

CITY OF LEESBURG, FLORIDA
Electric Utility System

| Description | Historical (1) | | | | | Proforma Projection | | | | | |
|--|----------------|------------|------------|------------|------------|---------------------|---------------|--------------|--------------|--------------|--------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| Charges for Service - GDPI/PDI | | | | | | 39,333,286 | 39,333,286 | 39,726,619 | 40,322,518 | 41,128,969 | 42,157,193 |
| Charges for Service - BPCA | | | | | | 20,139,366 | 21,495,700 | 21,945,425 | 22,626,759 | 23,548,830 | 24,724,471 |
| Charges for Service - pass throughs | | | | | | 8,895,858 | 5,909,518 | 5,909,518 | 5,909,518 | 5,909,518 | 5,909,518 |
| Total Operating Revenues | | | | | | 68,368,510 | 66,738,504 | 67,581,562 | 68,858,795 | 70,587,317 | 72,791,182 |
| Other | | | | | | 1,201,200 | 3,047,435 | 3,077,909 | 3,124,078 | 3,186,560 | 3,266,224 |
| Total Operating Revenues | | | | | | 69,569,710 | 69,785,939 | 70,659,471 | 71,982,873 | 73,773,876 | 76,057,405 |
| Estimated Inflation Rate (2) | | | | | | Budget | Budget | 1.00% | 1.50% | 2.00% | 2.50% |
| Operating Revenues | | | | | | | | | | | |
| Charges for Services | 48,966,154 | 59,167,487 | 59,138,350 | 68,365,314 | 69,726,593 | 68,368,510 | 66,738,504 | 67,581,562 | 68,858,795 | 70,587,317 | 72,791,182 |
| - AMI Savings/(Cost) - Electric (3) | | | | | | | 143,452 | 230,913 | 237,883 | 242,641 | 248,707 |
| Other | 749,541 | 1,029,429 | 938,465 | 1,005,820 | 1,259,059 | 1,201,200 | 3,047,435 | 3,077,909 | 3,124,078 | 3,186,560 | 3,266,224 |
| Total Operating Revenues | 49,715,695 | 60,196,916 | 60,076,815 | 69,371,134 | 70,985,652 | 69,569,710 | 69,929,391 | 70,890,384 | 72,220,756 | 74,016,517 | 76,306,112 |
| Operating Expenses | | | | | | | | | | | |
| Power Generation | 1,410,693 | 1,806,002 | 1,916,468 | 2,673,755 | 2,938,956 | 2,975,818 | 3,253,500 | 3,286,035 | 3,335,326 | 3,402,032 | 3,487,083 |
| Purchased Energy | 33,682,434 | 42,471,962 | 39,746,369 | 47,586,702 | 49,157,534 | 43,616,177 | 44,972,511 | 45,422,236 | 46,103,570 | 47,025,641 | 48,201,282 |
| - AMI (Savings)/Cost - DR (3) | | | | | | | (942,080) | (1,516,450) | (1,562,230) | (1,593,475) | (1,633,311) |
| - AMI O&M - DR | | | | | | | 801,355 | 1,031,818 | 1,063,063 | 1,084,324 | 1,111,432 |
| Distribution and Transmission | 2,899,530 | 3,069,096 | 3,770,950 | 3,895,543 | 3,260,357 | 4,416,365 | 5,045,169 | 5,095,621 | 5,172,055 | 5,275,496 | 5,407,384 |
| - AMI (Savings)/Cost - Electric (3) | | | | | | | (125,751) | (202,421) | (208,531) | (212,702) | (218,019) |
| - AMI O&M - Dist Infrastructure | | | | | | | 65,720 | 38,633 | 22,887 | 23,345 | 23,928 |
| - AMI O&M - Comm Infrastructure | | | | | | | 22,205 | 18,360 | 18,727 | 19,102 | 19,579 |
| - AMI O&M - IT Infrastructure | | | | | | | 61,186 | 59,264 | 59,808 | 61,004 | 62,529 |
| Customer Accounts | 1,399,152 | 2,308,706 | 2,435,951 | 2,217,353 | 2,244,256 | 1,717,737 | 2,086,657 | 2,107,524 | 2,139,136 | 2,181,919 | 2,236,467 |
| - AMI (Savings)/Cost - Electric (3) | | | | | | | (23,040) | (37,088) | (38,207) | (38,971) | (39,945) |
| - AMI (Savings)/Cost - Electric (3) | | | | | | | (130,422) | (209,938) | (216,275) | (220,601) | (226,116) |
| General and Administrative | 3,036,414 | 2,555,124 | 3,473,143 | 3,388,468 | 3,411,601 | 3,194,922 | 3,303,921 | 3,336,960 | 3,387,015 | 3,454,755 | 3,541,124 |
| - AMI (Savings)/Cost - Electric (3) | | | | | | | 56,576 | 91,070 | 93,819 | 95,695 | 98,088 |
| - AMI (Savings)/Cost - DR (3) | | | | | | | 26,624 | 42,856 | 44,150 | 45,033 | 46,159 |
| Depreciation and Amortization - Base | 2,704,885 | 2,316,912 | 2,514,232 | 2,861,401 | 2,799,882 | 2,769,307 | 2,439,360 | 2,463,754 | 2,500,710 | 2,550,724 | 2,614,492 |
| Depreciation and Amortization - Incremental | | | | | | | | | | | |
| Total Operating Expenses | 45,133,108 | 54,527,802 | 53,857,113 | 62,623,222 | 63,812,586 | 58,690,326 | 60,913,491 | 61,028,233 | 61,915,022 | 63,153,323 | 64,732,156 |
| Operating Income | 4,582,587 | 5,669,114 | 6,219,702 | 6,747,912 | 7,173,066 | 10,879,384 | 9,015,900 | 9,862,151 | 10,305,734 | 10,863,194 | 11,573,956 |
| Nonoperating Revenues (Expenses) | | | | | | | | | | | |
| Investment Income | 179,862 | 146,303 | 472,650 | 680,395 | 464,884 | 810,028 | 146,475 | 147,940 | 150,159 | 153,162 | 156,991 |
| Other Nonoperating Income | 407,947 | 344,826 | 312,813 | 251,107 | 115,994 | | | 0 | 0 | 0 | 0 |
| Interest Expenses | | | | | | | | | | | |
| Other Nonoperating Expenses | (178,200) | (139,678) | (184,647) | (95,494) | (49,063) | (781,370) | (781,370) | (789,184) | (801,021) | (817,042) | (837,468) |
| Total Nonoperating Revenues (Expenses) | 409,609 | 245,901 | 160,897 | (526,886) | (801,768) | (1,940,264) | (2,817,227) | (2,976,261) | (2,952,072) | (2,953,133) | (2,936,782) |
| Income (Loss) before Contributions and Transfers | 4,992,196 | 5,915,015 | 6,380,599 | 6,221,026 | 6,371,298 | 8,939,120 | 6,198,673 | 6,885,890 | 7,353,662 | 7,910,062 | 8,637,174 |

(1) Source is City of Leesburg, FL CAFR's

(2) City has automatic adjustment built into rates.

(3) Taken from AMI final report and delayed 1 year.

