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July 12, 2013

Board of Directors
Damon Run Conservancy District
Post Office Box 472
Valparaiso, Indiana 46384

RE: Analysis of the District's Financial Plan

Dear Board Members:

In response to the recent IURC Order and in conjunction with the preparation of the District's 2014 budget, we have revisited the District's financial plan and have updated it. We worked with District management and the District's attorney in formulating the assumptions used in the updated plan. Please refer to pages 5 through 10 for a detailed description of the assumptions. Also, please note the financial plan takes into account the required benefitted properties rate changes per the IURC, as well as proposed rate updates for water and sewer user fees (see page 18). We recommend the proposed rates be adopted and implemented as soon as possible and can work with management and legal counsel on a timeline.

If there are any questions regarding the enclosed, please let us know.

Very truly yours,

UMBAUGH

Eric J. Walsh

EJW/jf

Enclosure: Report Dated July 5, 2013

cc: Mr. William A. Ferngren, Ferngren Law Offices, LLC
Ms. Nikki G. Shoultz, Bose McKinney & Evans LLP



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July 12, 2013

Board of Directors
Damon Run Conservancy District
Post Office Box 472
Valparaiso, Indiana 46384

RE: Damon Run Conservancy District – 2014 Financial Plan

The attached schedules (listed below) present unaudited and limited financial information for the purpose of discussion and consideration by appropriate officers and officials of the Damon Run Conservancy District. The use of these schedules should be restricted to this purpose as the information is subject to future revision and further reports.

Page 2 Schedule of Amortization of \$11,770,000 Principal Amount of Conservancy
District Ad Valorem Special Benefits Property Tax Bonds of 2010, Series A
Page 3 Schedule of Amortization of \$1,955,000 Principal Amount of Conservancy
District Ad Valorem Special Benefits Property Tax Bonds of 2010, Series B
Page 4 Schedule of Combined Debt Service
Pages 5 – 10 Schedule of Financial Plan Assumptions
Pages 11 – 12 Estimated Cash Flows for the Debt Service Fund
Pages 13 – 14 Estimated Cash Flows from Water Operations
Pages 15 – 16 Estimated Cash Flows from Sewer Operations
Page 17 Schedule of Estimated Debt Service Tax Rates
Page 18 Summary of Rates and Charges
Page 19 Comparison of Benefitted Properties Bills

SUPPLEMENTAL DATA

Pages 20 – 25 Schedule of Estimated Monthly Equivalent Units
Pages 26 – 31 Summary of Estimated Growth in NAV

We would appreciate your questions or comments on this information, and would provide additional information upon request.

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

SCHEDULE OF AMORTIZATION OF \$11,770,000 PRINCIPAL AMOUNT OF CONSERVANCY
DISTRICT AD VALOREM SPECIAL BENEFITS PROPERTY TAX BONDS OF 2010, SERIES A

Principal Payable Semiannually, January 1st and July 1st

Interest Payable Semiannually, January 1st and July 1st

Interest Rates as Shown

Dated Date - December 14, 2010

(Unaudited)

Date	Principal Balance	Debt Service			Total	Bond Year Total
		Principal	%	Interest		
(--In Thousands--)		(------In Dollars-----)				
1/1/2014	\$11,770	\$225	3.500	\$335,180.00	\$560,180.00	\$560,180.00
7/1/2014	11,545	225	3.500	331,242.50	556,242.50	
1/1/2015	11,320	235	3.750	327,305.00	562,305.00	1,118,547.50
7/1/2015	11,085	240	3.750	322,898.75	562,898.75	
1/1/2016	10,845	240	4.000	318,398.75	558,398.75	1,121,297.50
7/1/2016	10,605	245	4.000	313,598.75	558,598.75	
1/1/2017	10,360	255	4.250	308,698.75	563,698.75	1,122,297.50
7/1/2017	10,105	255	4.250	303,280.00	558,280.00	
1/1/2018	9,850	265	4.500	297,861.25	562,861.25	1,121,141.25
7/1/2018	9,585	270	4.500	291,898.75	561,898.75	
1/1/2019	9,315	275	4.750	285,823.75	560,823.75	1,122,722.50
7/1/2019	9,040	280	4.750	279,292.50	559,292.50	
1/1/2020	8,760	285	5.000	272,642.50	557,642.50	1,116,935.00
7/1/2020	8,475	295	5.000	265,517.50	560,517.50	
1/1/2021	8,180	300	6.100	258,142.50	558,142.50	1,118,660.00
7/1/2021	7,880	310	6.100	248,992.50	558,992.50	
1/1/2022	7,570	320	6.100	239,537.50	559,537.50	1,118,530.00
7/1/2022	7,250	330	6.100	229,777.50	559,777.50	
1/1/2023	6,920	340	6.100	219,712.50	559,712.50	1,119,490.00
7/1/2023	6,580	350	6.100	209,342.50	559,342.50	
1/1/2024	6,230	360	6.100	198,667.50	558,667.50	1,118,010.00
7/1/2024	5,870	370	6.100	187,687.50	557,687.50	
1/1/2025	5,500	385	6.100	176,402.50	561,402.50	1,119,090.00
7/1/2025	5,115	395	6.100	164,660.00	559,660.00	
1/1/2026	4,720	405	6.375	152,612.50	557,612.50	1,117,272.50
7/1/2026	4,315	420	6.375	139,703.13	559,703.13	
1/1/2027	3,895	435	6.375	126,315.63	561,315.63	1,121,018.76
7/1/2027	3,460	450	6.500	112,450.00	562,450.00	
1/1/2028	3,010	460	6.500	97,825.00	557,825.00	1,120,275.00
7/1/2028	2,550	475	6.500	82,875.00	557,875.00	
1/1/2029	2,075	495	6.500	67,437.50	562,437.50	1,120,312.50
7/1/2029	1,580	510	6.500	51,350.00	561,350.00	
1/1/2030	1,070	525	6.500	34,775.00	559,775.00	1,121,125.00
7/1/2030	545	545	6.500	17,712.50	562,712.50	562,712.50
Totals		<u>\$11,770</u>		<u>\$7,269,617.51</u>	<u>\$19,039,617.51</u>	<u>\$19,039,617.51</u>

(Subject to the attached letter dated July 12, 2013)

(Preliminary - Subject to Change)

(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

SCHEDULE OF AMORTIZATION OF \$1,955,000 PRINCIPAL AMOUNT OF CONSERVANCY DISTRICT AD VALOREM SPECIAL BENEFITS PROPERTY TAX BONDS OF 2010, SERIES B

Principal Payable Semiannually, January 1st and July 1st

Interest Payable Semiannually, January 1st and July 1st

Interest Rates as Shown

Dated Date - December 14, 2010

(Unaudited)

