

- (b) Duration of the Project. Includes the time from the beginning of the work on the project until the CONTRACTOR's/person's work on the project has been completed and accepted by the governmental entity.
 - (c) Persons providing services on the Project ("subcontractor" in Section 406.096 of the Texas Labor Code. Includes all persons or entities performing all or part of the services the CONTRACTOR has undertaken to perform on the project, regardless of whether that person contracted directly with the CONTRACTOR and regardless of whether that person has employees. This includes, without limitation, independent contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Service" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.
- 2) The CONTRACTOR shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreement, which meets the statutory requirements of Texas Labor Code, §401.011(44) for all employees of the CONTRACTOR providing services on the project, for the duration of the project.
 - 3) The CONTRACTOR must provide a certificate of coverage to the Owner prior to being awarded the contract.
 - 4) If the coverage period shown on the CONTRACTOR'S current certificate of coverage ends during the duration of the project, the CONTRACTOR must, prior to the end of the coverage period, file a new certificate of coverage with the Owner, showing that the coverage has been extended.
 - 5) The CONTRACTOR shall obtain from each person providing services on the project, and provide to the OWNER:
 - (a) A certificate of coverage, prior to that person beginning work on the project, so that the OWNER will have on file certificates of coverage showing coverage for all persons providing services on the project.
 - (b) No later than seven (7) days after receipt by the CONTRACTOR, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.
 - 6) The CONTRACTOR shall retain all required certificates of coverage on file for the duration of the project and for one year thereafter.
 - 7) The CONTRACTOR shall notify the OWNER in writing by certified mail or personal delivery, within 10 days after the CONTRACTOR knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project.
 - 8) The CONTRACTOR shall post on each project site a notice, in the text, form and manner prescribed by the TWCC, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify current coverage and report failure to provide coverage.
 - 9) The CONTRACTOR shall contractually require each person with whom it contracts to provide service on a project to:
 - (a) Provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of the Texas Labor Code §401.011(44) for all its employees providing services on the project, for the duration of the project.
 - (b) Provide to the CONTRACTOR, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project.

- (c) Provide to the CONTRACTOR, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - (d) Obtain from each other person with whom it contracts, and provide to the CONTRACTOR:
 - (1) A certificate of coverage, prior to the other person beginning work on the project.
 - (2) A new certificate of coverage showing extension of the coverage period, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project.
 - (e) Retain all required certificates of coverage on file for the duration of the project and for one year thereafter.
 - (f) Notify the OWNER in writing by certified mail or personal delivery, within 10 days after the person knew or should have known, or any change that materially affects the provision of coverage of any person providing services on the project.
 - (g) Contractually require each other person with whom it contracts to perform as required by paragraphs (a) - (g), with the certificate of coverage to be provided to the person for whom they are providing services.
- 10) By signing this contract or providing or causing to be provided a certificate of coverage, the CONTRACTOR is representing to the OWNER that all employees by the CONTRACTOR who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the TWCC's Division of Self-Insurance Regulation. Providing false or misleading information may subject the CONTRACTOR to administrative penalties, criminal penalties, civil penalties, or other civil actions.
- 11) The CONTRACTOR'S failure to comply with any of these provisions is a breach of contract by the CONTRACTOR which entitles the OWNER to declare the contract void if the CONTRACTOR does not remedy the breach within ten (10) days after receipt of notice of breach from the OWNER.

b. Commercial General Liability including CONTRACTOR'S Liability, Contractual Liability, Independent CONTRACTOR'S Liability, Completed Operations and Products Liability, extended at least one year after the date of acceptance; all on occurrence basis with Personal Injury Coverage and broad form Property Damage including Completed Operations and removal of the XCU exclusion relating to Explosion, Collapse and Underground Property Damage. Contractual liability shall have deleted the exclusion pertaining to Third Party Beneficiaries. Coverage shall also be included for any construction or work on or within 50 feet of a railroad.

- 1) Commercial General Liability

(a) General Aggregate	\$2,000,000
(b) Products - Comprehensive/Operations Aggregate	\$2,000,000
(c) Personal & Advertising Injury/Aggregate	\$2,000,000
(d) Each Occurrence	\$1,000,000
(e) Fire Damage (Any one fire)	\$50,000
(f) Medical Expense (Any one person)	\$5,000
- 2) Automobile Liability

Combined Single Limit	\$1,000,000
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 Such insurance shall cover liability arising out of any auto (including owned, hired, and non-owned).
- 3) Excess Umbrella Liability (in excess of items 1 & 2 above): Minimum coverage of \$10,000,000 combined single limit. Such insurance shall be excess over and be no less broad than all coverages described above and shall include a drop-down provision. This policy shall have the same inception and expiration dates as the commercial general liability insurance required above.
- 4) OWNER'S Protective Liability Insurance: In the same amounts as General Liability or as required by law, whichever is greater, to cover bodily injury including death and property damage.

- 5) Property Insurance (Builder's Risk): To the full insurable completed value of entire work on all-risk basis until final payment is made. OWNER and DISTRICT shall be named loss payees.
- 6) The OWNER, ENGINEER, and DISTRICT shall be named as additional insured on the Automobile Insurance Policy, and the Excess Umbrella Liability Insurance Policy. The OWNER, ENGINEER and DISTRICT shall also be named as an additional insured on the Commercial General Liability Insurance Policy. Contractual Liability Insurance covering Contractor's indemnity obligations under this Contract - In the amount of coverage limits required under ____ .b.1 and ____ .b.3.
- 7) 30-Day Notice of Cancellation:
All policies of insurance that the CONTRACTOR is required under the terms hereof to secure and maintain shall be endorsed to provide that the insurance company shall notify the OWNER, ENGINEER, CONTRACTOR, and Subcontractors and Sub-subcontractors, at least thirty (30) days prior to the effective date of any cancellation or modification of such policies. Prior to the date on which CONTRACTOR or any Subcontractor or approved Sub-Subcontractor commences performance of its part of the Work, CONTRACTOR shall cause to be furnished to OWNER certificates of insurance and copies of endorsements evidencing the insurance coverage required to be maintained by CONTRACTOR and each such Subcontractor and Sub-subcontractor in connection with the performance of the Work. As and when OWNER may direct, copies of the actual insurance policies or renewals or replacements thereof shall be submitted to OWNER. All copies of policies, if any, and certificates of insurance and endorsements submitted to OWNER shall be in a form and content acceptable to OWNER and ENGINEER.
- 8) Waiver of Rights of Recovery and Subrogation:
CONTRACTOR hereby releases, and shall cause its sub-subcontractors to release, OWNER, ENGINEER and DISTRICT from any and all claims or causes of action whatsoever including but not limited to subrogation rights which CONTRACTOR and/or its Subcontractors or Sub-Subcontractors might otherwise now or hereafter possess resulting in or from or in any way connected with any loss covered by insurance, whether required herein or not, or which should have been covered by insurance required herein, including the deductible and/or uninsured portion thereof, maintained and/or required to be maintained by CONTRACTOR and/or its Subcontractors or Sub-Subcontractors pursuant to this AGREEMENT. Without limiting the foregoing, CONTRACTOR expressly waives all rights of recovery and subrogation with respect to any loss or damage covered by the CONTRACTOR'S Builder's Risk insurance applicable to the WORK except such rights as it has to proceeds of such insurance held by the Owner for the loss payees as their interests may appear and the CONTRACTOR shall require Subcontractors, Sub-Subcontractors, agents and employees of any of them, by appropriate agreements, written where legally required for validity, similar waivers each in favor of other parties enumerated herein. CONTRACTOR shall bear the risk of loss with respect to any Builder's Risk deductible or self-insured retention applicable to the WORK. CONTRACTOR shall obtain all policies of insurance that are in any way related to the work and that are required to be and maintained by CONTRACTOR, all Subcontractors and all Sub-subcontractors, to include clauses providing that each underwriter shall waive all of its rights of subrogation against OWNER, ENGINEER and DISTRICT.
- 9) Any additional expense for the modification or endorsements to the insurance policy required in this section shall be paid by the CONTRACTOR without additional payment by the OWNER.