CITY OF LEESBURG, FLORIDA
Electric Utility System

| Description | Historical (1) | | | | | Proforma Projection | | | | | |
|---|------------------|------------------|------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| Income (Loss) before Contributions and Transfers | 4,992,196 | 5,915,015 | 6,380,599 | 6,221,026 | 6,371,298 | 8,939,120 | 6,198,673 | 6,885,890 | 7,353,662 | 7,910,062 | 8,637,174 |
| addback Depreciation and Amortization | 2,704,885 | 2,316,912 | 2,514,232 | 2,861,401 | 2,799,882 | 2,769,307 | 2,439,360 | 2,463,754 | 2,500,710 | 2,550,724 | 2,614,492 |
| addback Interest Expenses | 0 | 105,550 | 439,919 | 1,362,894 | 1,333,583 | 1,968,922 | 2,182,332 | 2,335,017 | 2,301,209 | 2,289,253 | 2,256,306 |
| addback Other Nonoperating Expenses | 178,200 | 139,678 | 184,647 | 95,494 | 49,063 | 781,370 | 781,370 | 789,184 | 801,021 | 817,042 | 837,468 |
| Net Revenues Available for Debt Service | 7,875,281 | 8,477,155 | 9,519,397 | 10,540,815 | 10,553,826 | 14,458,719 | 11,601,735 | 12,473,844 | 12,956,602 | 13,567,080 | 14,345,440 |
| Debt Service on 2004 Bonds (4) | | | | | | | | | | | |
| - Principal | | | | | | 340,000 | 355,000 | 365,000 | 380,000 | 395,000 | 410,000 |
| - Interest | | | | | | 755,535 | 744,060 | 731,455 | 717,523 | 702,260 | 685,904 |
| - Total | | | 779,813 | 1,121,020 | 1,090,975 | 1,095,535 | 1,099,060 | 1,096,455 | 1,097,523 | 1,097,260 | 1,095,904 |
| Debt Service on 2007A Bonds (4) | | | | | | | | | | | |
| - Principal | | | | | | 0 | 0 | 0 | 0 | 0 | 0 |
| - Interest | | | | | | 551,906 | 551,906 | 551,906 | 551,906 | 551,906 | 551,906 |
| - Total | | | | | 551,906 | 551,906 | 551,906 | 551,906 | 551,906 | 551,906 | 551,906 |
| Debt Service on 2007B Bonds (4) | | | | | | | | | | | |
| - Principal | | | | | | 280,000 | 295,000 | 310,000 | 325,000 | 345,000 | 365,000 |
| - Interest | | | | | | 674,817 | 658,602 | 641,541 | 623,634 | 604,740 | 584,718 |
| - Total | | | | | 682,713 | 954,817 | 953,602 | 951,541 | 948,634 | 949,740 | 949,718 |
| Debt Service on 2010/2013 Note/Bond | | | | | | | | | | | |
| - Principal | | | | | | | | | | 0 | 815,000 |
| - Interest | | | | | | | 227,764 | 410,115 | 408,146 | 430,347 | 433,778 |
| - Total | | | | | | | 227,764 | 410,115 | 408,146 | 430,347 | 1,248,778 |
| Total Debt Service | | | 779,813 | 1,121,020 | 2,325,594 | 2,602,258 | 2,832,332 | 3,010,017 | 3,006,209 | 3,029,253 | 3,846,306 |
| Projected Interest Budget Surplus | | | | | | | 131,828 | 314,902 | 426,197 | 455,395 | |
| Debt Service Coverage | | | 12.21x | 9.40x | 4.54x | 3.52x | 2.54x | 2.53x | 2.64x | 2.73x | 2.17x |
| Required Minimum Coverage | | | 1.25x | 1.25x | 1.25x | 1.25x | 1.25x | 1.25x | 1.25x | 1.25x | 1.25x |
| Net Revenues after Debt Services Available for Other Needs | 7,875,281 | 8,477,155 | 8,739,584 | 9,419,795 | 8,228,232 | 11,856,461 | 8,769,403 | 9,463,827 | 9,950,393 | 10,537,828 | 10,499,134 |
| Projections without AMI (5) | | | | | | 11,856,461 | 8,666,088 | 8,959,133 | 9,397,868 | 9,988,289 | 10,743,529 |
| Change from Baseline | | | | | | 0 | 103,315 | 504,694 | 552,526 | 549,539 | (244,395) |
| ---- Cumulative thru 10/1/2013 | | | | | | | 103,315 | 608,009 | 1,160,535 | | |
| -- Restricted Surplus Fund - Pay Down GAN - 50% | | | | | | | 51,657 | 252,347 | 276,263 | 274,769 | 0 |
| ---- Cumulative | | | | | | | 51,657 | 304,005 | 580,267 | 855,037 | 855,037 |
| -- Restricted Surplus Fund - 50% | | | | | | | 51,657 | 252,347 | 276,263 | 274,769 | 0 |
| ---- Cumulative | | | | | | | 51,657 | 304,005 | 580,267 | 855,037 | 855,037 |

(1) Source is City of Leesburg, FL CAFR's

(4) Please refer to CAFR's. Payments are net of capitalize (4) Please refer (4) Please refer (4) Please refer (4) Please refer to CAFR's. Payments are net of capitalized interest.

(5) This excludes approximately \$1 million in peak load cost savings achieved in Pre-AMI project for FYE 2009 and YTD 2010.

CITY OF LEESBURG, FLORIDA
Electric Utility System

| Description | ----- Historical (1) ----- | | | | | ----- Proforma Projection ----- | | | | | |
|--|----------------------------|------|------|------|------|---------------------------------|--------------|--------------|--------------|--------------|--------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| RW Beck 2007 OS Presentation | | | | | | | | | | | |
| Operating Revenues | | | | | | 69,570 | 69,929 | 70,890 | 72,221 | 74,017 | 76,306 |
| Less: Operating Expenses [3] | | | | | | 55,921 | 58,474 | 58,564 | 59,414 | 60,603 | 62,118 |
| Net Operating Income | | | | | | 13,649 | 11,455 | 12,326 | 12,806 | 13,414 | 14,188 |
| Other Income | | | | | | 810 | 146 | 148 | 150 | 153 | 157 |
| Total Available for Debt Service | | | | | | 14,459 | 11,602 | 12,474 | 12,957 | 13,567 | 14,345 |
| <u>Debt Service</u> | | | | | | | | | | | |
| Series 2004 Bonds | | | | | | 1,096 | 1,099 | 1,096 | 1,098 | 1,097 | 1,096 |
| Series 2007A Bonds | | | | | | 552 | 552 | 552 | 552 | 552 | 552 |
| Series 2007B Bonds | | | | | | 955 | 954 | 952 | 949 | 950 | 950 |
| Series 2010 Note | | | | | | 0 | 228 | 410 | 408 | 430 | 1,249 |
| Total Debt Service | | | | | | 2,602 | 2,832 | 3,010 | 3,006 | 3,029 | 3,846 |
| Capital Contributions | | | | | | assumed to be zero for now | | | | | |
| Amount Available for Working Capital, Transfer to General Fund & Capital Improvements | | | | | | 11,856 | 8,769 | 9,464 | 9,950 | 10,538 | 10,499 |
| Transfers Out (As Calculated in Base w/o AMI) | | | | | | (5,666) | (5,736) | (5,755) | (5,863) | (6,008) | (6,194) |
| Capital Projects (2010 per budget, 2011-2015 City to Confirm) | | | | | | (2,643) | (1,922) | (1,922) | (1,922) | (1,922) | (1,922) |
| Deposit to R and R Fund | | | | | | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) |
| Deposit in Restricted Surplus Fund (2010 Represents FY 2009 plus FY 2010 YTD Savings Already Achieved) | | | | | | (1,000) | (103) | (505) | (553) | (550) | 0 |
| Other | | | | | | | | | | | |
| Net Available from Operations | | | | | | 1,548 | 8 | 282 | 613 | 1,058 | 1,383 |
| Debt Service Coverage - RW Beck 2007 OS Projection | | | | | | 3.68x | 3.12x | 3.48x | | | |
| Debt Service Coverage with AMI | | | | | | 3.52x | 2.54x | 2.53x | 2.64x | 2.73x | 2.17x |

CITY OF LEESBURG, FLORIDA
Electric Utility System

| Description | ----- Historical (1) ----- | | | | | ----- Proforma Projection ----- | | | | | |
|-------------------------------------|----------------------------|------|------|------|------------|---------------------------------|------|------|------|------|------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| Cash Reserve Calculation (6) | | | | | | | | | | | |
| Budgeted Operating Revenue | | | | | 74,888,133 | 68,368,510 | | | | | |
| Less: | | | | | | | | | | | |
| Budgeted Cost of Purchase Power | | | | | | | | | | | |
| Generation | | | | | 3,863,939 | 2,975,818 | | | | | |
| St Lucie | | | | | 881,108 | 880,000 | | | | | |
| Purchase Power | | | | | 50,049,495 | 42,736,177 | | | | | |
| Total Purchase Power | | | | | 54,794,542 | 46,591,995 | | | | | |
| Add: | | | | | | | | | | | |
| General Fund Transfers | | | | | 4,578,315 | 4,578,000 | | | | | |
| Surcharge Revenues | | | | | 1,088,352 | 1,088,000 | | | | | |
| Total Transfers & Surcharges | | | | | 5,666,667 | 5,666,000 | | | | | |
| Minimum Revenue Required | | | | | 25,760,258 | 27,442,515 | | | | | |
| Number of Days in the year | | | | | 365 | 365 | | | | | |
| Average daily cash | | | | | 70,576 | 75,185 | | | | | |
| Number of days required | | | | | 120 | 120 | | | | | |
| Minimum cash balance | | | | | 8,469,126 | 9,022,197 | | | | | |
| Cash on hand | | | | | 11,505,791 | 14,799,546 | | | | | |
| Excess | | | | | 3,036,665 | 5,777,349 | | | | | |

(6) FYE 2009 Actual is used. 2010 represents 6 months of unaudited numbers from City thru April 30, 2010.