Date	Principal Balance	Debt Service				Bond Year Total
		Principal	%	Interest	Total	
	(---In Thousands---)			(-----In Dollars-----)		
1/1/2014	\$1,955	\$35	5.000	\$56,553.13	\$91,553.13	\$91,553.13
7/1/2014	1,920	35	5.000	55,678.13	90,678.13	
1/1/2015	1,885	40	5.000	54,803.13	94,803.13	185,481.26
7/1/2015	1,845	40	5.000	53,803.13	93,803.13	
1/1/2016	1,805	40	5.000	52,803.13	92,803.13	186,606.26
7/1/2016	1,765	40	5.000	51,803.13	91,803.13	
1/1/2017	1,725	40	5.000	50,803.13	90,803.13	182,606.26
7/1/2017	1,685	40	5.000	49,803.13	89,803.13	
1/1/2018	1,645	45	5.000	48,803.13	93,803.13	183,606.26
7/1/2018	1,600	45	5.000	47,678.13	92,678.13	
1/1/2019	1,555	45	5.000	46,553.13	91,553.13	184,231.26
7/1/2019	1,510	45	5.000	45,428.13	90,428.13	
1/1/2020	1,465	50	5.000	44,303.13	94,303.13	184,731.26
7/1/2020	1,415	50	5.000	43,053.13	93,053.13	
1/1/2021	1,365	50	6.125	41,803.13	91,803.13	184,856.26
7/1/2021	1,315	50	6.125	40,271.88	90,271.88	
1/1/2022	1,265	55	6.125	38,740.63	93,740.63	184,012.51
7/1/2022	1,210	55	6.125	37,056.25	92,056.25	
1/1/2023	1,155	55	6.125	35,371.88	90,371.88	182,428.13
7/1/2023	1,100	60	6.125	33,687.50	93,687.50	
1/1/2024	1,040	60	6.125	31,850.00	91,850.00	185,537.50
7/1/2024	980	60	6.125	30,012.50	90,012.50	
1/1/2025	920	70	6.125	28,175.00	98,175.00	188,187.50
7/1/2025	850	65	6.125	26,031.25	91,031.25	
1/1/2026	785	70	6.125	24,040.63	94,040.63	185,071.88
7/1/2026	715	70	6.125	21,896.88	91,896.88	
1/1/2027	645	75	6.125	19,753.13	94,753.13	186,650.01
7/1/2027	570	75	6.125	17,456.25	92,456.25	
1/1/2028	495	75	6.125	15,159.38	90,159.38	182,615.63
7/1/2028	420	80	6.125	12,862.50	92,862.50	
1/1/2029	340	80	6.125	10,412.50	90,412.50	183,275.00
7/1/2029	260	85	6.125	7,962.50	92,962.50	
1/1/2030	175	85	6.125	5,359.38	90,359.38	183,321.88
7/1/2030	90	90	6.125	2,756.25	92,756.25	92,756.25
Totals		<u>\$1,955</u>		<u>\$1,182,528.24</u>	<u>\$3,137,528.24</u>	<u>\$3,137,528.24</u>

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

SCHEDULE OF COMBINED DEBT SERVICE

<u>Date</u>	<u>2010 Series A</u>	<u>2010 Series B</u>	<u>Bond Year Totals</u>
1/1/2014	\$560,180.00	\$91,553.13	\$651,733.13
7/1/2014	556,242.50	90,678.13	
1/1/2015	562,305.00	94,803.13	1,304,028.76
7/1/2015	562,898.75	93,803.13	
1/1/2016	558,398.75	92,803.13	1,307,903.76
7/1/2016	558,598.75	91,803.13	
1/1/2017	563,698.75	90,803.13	1,304,903.76
7/1/2017	558,280.00	89,803.13	
1/1/2018	562,861.25	93,803.13	1,304,747.51
7/1/2018	561,898.75	92,678.13	
1/1/2019	560,823.75	91,553.13	1,306,953.76
7/1/2019	559,292.50	90,428.13	
1/1/2020	557,642.50	94,303.13	1,301,666.26
7/1/2020	560,517.50	93,053.13	
1/1/2021	558,142.50	91,803.13	1,303,516.26
7/1/2021	558,992.50	90,271.88	
1/1/2022	559,537.50	93,740.63	1,302,542.51
7/1/2022	559,777.50	92,056.25	
1/1/2023	559,712.50	90,371.88	1,301,918.13
7/1/2023	559,342.50	93,687.50	
1/1/2024	558,667.50	91,850.00	1,303,547.50
7/1/2024	557,687.50	90,012.50	
1/1/2025	561,402.50	98,175.00	1,307,277.50
7/1/2025	559,660.00	91,031.25	
1/1/2026	557,612.50	94,040.63	1,302,344.38
7/1/2026	559,703.13	91,896.88	
1/1/2027	561,315.63	94,753.13	1,307,668.77
7/1/2027	562,450.00	92,456.25	
1/1/2028	557,825.00	90,159.38	1,302,890.63
7/1/2028	557,875.00	92,862.50	
1/1/2029	562,437.50	90,412.50	1,303,587.50
7/1/2029	561,350.00	92,962.50	
1/1/2030	559,775.00	90,359.38	1,304,446.88
7/1/2030	562,712.50	92,756.25	655,468.75
Totals	<u>\$19,039,617.51</u>	<u>\$3,137,528.24</u>	<u>\$22,177,145.75</u>

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

**DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana**

SCHEDULE OF FINANCIAL PLAN ASSUMPTIONS

- (1) Estimated Cash Flows for Debt Service Fund – This schedule shows estimated tax revenues and transfers from the District’s Water Fund and Sewer Fund. The beginning fund balances, along with tax revenues and transfers from the Water Fund and Sewer Fund, will be sufficient to pay debt service over the long-term.
- (2) Special benefits property taxes will be used to fund debt service on the Bonds. To the extent funding from user fees and In-District connection fees are available, they will be used to reduce the amount of property taxes needed.
- (3) Based on anticipated cash balances available within the Water Fund.
- (4) Based on anticipated cash balances available within the Sewage Works Fund.
- (5) Interest Income – The District currently is not generating interest on its funds. For this reason, interest income is assumed at zero.
- (6) Based on the repayment of the District’s outstanding debt. Principal and interest on the long-term bonds is due semiannually on January 1 and July 1, with payments made in the month prior to the date due (see pages 2 through 4).
- (7) Estimated Cash Flows from Water Operations – The District currently assesses water user fees to In-District customers (see Note 8), Liberty Intermediate School (see Note 9), Porter County Hospital (see Note 10), and the medical office building (“MOB”) (part of Hospital) (see Note 11). Beginning in August 2013, it is anticipated the water user fees will be updated (see page 18). It is anticipated that the revenues from the updated charges will be sufficient to fund the operation of the Water Fund and provide adequate cash flow to allow for the transfer of funds to the Debt Service Fund to assist in payment of the long-term bonds.
- (8) Based on District EDUs and the In-District monthly user fee per EDU as detailed below:

	<u>Current</u>	<u>Proposed</u>
Water	\$12.00	\$12.00

Note: Current District Customers who pay property tax bills, but are not yet connected to the water and sewer system include Mallard’s Pointe, Luke Oil Car Wash, Luke Oil Gas, Mishawaka One Stop, Morthland and Wallace. This study assumes these customers connect and begin paying user fees in 2013.

(Continued on next page)

(Subject to the attached letter dated July 12, 2013)
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(Internal Use Only)

**DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana**

(Cont.)

SCHEDULE OF FINANCIAL PLAN ASSUMPTIONS

- (9) Per the IURC Order approved June 19, 2013 per Cause No. 44146, the Damon Run Conservancy District may no longer charge benefitted properties a payment in lieu of tax (“PILT”) related to sewer charges. Instead, this revenue will be recovered via the benefitted properties sewer user fee. Although not required, we advise the District to use this same methodology for water and eliminate the PILT and replace it with an increased water user fee. Based on the calculation on pages 18 and 19, Liberty Intermediate School will be billed the water user fee detailed below.

Monthly water user fee per EDU (page 18)	\$ 157.69
Times: Liberty Intermediate School calculated EDUs*	<u>x 12.59</u>
Total monthly water user fee	<u>\$1,985.32</u>

* Liberty Intermediate School flow (March 2012 – February 2013)	1,404,998	Gallons
Divided by: 360 days (12 months @ 30 days)	<u>÷ 360</u>	
Liberty Intermediate School average gallons per day flow	3,902.77	GPD
Divided by: 310 GPD (assumed average residential flow)	<u>÷ 310</u>	GPD
Calculated Pay 2014 Liberty Intermediate School EDUs	<u>12.59</u>	

- (10) Per the IURC Order approved June 19, 2013 per Cause No. 44146, the Damon Run Conservancy District may no longer charge benefitted properties a PILT related to sewer charges. Instead, this revenue will be recovered via the benefitted properties sewer user fee. Although not required, we advise the District to use this same methodology for water and eliminate the PILT and replace it with an increased water user fee. Based on the calculation on pages 18 and 19, Porter County Hospital will be billed the water user fee detailed below.