_____ CERTIFICATE OF INSURANCE

Before commencing any of the work, CONTRACTOR shall file with the OWNER valid Certificates of Insurance acceptable to the OWNER and the ENGINEER. To the extent permitted by Texas Insurance Code Chapter 1811, such Certificates shall contain a provision that coverage's afforded under the policies will not be canceled until at least thirty (30) days prior written notice has been given to the OWNER.

The CONTRACTOR shall also file with the OWNER valid Certificates of Insurance covering all Sub-contractors and Sub-subcontractors.

EXHIBIT "A-2-2"
MSEC ENTERPRISES, INC.
AUDITED FINANCIAL STATEMENT FY2015

**MID-SOUTH ELECTRIC COOPERATIVE ASSOCIATION
d/b/a MID-SOUTH SYNERGY AND SUBSIDIARIES**

NAVASOTA, TEXAS

**CONSOLIDATED FINANCIAL STATEMENTS WITH CONSOLIDATING AND ACCOMPANYING
INFORMATION**

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

AND

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

**MID-SOUTH ELECTRIC COOPERATIVE ASSOCIATION
d/b/a MID-SOUTH SYNERGY AND SUBSIDIARIES
NAVASOTA, TEXAS**

**CONSOLIDATED FINANCIAL STATEMENTS WITH CONSOLIDATING AND ACCOMPANYING
INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

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BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

PHONE: (806) 747-3806

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8215 NASHVILLE AVENUE

LUBBOCK, TEXAS 79423-1054

Independent Auditor's Report on Consolidated Financial Statements

Board of Directors
Mid-South Electric Cooperative Association
d/b/a Mid-South Synergy and Subsidiaries
Navasota, Texas

We have audited the accompanying consolidated balance sheets of Mid-South Electric Cooperative Association d/b/a Mid-South Synergy and Subsidiaries (the Cooperative), as of December 31, 2015 and 2014, and the related consolidated statements of income and patronage capital and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Mid-South Electric Cooperative Association d/b/a Mid-South Synergy and Subsidiaries at December 31, 2015 and 2014, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Bolinger, Segars, Gilbert & Moss LLP

Certified Public Accountants

Lubbock, Texas

April 15, 2016

MID-SOUTH ELECTRIC COOPERATIVE ASSOCIATION
d/b/a MID-SOUTH SYNERGY AND SUBSIDIARIES

Schedule 1
(Continued)

CONSOLIDATING INFORMATION
BALANCE SHEET
DECEMBER 31, 2015

ASSETS

	MSEC Electric	MSEC Enterprises	MSEC Services	Eliminating Entries	Consolidated Totals
UTILITY PLANT AT COST					
Electric Plant in Service		4,028,755			
Construction Work in Progress		159,231			
Capital Lease Assets		34,292,560			
Other Property and Equipment		38,480,546			
	\$	<u>6,370,627</u>			
Less: Accumulated Provision for Depreciation and Amortization		<u>32,109,919</u>			
					<u>\$ 4,028,755</u>
OTHER PROPERTY AND INVESTMENTS AT COST OR STATED VALUE					
Investments in Associated Organizations		25,542			
Investments in Affiliated Company		367,073			
Other Investments - Restricted					
Notes Receivable - Affiliated Companies					
	\$	<u>392,615</u>			
CURRENT ASSETS					
Cash - General					
Accounts Receivable (Less Allowance for Uncollectibles of \$87,705)		395,898			
Accounts Receivable - Affiliated Companies		653,881			
Unbilled Revenue		282,545			
Interest Receivable		217,000			
Materials and Supplies					
Other Current and Accrued Assets					
	\$	<u>1,549,324</u>			
OTHER ASSETS					
Deferred Debits					
	\$	<u>17,287</u>			
TOTAL ASSETS					
	\$	<u>34,069,145</u>			

MID-SOUTH ELECTRIC COOPERATIVE ASSOCIATION
d/b/a MID-SOUTH SYNERGY AND SUBSIDIARIES

Schedule 1
(Concluded)

CONSOLIDATING INFORMATION
BALANCE SHEET
DECEMBER 31, 2015

EQUITIES AND LIABILITIES

	MSEC Electric	MSEC Enterprises	MSEC Services	Eliminating Entries	Consolidated Totals
EQUITIES					
Memberships					
Patronage Capital		9,937,140			9,937,140
Other Equities		<u>9,937,140</u>			<u>9,937,140</u>
	\$	\$			
LONG-TERM DEBT					
CoBank Notes Payable Less Current Maturities		17,281,514			17,281,514
CFC Notes Payable Less Current Maturities					
Notes Payable - Mid-South Electric Cooperative, Inc.		84,580			84,580
Capital Lease Obligations Less Current Maturities		303,493			303,493
Short Term Line of Credit (to be refinanced within one year)		<u>17,669,587</u>			<u>17,669,587</u>
	\$	\$			
CURRENT LIABILITIES					
Current Maturities of Long-Term Debt		530,000			530,000
Current Maturities of Capital Lease Obligations					
Accounts Payable - Purchased Power					
Accounts Payable - Other					
Customer Deposits	1,438,250				1,438,250
Accrued Taxes	33,700				33,700
Accrued Employee Compensated Absences	7,777				7,777
Accrued Interest					
Current Tax Liability - State	66,944				66,944
Power Cost Recovery - Overcollected	17,538				17,538
Unbilled Power Cost					
Other Current and Accrued Liabilities					
Due to Affiliated Companies					
	\$	\$			
		<u>3,235,220</u>			<u>3,235,220</u>
	\$	\$			
		<u>5,329,429</u>			<u>5,329,429</u>
OTHER LIABILITIES					
Deferred Credits		120,073			120,073
Deferred Income Tax Liability		1,012,916			1,012,916
	\$	\$			
		<u>1,132,989</u>			<u>1,132,989</u>
	\$	\$			
TOTAL EQUITIES AND LIABILITIES		\$			\$
		<u>34,069,145</u>			<u>34,069,145</u>