Benefits + O&M Assumptions

| Category in Cash Flow Projection Report | Source | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Category | Description |
|---|-----------------|-----------|-------------|-------------|-----------|-----------|----------|-------------------|
| - AMI Savings/(Cost) - Electric (3) | Figure ES-2 (1) | 143,452 | 230,913 | 237,883 | | | Benefit | Revenue |
| - AMI (Savings)/Cost - DR (3) | Figure ES-2 (1) | (942,080) | (1,516,450) | (1,562,230) | | | Benefit | Power Supply |
| - AMI O&M - DR | Figure 4-4 | 801,355 | 1,031,818 | 1,063,063 | 1,095,098 | 1,128,272 | O&M | DR |
| - AMI (Savings)/Cost - Electric (3) | Figure ES-2 (1) | (125,751) | (202,421) | (208,531) | | | Benefit | Field Operations |
| - AMI O&M - Dist Infrastructure | Figure 4-4 | 65,720 | 38,633 | 22,887 | 23,546 | 24,421 | O&M | Dist - Electric |
| - AMI O&M - Comm Infrastructure | Figure 4-4 | 22,205 | 18,360 | 18,727 | 19,102 | 19,484 | O&M | Com |
| - AMI O&M - IT Infrastructure | Figure 4-4 | 61,186 | 59,264 | 59,808 | 61,615 | 63,477 | O&M | IT |
| - AMI (Savings)/Cost - Electric (3) | Figure ES-2 (1) | (23,040) | (37,088) | (38,207) | | | Benefit | Office Operations |
| - AMI (Savings)/Cost - Electric (3) | Figure ES-2 (1) | (130,422) | (209,938) | (216,275) | | | Benefit | Meter Reading |
| - AMI (Savings)/Cost - Electric (3) | Figure ES-2 (1) | 56,576 | 91,070 | 93,819 | | | Benefit | Administration |
| - AMI (Savings)/Cost - DR (3) | Figure ES-2 (1) | 26,624 | 42,856 | 44,150 | | | Benefit | Administration |

(1) Figure ES-2 is on page ES-7 of the Executive Summary. It provides only 3 years of projections of benefits to the implementation of AMI.

(2) Figure 4-4 is on page 4-4 . It summarizes the O&M expenses associated with the RF Tower option.

(3) The sign of the numbers extracted were adjusted to reflect their effect to the Income/Expense category they were inserted into.

CITY OF LEESBURG, FLORIDA

Electric Utility System

Series 2010 BAN Note

Estimated GAN Drawdown and Grant Reimbursement Schedule

Initial 3 Year "Interest Only" Period

| Period | Est. GAN Closing 8/4/2010 | 1 9/1/2010 | 2 10/1/2010 | 3 11/1/2010 | 4 12/1/2010 | 5 1/1/2011 | 6 2/1/2011 | 7 3/1/2011 | 8 4/1/2011 | 9 5/1/2011 | 10 6/1/2011 | 11 7/1/2011 | 12 8/1/2011 |
|-------------------------------------|---------------------------------|---------------|----------------|----------------|----------------|---------------|---------------|---------------|----------------|---------------|----------------|----------------|----------------|
| Est. DOE Drawdown Schedule | | | | | | | | | | | | | |
| - Monthly Draw | 1,850,000(1) | 3,491,000 | 2,471,333 | 2,471,333 | 2,471,333 | 1,761,667 | 1,761,667 | 1,761,667 | 201,000 | 201,000 | 201,000 | | |
| - Cumulative | 1,850,000 | 5,341,000 | 7,812,333 | 10,283,667 | 12,755,000 | 14,516,667 | 16,278,333 | 18,040,000 | 18,241,000 | 18,442,000 | 18,643,000 | 18,643,000 | 18,643,000 |
| DOE Grant (2) | 9,700,000 | | | | | | | | | | | | 9,700,000 |
| - Reimbursement Rate | 50% | | | | | | | | | | | | |
| - Grant Payment | | | | 925,000(3) | 1,745,500 | 1,235,667 | 1,235,667 | 1,235,667 | 880,833 | 880,833 | 880,833 | 100,500 | 100,500 |
| - Cumulative | | | | 925,000 | 2,670,500 | 3,906,167 | 5,141,833 | 6,377,500 | 7,258,333 | 8,139,167 | 9,020,000 | 9,120,500 | 9,221,000 |
| Est. EECBG Drawdown Schedule | | | | | | | | | | | | | |
| - Monthly Draw | | | | | | | | | 225,000 | 225,000 | 225,000 | 225,000 | 225,000 |
| - Cumulative | | | | | | | | | 225,000 | 450,000 | 675,000 | 900,000 | 1,125,000 |
| State EECBG Grant (4) | 1,240,000 | | | | | | | | | | | | |
| - Reimbursement Rate | 100% | | | | | | | | | | | | |
| - Grant Payment | | | | | | | | | | | | 225,000 | 225,000 |
| - Cumulative | | | | | | | | | | | | 225,000 | 450,000 |
| Total Grants | | | | | | | | | | | | | |
| - Grant Payment | | | | 925,000 | 1,745,500 | 1,235,667 | 1,235,667 | 1,235,667 | 880,833 | 880,833 | 880,833 | 325,500 | 325,500 |
| - Cumulative | | | | 925,000 | 2,670,500 | 3,906,167 | 5,141,833 | 6,377,500 | 7,258,333 | 8,139,167 | 9,020,000 | 9,345,500 | 9,671,000 |
| Beginning GAN Balance | | 1,850,000 | 5,341,000 | 7,812,333 | 9,358,667 | 10,084,500 | 10,610,500 | 11,136,500 | 11,662,500 | 11,207,667 | 10,752,833 | 10,298,000 | 10,197,500 |
| Monthly Draw | 1,850,000 | 3,491,000 | 2,471,333 | 2,471,333 | 2,471,333 | 1,761,667 | 1,761,667 | 1,761,667 | 426,000 | 426,000 | 426,000 | 225,000 | 225,000 |
| Total Grant Receipts | | | | (925,000) | (1,745,500) | (1,235,667) | (1,235,667) | (1,235,667) | (880,833) | (880,833) | (880,833) | (325,500) | (325,500) |
| Term Note Conversion | | | | | | | | | | | | | |
| Ending GAN Balance | 1,850,000 | 5,341,000 | 7,812,333 | 9,358,667 | 10,084,500 | 10,610,500 | 11,136,500 | 11,662,500 | 11,207,667 | 10,752,833 | 10,298,000 | 10,197,500 | 10,097,000 |
| Assumed Lending Rate | 1.39% | 1.44% | 1.56% | 1.62% | 1.67% | 1.73% | 1.79% | 1.85% | 1.90% | 1.96% | 2.02% | 2.08% | 2.13% |
| Budgeted Lending Rate | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% |
| - Days in Period | 28 | 30 | 31 | 30 | 31 | 31 | 28 | 31 | 30 | 31 | 30 | 31 | 31 |
| Utility GAN Payments | | | | | | | | | | | | | |
| Interest Expense | | | 8,424 | | | | | | 87,512 | | | | |
| Total Payment | | | 8,424 | | | | | | 87,512 | | | | |
| Budgeted | | | 23,559 | | | | | | 204,205 | | | | |

- (1) Assumes estimated cost of issuance of \$250,000, reimbursement of \$1,600,000.
- (2) Assumes a 50% reimbursement of each monthly draw approximately 90 days in arrears.
- (3) Estimated 50% reimbursement of \$925,000 delayed 90 days.
- (4) Assumes that \$1,240,000 is received per schedule provided by Paul Kalv.