	<u>Current</u>	<u>Estimated August 2013</u>
Estimated water user fee per EDU (page 18)	\$ 157.69	\$ 157.69
Times: Porter County Hospital calculated EDUs*	<u>x 145.00</u>	<u>x 188.76</u>
Total monthly water user fee	<u>\$22,865.05</u>	<u>\$29,765.56</u>

* Porter County Hospital normalized flow (May 2012 – April 2013)	21,066,000	Gallons
Divided by: 360 days (12 months @ 30 days)	<u>÷ 360</u>	
Porter County Hospital average gallons per day flow	58,516.67	GPD
Divided by: 310 GPD (assumed average residential flow)	<u>÷ 310</u>	GPD
Calculated Pay 2014 Porter County Hospital EDUs	<u>188.76</u>	

(Continued on next page)

(Subject to the attached letter dated July 12, 2013)
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**DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana**

(Cont.)

SCHEDULE OF FINANCIAL PLAN ASSUMPTIONS

- (11) Per the IURC Order approved June 19, 2013 per Cause No. 44146, the Damon Run Conservancy District may no longer charge benefitted properties a PILT related to sewer charges. Instead, this revenue will be recovered via the benefitted properties sewer user fee. Although not required, we advise the District to use this same methodology for water and eliminate the PILT and replace it with an increased water user fee. Based on the calculation on pages 18 and 19, the MOB will be billed the water user fee detailed below.

Monthly water user fee per EDU (page 18)	\$ 157.69
Times: MOB estimated EDUs (per draft agreement)	<u>x 8.00</u>
Total monthly water user fee	<u>\$1,261.52</u>

- (12) Annual Water Fund operating, maintenance, and replacement costs beyond those expenses funded directly by Indiana American Water (as the District's cost for water purchased is billed directly to the District's customers by Indiana American Water and therefore not shown in this report) are based on the 2014 budget provided by District management. The expenses are assumed to increase 3% annually. July 1 through December 31, 2013 expenses are based on one-half of the 2013 budget as adopted.
- (13) \$7,500 payment on past due invoices is shown in the second six months of 2013, and \$15,000 annually for the years following, for illustrative purposes. Increases in these payments will result in increases in the estimated tax rate. It is assumed all accounts payable are paid from the Sewer Fund. Outstanding accounts payable as of July 12, 2013 was \$383,661. Please note, included in the operating budget is some allowance for repaying part of the accounts payable balance.
- (14) Estimated Cash Flows from Sewer Operations – The District currently assesses sewer user fees to In-District customers (see Note 15), Liberty Intermediate School (see Note 18), Porter County Hospital (see Note 19), and the MOB (see Note 20). Beginning August 2013, it is anticipated the sewer user fees will be updated (see page 18). It is anticipated that the revenues from the updated charges will be sufficient to fund the operation of the Sewer Fund and provide adequate cash flow to allow for the transfer of funds to the Debt Service Fund to assist in payment of the long-term bonds.
- (15) Based on District EDUs and the In-District monthly user fee per EDU as detailed below:

	<u>Current</u>	<u>Proposed</u>
Sewer	\$12.00	\$12.00

Note: Current District Customers who pay property tax bills, but are not yet connected to the water and sewer system include Mallard's Pointe, Luke Oil Car Wash, Luke Oil Gas, Mishawaka One Stop, Morthland and Wallace. This study assumes these customers connect and begin paying user fees in 2013.

(Continued on next page)

(Subject to the attached letter dated July 12, 2013)
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**DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana**

(Cont.)

SCHEDULE OF FINANCIAL PLAN ASSUMPTIONS

- (16) Sewer treatment is provided by the City of Portage Municipal Sewage Works at a treatment rate of \$25.38 per 4,500 gallons (or \$5.64 per 1,000 gallons) as effective June 4, 2013. The treatment rate will increase by 3% annually in 2014, 2015 and 2016, per the most recent Portage rate ordinance. It is assumed the flow per EDU will be 6,000 gallons per month (plus I/I of 10%) multiplied by the District's flow rate of \$5.64 per 1,000 gallons in 2013, \$5.81 per 1,000 gallons in 2014, \$5.98 per 1,000 gallons in 2015 and \$6.16 per 1,000 gallons in 2016.
- (17) Sewer Connection Fees – The District is currently collecting a connection charge from each property connecting to the District's sewer system of \$4,700. Of the \$4,700 collected, the District is passing \$2,200 on to the City of Portage as part of the Sewer Treatment Agreement and \$2,500 stays with the District. Per the recent IURC Order, the District portion of the connection fee (\$2,500) cannot be charged to any benefitted property. Due to the uncertainty of Mallard's Pointe, no connection fee revenue is included. Included in 2013 is the \$30,675 (District) and \$27,000 (Portage) gas station connection fee.
- (18) Per the IURC Order approved June 19, 2013 per Cause No. 44146, the Damon Run Conservancy District may no longer charge benefitted properties a PILT related to sewer charges. Instead, this revenue will be recovered via the benefitted properties sewer user fee. Based on the calculation on pages 18 and 19, Liberty Intermediate School will be billed the sewer user fee detailed below.

Monthly sewer user fee per EDU (page 18)	\$ 76.13
Times: Liberty Intermediate School calculated EDUs*	<u>x 12.59</u>
Total monthly sewer user fee	<u>\$ 958.48</u>

* Liberty Intermediate School flow (March 2012 – February 2013)	1,404,998	Gallons
Divided by: 360 days (12 months @ 30 days)	<u>÷ 360</u>	
Liberty Intermediate School average gallons per day flow	3,902.77	GPD
Divided by: 310 GPD (assumed average residential flow)	<u>÷ 310</u>	GPD
Calculated Pay 2014 Liberty Intermediate School EDUs	<u>12.59</u>	

- (19) Per the IURC Order approved June 19, 2013 per Cause No. 44146, the Damon Run Conservancy District may no longer charge benefitted properties a PILT related to sewer charges. Instead, this revenue will be recovered via the benefitted properties sewer user fee. Based on the calculation on pages 18 and 19, Porter County Hospital will be billed the sewer user fee detailed below.

	<u>Current</u>	<u>Estimated August 2013</u>
Estimated sewer user fee per EDU (page 18)	\$ 76.13	\$ 76.13
Times: Porter County Hospital calculated EDUs*	<u>x 145.00</u>	<u>x 188.76</u>
Total monthly sewer user fee	<u>\$11,038.85</u>	<u>\$14,370.30</u>

* Porter County Hospital normalized flow (May 2012 – April 2013)	21,066,000	Gallons
Divided by: 360 days (12 months @ 30 days)	<u>÷ 360</u>	
Porter County Hospital average gallons per day flow	58,516.67	GPD
Divided by: 310 GPD (assumed average residential flow)	<u>÷ 310</u>	GPD
Calculated Pay 2014 Porter County Hospital EDUs	<u>188.76</u>	

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(Subject to the attached letter dated July 12, 2013)
(Preliminary – Subject to Change)
(Internal Use Only)

**DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana**

(Cont.)

SCHEDULE OF FINANCIAL PLAN ASSUMPTIONS

- (20) Per the IURC Order approved June 19, 2013 per Cause No. 44146, the Damon Run Conservancy District may no longer charge benefitted properties a PILT related to sewer charges. Instead, this revenue will be recovered via the benefitted properties sewer user fee. Based on the calculation on pages 18 and 19, the MOB will be billed the sewer user fee detailed below.

