883	12				$1,883
3	$15.00	$342,144.00	$118,206.03	$460,350.03	4.32	196	70%	137	$3,355	14				$3,355
4	$15.00	$493,416.00	$126,649.32	$620,065.32	6.23	210	70%	147	$4,218	20				$4,218
7	$15.00	$355,608.00	$166,453.39	$522,061.39	4.49	276	70%	193	$2,702	14				$2,702
9	$15.00	$223,344.00	$91,669.98	$315,013.98	2.82	152	70%	106	$2,961	9				$2,961
C.O.	$15.00	$152,856.00	$41,010.26	$193,866.26	1.93	68	70%	48	$4,073	6				$4,073
Main Line		$2,162,160.00	$948,060.62	$3,110,220.62	42.60	1572	70%	1100	$2,826	87				
Ring		$195,911.13			4.37					14				
Total Main Line & Ring		$2,358,071.13												
Total Cost (Main + Drop)		$3,306,131.75								101				
Sub. Cost (Drop + Cutover)			$861.56		46.97									

Engineering Costs											Equipment Costs			
FDH		Engineering Mainline	Engineering Subscriber	Engineering by FDH				Subscriptions			Equipment Initial Cost	Equipment Incremental Cost (Per Sub)	Equipment Total Incremental Cost	Equipment Total Cost
1		$36,875.52	$28,140.00	$95,384.27				188			$0.00	$654.92	$122,862.99	$122,862.99
2		$34,499.52	$42,210.00	$106,882.55				281			$0.00	$654.92	$184,294.49	$184,294.49
3		$41,057.28	$20,580.00	$90,996.29				137			$0.00	$654.92	$89,855.02	$89,855.02
4		$59,209.92	$22,050.00	$122,042.28				147			$0.00	$654.92	$96,273.24	$96,273.24
C.O.		$18,342.72	$7,140.00	$38,543.82				48			$54,600.93	$654.92	$31,174.19	$85,775.12
Main Line		$189,984.96	$120,120.00											
Protection Ring		$23,509.34												
Total Cost		$213,494.30	$120,120.00	$333,614.30							$54,600.93		$524,459.94	$579,060.87
TOTAL CAPITAL COST		**$4,218,806.91**												