CITY OF LEESBURG, FLORIDA

Electric Utility System

Series 2010 BAN Note

Estimated GAN Drawdown and Grant Reimbursement Schedule

Initial 3 Year "Interest Only" Period

| Period | 13 9/1/2011 | 14 10/1/2011 | 15 11/1/2011 | 16 12/1/2011 | 17 1/1/2012 | 18 2/1/2012 | 19 3/1/2012 | 20 4/1/2012 | 21 5/1/2012 | 22 6/1/2012 | 23 7/1/2012 | 24 8/1/2012 | 25 9/1/2012 |
|--------------------------------|----------------|-----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Est. DOE Drawdown Sche | | | | | | | | | | | | | |
| - Monthly Draw | | | | | 368,000 | 368,000 | 368,000 | | | | | | |
| - Cumulative | 18,643,000 | 18,643,000 | 18,643,000 | 18,643,000 | 19,011,000 | 19,379,000 | 19,747,000 | 19,747,000 | 19,747,000 | 19,747,000 | 19,747,000 | 19,747,000 | 19,747,000 |
| | | | | | | | | | | | | 9,700,000 | |
| DOE Grant (2) | | | | | | | | | | | | | |
| - Reimbursement Rate | | | | | | | | | | | | | |
| - Grant Payment | 100,500 | | | | | | | 184,000 | 184,000 | 10,500 | | | |
| - Cumulative | 9,321,500 | 9,321,500 | 9,321,500 | 9,321,500 | 9,321,500 | 9,321,500 | 9,321,500 | 9,505,500 | 9,689,500 | 9,700,000 | 9,700,000 | 9,700,000 | 9,700,000 |
| Est. EECBG Drawdown Scl | | | | | | | | | | | | | |
| - Monthly Draw | 115,000 | | | | | | | | | | | | |
| - Cumulative | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 |
| State EECBG Grant (4) | | | | | | | | | | | | | |
| - Reimbursement Rate | | | | | | | | | | | | | |
| - Grant Payment | 225,000 | 225,000 | 225,000 | 115,000 | | | | | | | | | |
| - Cumulative | 675,000 | 900,000 | 1,125,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 |
| Total Grants | | | | | | | | | | | | | |
| - Grant Payment | 325,500 | 225,000 | 225,000 | 115,000 | | | | 184,000 | 184,000 | 10,500 | | | |
| - Cumulative | 9,996,500 | 10,221,500 | 10,446,500 | 10,561,500 | 10,561,500 | 10,561,500 | 10,561,500 | 10,745,500 | 10,929,500 | 10,940,000 | 10,940,000 | 10,940,000 | 10,940,000 |
| Beginning GAN Balance | 10,097,000 | 9,886,500 | 9,661,500 | 9,436,500 | 9,321,500 | 9,689,500 | 10,057,500 | 10,425,500 | 10,241,500 | 10,057,500 | 10,047,000 | 10,047,000 | 10,047,000 |
| Monthly Draw | 115,000 | | | | 368,000 | 368,000 | 368,000 | | | | | | |
| Total Grant Receipts | (325,500) | (225,000) | (225,000) | (115,000) | | | | (184,000) | (184,000) | (10,500) | | | |
| Term Note Conversion | | | | | | | | | | | | | |
| Ending GAN Balance | 9,886,500 | 9,661,500 | 9,436,500 | 9,321,500 | 9,689,500 | 10,057,500 | 10,425,500 | 10,241,500 | 10,057,500 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 |
| Assumed Lending Rate | | | | | | | | | | | | | |
| | 2.19% | 2.25% | 2.31% | 2.36% | 2.42% | 2.48% | 2.54% | 2.59% | 2.65% | 2.71% | 2.77% | 2.82% | 2.88% |
| Budgeted Lending Rate | | | | | | | | | | | | | |
| | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% |
| - Days in Period | 30 | 31 | 30 | 31 | 31 | 29 | 31 | 30 | 31 | 30 | 31 | 31 | 30 |
| Utility GAN Payments | | | | | | | | | | | | | |
| Interest Expense | | 108,136 | | | | | | 118,904 | | | | | |
| Total Payment | | 108,136 | | | | | | 118,904 | | | | | |
| Budgeted | | 211,581 | | | | | | 198,533 | | | | | |

- (1) Assumes estimated cost of issuance of \$250,000, reimbursement of \$1,600,000.
- (2) Assumes a 50% reimbursement of each monthly draw approximately 90 days in arrears.
- (3) Estimated 50% reimbursement of \$925,000 delayed 90 days.
- (4) Assumes that \$1,240,000 is received per schedule provided by Paul Kalv.

CITY OF LEESBURG, FLORIDA
Electric Utility System
Series 2010 GAN/BAN Note
Estimated GAN Drawdown and Grant Reimbursement Schedule
Initial 3 Year "Interest Only" Period

| Period | 26 10/1/2012 | 27 11/1/2012 | 28 12/1/2012 | 29 1/1/2013 | 30 2/1/2013 | 31 3/1/2013 | 32 4/1/2013 | 33 5/1/2013 | 34 6/1/2013 | 35 7/1/2013 | 36 8/1/2013 | 37 9/1/2013 | 38 10/1/2013 |
|--------------------------------|-----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Est. DOE Drawdown Sche | | | | | | | | | | | | | |
| - Monthly Draw | | | | | | | | | | | | | |
| - Cumulative | 19,747,000 | 19,747,000 | 19,747,000 | 19,747,000 | 19,747,000 | 19,747,000 | 19,747,000 | 19,747,000 | 19,747,000 | 19,747,000 | 19,747,000 | 19,747,000 | 19,747,000 |
| DOE Grant (2) | | | | | | | | | | | | | |
| - Reimbursement Rate | | | | | | | | | | | | | |
| - Grant Payment | | | | | | | | | | | | | |
| - Cumulative | 9,700,000 | 9,700,000 | 9,700,000 | 9,700,000 | 9,700,000 | 9,700,000 | 9,700,000 | 9,700,000 | 9,700,000 | 9,700,000 | 9,700,000 | 9,700,000 | 9,700,000 |
| Est. EECBG Drawdown Scl | | | | | | | | | | | | | |
| - Monthly Draw | | | | | | | | | | | | | |
| - Cumulative | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 |
| State EECBG Grant (4) | | | | | | | | | | | | | |
| - Reimbursement Rate | | | | | | | | | | | | | |
| - Grant Payment | | | | | | | | | | | | | |
| - Cumulative | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 | 1,240,000 |
| Total Grants | | | | | | | | | | | | | |
| - Grant Payment | | | | | | | | | | | | | |
| - Cumulative | 10,940,000 | 10,940,000 | 10,940,000 | 10,940,000 | 10,940,000 | 10,940,000 | 10,940,000 | 10,940,000 | 10,940,000 | 10,940,000 | 10,940,000 | 10,940,000 | 10,940,000 |
| Beginning GAN Balance | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 |
| Monthly Draw | | | | | | | | | | | | | |
| Total Grant Receipts | | | | | | | | | | | | | |
| Term Note Conversion | | | | | | | | | | | | | (10,047,000) |
| Ending GAN Balance | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | 10,047,000 | |
| Assumed Lending Rate | 2.94% | 3.00% | 3.05% | 3.11% | 3.17% | 3.23% | 3.28% | 3.34% | 3.40% | 3.46% | 3.51% | 3.57% | 3.63% |
| Budgeted Lending Rate | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% |
| - Days in Period | 31 | 30 | 31 | 31 | 28 | 31 | 30 | 31 | 30 | 31 | 31 | 30 | |
| Utility GAN Payments | | | | | | | | | | | | | |
| Interest Expense | 140,296 | | | | | | 156,555 | | | | | | 175,091 |
| Total Payment | 140,296 | | | | | | 156,555 | | | | | | 175,091 |
| Budgeted | 204,974 | | | | | | 203,173 | | | | | | 204,289 |

- (1) Assumes estimated cost of issuance of \$250,000, reimbursement of \$1,600,000.
- (2) Assumes a 50% reimbursement of each monthly draw approximately 90 days in arrears.
- (3) Estimated 50% reimbursement of \$925,000 delayed 90 days.
- (4) Assumes that \$1,240,000 is received per schedule provided by Paul Kalv.

SOURCES AND USES OF FUNDS

CITY OF LEESBURG, FLORIDA
ELECTRIC UTILITY SYSTEM REVENUE NOTE, SERIES 2010
GAN/BAN
3 Years Interest Only thru 10/1/2013

Dated Date: 7/22/2010
Delivery Date: 7/22/2010

| Sources | Series 2010 |
|----------------------|---------------------|
| Note Proceeds: | |
| Initial Monthly Draw | \$ 1,850,000.00 |
| Total Sources | 1,850,000.00 |

| Uses | |
|--|---------------------|
| Project Fund Deposits: | |
| Utility Reimbursement - 2007 Bond Fund | \$ 1,600,000.00 |
| Delivery Date Expenses (estimated) | |
| Cost of Issuance | 100,000.00 |
| City Reimbursements | 150,000.00 |
| | <hr/> |
| | 250,000.00 |
| Other Uses of Funds | |
| Additional Proceeds (1) | |
| Total Uses | 1,850,000.00 |

PROFORMA DEBT SERVICE

ELECTRIC SYSTEM, LEESBURG, FLORIDA **Series 2010 Revenue Note (GAN/BAN)**

| Date | Average Balance | Coupon | Interest | Debt Service | Annual Debt Service |
|-------------|----------------------------|---------------|-----------------|---------------------|--------------------------------|
| 7/22/2010 | | | | | |
| 10/1/2010 | 3,595,500 | * | 8,424.38 | 8,424.38 | |
| 4/1/2011 | 10,110,833 | * | 87,512.06 | 87,512.06 | 95,936.44 |
| 10/1/2011 | 10,406,583 | * | 108,136.36 | 108,136.36 | |
| 4/1/2012 | 9,765,333 | * | 118,904.27 | 118,904.27 | 227,040.62 |
| 10/1/2012 | 10,081,167 | * | 140,295.99 | 140,295.99 | |
| 4/1/2013 | 10,047,000 | * | 156,554.81 | 156,554.81 | 296,850.80 |
| 10/1/2013 | 10,047,000 | * | 175,091.36 | 175,091.36 | |
| 10/1/2013 | | | | | 175,091.36 |
| | 9,150,488 | | 794,919.22 | 794,919.22 | |