Monthly sewer user fee per EDU (page 18)	\$ 76.13
Times: MOB estimated EDUs (per draft agreement)	<u>x 8.00</u>
Total monthly sewer user fee	<u>\$609.04</u>

- (21) Annual sewer fund operating, maintenance and replacement costs other than Portage treatment charges (see Note 16) are based on the 2014 budget provided by District management. The expenses are assumed to increase 3% annually. July 1 through December 31, 2013 expenses are based on one-half of the 2013 budget as adopted.
- (22) Properties served by the District are either in the District's existing boundaries or will be in the District's expanded boundaries based upon build-out estimates provided by the District and the District's engineer; with the exception of Liberty Intermediate School, Porter Hospital LLC, the Porter County Parks and Recreation Foundation, and the MOB (part of Hospital) which will not be annexed into the District. Construction completed by February 28 is assumed to be included in the District's assessed value and is used to calculate tax bills in June and December of the following year. The assessment assumptions are as follows:

A. Estimated Residential Growth per District:

2014 – 33 homes
2015 – 33 homes
2016 – 33 homes
2017 – 33 homes
2018 – 33 homes

(Continued on next page)

(Subject to the attached letter dated July 12, 2013)
(Preliminary – Subject to Change)
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**DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana**

(Cont.)

SCHEDULE OF FINANCIAL PLAN ASSUMPTIONS

B. Non-Residential Property Assessed Values:

Mallard's Points	\$5,922,100 (per the District)
Keithley Residence	\$ 112,600 (per the District)
Pet Haven	\$ 210,100 (per the District)
Luke Oil #1 & #2	\$ 736,800 (per the District)
Mishawaka One Stop	\$ 169,300 (per the District)
Hospital Campus	\$ 136,900 (per the District)
Family Express	\$ 178,800 (per the District)
Liberty Intermediate School	(Not annexed into District)
Porter County Hospital	(Not annexed into District)
Porter County Parks and Recreation Foundation	(Not annexed into District)
Medical Office Building (part of Hospital)	(Not annexed into District)

The estimated Net Assessed Valuations for the District are as follows (see Supplemental Data section for detail):

2013 pay 2014	\$ 85,909,000 (per est. AV at 3/1/2013 provided by District mgt.)
2014 pay 2015	\$ 88,609,000
2015 pay 2016	\$ 97,609,000
2016 pay 2017	\$105,934,000
2017 pay 2018	\$114,259,000
2018 pay 2019	\$121,909,000

Note: This growth does not include potential developments like the Hospital Community.

(Continued on next page)

(Subject to the attached letter dated July 12, 2013)
(Preliminary – Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

ESTIMATED CASH FLOWS FOR THE DEBT SERVICE FUND

Note 1

Ref.	Jul. 1 - Dec. 31, '13	Jan. 1 - Jun. 30, '14	Jul. 1 - Dec. 31, '14	Jan. 1 - Jun. 30, '15	Jul. 1 - Dec. 31, '15	Jan. 1 - Jun. 30, '16
Estimated Receipts:						
(2)(22) Special Benefits Property Taxes	\$ 382,111	\$ 415,000	\$ 415,000	\$ 425,000	\$ 425,000	\$ 450,000
(3) Transfers from Water Fund	120,000	210,000	210,000	205,000	205,000	205,000
(4) Transfers from Sewer Fund	-	-	25,000	5,000	25,000	5,000
(5) Interest Income	-	-	-	-	-	-
Total estimated receipts	<u>502,111</u>	<u>625,000</u>	<u>650,000</u>	<u>635,000</u>	<u>655,000</u>	<u>660,000</u>
Estimated Disbursements:						
(6) Bond Principal	260,000	260,000	275,000	280,000	280,000	285,000
(6) Bond Interest	391,733	386,921	382,108	376,702	371,202	365,402
Total estimated disbursements	<u>651,733</u>	<u>646,921</u>	<u>657,108</u>	<u>656,702</u>	<u>651,202</u>	<u>650,402</u>
Estimated Increase (Decrease) in Cash	(149,622)	(21,921)	(7,108)	(21,702)	3,798	9,598
Beginning Cash Balances	478,293 *	328,671	306,750	299,642	277,940	281,738
Estimated Ending Cash Balances	<u>\$ 328,671</u>	<u>\$ 306,750</u>	<u>\$ 299,642</u>	<u>\$ 277,940</u>	<u>\$ 281,738</u>	<u>\$ 291,336</u>
Maximum Reserve Allowed (equal to next semiannual payment) Positive/(negative) variance	<u>\$ 646,921</u>	<u>\$ (318,250)</u>	<u>\$ (357,060)</u>	<u>\$ (368,664)</u>	<u>\$ (368,664)</u>	<u>\$ (368,664)</u>
Debt Service Reserve Fund Balance	<u>\$ 1,233,266</u>	<u>\$ 1,233,266</u>	<u>\$ 1,233,266</u>	<u>\$ 1,233,266</u>	<u>\$ 1,233,266</u>	<u>\$ 1,233,266</u>

* Per the Damon Run Simplified Cash Journal as of June 30, 2013.

Note: District growth assumptions = 33 homes each year in 2014 through 2018.

(Continued on next page)

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

ESTIMATED CASH FLOWS FOR THE DEBT SERVICE FUND (Cont'd)

Note 1

Ref.	Jul. 1 - Dec. 31, '16	Jan. 1 - Jun. 30, '17	Jul. 1 - Dec. 31, '17	Jan. 1 - Jun. 30, '18	Jul. 1 - Dec. 31, '18
Estimated Receipts:					
(2)(22)	\$ 450,000	\$ 480,000	\$ 480,000	\$ 480,000	\$ 480,000
(3)	210,000	210,000	210,000	210,000	215,000
(4)	10,000	5,000	5,000	-	5,000
(5)	-	-	-	-	-
	<u>670,000</u>	<u>695,000</u>	<u>695,000</u>	<u>690,000</u>	<u>700,000</u>
Estimated Disbursements:					
(6)	295,000	295,000	310,000	315,000	320,000
(6)	359,502	353,083	346,664	339,577	332,377
	<u>654,502</u>	<u>648,083</u>	<u>656,664</u>	<u>654,577</u>	<u>652,377</u>
Estimated Increase (Decrease) in Cash	15,498	46,917	38,336	35,423	47,623
Beginning Cash Balances	291,336	306,834	353,751	392,087	427,510
Estimated Ending Cash Balances	<u>\$ 306,834</u>	<u>\$ 353,751</u>	<u>\$ 392,087</u>	<u>\$ 427,510</u>	<u>\$ 475,133</u>
Maximum Reserve Allowed (equal to next semiannual payment)	\$ 648,083		\$ 654,577		\$ 649,721
Positive (negative) variance	<u>\$ (341,249)</u>		<u>\$ (262,490)</u>		<u>\$ (174,588)</u>
Debt Service Reserve Fund Balance					
	<u>\$ 1,233,266</u>	<u>\$ 1,233,266</u>	<u>\$ 1,233,266</u>	<u>\$ 1,233,266</u>	<u>\$ 1,233,266</u>

Note: District growth assumptions = 33 homes each year in 2014 through 2018.

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

ESTIMATED CASH FLOWS FROM WATER OPERATIONS

Note 7

Ref.	Jul. 1 - Dec. 31, '13	Jan. 1 - Jun. 30, '14	Jul. 1 - Dec. 31, '14	Jan. 1 - Jun. 30, '15	Jul. 1 - Dec. 31, '15	Jan. 1 - Jun. 30, '16
Estimated Receipts:						
(8)	\$ 28,326	\$ 29,059	\$ 30,703	\$ 31,771	\$ 33,223	\$ 34,543
(9)	9,927	11,912	11,912	11,912	11,912	11,912
(10)	148,828	178,593	178,593	178,593	178,593	178,593
(11)	6,308	7,569	7,569	7,569	7,569	7,569
(5)	-	-	-	-	-	-
	<u>193,389</u>	<u>227,133</u>	<u>228,777</u>	<u>229,845</u>	<u>231,297</u>	<u>232,617</u>
Estimated Disbursements						
(12)	51,575	22,860	22,860	23,546	23,546	24,252
(13)	-	-	-	-	-	-
	<u>51,575</u>	<u>22,860</u>	<u>22,860</u>	<u>23,546</u>	<u>23,546</u>	<u>24,252</u>
	<u>141,814</u>	<u>204,273</u>	<u>205,917</u>	<u>206,299</u>	<u>207,751</u>	<u>208,365</u>
	-	**	16,087	12,004	13,303	16,054
	<u>141,814</u>	<u>226,087</u>	<u>222,004</u>	<u>218,303</u>	<u>221,054</u>	<u>224,419</u>
	<u>120,000</u>	<u>210,000</u>	<u>210,000</u>	<u>205,000</u>	<u>205,000</u>	<u>205,000</u>
	\$ 21,814	\$ 16,087	\$ 12,004	\$ 13,303	\$ 16,054	\$ 19,419
	<u>\$ 17,192</u>	<u>\$ 7,620</u>	<u>\$ 7,620</u>	<u>\$ 7,849</u>	<u>\$ 7,849</u>	<u>\$ 8,084</u>
	<u>\$ 4,622</u>	<u>\$ 8,467</u>	<u>\$ 4,384</u>	<u>\$ 5,454</u>	<u>\$ 8,205</u>	<u>\$ 11,335</u>

* Only attributable to In-District customers.