MID-SOUTH ELECTRIC COOPERATIVE ASSOCIATION
d/b/a MID-SOUTH SYNERGY AND SUBSIDIARIES

Schedule 2
(Continued)

CONSOLIDATING INFORMATION
STATEMENT OF INCOME AND PATRONAGE CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2015

	MSEC Electric	MSEC Enterprises	MSEC Services	Eliminating Entries	Consolidated Totals
OPERATING REVENUES					
Residential					\$
Commercial and Industrial					
Public Street and Highway Lighting					
Rent from Electric Property					
Unbilled Revenue		217,000			
Power Cost Recovery Revenue		489,886			
Other Operating Revenues		708,195			
Tap and Connect Fees		3,813,021			
Sales (Net of Cost of Goods Sold of \$68,885)					
Total Operating Revenues	\$	\$ 5,228,102			\$
OPERATING EXPENSES					
Purchased Power					\$
Distribution - Operation					
Distribution - Maintenance					
Customer Accounts					
Customer Service and Information		59,088			
Sales					
Payroll and Contract Labor					
Repairs and Maintenance			148,865		
Administrative and General			1,588,787		
Depreciation and Amortization			1,090,690		
Bad Debt Expense			952,932		
Other Interest			2,116		
Other Deductions					
Total Operating Expenses			\$ 5		\$
OPERATING MARGINS - BEFORE FIXED CHARGES	\$	\$ 3,842,483			\$
FIXED CHARGES					
Interest on Long-Term Debt					\$ 1,385,619
Total Fixed Charges	\$	\$ 664,262			\$
	\$	\$ 664,262			\$

MID-SOUTH ELECTRIC COOPERATIVE ASSOCIATION
d/b/a MID-SOUTH SYNERGY AND SUBSIDIARIES

Schedule 2
(Concluded)

CONSOLIDATING INFORMATION
STATEMENT OF INCOME AND PATRONAGE CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2015

	MSEC Electric	MSEC Enterprises	MSEC Services	Eliminating Entries	Consolidated Totals
OPERATING MARGINS - AFTER FIXED CHARGES					
G&T Capital Credits	\$ 721,357				
Other Capital Credits	\$ 98,167				
Total Capital Credits	\$ 98,167				
NET OPERATING MARGINS	\$ 819,524				
NON-OPERATING MARGINS					
Interest Income	\$				
Affiliated Company Income (Loss)		(2,223)			
Other Non-Operating Income (Loss)		(10,000)			
Net Non-Operating Margins (Loss)	\$	(12,223)			
NET MARGINS (LOSSES) BEFORE INCOME TAX EXPENSE	\$ 807,301				
PROVISION FOR FEDERAL AND STATE INCOME TAX EXPENSE (BENEFIT)		288,442			
NET MARGIN (LOSS)	\$ 518,859				
PATRONAGE CAPITAL - BEGINNING OF PERIOD		9,418,281			
Capital Credits Retired					
Prior Year Non-Operating Gains Transferred to Other Equities					
PATRONAGE CAPITAL - END OF PERIOD	\$ 9,937,140				

MID-SOUTH ELECTRIC COOPERATIVE ASSOCIATION
d/b/a MID-SOUTH SYNERGY AND SUBSIDIARIES

Schedule 3

CONSOLIDATING INFORMATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015

	MSEC Electric	MSEC Enterprises	MSEC Services	Eliminating Entities	Consolidated Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Net Margin (Loss)		\$ 518,859			
Adjustments to Reconcile Net Margins to Net Cash Provided by (Used in) Operating Activities					
Depreciation					652,932
Investment in Affiliated Company					2,223
Capital Credits					73,625
Accounts Receivable					644,734
Unbilled Revenue					(217,000)
Inventories and Prepaid Expenses					75,060
Current Income Tax Asset					(9,993)
Deferred Charges					21,378
Unbilled Power Costs					
Power Cost Recovery					
Payables and Accrued Expenses					2,325,503
Deferred Tax Liabilities					272,571
Deferred Credits					(7,437)
Net Cash Provided by (Used in) Operating Activities		<u>\$ 4,653,455</u>			
CASH FLOWS FROM INVESTING ACTIVITIES					
Additions to Utility Plant and Other Property and Equipment		\$ (5,499,183)			
Plant Removal Costs (in Excess) of Less than Salvage					(98,167)
Investments in Associated Organizations					<u>\$ (5,597,350)</u>
Other Investments					
Net Cash Provided by (Used in) Investing Activities					
CASH FLOWS FROM FINANCING ACTIVITIES					
Payments on Long-Term Debt - CoBank					\$ (426,916)
Payments on Long-Term Debt - CFC					(20,666)
Payments on Capital Lease Obligations					5,173,595
Advances on Long-Term Debt - CoBank					
Advances on Long-Term Debt - CFC					(3,738,653)
Net Repayments on Short-Term Debt - CoBank					
Patronsage Capital Retirements					
Memberships					
Net Cash Provided by Financing Activities		<u>\$ 987,350</u>			
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		\$ 43,455			
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR		<u>352,443</u>			
CASH AND CASH EQUIVALENTS - END OF YEAR		<u>\$ 395,898</u>			
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION					
Cash Paid During the Year for					
Interest					\$ 769,062
Income Taxes					<u>\$ 0</u>
NON-CASH INVESTING AND FINANCING ACTIVITIES					
The Cooperative entered into multiple capital leases for the year ended December 31, 2015. The leases increased capital lease obligation by \$1,039,408 and increased capital lease assets by the same amount.					

EXHIBIT "A-2-3"
MSEC ENTERPRISES, INC.