* Variable Rate during first 3 years

BUDGETED PROFORMA DEBT SERVICE

ELECTRIC SYSTEM, LEESBURG, FLORIDA Series 2010 Revenue Note (GAN/BAN)

| Date | Average Balance | Coupon | Budgeted Interest | Debt Service | Annual Debt Service |
|-------------|----------------------------|---------------|------------------------------|---------------------|--------------------------------|
| 7/22/2010 | | | | | |
| 10/1/2010 | 3,595,500 | 4.00% | 23,558.89 | 23,558.89 | |
| 4/1/2011 | 10,110,833 | 4.00% | 204,205.20 | 204,205.20 | 227,764.09 |
| 10/1/2011 | 10,406,583 | 4.00% | 211,581.37 | 211,581.37 | |
| 4/1/2012 | 9,765,333 | 4.00% | 198,533.39 | 198,533.39 | 410,114.76 |
| 10/1/2012 | 10,081,167 | 4.00% | 204,973.50 | 204,973.50 | |
| 4/1/2013 | 10,047,000 | 4.00% | 203,172.67 | 203,172.67 | 408,146.17 |
| 10/1/2013 | 10,047,000 | 4.00% | 204,289.00 | 204,289.00 | |
| 10/1/2013 | | | | | 204,289.00 |
| | 9,150,488 | | 1,250,314.02 | 1,250,314.02 | |

* Budgeted Rate of 4.0%

AGGREGATE EXISTING DEBT SERVICE

CITY OF LEESBURG, FLORIDA
Electric Utility Debt

| Period Ending | Series 2004 Revenue Bonds | Series 2007A Revenue Bonds | Series 2007B Revenue Bonds | Series 2010 GAN/BAN Note | Series 2010 Note @ Conversion | Aggregate Debt Service (1) |
|----------------------|----------------------------------|-----------------------------------|-----------------------------------|---------------------------------|--------------------------------------|-----------------------------------|
| 9/30/2009 | | | | | | |
| 9/30/2010 | \$ 1,095,535 | \$ 551,906 | \$ 954,817 | | | \$ 2,602,258 |
| 9/30/2011 | 1,099,060 | 551,906 | 953,602 | \$ 227,764 | | 2,832,332 |
| 9/30/2012 | 1,096,455 | 551,906 | 951,541 | 410,115 | | 3,010,017 |
| 9/30/2013 | 1,097,523 | 551,906 | 948,634 | 408,146 | | 3,006,209 |
| 9/30/2014 | 1,097,260 | 551,906 | 949,740 | 204,289 | \$ 226,058 | 3,029,253 |
| 9/30/2015 | 1,095,904 | 551,906 | 949,718 | | 1,248,778 | 3,846,306 |
| 9/30/2016 | 1,093,416 | 551,906 | 953,427 | | 1,251,203 | 3,849,952 |
| 9/30/2017 | 1,094,818 | 551,906 | 946,008 | | 1,251,828 | 3,844,559 |
| 9/30/2018 | 1,094,788 | 551,906 | 947,461 | | 1,250,653 | 3,844,807 |
| 9/30/2019 | 1,093,413 | 551,906 | 946,913 | | 1,247,678 | 3,839,909 |
| 9/30/2020 | 1,089,875 | 551,906 | 949,183 | | 1,247,790 | 3,838,754 |
| 9/30/2021 | 1,089,000 | 551,906 | 944,830 | | 1,245,878 | 3,831,614 |
| 9/30/2022 | 1,086,875 | 551,906 | 948,708 | | 1,241,940 | 3,829,429 |
| 9/30/2023 | 1,088,375 | 551,906 | 945,668 | | 1,240,865 | 3,826,814 |
| 9/30/2024 | 1,088,375 | 551,906 | 940,858 | | 1,244,383 | 3,825,521 |
| 9/30/2025 | 1,086,875 | 551,906 | 943,983 | | | 2,582,764 |
| 9/30/2026 | 1,083,875 | 551,906 | 944,748 | | | 2,580,529 |
| 9/30/2027 | 1,084,250 | 551,906 | 938,300 | | | 2,574,456 |
| 9/30/2028 | 1,082,875 | 551,906 | 939,493 | | | 2,574,274 |
| 9/30/2029 | 1,084,625 | 551,906 | 938,030 | | | 2,574,561 |
| 9/30/2030 | 1,084,375 | 551,906 | 933,913 | | | 2,570,194 |
| 9/30/2031 | 1,082,125 | 551,906 | 931,993 | | | 2,566,024 |
| 9/30/2032 | 1,077,875 | 1,494,591 | 5,148 | | | 2,577,613 |
| 9/30/2033 | 1,081,375 | 1,489,034 | | | | 2,570,409 |
| 9/30/2034 | 1,077,500 | 1,491,397 | | | | 2,568,897 |
| 9/30/2035 | 1,076,250 | 1,489,375 | | | | 2,565,625 |
| 9/30/2036 | | 2,565,125 | | | | 2,565,125 |
| 9/30/2037 | | 2,559,125 | | | | 2,559,125 |
| 9/30/2038 | | 2,557,375 | | | | 2,557,375 |
| | 28,302,670 | 25,787,960 | 20,806,711 | 1,250,314 | 12,697,050 | 88,844,704 |

| | |
|----------------|---------------------|
| Maximum | \$ 3,849,952 |
|----------------|---------------------|

(1) Debt Service has been converted to a fiscal year basis.

AGGREGATE EXISTING DEBT SERVICE - INTEREST COMPONENT

CITY OF LEESBURG, FLORIDA

Electric Utility Interest

| Period Ending | Series 2004 Revenue Bonds | Series 2007A Revenue Bonds | Series 2007B Revenue Bonds | Series 2010 GAN/BAN | Series 2010 Revenue Notes | Aggregate Debt Service |
|--------------------------|--------------------------------------|---------------------------------------|---------------------------------------|--------------------------------|--------------------------------------|---------------------------------------|
| 9/30/2009 | | | | | | |
| 9/30/2010 | \$ 755,535 | \$ 551,906 | \$ 674,817 | | | \$ 1,982,258 |
| 9/30/2011 | 744,060 | 551,906 | 658,602 | \$ 227,764 | | 2,182,332 |
| 9/30/2012 | 731,455 | 551,906 | 641,541 | 410,115 | | 2,335,017 |
| 9/30/2013 | 717,523 | 551,906 | 623,634 | 408,146 | | 2,301,209 |
| 9/30/2014 | 702,260 | 551,906 | 604,740 | 204,289 | \$ 226,058 | 2,289,253 |
| 9/30/2015 | 685,904 | 551,906 | 584,718 | | 433,778 | 2,256,306 |
| 9/30/2016 | 668,416 | 551,906 | 563,427 | | 396,203 | 2,179,952 |
| 9/30/2017 | 649,818 | 551,906 | 541,008 | | 356,828 | 2,099,559 |
| 9/30/2018 | 629,788 | 551,906 | 517,461 | | 315,653 | 2,014,807 |
| 9/30/2019 | 608,413 | 551,906 | 491,913 | | 272,678 | 1,924,909 |
| 9/30/2020 | 584,875 | 551,906 | 464,183 | | 227,790 | 1,828,754 |
| 9/30/2021 | 559,000 | 551,906 | 434,830 | | 180,878 | 1,726,614 |
| 9/30/2022 | 531,875 | 551,906 | 403,708 | | 131,940 | 1,619,429 |
| 9/30/2023 | 503,375 | 551,906 | 370,668 | | 80,865 | 1,506,814 |
| 9/30/2024 | 473,375 | 551,906 | 335,858 | | 27,383 | 1,388,521 |
| 9/30/2025 | 441,875 | 551,906 | 298,983 | | | 1,292,764 |
| 9/30/2026 | 408,875 | 551,906 | 259,748 | | | 1,220,529 |
| 9/30/2027 | 374,250 | 551,906 | 218,300 | | | 1,144,456 |
| 9/30/2028 | 337,875 | 551,906 | 174,493 | | | 1,064,274 |
| 9/30/2029 | 299,625 | 551,906 | 128,030 | | | 979,561 |
| 9/30/2030 | 259,375 | 551,906 | 78,913 | | | 890,194 |
| 9/30/2031 | 217,125 | 551,906 | 26,993 | | | 796,024 |
| 9/30/2032 | 172,875 | 529,591 | 148 | | | 702,613 |
| 9/30/2033 | 126,375 | 484,034 | | | | 610,409 |
| 9/30/2034 | 77,500 | 436,397 | | | | 513,897 |
| 9/30/2035 | 26,250 | 384,375 | | | | 410,625 |
| 9/30/2036 | | 300,125 | | | | 300,125 |
| 9/30/2037 | | 184,125 | | | | 184,125 |
| 9/30/2038 | | 62,375 | | | | 62,375 |
| | <u>12,287,670</u> | <u>14,522,960</u> | <u>9,096,711</u> | <u>1,250,314</u> | <u>2,650,050</u> | <u>39,807,704</u> |