** Per the Damon Run Simplified Cash Journal as of June 30, 2013.

Operating - \$0 (assumes all operating cash at 7/1/13 is sewer - starting 7/1/13 the District will separate water and sewer activity)

Note: District growth assumptions = 33 homes each year in 2014 through 2018.

(Continued on next page)

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

ESTIMATED CASH FLOWS FROM WATER OPERATIONS

Note 7

Ref.	Jul. 1 - Dec. 31, '16	Jan. 1 - Jun. 30, '17	Jul. 1 - Dec. 31, '17	Jan. 1 - Jun. 30, '18	Jul. 1 - Dec. 31, '18
Estimated Receipts:					
(8) Water user fees - inside District*	\$ 35,971	\$ 37,135	\$ 38,551	\$ 39,583	\$ 41,023
(9) Liberty School - water user fee	11,912	11,912	11,912	11,912	11,912
(10) Porter Co. Hospital - water user fee	178,593	178,593	178,593	178,593	178,593
(11) Medical Office Building - water user fee	7,569	7,569	7,569	7,569	7,569
(5) Interest income	-	-	-	-	-
Total estimated receipts	<u>234,045</u>	<u>235,209</u>	<u>236,625</u>	<u>237,657</u>	<u>239,097</u>
Estimated Disbursements					
(12) Water operations expense	24,252	24,980	24,980	25,729	25,729
(13) Accounts payable	-	-	-	-	-
Total estimated disbursements	<u>24,252</u>	<u>24,980</u>	<u>24,980</u>	<u>25,729</u>	<u>25,729</u>
Net Operating Receipts	209,793	210,229	211,645	211,928	213,368
Beginning Cash Balances	19,419	19,212	19,441	21,086	23,014
Subtotal	229,212	229,441	231,086	233,014	236,382
Less: Transfers to the Debt Service Fund	(210,000)	(210,000)	(210,000)	(210,000)	(215,000)
Estimated Ending Cash Balances	<u>\$ 19,212</u>	<u>\$ 19,441</u>	<u>\$ 21,086</u>	<u>\$ 23,014</u>	<u>\$ 21,382</u>
Required reserve amount (2 months O&M)	<u>\$ 8,084</u>	<u>\$ 8,327</u>	<u>\$ 8,327</u>	<u>\$ 8,576</u>	<u>\$ 8,576</u>
Positive(negative) variance	<u>\$ 11,128</u>	<u>\$ 11,114</u>	<u>\$ 12,759</u>	<u>\$ 14,438</u>	<u>\$ 12,806</u>

* Only attributable to In-District customers

Note: District growth assumptions = 33 homes each year in 2014 through 2018.

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

ESTIMATED CASH FLOWS FROM SEWER OPERATIONS

Note 14

Ref.	Jul. 1 - Dec. 31, '13	Jan. 1 - Jun. 30, '14	Jul. 1 - Dec. 31, '14	Jan. 1 - Jun. 30, '15	Jul. 1 - Dec. 31, '15	Jan. 1 - Jun. 30, '16
Estimated Receipts:						
Sewer user fees - inside District*	\$ 28,326	\$ 29,059	\$ 30,703	\$ 31,771	\$ 33,223	\$ 34,543
Sewer treatment charges (less 10% I/I)	114,398	117,621	122,257	125,269	129,364	133,086
District sewer connection fees (\$2,500)*	48,175	42,500	50,000	37,500	52,500	47,500
Portage Sewer Connection fees (\$2,200)	42,400	37,400	44,000	33,000	46,200	41,800
Liberty School - sewer user fee	4,793	5,751	5,751	5,751	5,751	5,751
Porter Co. Hospital - sewer user fee	71,851	86,222	86,222	86,222	86,222	86,222
Medical Office Building - sewer user fee	3,045	3,654	3,654	3,654	3,654	3,654
Interest income	-	-	-	-	-	-
Total estimated receipts	<u>312,988</u>	<u>322,207</u>	<u>342,587</u>	<u>323,167</u>	<u>356,914</u>	<u>352,556</u>
Estimated Disbursements						
Sewer operations expense	87,005	123,396	123,396	127,098	127,098	130,911
Accounts payable	7,500	7,500	7,500	7,500	7,500	7,500
Portage sewer connection fees	42,400	37,400	44,000	33,000	46,200	41,800
Sewer treatment charges	127,109	133,265	138,517	146,188	150,966	159,969
Total estimated disbursements	<u>264,014</u>	<u>301,561</u>	<u>313,413</u>	<u>313,786</u>	<u>331,764</u>	<u>340,180</u>
Net Operating Receipts	48,974	20,646	29,174	9,381	25,150	12,376
Beginning Cash Balances	15,885 **	64,859	85,505	89,679	94,060	94,210
Subtotal	64,859	85,505	114,679	99,060	119,210	106,586
Less: Transfers to the Debt Service Fund (4)	-	-	25,000	5,000	25,000	5,000
Estimated Ending Cash Balances	<u>\$ 64,859</u>	<u>\$ 85,505</u>	<u>\$ 89,679</u>	<u>\$ 94,060</u>	<u>\$ 94,210</u>	<u>\$ 101,586</u>
Required reserve amount (2 months O&M)	<u>\$ 71,371</u>	<u>\$ 85,554</u>	<u>\$ 87,304</u>	<u>\$ 91,095</u>	<u>\$ 92,688</u>	<u>\$ 96,960</u>
Positive/(negative) variance	<u>\$ (6,512)</u>	<u>\$ (49)</u>	<u>\$ 2,375</u>	<u>\$ 2,965</u>	<u>\$ 1,522</u>	<u>\$ 4,626</u>

* Only attributable to In-District customers.

** Per the Damon Run Simplified Cash Journal as of June 30, 2013.

Operating - \$1,122.70
Permits Account - \$14,762

Note: District growth assumptions = 33 homes each year in 2014 through 2018.