UPDATED DEBT SERVICE SCHEDULE FY2015

2015

statement	due	amt	payable to:
12/31/2014	1/20/2015	\$ 8,465.10	COBANK
2/27/2015	3/20/2015	\$ 233,186.64	COBANK
3/31/2015	4/20/2015	\$ 12,108.06	COBANK
4/30/2015	5/20/2015	\$ 12,265.00	COBANK
5/29/2015	6/22/2015	\$ 237,232.60	COBANK
6/30/2015	7/20/2015	\$ 6,587.13	COBANK
7/31/2015	8/20/2015	\$ 2,328.80	COBANK
8/31/2015	9/21/2015	\$ 333,431.31	COBANK
9/30/2015	10/20/2015	\$ 1,644.83	COBANK
10/30/2015	11/20/2015	\$ 2,012.51	COBANK
11/30/2015	12/21/2015	\$ 349,470.93	COBANK
	sub	\$ 1,198,732.91	

statement	due	amt	payable to:
1/1/2015	1/31/2015	\$ 495.00	Farm Credit Leasing
2/1/2015	2/28/2015	\$ 4,087.00	Farm Credit Leasing
3/1/2015	3/31/2015	\$ 1,997.00	Farm Credit Leasing
4/1/2015	4/30/2015	\$ 1,997.00	Farm Credit Leasing
5/1/2015	5/31/2015	\$ 1,997.00	Farm Credit Leasing
6/1/2015	6/30/2015	\$ 1,997.00	Farm Credit Leasing
7/1/2015	7/31/2015	\$ 1,997.00	Farm Credit Leasing
8/1/2015	8/31/2015	\$ 5,387.00	Farm Credit Leasing
9/1/2015	9/30/2015	\$ 6,840.00	Farm Credit Leasing
10/1/2015	10/31/2015	\$ 7,001.00	Farm Credit Leasing
11/1/2015	11/30/2015	\$ 6,840.00	Farm Credit Leasing
12/1/2015	12/31/2015	\$ 7,001.00	Farm Credit Leasing
	sub	\$ 47,636.00	

EXHIBIT "A-2-4"

MSEC ENTERPRISES, INC.

5-Year Financial Data
including projected profit and loss statements,
cash flow worksheets, and balance sheets
for each of the first five years of operation

	A	B	C	D	E	F	G
1	MISD Plant Summary						
2	Projected Financials						
3			2017	2018	2019	2020	2021
4	Revenue	\$	117,566	\$ 121,445	\$ 135,815	\$ 126,972	\$ 137,013
5	Costs	\$	102,231	\$ 105,605	\$ 118,100	\$ 110,410	\$ 119,142
6	Margin	\$	15,335	\$ 15,841	\$ 17,715	\$ 16,562	\$ 17,871
7	Mar %		13%	13%	13%	13%	13%

EXHIBIT "A-2-4"
5-Year Financial Data

A	B	C	D	E	F	G
Year	Total	Inflation modifier (2.25% YOY)	Inflation adjusted (2015 dollars)	Profit (15% margin)	Grand Total	Monthly (round up to nearest \$100)
1						
2	Year 1 (2017)	1.0455	\$102,231	\$15,335	\$117,566	\$9,800
3	Year 2 (2018)	1.0690	\$105,605	\$15,841	\$121,445	\$10,200
4	Year 3 (2019)	1.0931	\$118,100	\$17,715	\$135,815	\$11,400
5	Year 4 (2020)	1.1177	\$110,410	\$16,562	\$126,972	\$10,600
6	Year 5 (2021)	1.1428	\$119,142	\$17,871	\$137,013	\$11,500
7	Year 6 (2022)	1.1685	\$126,252	\$18,938	\$145,190	\$12,100
8	Year 7 (2023)	1.1948	\$118,032	\$17,705	\$135,737	\$11,400
9	Year 8 (2024)	1.2217	\$120,688	\$18,103	\$138,791	\$11,600
10	Year 9 (2025)	1.2492	\$134,968	\$20,245	\$155,213	\$13,000
11	Year 10 (2026)	1.2773	\$133,163	\$19,974	\$153,137	\$12,800
12						
13						
14	Hourly Rate modifier:	1.1620				
15	Hourly Base: \$	30.00				
16	Modified: \$	34.86				
17						
18						
19	2017 - 2019 expenses	\$374,826	\$10,400			
20	2020-2022 expenses	\$409,176	\$11,400			
21	2023-2025 expenses	\$429,741	\$11,900			

A	B	C	D	E	F	G	H	I	J
No	Description	Qty	Category	Comments	Material qty	Material cost	Material Total	hour qty	hourly rate
1.0	Startup Seeding	1	Startup	Operations					
2.0	Startup Labor / Equipment	1	Startup	Operations				50	\$ 34.86
3.0	Plant Operator (Basic)	12	Labor	Operations				40	\$ 34.86
4.0	Plant Monitoring (SCADA)	12	Labor	Technical				10	\$ 34.86
5.0	Flow Meter testing	2	O&M	Operations				2	\$ 34.86
6.0	Lift Station Cleaning	4	O&M	Operations				2	\$ 34.86
7.0	Mfg Preventative Maintenance		PM	Operations					
7.1	AquaDDm Mixer	2	PM	Operations	2	\$ 20.00	\$ 40.00	2	\$ 34.86
7.2	SBR P.D. Blower	2	PM	Operations	2	\$ 124.80	\$ 249.60	4	\$ 34.86
7.3	Digester AquaDDM Mixer	2	PM	Operations	2	\$ 20.00	\$ 40.00	2	\$ 34.86
7.4	Digester P.D. Blower	1	PM	Operations	2	\$ 56.00	\$ 112.00	4	\$ 34.86
8.0	Lift Station Preventative Maint	4	PM	Operations					
9.0	Autodialer Comms	12	Operation	Operations					
10.0	Gas Chlorine	8	Operation	150 lb cylinders					
11.0	Dumpster	12	Operation	Operations					
12.0	Yard Maint	12	Operation	Operations					
13.0	Grease trap inspection	12	Operation	Operations					
14.0	Electricity	12	Operation	Operations					
15.0	Sludge Hauling	2	Operation	Operations				2	\$ 34.86
16.0	Annual Sludge DMR	1	Reporting	Compliance				2	\$ 34.86
17.0	Monthly DMR Report	1	Reporting	Compliance				24	\$ 34.86
18.0	TCEQ Plant Inspection	1	Operation	Operations				20	\$ 34.86
19.0	Monthly Permit Sampling	1	Operation	Operations				12	\$ 34.86
20.0	Plant Feeding	1		Operations				1	\$ 34.86
22.0	Security and Safety Audit	16		Compliance					
23.0	SCBA recertification	1		Operations				2	\$ 34.86
24.0	Water Reuse			Operations					
24.1	Reuse Sampling	1	Operation	Operations				12	\$ 34.86
24.2	Resue (MER report)	1	Reporting	Compliance				2	\$ 34.86
24.3	Reuse Permitting	1	Reporting	Compliance				8	\$ 34.86
24.4	Reuse TCEQ reporting	1	Reporting	Compliance				2	\$ 34.86

	A	B	C	D	E	F	G	H	I	J
33	24.5	Admin Reuse Reporting (SJRA)	1	Reporting	Administrative (Liz)			\$ -	24	\$ 34.86
34	24.6	Reuse Tank Inspection	1	Inspection	Operations			\$ -	12	\$ 34.86
35	25.0	Taxes						\$ -		
36	26.0	Depreciation						\$ -		
37	27.0	Admin						\$ -		
38	28.0	Truck Leasing						\$ -		
39	29.0	Truck Expense						\$ -		
40										