SOURCES AND USES OF FUNDS

CITY OF LEESBURG, FLORIDA
ELECTRIC UTILITY SYSTEM REVENUE NOTE, SERIES 2010/2013
 Revenue Note, Series 2010 - Assumes Conversion to Term Bank Note
 Base Case - Option 1 - No Additional Prepays
 10 Year Level Debt

Dated Date: 10/1/2013
 Delivery Date: 10/1/2013

| Sources | <i>Series 2010 @ Conversion</i> |
|---------------------------|-------------------------------------|
| Note Proceeds: | |
| Par Amount of Notes | \$ 10,047,000.00 |
| Other Sources of Funds: | |
| City Contribution for COI | 55,000.00 |
| Total Sources | 10,102,000.00 |

| Uses | |
|------------------------------------|----------------------|
| Note at Conversion | |
| Balance of GAN/BAN at Conversion | \$ 10,047,000.00 |
| Delivery Date Expenses (estimated) | |
| Cost of Issuance | 55,000.00 |
| Total Uses | 10,102,000.00 |

| | |
|------------------------------------|------------------|
| Average Annual Debt Service | 1,269,705 |
|------------------------------------|------------------|

PROFORMA DEBT SERVICE

ELECTRIC SYSTEM, LEESBURG, FLORIDA

Revenue Note, Series 2010 @ Conversion

Base Case - Option 1 - No Additional Prepays

Assumes an Estimated 10 Year Fixed Rate of 4.50%

Dated Date: 10/1/2013

Delivery Date: 10/1/2013

| Date | Principal | Coupon | Interest | Debt Service | Fiscal Debt Service |
|-----------|------------|--------|--------------|---------------|---------------------|
| 10/1/2013 | | | | | |
| 4/1/2014 | | | 226,057.50 | 226,057.50 | 226,057.50 |
| 10/1/2014 | 815,000 | 4.500% | 226,057.50 | 1,041,057.50 | |
| 4/1/2015 | | | 207,720.00 | 207,720.00 | 1,248,777.50 |
| 10/1/2015 | 855,000 | 4.500% | 207,720.00 | 1,062,720.00 | |
| 4/1/2016 | | | 188,482.50 | 188,482.50 | 1,251,202.50 |
| 10/1/2016 | 895,000 | 4.500% | 188,482.50 | 1,083,482.50 | |
| 4/1/2017 | | | 168,345.00 | 168,345.00 | 1,251,827.50 |
| 10/1/2017 | 935,000 | 4.500% | 168,345.00 | 1,103,345.00 | |
| 4/1/2018 | | | 147,307.50 | 147,307.50 | 1,250,652.50 |
| 10/1/2018 | 975,000 | 4.500% | 147,307.50 | 1,122,307.50 | |
| 4/1/2019 | | | 125,370.00 | 125,370.00 | 1,247,677.50 |
| 10/1/2019 | 1,020,000 | 4.500% | 125,370.00 | 1,145,370.00 | |
| 4/1/2020 | | | 102,420.00 | 102,420.00 | 1,247,790.00 |
| 10/1/2020 | 1,065,000 | 4.500% | 102,420.00 | 1,167,420.00 | |
| 4/1/2021 | | | 78,457.50 | 78,457.50 | 1,245,877.50 |
| 10/1/2021 | 1,110,000 | 4.500% | 78,457.50 | 1,188,457.50 | |
| 4/1/2022 | | | 53,482.50 | 53,482.50 | 1,241,940.00 |
| 10/1/2022 | 1,160,000 | 4.500% | 53,482.50 | 1,213,482.50 | |
| 4/1/2023 | | | 27,382.50 | 27,382.50 | 1,240,865.00 |
| 10/1/2023 | 1,217,000 | 4.500% | 27,382.50 | 1,244,382.50 | |
| 4/1/2024 | | | | | 1,244,382.50 |
| | 10,047,000 | | 2,650,050.00 | 12,697,050.00 | |

SOURCES AND USES OF FUNDS

CITY OF LEESBURG, FLORIDA
ELECTRIC UTILITY SYSTEM REVENUE NOTE, SERIES 2010/2013
 Revenue Note, Series 2010 - Assumes Conversion to Term Bank Note
 Option 2 - Additional Prepayments from Restricted Surplus Fund
 10 Year Level Debt

Dated Date: 10/1/2013
 Delivery Date: 10/1/2013

| Sources | Series 2010 @ Conversion |
|---|-------------------------------------|
| Note Proceeds: | |
| Par Amount of Notes (1) | \$ 9,011,338.20 |
| Other Sources of Funds: | |
| City Contribution - COI | 55,000.00 |
| City Contribution - Savings to Date (2) | 1,000,000.00 |
| Projected Excess Budgeted Interest thru 10/1/2013 | 455,394.80 |
| Restricted Surplus Fund Excess thru 10/1/2013 (2) | 1,160,534.98 |
| | 2,670,929.78 |
| Total Sources | 11,682,267.98 |

| Uses | |
|--|----------------------|
| Note at Conversion | |
| Balance of GAN/BAN at Conversion | \$ 10,047,000.00 |
| Deposits to Restricted Surplus Fund | |
| Transfer of Savings to date | 1,000,000.00 |
| Remaining Incremental AMI Project Revenues | 580,267.98 |
| | 1,580,267.98 |
| Delivery Date Expenses (estimated) | |
| Cost of Issuance | 55,000.00 |
| Total Uses | 11,682,267.98 |

| | |
|------------------------------------|------------------|
| Average Annual Debt Service | 1,139,064 |
|------------------------------------|------------------|

- (1) The Par amount of the Notes is the Balance of the GAN/BAN at conversion less half the incremental contribution to the Restricted Surplus Fund through 10/1/2013 in the amount of \$580,267 plus a projected balance in the budgeted interest account of \$455,395.
- (2) Per City Unaudited YTD City Financials Savings and additional savings from FY 2009. This excludes any additional savings for remainder of FY 2010.
- (3) Restricted Surplus Funds available for either (1) additional GAN reductions, (2) "cushion" for potential interest rate risks, or (3) Pay As You Go CIP as authorized by City.

PROFORMA DEBT SERVICE

ELECTRIC SYSTEM, LEESBURG, FLORIDA

Revenue Note, Series 2010 @ Conversion

Option 2 - Additional Prepayments from Restricted Surplus Fund

Assumes an Estimated 10 Year Fixed Rate of 4.50%

Dated Date: 10/1/2013

Delivery Date: 10/1/2013

| Date | Principal | Coupon | Interest | Debt Service | Fiscal Debt Service |
|-------------|------------------|---------------|---------------------|----------------------|--------------------------------|
| 10/1/2013 | | | | | |
| 4/1/2014 | | | 202,755.11 | 202,755.11 | 202,755.11 |
| 10/1/2014 | 730,000 | 4.500% | 202,755.11 | 932,755.11 | |
| 4/1/2015 | | | 186,330.11 | 186,330.11 | 1,119,085.22 |
| 10/1/2015 | 765,000 | 4.500% | 186,330.11 | 951,330.11 | |
| 4/1/2016 | | | 169,117.61 | 169,117.61 | 1,120,447.72 |
| 10/1/2016 | 800,000 | 4.500% | 169,117.61 | 969,117.61 | |
| 4/1/2017 | | | 151,117.61 | 151,117.61 | 1,120,235.22 |
| 10/1/2017 | 835,000 | 4.500% | 151,117.61 | 986,117.61 | |
| 4/1/2018 | | | 132,330.11 | 132,330.11 | 1,118,447.72 |
| 10/1/2018 | 875,000 | 4.500% | 132,330.11 | 1,007,330.11 | |
| 4/1/2019 | | | 112,642.61 | 112,642.61 | 1,119,972.72 |
| 10/1/2019 | 915,000 | 4.500% | 112,642.61 | 1,027,642.61 | |
| 4/1/2020 | | | 92,055.11 | 92,055.11 | 1,119,697.72 |
| 10/1/2020 | 955,000 | 4.500% | 92,055.11 | 1,047,055.11 | |
| 4/1/2021 | | | 70,567.61 | 70,567.61 | 1,117,622.72 |
| 10/1/2021 | 1,000,000 | 4.500% | 70,567.61 | 1,070,567.61 | |
| 4/1/2022 | | | 48,067.61 | 48,067.61 | 1,118,635.22 |
| 10/1/2022 | 1,040,000 | 4.500% | 48,067.61 | 1,088,067.61 | |
| 4/1/2023 | | | 24,667.61 | 24,667.61 | 1,112,735.22 |
| 10/1/2023 | 1,096,338 | 4.500% | 24,667.61 | 1,121,005.81 | |
| 4/1/2024 | | | | | 1,121,005.81 |
| | 9,011,338 | | 2,379,302.20 | 11,390,640.40 | |