(Continued on next page)

(Subject to the attached letter dated July 12, 2013)

(Preliminary - Subject to Change)

(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

ESTIMATED CASH FLOWS FROM SEWER OPERATIONS

Note 14

Ref.	Jul. 1 - Dec. 31, '16	Jan. 1 - Jun. 30, '17	Jul. 1 - Dec. 31, '17	Jan. 1 - Jun. 30, '18	Jul. 1 - Dec. 31, '18
Estimated Receipts:					
(15) Sewer user fees - inside District*	\$ 35,971	\$ 37,135	\$ 38,551	\$ 39,583	\$ 41,023
(16) Sewer treatment charges (less 10% I/I)	137,113	140,395	144,389	147,299	151,360
(17) District sewer connection fees (\$2,500)*	42,500	45,000	45,000	40,000	50,000
(17) Portage Sewer Connection fees (\$2,200)	37,400	39,600	39,600	35,200	44,000
(18) Liberty School - sewer user fee	5,751	5,751	5,751	5,751	5,751
(19) Porter Co. Hospital - sewer user fee	86,222	86,222	86,222	86,222	86,222
(20) Medical Office Building - sewer user fee	3,654	3,654	3,654	3,654	3,654
(5) Interest income	-	-	-	-	-
Total estimated receipts	<u>348,611</u>	<u>357,757</u>	<u>363,167</u>	<u>357,709</u>	<u>382,010</u>
Estimated Disbursements					
(21) Sewer operations expense	130,911	134,838	134,838	138,883	138,883
(13) Accounts payable	7,500	7,500	7,500	7,500	7,500
(17) Portage sewer connection fees	37,400	39,600	39,600	35,200	44,000
(16) Sewer treatment charges	164,810	168,755	173,555	177,053	181,934
Total estimated disbursements	<u>340,621</u>	<u>350,693</u>	<u>355,493</u>	<u>358,636</u>	<u>372,317</u>
Net Operating Receipts	7,990	7,064	7,674	(927)	9,693
Beginning Cash Balances	<u>101,586</u>	<u>99,576</u>	<u>101,640</u>	<u>104,314</u>	<u>103,387</u>
Subtotal	109,576	106,640	109,314	103,387	113,080
Less: Transfers to the Debt Service Fund	(4)	(4)	(4)	(4)	(4)
Estimated Ending Cash Balances	<u>\$ 99,576</u>	<u>\$ 101,640</u>	<u>\$ 104,314</u>	<u>\$ 103,387</u>	<u>\$ 108,080</u>
Required reserve amount (2 months O&M)	<u>\$ 98,574</u>	<u>\$ 101,198</u>	<u>\$ 102,798</u>	<u>\$ 105,312</u>	<u>\$ 106,939</u>
Positive/(negative) variance	<u>\$ 1,002</u>	<u>\$ 442</u>	<u>\$ 1,516</u>	<u>\$ (1,925)</u>	<u>\$ 1,141</u>

* Only attributable to In-District customers.

Note: District growth assumptions = 33 homes each year in 2014 through 2018.

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

SCHEDULE OF ESTIMATED DEBT SERVICE TAX RATES

	PAY					
	2013	2014	2015	2016	2017	2018
Tax Dollars Generated						
June	\$ 417,900	\$ 415,000	\$ 425,000	\$ 450,000	\$ 480,000	\$ 480,000
Dec	382,111	415,000	425,000	450,000	480,000	480,000
Totals	<u>\$ 800,011</u>	<u>\$ 830,000</u>	<u>\$ 850,000</u>	<u>\$ 900,000</u>	<u>\$ 960,000</u>	<u>\$ 960,000</u>
District's Projected NAV	<u>\$ 79,216,900 *</u>	<u>\$ 85,909,000 **</u>	<u>\$ 88,609,000</u>	<u>\$ 97,609,000</u>	<u>\$ 105,934,000</u>	<u>\$ 114,259,000</u>
Estimated Tax Rate (per \$100)	<u>\$ 1.0099</u>	<u>\$ 0.9661</u>	<u>\$ 0.9593</u>	<u>\$ 0.9220</u>	<u>\$ 0.9062</u>	<u>\$ 0.8402</u>
Estimated Residential Tax Bill (1)	<u>\$ 2,525</u>	<u>\$ 2,415</u>	<u>\$ 2,398</u>	<u>\$ 2,305</u>	<u>\$ 2,266</u>	<u>\$ 2,101</u>
Estimated \$225,000 home tax bill	<u>\$ 2,272</u>	<u>\$ 2,174</u>	<u>\$ 2,158</u>	<u>\$ 2,075</u>	<u>\$ 2,039</u>	<u>\$ 1,890</u>
District AV with Hospital Community (2)	<u>\$ 79,216,900</u>	<u>\$ 85,909,000</u>	<u>\$ 140,609,000</u>	<u>\$ 149,609,000</u>	<u>\$ 157,934,000</u>	<u>\$ 166,259,000</u>
Resulting Average Residential Tax Bill (1)	<u>\$ 2,525</u>	<u>\$ 2,415</u>	<u>\$ 1,511</u>	<u>\$ 1,504</u>	<u>\$ 1,520</u>	<u>\$ 1,444</u>

* Per the certified Pay 2013 1782 notice.

** Based on estimated AV at March 1, 2013 (pay 2014 assessment deadline) provided by the District.

- (1) Assumed assessed valuation for a single family home is approximately \$250,000 per the District records for Pay 2013.
- (2) Based on estimated additional assessed value to be provided by Hospital Community build-out. Includes assisted living, residential, mixed medical and commercial real estate. Current estimated total AV for this build-out is \$85,650,000. For conservative purposes we have used 60% of this estimate (\$52,000,000) for the calculation. The calculation above assumes the \$52,000,000 is complete for Pay 2015 taxes (this estimate does not include estimated Hospital Community user fees).

Note: District growth assumptions = 33 homes each year in 2014 through 2018.

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

**DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana**

SUMMARY OF RATES AND CHARGES

	Water		Sewer	
Benefitted Properties:				
Monthly User Fee per EDU	\$157.69	(1)	\$76.13	(2)
Sewage Treatment Charge (per 1,000 gallons)	N/A		5.64	(3)
In- District Properties:				
Monthly User Fee per EDU	12.00	(4)	12.00	(5)
Sewage Treatment Charge (per 1,000 gallons)	N/A		5.64	(3)
Special Benefits Property Tax	(----See page 17----)			

(1) Calculated as follows (water allocated expense only):

Annual operation and maintenance cost (6)	\$44,046
Annual depreciation allowance (6)	74,664
Annual debt service (7)	560,836
IURC calculated shortfall in sewer charges to Benefitted Properties (8)	177,933
Less: revenues from user fees (6)	(71,885)
Less: depreciation expense assumed to not be recovered in rates (6)	(46,825)
Less: debt service to be funded via tax rate (7)	(389,140)
Less: revenue change due to school EDU reduction (9)	(17,165)
 Net revenue requirement	 \$332,464
Divided by: Annualized March 2013 Benefitted property EDUs (page 20)	2,108.4
 Monthly User Fee per EDU	 \$157.69

(2) Per IURC Order in Cause No. 44146 Approved June 19, 2013.

(3) Per rates adopted by City of Portage on June 4, 2013. These rates increase 3% annually in 2014, 2015 and 2016.

(4) Per Ordinance No. 2009-2, adopted December 14, 2009.

(5) Per Ordinance No. 2009-3, adopted December 14, 2009.

(6) Per page 15 of the April 10, 2012 rate study filed with the IURC.

(7) Per page 16 of the April 10, 2012 rate study filed with the IURC.

(8) Per page 23 of the Order issued June 19, 2013 for IURC Cause No. 44146.

(9) School EDU's in April 10, 2012 rate study filed with the IURC	27.70
Less: current school EDU's (page 19)	(12.59)
Subtotal	15.11
Times: water share of pay 2013 school PILT	\$1,136 *
Total	\$17,165

* Pay 2012 school monthly PILT (\$2,641.34) x 43% allocation (per page 14 of April 10, 2012 rate report).

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

COMPARISON OF BENEFITTED PROPERTIES BILLS

The School, Hospital and MOB are not annexed into the District. Historically, these customers have paid a payment in lieu of tax to the District for their share of District debt. Per IURC Cause No. 44146, going forward the Benefitted Properties will no longer make a payment in lieu of tax. The elimination of this rate is to be recovered by the District via the Benefitted Properties monthly user charge. As exhibited below, the effect on the Benefitted Properties is neutral.

	EDU's		Current Rate Methodology			Proposed Rate Methodology		
	Current	Estimated (1)	Water User Fee* (2)	Sewer User Fee* (2)	PILT (3)	Water User Fee* (4)	Sewer User Fee* (4)	Total
Liberty Intermediate School	12.59	12.59	\$1,813	\$1,813	\$31,696	\$23,824	\$11,502	\$35,326
Porter Co. Hospital	145.00	188.76	20,880	20,880	365,046	274,381	132,466	406,847 (5)
MOB	8.00	8.00 (6)	1,152	1,152	20,140	15,138	7,308	22,446

(1) Based on normalized flow information for May 2012 - April 2013.