	K	L	M	N	O	P	Q	R	S	T
	equipment rate	benefits	Additional Cost	Subtotal	Annual Cost	January	February	March	April	May
1										
2	\$	-	\$ 3,200	\$ 3,200	\$ 3,200	3200				
3	\$ 30.00	\$ 17.43	\$ -	\$ 4,115	\$ 4,115	4115				
4	\$ 30.00	\$ 17.43		\$ 3,292	\$ 39,499	3291.6	3291.6	3291.6	3291.6	3291.6
5	\$ 30.00	\$ 17.43		\$ 823	\$ 9,875	822.9	822.9	822.9	822.9	822.9
6	\$ 30.00	\$ 17.43	\$ 300	\$ 465	\$ 929					
7	\$ 30.00	\$ 17.43	\$ 180	\$ 345	\$ 1,378			344.58		
8	\$	-	\$ -	\$ -	\$ -					
9	\$ 30.00	\$ 17.43	\$ -	\$ 205	\$ 409					
10	\$ 30.00	\$ 17.43	\$ -	\$ 579	\$ 1,158					
11	\$ 30.00	\$ 17.43	\$ -	\$ 205	\$ 409					
12	\$ 30.00	\$ 17.43		\$ 441	\$ 441					
13	\$	-	\$ 300	\$ 300	\$ 1,200					
14	\$	-	\$ 50	\$ 50	\$ 600	50	50	50	50	50
15	\$	-	\$ 120	\$ 120	\$ 960	80	80	80	80	80
16	\$	-	\$ 150	\$ 150	\$ 1,800	150	150	150	150	150
17	\$	-	\$ 200	\$ 200	\$ 2,400	200	200	200	200	200
18	\$	-	\$ 60	\$ 60	\$ 720	60	60	60	60	60
19	\$	-	\$ 1,277	\$ 1,277	\$ 15,324	1277	1277	1277	1277	1277
20	\$ 30.00	\$ 17.43	\$ 910	\$ 1,075	\$ 2,149					
21	\$	17.43		\$ 105	\$ 105					
22	\$	17.43		\$ 1,255	\$ 1,255	104.58	104.58	104.58	104.58	104.58
23	\$ 30.00	\$ 17.43		\$ 1,646	\$ 1,646					
24	\$ 30.00	\$ 17.43	\$ 433	\$ 1,420	\$ 1,420	118.3733	118.3733333	118.3733	118.3733	118.3733
25	\$ 30.00	\$ 17.43	\$ 2,000	\$ 2,082	\$ 2,082					
26	\$	-	\$ -	\$ -	\$ -					
27	\$ 30.00	\$ 17.43	\$ 80	\$ 245	\$ 245					
28	\$	-	\$ -	\$ -	\$ -					
29	\$ 30.00	\$ 17.43	\$ 665	\$ 1,652	\$ 1,652	137.7067	137.7066667	137.7067	137.7067	137.7067
30	\$	17.43		\$ 105	\$ 105	8.715	8.715	8.715	8.715	8.715
31	\$	17.43		\$ 418	\$ 418	34.86	34.86	34.86	34.86	34.86
32	\$	17.43		\$ 105	\$ 105	8.715	8.715	8.715	8.715	8.715

EXHIBIT "A-2-4"
5-Year Financial Data

	K	L	M	N	O	P	Q	R	S	T
33		\$ 17.43		\$ 1,255	\$ 1,255	104.58	104.58	104.58	104.58	104.58
34	\$ 25.00	\$ 17.43		\$ 927	\$ 927	77.29	77.29	77.29	77.29	77.29
35	\$ -	\$ -		\$ -	\$ -					
36	\$ -	\$ -		\$ -	\$ -					
37	\$ -	\$ -		\$ -	\$ -					
38	\$ -	\$ -		\$ -	\$ -					
39	\$ -	\$ -		\$ -	\$ -					
40				\$ 97,781	\$ 13,841	\$ 6,526	\$ 6,871	\$ 6,526	\$ 6,526	\$ 6,526

	U	V	W	X	Y	Z	AA
	June	July	August	September	October	November	December
1							
2							
3							
4	3291.6	3291.6	3291.6	3291.6	3291.6	3291.6	3291.6
5	822.9	822.9	822.9	822.9	822.9	822.9	822.9
6							929
7	344.58			344.58			344.58
8							
9							\$ 409
10							\$ 1,158
11							\$ 409
12							\$ 441
13							\$ 1,200
14	50	50	50	50	50	50	50
15	80	80	80	80	80	80	80
16	150	150	150	150	150	150	150
17	200	200	200	200	200	200	200
18	60	60	60	60	60	60	60
19	1277	1277	1277	1277	1277	1277	1277
20	1074.58						1074.58
21							\$ 105
22	104.58	104.58	104.58	104.58	104.58	104.58	104.58
23							1645.8
24	118.3733	118.3733	118.3733	118.3733	118.3733	118.3733	118.3733
25	1041.145						1041.145
26							
27							\$ 245
28							
29	137.7067	137.7067	137.7067	137.7067	137.7067	137.7067	137.7067
30	8.715	8.715	8.715	8.715	8.715	8.715	8.715
31	34.86	34.86	34.86	34.86	34.86	34.86	34.86
32	8.715	8.715	8.715	8.715	8.715	8.715	8.715

	U	V	W	X	Y	Z	AA
33	104.58	104.58	104.58	104.58	104.58	104.58	104.58
34	77.29	77.29	77.29	77.29	77.29	77.29	77.29
35							
36							
37							
38							
39							
40	\$ 8,987	\$ 6,526	\$ 6,526	\$ 6,871	\$ 6,526	\$ 6,526	\$ 15,528