SOURCES AND USES OF FUNDS

CITY OF LEESBURG, FLORIDA
ELECTRIC UTILITY SYSTEM REVENUE NOTE, SERIES 2010/2013
 Revenue Note, Series 2010 - Assumes Conversion to Term Bank Note
 Option 3 - Maximum Additional Prepayments from Restricted Surplus Fund
 10 Year Level Debt

Dated Date: 10/1/2013
 Delivery Date: 10/1/2013

| Sources | Series 2010 @ Conversion |
|---|-------------------------------------|
| Note Proceeds: | |
| Par Amount of Notes (1) | \$ 7,431,070.22 |
| Other Sources of Funds: | |
| City Contribution - COI | 55,000.00 |
| City Contribution - Savings to Date (2) | 1,000,000.00 |
| Projected Excess Budgeted Interest thru 10/1/2013 | 455,394.80 |
| Restricted Surplus Fund Excess thru 10/1/2013 (2) | 1,160,534.98 |
| | 2,670,929.78 |
| Total Sources | 10,102,000.00 |

| Uses | |
|--|----------------------|
| Note at Conversion | |
| Balance of GAN/BAN at Conversion | \$ 10,047,000.00 |
| Deposits to Restricted Surplus Fund | |
| Transfer of Savings to Date | |
| Remaining Incremental AMI Project Revenues | |
| Delivery Date Expenses (estimated) | |
| Cost of Issuance | 55,000.00 |
| Total Uses | 10,102,000.00 |

| | |
|------------------------------------|----------------|
| Average Annual Debt Service | 939,220 |
|------------------------------------|----------------|

- (1) The Par amount of the Notes is the Balance of the GAN/BAN at conversion less the incremental contribution to the Restricted Surplus Fund through 10/1/2013 in the amount of \$1,160,535 , \$1 million in Savings To Date, plus a projected balance in the budgeted interest account of \$455,395.
- (2) Per City Unaudited YTD City Financials Savings and additional savings from FY 2009. This excludes any additional savings for remainder of FY 2010.
- (3) Restricted Surplus Funds available for either (1) additional GAN reductions, (2) "cushion" for potential interest rate risks, or (3) Pay As You Go CIP as authorized by City.

PROFORMA DEBT SERVICE

ELECTRIC SYSTEM, LEESBURG, FLORIDA

Revenue Note, Series 2010 @ Conversion

Option 3 - Maximum Additional Prepayments from Restricted Surplus Fund

Assumes an Estimated 10 Year Fixed Rate of 4.50%

Dated Date: 10/1/2013

Delivery Date: 10/1/2013

| Date | Principal | Coupon | Interest | Debt Service | Fiscal Debt Service |
|-----------|-----------|--------|--------------|--------------|---------------------|
| 10/1/2013 | | | | | |
| 4/1/2014 | | | 167,199.08 | 167,199.08 | 167,199.08 |
| 10/1/2014 | 605,000 | 4.500% | 167,199.08 | 772,199.08 | |
| 4/1/2015 | | | 153,586.58 | 153,586.58 | 925,785.66 |
| 10/1/2015 | 630,000 | 4.500% | 153,586.58 | 783,586.58 | |
| 4/1/2016 | | | 139,411.58 | 139,411.58 | 922,998.16 |
| 10/1/2016 | 660,000 | 4.500% | 139,411.58 | 799,411.58 | |
| 4/1/2017 | | | 124,561.58 | 124,561.58 | 923,973.16 |
| 10/1/2017 | 690,000 | 4.500% | 124,561.58 | 814,561.58 | |
| 4/1/2018 | | | 109,036.58 | 109,036.58 | 923,598.16 |
| 10/1/2018 | 720,000 | 4.500% | 109,036.58 | 829,036.58 | |
| 4/1/2019 | | | 92,836.58 | 92,836.58 | 921,873.16 |
| 10/1/2019 | 755,000 | 4.500% | 92,836.58 | 847,836.58 | |
| 4/1/2020 | | | 75,849.08 | 75,849.08 | 923,685.66 |
| 10/1/2020 | 785,000 | 4.500% | 75,849.08 | 860,849.08 | |
| 4/1/2021 | | | 58,186.58 | 58,186.58 | 919,035.66 |
| 10/1/2021 | 825,000 | 4.500% | 58,186.58 | 883,186.58 | |
| 4/1/2022 | | | 39,624.08 | 39,624.08 | 922,810.66 |
| 10/1/2022 | 860,000 | 4.500% | 39,624.08 | 899,624.08 | |
| 4/1/2023 | | | 20,274.08 | 20,274.08 | 919,898.16 |
| 10/1/2023 | 901,070 | 4.500% | 20,274.08 | 921,344.30 | |
| 4/1/2024 | | | | | 921,344.30 |
| | 7,431,070 | | 1,961,131.60 | 9,392,201.82 | |