(2) Based on Current EDU's x the current \$12 per month user fee (for water) and \$12 per month user fee (for sewer) and annualized for 12 months.

(3) Assumes current monthly/semiannual PILT is paid for full year.

(4) Based on Current EDU's x the proposed water and sewer user fees on page 18.

(5) If the estimated increase in EDU's is accounted for, the Hospital's water and sewer bill will increase approximately \$123,000 per year (this increase is strictly related to the estimated increase in EDU's = 43.76 x proposed monthly water and sewer user charge \$233.82 x 12 months). The EDU change is anticipated to be effective August 2013.

(6) The 8 EDU estimate is per the proposed agreement provided by the District to the MOB.

* Does not include Portage or IA W charges for flow as these are pass through charges of the District.

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT

SUPPLEMENTAL DATA

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

SCHEDULE OF ESTIMATED MONTHLY EQUIVALENT UNITS - 2013

	Estimated EDU's Per Month*											
	Jan 13 (1)	Feb (1)	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Eagle Ridge (x)	99.0	99.0	99.0	99.0	99.0	100.0	101.0	101.0	101.0	101.0	101.0	101.0
Timberland (x)	151.0	151.0	151.0	152.0	152.0	152.0	152.0	152.0	152.0	152.0	152.0	152.0
Mallards Pointe (x)	0.0	0.0	0.0	0.0	0.0	0.0	51.0	51.0	51.0	51.0	51.0	51.0
Keithley (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Pet Haven (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Luke Oil Car Wash (x)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.9	7.9	7.9	7.9	7.9
Luke Oil Gas (x)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.1	2.1	2.1	2.1	2.1
Mishawaka One Stop (x)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.1	2.1	2.1	2.1	2.1
Timberland Farms (West) (x)	55.0	55.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0
Timberland Farms (East) (x)	7.0	7.0	9.0	9.0	9.0	9.0	9.0	11.0	13.0	14.0	14.0	14.0
St. Andrews (x)	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0
Bromley (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Campus (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fritz (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Monthland (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Wallace (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Liberty Intermediate School	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7
Porter Co. Hospital	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0
Medical Office Building	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Total	497.7	497.7	500.7	501.7	501.7	502.7	554.7	569.8	571.8	572.8	572.8	572.8
In-District Only (x)	322.0	322.0	325.0	326.0	326.0	327.0	379.0	394.1	396.1	397.1	397.1	397.1

(1) Connections per District estimates as of March 1, 2013 via email dated 7/2/13.

* Built-out based on estimates provided by District Management via email dated 7/2/13.

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

SCHEDULE OF ESTIMATED MONTHLY EQUIVALENT UNITS - 2014

	Estimated EDU's Per Month*											
	Jan 14	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Eagle Ridge (x)	101.0	101.0	102.0	102.0	102.0	102.0	102.0	102.0	102.0	102.0	102.0	102.0
Timberland (x)	152.0	152.0	152.0	152.0	152.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0
Mallards Pointe (x)	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0
Keithley (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Pet Haven (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Luke Oil Car Wash (x)	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9
Luke Oil Gas (x)	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Mishawaka One Stop (x)	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Timberland Farms (West) (x)	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0
Timberland Farms (East) (x)	14.0	14.0	16.0	18.0	21.0	25.0	28.0	32.0	37.0	40.0	42.0	44.0
St. Andrews (x)	4.0	4.0	5.0	6.0	7.0	8.0	8.0	8.0	8.0	8.0	8.0	9.0
Bromley (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Campus (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fritz (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Morthland (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Wallace (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Liberty Intermediate School	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7
Porter Co. Hospital	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0
Medical Office Building	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Total	572.8	572.8	576.8	579.8	583.8	589.8	592.8	596.8	601.8	604.8	606.8	609.8
In-District Only (x)	397.1	397.1	401.1	404.1	408.1	414.1	417.1	421.1	426.1	429.1	431.1	434.1

* Build-out based on estimates provided by District Management via email dated 7/2/13.

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

SCHEDULE OF ESTIMATED MONTHLY EQUIVALENT UNITS - 2015

	Estimated EDU's Per Month*											
	Jan 15	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Eagle Ridge (x)	102.0	102.0	103.0	103.0	103.0	103.0	103.0	103.0	103.0	103.0	103.0	103.0
Timberland (x)	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0
Mallards Pointe (x)	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0
Keithley (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Pet Haven (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Luke Oil Car Wash (x)	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9
Luke Oil Gas (x)	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Mishawaka One Stop (x)	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Timberland Farms (West) (x)	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0
Timberland Farms (East) (x)	44.0	47.0	48.0	50.0	53.0	55.0	58.0	61.0	64.0	68.0	71.0	74.0
St. Andrews (x)	9.0	9.0	10.0	10.0	10.0	12.0	12.0	13.0	13.0	14.0	14.0	14.0
Bromley (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Campus (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fritz (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Morthland (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Wallace (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Liberty Intermediate School	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7
Porter Co. Hospital	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0
Medical Office Building	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Total	609.8	612.8	615.8	617.8	620.8	624.8	627.8	631.8	634.8	639.8	642.8	645.8
In-District Only (x)	434.1	437.1	440.1	442.1	445.1	449.1	452.1	456.1	459.1	464.1	467.1	470.1

* Build-out based on estimates provided by District Management via email dated 7/2/13.

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

SCHEDULE OF ESTIMATED MONTHLY EQUIVALENT UNITS - 2016

	Estimated EDU's Per Month*											
	Jan 16	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Eagle Ridge (x)	103.0	103.0	104.0	104.0	104.0	104.0	104.0	104.0	104.0	104.0	104.0	104.0
Timberland (x)	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0
Mallards Pointe (x)	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0
Keithley (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Pet Haven (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Luke Oil Car Wash (x)	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9
Luke Oil Gas (x)	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Mishawaka One Stop (x)	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Timberland Farms (West) (x)	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0
Timberland Farms (East) (x)	75.0	78.0	81.0	81.0	85.0	88.0	89.0	93.0	97.0	100.0	102.0	104.0
St. Andrews (x)	14.0	14.0	15.0	16.0	17.0	18.0	19.0	19.0	19.0	19.0	19.0	19.0
Bromley (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Campus (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fritz (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Morthland (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Wallace (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Liberty Intermediate School	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7
Porter Co. Hospital	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0
Medical Office Building	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Total	646.8	649.8	654.8	655.8	660.8	664.8	666.8	670.8	674.8	677.8	679.8	681.8
In-District Only (x)	471.1	474.1	479.1	480.1	485.1	489.1	491.1	495.1	499.1	502.1	504.1	506.1

* Build-out based on estimates provided by District Management via email dated 7/2/13.

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

SCHEDULE OF ESTIMATED MONTHLY EQUIVALENT UNITS - 2017

	Estimated EDU's Per Month*											
	Jan 17	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Eagle Ridge (x)	104.0	104.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0
Timberland (x)	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0
Mallards Pointe (x)	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0
Keithley (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Pet Haven (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Luke Oil Car Wash (x)	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9
Luke Oil Gas (x)	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Mishawaka One Stop (x)	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Timberland Farms (West) (x)	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0
Timberland Farms (East) (x)	106.0	109.0	109.0	113.0	114.0	117.0	120.0	123.0	126.0	129.0	132.0	134.0
St. Andrews (x)	19.0	19.0	20.0	21.0	22.0	23.0	24.0	24.0	24.0	24.0	24.0	24.0
Bromley (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Campus (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fritz (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Morthland (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Wallace (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Liberty Intermediate School	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7
Porter Co. Hospital	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0
Medical Office Building	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Total	683.8	686.8	688.8	693.8	695.8	699.8	703.8	706.8	709.8	712.8	715.8	717.8
In-District Only (x)	508.1	511.1	513.1	518.1	520.1	524.1	528.1	531.1	534.1	537.1	540.1	542.1

* Build-out based on estimates provided by District Management via email dated 7/2/13.