A	B	C	D	E	F	G	H	I	J
No	Description	Qty	Category	Comments	Material qty	Material cost	Material Total	hour qty	hourly rate
2	Plant Operator (Basic)	12	Labor	Operations			\$ -	40	\$ 34.86
3	Plant Monitoring (SCADA)	12	Labor	Technical			\$ -	10	\$ 34.86
4	Flow Meter testing	2	O&M	Operations			\$ -	2	\$ 34.86
5	Lift Station Cleaning	4	O&M	Operations			\$ -	2	\$ 34.86
6	Mfg Preventative Maintenance		PM	Operations			\$ -		
7	AquaDDm Mixer	2	PM	Operations	2	\$ 20.00	\$ 40.00	2	\$ 34.86
8	SBR P.D. Blower	2	PM	Operations	2	\$ 124.80	\$ 249.60	4	\$ 34.86
9	Digester AquaDDM Mixer	2	PM	Operations	2	\$ 20.00	\$ 40.00	2	\$ 34.86
10	Digester P.D. Blower	1	PM	Operations	2	\$ 56.00	\$ 112.00	4	\$ 34.86
11	Lift Station Preventative Maint	4	PM	Operations			\$ -		
12	Autodialer Comms	12	Operation	Operations			\$ -		
13	Gas Chlorine	20	Operation	150 lb cylinders			\$ -		
14	Dumpster	12	Operation	Operations			\$ -		
15	Yard Maint	12	Operation	Operations			\$ -		
16	Grease trap inspection	12	Operation	Operations			\$ -		
17	Electricity	12	Operation	Operations			\$ -		
18	Sludge Hauling	4	Operation	Operations			\$ -	2	\$ 34.86
19	Annual Sludge DMR	1	Reporting	Compliance			\$ -	2	\$ 34.86
20	Monthly DMR Report	1	Reporting	Compliance			\$ -	24	\$ 34.86
21	TCEQ Plant Inspection	1	Operation	Operations			\$ -	20	\$ 34.86
22	Monthly Permit Sampling	1	Operation	Operations			\$ -	12	\$ 34.86
23	Plant Feeding	1		Operations			\$ -	1	\$ 34.86
24	Security and Safety Audit	16		Compliance			\$ -		
25	SCBA recertification	1		Operations			\$ -	2	\$ 34.86
26	Water Reuse			Operations			\$ -		
27	Reuse Sampling	1	Operation	Operations			\$ -	12	\$ 34.86
28	Reuse (MER report)	1	Reporting	Compliance			\$ -	2	\$ 34.86
29	Reuse TCEQ reporting	1	Reporting	Compliance			\$ -	2	\$ 34.86
30	Admin Reuse Reporting (SIRA)	1	Reporting	Administrative (Liz)			\$ -	24	\$ 34.86
31	Reuse Tank Inspection	1	Inspection	Operations			\$ -	12	\$ 34.86
32	Taxes						\$ -		

	A	B	C	D	E	F	G	H	I	J
33	26.0	Depreciation						\$ -		
34	27.0	Admin						\$ -		
35	28.0	Truck Leasing						\$ -		
36	29.0	Truck Expense						\$ -		
37										

	K	L	M	N	O
	equipment rate	benefits	Additional Cost	Subtotal	Annual Cost
1					
2	\$ 30.00	\$ 17.43	\$ 3,292	\$ 3,292	\$ 39,499
3	\$ 30.00	\$ 17.43	\$ 823	\$ 823	\$ 9,875
4	\$ 30.00	\$ 17.43	\$ 300	\$ 465	\$ 929
5	\$ 30.00	\$ 17.43	\$ 180	\$ 345	\$ 1,378
6	\$	-	\$	-	-
7	\$ 30.00	\$ 17.43	\$ -	\$ 205	\$ 409
8	\$ 30.00	\$ 17.43	\$ -	\$ 579	\$ 1,158
9	\$ 30.00	\$ 17.43	\$ -	\$ 205	\$ 409
10	\$ 30.00	\$ 17.43	\$	\$ 441	\$ 441
11	\$	-	\$ 300	\$ 300	\$ 1,200
12	\$	-	\$ 50	\$ 50	\$ 600
13	\$	-	\$ 120	\$ 120	\$ 2,400
14	\$	-	\$ 150	\$ 150	\$ 1,800
15	\$	-	\$ 200	\$ 200	\$ 2,400
16	\$	-	\$ 60	\$ 60	\$ 720
17	\$	-	\$ 1,701	\$ 1,701	\$ 20,412
18	\$ 30.00	\$ 17.43	\$ 910	\$ 1,075	\$ 4,298
19	\$	\$ 17.43	\$	\$ 105	\$ 105
20	\$	\$ 17.43	\$	\$ 1,255	\$ 1,255
21	\$ 30.00	\$ 17.43	\$	\$ 1,646	\$ 1,646
22	\$ 30.00	\$ 17.43	\$ 433	\$ 1,420	\$ 1,420
23	\$ 30.00	\$ 17.43	\$ 2,000	\$ 2,082	\$ 2,082
24	\$	-	\$	-	-
25	\$ 30.00	\$ 17.43	\$ 80	\$ 245	\$ 245
26	\$	-	\$	-	-
27	\$ 30.00	\$ 17.43	\$ 665	\$ 1,652	\$ 1,652
28	\$	\$ 17.43	\$	\$ 105	\$ 105
29	\$	\$ 17.43	\$	\$ 105	\$ 105
30	\$	\$ 17.43	\$	\$ 1,255	\$ 1,255
31	\$ 30.00	\$ 17.43	\$	\$ 987	\$ 987
32	\$	-	\$	-	-

	K	L	M	N	O
33	\$	-		\$ -	\$ -
34	\$	-		\$ -	\$ -
35	\$	-		\$ -	\$ -
36	\$	-		\$ -	\$ -
37				\$	98,786

A	B	C	D	E	F	G	H	I	J
No	Description	Qty	Category	Comments	Material qty	Material cost	Material Total	hour qty	hourly rate
2	Plant Operator (Basic)	12	Labor	Operations				40	\$ 34.86
3	Plant Monitoring (SCADA)	12	Labor	Technical				10	\$ 34.86
4	Flow Meter testing	2	O&M	Operations				2	\$ 34.86
5	Lift Station Cleaning	4	O&M	Operations				2	\$ 34.86
6	Mfg Preventative Maintenance		PM	Operations					
7	AquaDDm Mixer	2	PM	Operations	2	\$ 20.00	\$ 40.00	2	\$ 34.86
8	SBR P.D. Blower	2	PM	Operations	2	\$ 124.80	\$ 249.60	4	\$ 34.86
9	Digester AquaDDM Mixer	2	PM	Operations	2	\$ 20.00	\$ 40.00	2	\$ 34.86
10	Digester P.D. Blower	1	PM	Operations	2	\$ 56.00	\$ 112.00	4	\$ 34.86
11	SBR Decanter	1	PM	Operations	2	\$ 862.80	\$ 1,725.60	6	\$ 34.86
12	Fiter Media Cloth Replacement	16	PM	Operations	1	\$ 238.80	\$ 238.80	1	\$ 34.86
13	Lift Station Preventative Maint	4	PM	Operations					
14	Autodialer.Comms	12	Operation	Operations					
15	Gas Chlorine	20	Operation	150 lb cylinders					
16	Dumpster	12	Operation	Operations					
17	Yard Maint	12	Operation	Operations					
18	Grease trap inspection	12	Operation	Operations					
19	Electricity	12	Operation	Operations					
20	Sludge Hauling	4	Operation	Operations				2	\$ 34.86
21	Annual Sludge DMR	1	Reporting	Compliance				2	\$ 34.86
22	Monthly DMR Report	1	Reporting	Compliance				24	\$ 34.86
23	TCEQ Plant Inspection	1	Operation	Operations				20	\$ 34.86
24	Monthly Permit Sampling	1	Operation	Operations				12	\$ 34.86
25	Plant Feeding	1		Operations				1	\$ 34.86
26	Permit Expire Sampling	1		toxic and metals				1	\$ 34.86
27	Security and Safety Audit	16		Compliance				1	\$ 34.86
28	SCBA recertification	1		Operations				2	\$ 34.86
29	Water Reuse			Operations					
30	Reuse Sampling	1	Operation	Operations				12	\$ 34.86
31	Resue (MER report)	1	Reporting	Compliance				2	\$ 34.86
32	Reuse Permitting	1	Reporting	Compliance				8	\$ 34.86