PROFORMA DEBT SERVICE

ELECTRIC SYSTEM, LEESBURG, FLORIDA

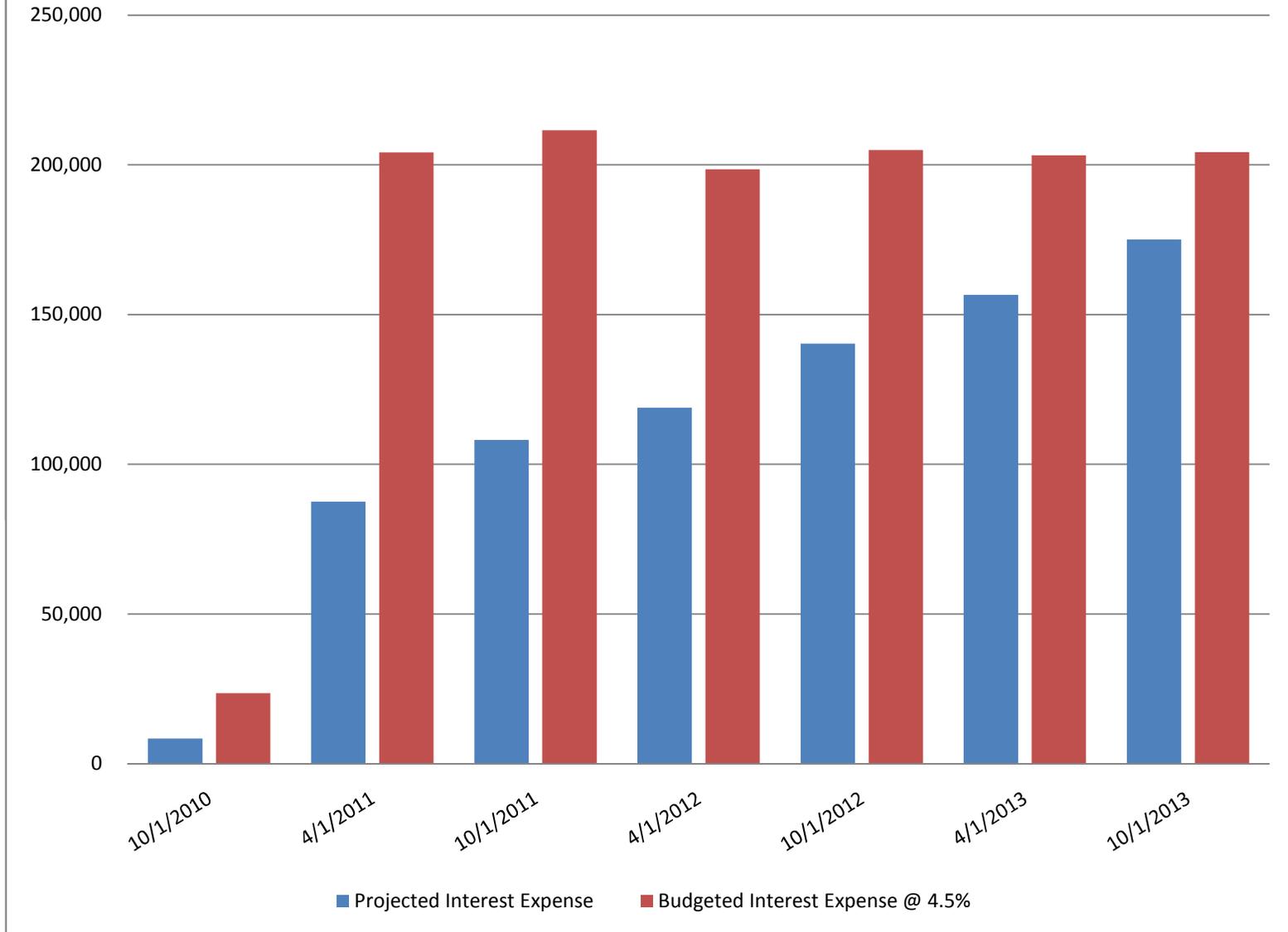
Revenue Note, Series 2010 @ Conversion

Assumes an Estimated 10 Year Fixed Rate of 4.50%

| | <i>Base Case - Option 1 - No Additional Prepays</i> | | <i>Option 2 - Additional Prepayments from Restricted Surplus Fund</i> | | | <i>Option 3 - Maximum Additional Prepayments from Restricted Surplus Fund</i> | | |
|-------------|---|---------------------|---|---------------------|-----------------------|---|---------------------|-----------------------|
| Date | Total | Fiscal Total | Total | Fiscal Total | Fiscal Savings | Total | Fiscal Total | Fiscal Savings |
| 10/1/2013 | | | | | | | | |
| 4/1/2014 | 226,058 | 226,058 | 202,755 | 202,755 | 23,302 | 167,199 | 167,199 | 58,858 |
| 10/1/2014 | 1,041,058 | | 932,755 | | | 772,199 | | |
| 4/1/2015 | 207,720 | 1,248,778 | 186,330 | 1,119,085 | 129,692 | 153,587 | 925,786 | 322,992 |
| 10/1/2015 | 1,062,720 | | 951,330 | | | 783,587 | | |
| 4/1/2016 | 188,483 | 1,251,203 | 169,118 | 1,120,448 | 130,755 | 139,412 | 922,998 | 328,204 |
| 10/1/2016 | 1,083,483 | | 969,118 | | | 799,412 | | |
| 4/1/2017 | 168,345 | 1,251,828 | 151,118 | 1,120,235 | 131,592 | 124,562 | 923,973 | 327,854 |
| 10/1/2017 | 1,103,345 | | 986,118 | | | 814,562 | | |
| 4/1/2018 | 147,308 | 1,250,653 | 132,330 | 1,118,448 | 132,205 | 109,037 | 923,598 | 327,054 |
| 10/1/2018 | 1,122,308 | | 1,007,330 | | | 829,037 | | |
| 4/1/2019 | 125,370 | 1,247,678 | 112,643 | 1,119,973 | 127,705 | 92,837 | 921,873 | 325,804 |
| 10/1/2019 | 1,145,370 | | 1,027,643 | | | 847,837 | | |
| 4/1/2020 | 102,420 | 1,247,790 | 92,055 | 1,119,698 | 128,092 | 75,849 | 923,686 | 324,104 |
| 10/1/2020 | 1,167,420 | | 1,047,055 | | | 860,849 | | |
| 4/1/2021 | 78,458 | 1,245,878 | 70,568 | 1,117,623 | 128,255 | 58,187 | 919,036 | 326,842 |
| 10/1/2021 | 1,188,458 | | 1,070,568 | | | 883,187 | | |
| 4/1/2022 | 53,483 | 1,241,940 | 48,068 | 1,118,635 | 123,305 | 39,624 | 922,811 | 319,129 |
| 10/1/2022 | 1,213,483 | | 1,088,068 | | | 899,624 | | |
| 4/1/2023 | 27,383 | 1,240,865 | 24,668 | 1,112,735 | 128,130 | 20,274 | 919,898 | 320,967 |
| 10/1/2023 | 1,244,383 | | 1,121,006 | | | 921,344 | | |
| 4/1/2024 | | 1,244,383 | | 1,121,006 | 123,377 | | 921,344 | 323,038 |
| | 12,697,050 | 12,697,050 | 11,390,640 | 11,390,640 | 1,306,410 | 9,392,202 | 9,392,202 | 3,304,848 |

City of Leesburg, Florida

GAN/BAN Interest Expense



7/13/2010

Prepared by Larson Consulting Services, Orlando, Florida

Electric Utility Coverage Worksheet with AMI - City of Leesburg v1.xlsm

CITY OF LEESBURG, FLORIDA
Electric Utility System
Series 2010 GAN/BAN Note Interest Rate Assumptions

| Period | Date | Assumed 1 Month LIBOR (1) | 1 Month LIBOR Minimum | Base Rate | Spread Adjustment | % of LIBOR + Spread | Borrowing Rate |
|---------------|-------------|--|--------------------------------------|----------------------|------------------------------|------------------------------------|---------------------------|
| 0 | 8/4/2010 | 0.59% | 0.00% | 0.59% | 1.42% | 69.00% | 1.39% |
| 1 | 9/1/2010 | 0.67% | 0.00% | 0.67% | 1.42% | 69.00% | 1.44% |
| 2 | 10/1/2010 | 0.76% | 0.00% | 0.76% | 1.42% | 69.00% | 1.50% |
| 3 | 11/1/2010 | 0.84% | 0.00% | 0.84% | 1.42% | 69.00% | 1.56% |
| 4 | 12/1/2010 | 0.92% | 0.00% | 0.92% | 1.42% | 69.00% | 1.62% |
| 5 | 1/1/2011 | 1.01% | 0.00% | 1.01% | 1.42% | 69.00% | 1.67% |
| 6 | 2/1/2011 | 1.09% | 0.00% | 1.09% | 1.42% | 69.00% | 1.73% |
| 7 | 3/1/2011 | 1.17% | 0.00% | 1.17% | 1.42% | 69.00% | 1.79% |
| 8 | 4/1/2011 | 1.26% | 0.00% | 1.26% | 1.42% | 69.00% | 1.85% |
| 9 | 5/1/2011 | 1.34% | 0.00% | 1.34% | 1.42% | 69.00% | 1.90% |
| 10 | 6/1/2011 | 1.42% | 0.00% | 1.42% | 1.42% | 69.00% | 1.96% |
| 11 | 7/1/2011 | 1.51% | 0.00% | 1.51% | 1.42% | 69.00% | 2.02% |
| 12 | 8/1/2011 | 1.59% | 0.00% | 1.59% | 1.42% | 69.00% | 2.08% |
| 13 | 9/1/2011 | 1.67% | 0.00% | 1.67% | 1.42% | 69.00% | 2.13% |
| 14 | 10/1/2011 | 1.76% | 0.00% | 1.76% | 1.42% | 69.00% | 2.19% |
| 15 | 11/1/2011 | 1.84% | 0.00% | 1.84% | 1.42% | 69.00% | 2.25% |
| 16 | 12/1/2011 | 1.92% | 0.00% | 1.92% | 1.42% | 69.00% | 2.31% |
| 17 | 1/1/2012 | 2.01% | 0.00% | 2.01% | 1.42% | 69.00% | 2.36% |
| 18 | 2/1/2012 | 2.09% | 0.00% | 2.09% | 1.42% | 69.00% | 2.42% |
| 19 | 3/1/2012 | 2.17% | 0.00% | 2.17% | 1.42% | 69.00% | 2.48% |
| 20 | 4/1/2012 | 2.26% | 0.00% | 2.26% | 1.42% | 69.00% | 2.54% |
| 21 | 5/1/2012 | 2.34% | 0.00% | 2.34% | 1.42% | 69.00% | 2.59% |
| 22 | 6/1/2012 | 2.42% | 0.00% | 2.42% | 1.42% | 69.00% | 2.65% |
| 23 | 7/1/2012 | 2.51% | 0.00% | 2.51% | 1.42% | 69.00% | 2.71% |
| 24 | 8/1/2012 | 2.59% | 0.00% | 2.59% | 1.42% | 69.00% | 2.77% |
| 25 | 9/1/2012 | 2.67% | 0.00% | 2.67% | 1.42% | 69.00% | 2.82% |
| 26 | 10/1/2012 | 2.76% | 0.00% | 2.76% | 1.42% | 69.00% | 2.88% |
| 27 | 11/1/2012 | 2.84% | 0.00% | 2.84% | 1.42% | 69.00% | 2.94% |
| 28 | 12/1/2012 | 2.92% | 0.00% | 2.92% | 1.42% | 69.00% | 3.00% |
| 29 | 1/1/2013 | 3.01% | 0.00% | 3.01% | 1.42% | 69.00% | 3.05% |
| 30 | 2/1/2013 | 3.09% | 0.00% | 3.09% | 1.42% | 69.00% | 3.11% |
| 31 | 3/1/2013 | 3.17% | 0.00% | 3.17% | 1.42% | 69.00% | 3.17% |
| 32 | 4/1/2013 | 3.26% | 0.00% | 3.26% | 1.42% | 69.00% | 3.23% |
| 33 | 5/1/2013 | 3.34% | 0.00% | 3.34% | 1.42% | 69.00% | 3.28% |
| 34 | 6/1/2013 | 3.42% | 0.00% | 3.42% | 1.42% | 69.00% | 3.34% |
| 35 | 7/1/2013 | 3.51% | 0.00% | 3.51% | 1.42% | 69.00% | 3.40% |
| 36 | 8/1/2013 | 3.59% | 0.00% | 3.59% | 1.42% | 69.00% | 3.46% |
| 37 | 9/1/2013 | 3.67% | 0.00% | 3.67% | 1.42% | 69.00% | 3.51% |
| 38 | 10/1/2013 | | | | | | |

(1) Rate are assumed to increase over the 36 months at 25 bps per quarter