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

SCHEDULE OF ESTIMATED MONTHLY EQUIVALENT UNITS - 2018

	Estimated EDU's Per Month*											
	Jan 18	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Eagle Ridge (x)	105.0	105.0	106.0	106.0	106.0	106.0	106.0	106.0	106.0	106.0	106.0	106.0
Timberland (x)	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0	153.0
Mallards Pointe (x)	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0	51.0
Keithley (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Pet Haven (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Luke Oil Car Wash (x)	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9
Luke Oil Gas (x)	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Mishawaka One Stop (x)	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Timberland Farms (West) (x)	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0
Timberland Farms (East) (x)	134.0	137.0	137.0	141.0	142.0	145.0	148.0	151.0	154.0	157.0	160.0	164.0
St. Andrews (x)	24.0	24.0	25.0	26.0	27.0	28.0	29.0	29.0	29.0	29.0	29.0	29.0
Bronley (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Campus (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fritz (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Monthland (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Wallace (x)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Liberty Intermediate School	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7
Porter Co. Hospital	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0	145.0
Medical Office Building	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Total	717.8	720.8	722.8	727.8	729.8	733.8	737.8	740.8	743.8	746.8	749.8	753.8
In-District Only (x)	542.1	545.1	547.1	552.1	554.1	558.1	562.1	565.1	568.1	571.1	574.1	578.1

* Build-out based on estimates provided by District Management via email dated 7/2/13.

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

**DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana**

SUMMARY OF ESTIMATED GROWTH IN NAV - 2013 FOR PAY 2014

Projected Growth (1)

<u>2013</u>	<u>New NAV</u>	<u>Total NAV</u>
Jan	\$ -	\$ 86,326,600
Feb	-	85,909,000 (2)
Mar	675,000	86,584,000
Apr	225,000	86,809,000
May	-	86,809,000
Jun	225,000	87,034,000
July	225,000	87,259,000
Aug	675,000	87,934,000
Sept	450,000	88,384,000
Oct	225,000	88,609,000
Nov	-	88,609,000
Dec	-	88,609,000

(1) Based on anticipated growth in ERUs assuming the following assessment values:

Single Family Home @ \$225,000 AV per home

Vacant land @ \$42,000 per lot

(2) Per NAV at March 1, 2012 (pay 2013 assessment deadline) provided by the District via email dated 6/24/2013.

Note: Assessed values as of February 28th are the basis for establishing taxes for the following year.

(Subject to the attached letter dated July 12, 2013)
(Preliminary - Subject to Change)
(Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

SUMMARY OF ESTIMATED GROWTH IN NAV - 2014 FOR PAY 2015

Current Net Assessed Valuation		\$	88,609,000
Projected Growth (1)			
<u>2014</u>	<u>New</u>		<u>Total</u>
	<u>NAV</u>		<u>NAV</u>
Jan	\$ -	\$	88,609,000
Feb	-		88,609,000
Mar	900,000		89,509,000
Apr	675,000		90,184,000
May	900,000		91,084,000
Jun	1,350,000		92,434,000
July	675,000		93,109,000
Aug	900,000		94,009,000
Sept	1,125,000		95,134,000
Oct	675,000		95,809,000
Nov	450,000		96,259,000
Dec	675,000		96,934,000

(1) Based on anticipated growth in ERUs assuming the following assessment values:
 Single Family Home @ \$225,000 AV per home
 Vacant land @ \$42,000 per lot

Note: Assessed values as of February 28th are the basis for establishing taxes for the following year.

(Subject to the attached letter dated July 12, 2013)
 (Preliminary - Subject to Change)
 (Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

SUMMARY OF ESTIMATED GROWTH IN NAV - 2015 FOR PAY 2016

Current Net Assessed Valuation		\$	96,934,000
Projected Growth (1)			
<u>2015</u>	<u>New</u>		<u>Total</u>
	<u>NAV</u>		<u>NAV</u>
Jan	\$	-	\$ 96,934,000
Feb		675,000	97,609,000
Mar		675,000	98,284,000
Apr		450,000	98,734,000
May		675,000	99,409,000
Jun		900,000	100,309,000
July		675,000	100,984,000
Aug		900,000	101,884,000
Sept		675,000	102,559,000
Oct		1,125,000	103,684,000
Nov		675,000	104,359,000
Dec		675,000	105,034,000

(1) Based on anticipated growth in ERUs assuming the following assessment values:
 Single Family Home @ \$225,000 AV per home
 Vacant land @ \$42,000 per lot

Note: Assessed values as of February 28th are the basis for establishing taxes for the following year.

(Subject to the attached letter dated July 12, 2013)
 (Preliminary - Subject to Change)
 (Internal Use Only)

DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana

SUMMARY OF ESTIMATED GROWTH IN NAV - 2016 FOR PAY 2017

Current Net Assessed Valuation		\$	105,034,000
Projected Growth (1)			
<u>2016</u>	<u>New</u>		<u>Total</u>
	<u>NAV</u>		<u>NAV</u>
Jan	\$ 225,000	\$	105,259,000
Feb	675,000		105,934,000
Mar	1,125,000		107,059,000
Apr	225,000		107,284,000
May	1,125,000		108,409,000
Jun	900,000		109,309,000
July	450,000		109,759,000
Aug	900,000		110,659,000
Sept	900,000		111,559,000
Oct	675,000		112,234,000
Nov	450,000		112,684,000
Dec	450,000		113,134,000

(1) Based on anticipated growth in ERUs assuming the following assessment values:
 Single Family Home @ \$225,000 AV per home
 Vacant land @ \$42,000 per lot

Note: Assessed values as of February 28th are the basis for establishing taxes for the following year.

(Subject to the attached letter dated July 12, 2013)
 (Preliminary - Subject to Change)
 (Internal Use Only)

**DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana**

SUMMARY OF ESTIMATED GROWTH IN NAV - 2017 FOR PAY 2018

Current Net Assessed Valuation		\$	113,134,000
Projected Growth (1)			
<u>2017</u>	<u>New NAV</u>		<u>Total NAV</u>
Jan	\$ 450,000	\$	113,584,000
Feb	675,000		114,259,000
Mar	450,000		114,709,000
Apr	1,125,000		115,834,000
May	450,000		116,284,000
Jun	900,000		117,184,000
July	900,000		118,084,000
Aug	675,000		118,759,000
Sept	675,000		119,434,000
Oct	675,000		120,109,000
Nov	675,000		120,784,000
Dec	450,000		121,234,000

(1) Based on anticipated growth in ERUs assuming the following assessment values:
 Single Family Home @ \$225,000 AV per home
 Vacant land @ \$42,000 per lot

Note: Assessed values as of February 28th are the basis for establishing taxes for the following year.

(Subject to the attached letter dated July 12, 2013)
 (Preliminary - Subject to Change)
 (Internal Use Only)

**DAMON RUN CONSERVANCY DISTRICT
Porter County, Indiana**

SUMMARY OF ESTIMATED GROWTH IN NAV - 2018 FOR PAY 2019

Current Net Assessed Valuation		\$	121,234,000
Projected Growth (1)			
<u>2017</u>	<u>New NAV</u>		<u>Total NAV</u>
Jan	\$ -	\$	121,234,000
Feb	675,000		121,909,000
Mar	450,000		122,359,000
Apr	1,125,000		123,484,000
May	450,000		123,934,000
Jun	900,000		124,834,000
July	900,000		125,734,000
Aug	675,000		126,409,000
Sept	675,000		127,084,000
Oct	675,000		127,759,000
Nov	675,000		128,434,000
Dec	900,000		129,334,000

(1) Based on anticipated growth in ERUs assuming the following assessment values:
 Single Family Home @ \$225,000 AV per home
 Vacant land @ \$42,000 per lot

Note: Assessed values as of February 28th are the basis for establishing taxes for the following year.

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