	A	B	C	D	E	F	G	H	I	J
33	24.4	Reuse TCEQ reporting	1	Reporting	Compliance			\$ -	2	\$ 34.86
34	24.5	Admin Reuse Reporting (SJRA)	1	Reporting	Administrative (Liz)			\$ -	24	\$ 34.86
35	24.6	Reuse Tank Inspection	1	Inspection	Operations			\$ -	12	\$ 34.86
36	25.0	Taxes						\$ -		
37	26.0	Depreciation						\$ -		
38	27.0	Admin						\$ -		
39	28.0	Truck Leasing						\$ -		
40	29.0	Truck Expense						\$ -		
41								\$ -		

	K	L	M	N	O
	equipment rate	benefits	Additional Cost	Subtotal	Annual Cost
1					
2	\$ 30.00	\$ 17.43		\$ 3,292	\$ 39,499
3	\$ 30.00	\$ 17.43		\$ 823	\$ 9,875
4	\$ 30.00	\$ 17.43	\$ 300	\$ 465	\$ 929
5	\$ 30.00	\$ 17.43	\$ 180	\$ 345	\$ 1,378
6	\$	-		\$	-
7	\$ 30.00	\$ 17.43	-	\$ 205	\$ 409
8	\$ 30.00	\$ 17.43	-	\$ 579	\$ 1,158
9	\$ 30.00	\$ 17.43	-	\$ 205	\$ 409
10	\$ 30.00	\$ 17.43		\$ 441	\$ 441
11	\$ 30.00	\$ 17.43		\$ 2,219	\$ 2,219
12	\$ 30.00	\$ 17.43		\$ 321	\$ 5,137
13	\$	-	\$ 300	\$ 300	\$ 1,200
14	\$	-	\$ 50	\$ 50	\$ 600
15	\$	-	\$ 120	\$ 120	\$ 2,400
16	\$	-	\$ 150	\$ 150	\$ 1,800
17	\$	-	\$ 200	\$ 200	\$ 2,400
18	\$	-	\$ 60	\$ 60	\$ 720
19	\$	-	\$ 1,701	\$ 1,701	\$ 20,412
20	\$ 30.00	\$ 17.43	\$ 910	\$ 1,075	\$ 4,298
21	\$	\$ 17.43		\$ 105	\$ 105
22	\$	\$ 17.43		\$ 1,255	\$ 1,255
23	\$ 30.00	\$ 17.43		\$ 1,646	\$ 1,646
24	\$ 30.00	\$ 17.43	\$ 433	\$ 1,420	\$ 1,420
25	\$ 30.00	\$ 17.43	\$ 2,000	\$ 2,082	\$ 2,082
26	\$ 30.00	\$ 17.43	\$ 1,400	\$ 1,482	\$ 1,482
27	\$	-		\$	-
28	\$ 30.00	\$ 17.43	\$ 80	\$ 245	\$ 245
29	\$	-		\$	-
30	\$ 30.00	\$ 17.43	\$ 665	\$ 1,652	\$ 1,652
31	\$	\$ 17.43		\$ 105	\$ 105
32	\$	\$ 17.43		\$ 418	\$ 418

	K	L	M	N	O
33	\$	17.43		\$ 105	\$ 105
34	\$	17.43		\$ 1,255	\$ 1,255
35	\$ 30.00	17.43		\$ 987	\$ 987
36	\$	-		\$ -	\$ -
37	\$	-		\$ -	\$ -
38	\$	-		\$ -	\$ -
39	\$	-		\$ -	\$ -
40	\$	-		\$ -	\$ -
41				\$	\$ 108,043

A	B	C	D	E	F	G	H	I	J
No	Description	Qty	Category	Comments	Material qty	Material cost	Material Total	hour qty	hourly rate
3.0	Plant Operator (Basic)	12	Labor	Operations		\$	-	40	\$ 34.86
4.0	Plant Monitoring (SCADA)	12	Labor	Technical		\$	-	10	\$ 34.86
5.0	Flow Meter testing	2	O&M	Operations		\$	-	2	\$ 34.86
6.0	Lift Station Cleaning	4	O&M	Operations		\$	-	2	\$ 34.86
7.0	Mfg Preventative Maintenance		O&M	Operations		\$	-		
7.1	AquaDDm Mixer	2	PM	Operations	2	\$ 20.00	\$ 40.00	2	\$ 34.86
7.2	SBR P.D. Blower	2	PM	Operations	2	\$ 124.80	\$ 249.60	4	\$ 34.86
7.3	Digester AquaDDM Mixer	2	PM	Operations	2	\$ 20.00	\$ 40.00	2	\$ 34.86
7.4	Digester P.D. Blower	1	PM	Operations	2	\$ 56.00	\$ 112.00	4	\$ 34.86
8.0	Lift Station Preventative Maint	4	PM	Operations		\$	-		
9.0	Autodialer Comms	12	Operation	Operations		\$	-		
10.0	Gas Chlorine	20	Operation	150 lb cylinders		\$	-		
11.0	Dumpster	12	Operation	Operations		\$	-		
12.0	Yard Maint	12	Operation	Operations		\$	-		
13.0	Grease trap inspection	12	Operation	Operations		\$	-		
14.0	Electricity	12	Operation	Operations		\$	-		
15.0	Sludge Hauling	4	Operation	Operations		\$	-	2	\$ 34.86
16.0	Annual Sludge DMR	1	Reporting	Compliance		\$	-	2	\$ 34.86
17.0	Monthly DMR Report	1	Reporting	Compliance		\$	-	24	\$ 34.86
18.0	TCEQ Plant Inspection	1	Operation	Operations		\$	-	20	\$ 34.86
19.0	Monthly Permit Sampling	1	Operation	Operations		\$	-	12	\$ 34.86
20.0	Plant Feeding	1		Operations		\$	-	1	\$ 34.86
22.0	Security and Safety Audit	16		Compliance		\$	-		
23.0	SCBA recertification	1		Operations		\$	-	2	\$ 34.86
24.0	Water Reuse			Operations		\$	-		
24.1	Reuse Sampling	1	Operation	Operations		\$	-	12	\$ 34.86
24.2	Reuse (MER report)	1	Reporting	Compliance		\$	-	2	\$ 34.86
24.4	Reuse TCEQ reporting	1	Reporting	Compliance		\$	-	2	\$ 34.86
24.5	Admin Reuse Reporting (SIRA)	1	Reporting	Administrative (Liz)		\$	-	24	\$ 34.86
24.6	Reuse Tank Inspection	1	Inspection	Operations		\$	-	12	\$ 34.86
25.0	Taxes					\$	-		

	A	B	C	D	E	F	G	H	I	J
33	26.0	Depreciation						\$ -		
34	27.0	Admin						\$ -		
35	28.0	Truck Leasing						\$ -		
36	29.0	Truck Expense						\$ -		
37										

	K	L	M	N	O
	equipment rate	benefits	Additional Cost	Subtotal	Annual Cost
1					
2	\$ 30.00	\$ 17.43		\$ 3,292	\$ 39,499
3	\$ 30.00	\$ 17.43		\$ 823	\$ 9,875
4	\$ 30.00	\$ 17.43	\$ 300	\$ 465	\$ 929
5	\$ 30.00	\$ 17.43	\$ 180	\$ 345	\$ 1,378
6	\$	-		\$	-
7	\$ 30.00	\$ 17.43	\$ -	\$ 205	\$ 409
8	\$ 30.00	\$ 17.43	\$ -	\$ 579	\$ 1,158
9	\$ 30.00	\$ 17.43	\$ -	\$ 205	\$ 409
10	\$ 30.00	\$ 17.43		\$ 441	\$ 441
11	\$	-	\$ 300	\$ 300	\$ 1,200
12	\$	-	\$ 50	\$ 50	\$ 600
13	\$	-	\$ 120	\$ 120	\$ 2,400
14	\$	-	\$ 150	\$ 150	\$ 1,800
15	\$	-	\$ 200	\$ 200	\$ 2,400
16	\$	-	\$ 60	\$ 60	\$ 720
17	\$	-	\$ 1,701	\$ 1,701	\$ 20,412
18	\$ 30.00	\$ 17.43	\$ 910	\$ 1,075	\$ 4,298
19	\$	\$ 17.43		\$ 105	\$ 105
20	\$	\$ 17.43		\$ 1,255	\$ 1,255
21	\$ 30.00	\$ 17.43		\$ 1,646	\$ 1,646
22	\$ 30.00	\$ 17.43	\$ 433	\$ 1,420	\$ 1,420
23	\$ 30.00	\$ 17.43	\$ 2,000	\$ 2,082	\$ 2,082
24	\$	-		\$ -	\$ -
25	\$ 30.00	\$ 17.43	\$ 80	\$ 245	\$ 245
26	\$	-		\$ -	\$ -
27	\$ 30.00	\$ 17.43	\$ 665	\$ 1,652	\$ 1,652
28	\$	\$ 17.43		\$ 105	\$ 105
29	\$	\$ 17.43		\$ 105	\$ 105
30	\$	\$ 17.43		\$ 1,255	\$ 1,255
31	\$ 30.00	\$ 17.43		\$ 987	\$ 987
32	\$	-		\$ -	\$ -

MSEC ENTERPRISES
 PUC DOCKET #44740
 EXHIBIT "A-2-4"
 5-Year Financial Data

	K	L	M	N	O
33	\$	-		\$ -	\$ -
34	\$	-		\$ -	\$ -
35	\$	-		\$ -	\$ -
36	\$	-		\$ -	\$ -
37					\$ 98,786

A	B	C	D	E	F	G	H	I	J
No	Description	Qty	Category	Comments	Material qty	Material cost	Material Total	hour qty	hourly rate
3.0	Plant Operator (Basic)	12	Labor	Operations				40	\$ 34.86
4.0	Plant Monitoring (SCADA)	12	Labor	Technical				10	\$ 34.86
5.0	Flow Meter testing	2	O&M	Operations				2	\$ 34.86
6.0	Lift Station Cleaning	4	O&M	Operations				2	\$ 34.86
7.0	Mfg Preventative Maintenance		PM	Operations					
7.1	AquaDDm Mixer	2	PM	Operations	2	\$ 20.00	\$ 40.00	2	\$ 34.86
7.2	SBR P.D. Blower	2	PM	Operations	2	\$ 609.60	\$ 1,219.20	8	\$ 34.86
7.3	Digester AquaDDM Mixer	2	PM	Operations	2	\$ 20.00	\$ 40.00	2	\$ 34.86
7.4	Digester P.D. Blower	1	PM	Operations	2	\$ 534.00	\$ 1,068.00	8	\$ 34.86
7.5	Sludge Pump	1	PM	Operations	2	\$ 274.80	\$ 549.60	4	\$ 34.86
8.0	Main "V-Ring" Seal	1	PM	Operations	1	\$ 458.40	\$ 458.40	3	\$ 34.86
9.0	Lift Station Preventative Maint	4	PM	Operations					
10.0	Autodialer Comms	12	Operation	Operations					
11.0	Gas Chlorine	20	Operation	150 lb cylinders					
12.0	Dumpster	12	Operation	Operations					
13.0	Yard Maint	12	Operation	Operations					
14.0	Grease trap inspection	12	Operation	Operations					
15.0	Electricity	12	Operation	Operations					
16.0	Sludge Hauling	4	Operation	Operations				2	\$ 34.86
17.0	Annual Sludge DMR	1	Reporting	Compliance				2	\$ 34.86
18.0	Monthly DMR Report	1	Reporting	Compliance				24	\$ 34.86
19.0	TCEQ Plant Inspection	1	Operation	Operations				20	\$ 34.86
20.0	Monthly Permit Sampling	1	Operation	Operations				12	\$ 34.86
21.0	Plant Feeding	1		Operations				1	\$ 34.86
22.0	Security and Safety Audit	16		Compliance					
23.0	SCBA recertification	1		Operations				2	\$ 34.86
24.0	Water Reuse			Operations					
24.1	Reuse Sampling	1	Operation	Operations				12	\$ 34.86
24.2	Reuse (MER report)	1	Reporting	Compliance				2	\$ 34.86
24.4	Reuse TCEQ reporting	1	Reporting	Compliance				2	\$ 34.86
24.5	Admin Reuse Reporting (SIRA)	1	Reporting	Administrative (Liz)				24	\$ 34.86

	A	B	C	D	E	F	G	H	I	J
33	24.6	Reuse Tank Inspection	1	Inspection	Operations					
34	25.0	Taxes						\$ -	12	\$ 34.86
35	26.0	Depreciation						\$ -		
36	27.0	Admin						\$ -		
37	28.0	Truck Leasing						\$ -		
38	29.0	Truck Expense						\$ -		
39								\$ -		

	K	L	M	N	O
	equipment rate	benefits	Additional Cost	Subtotal	Annual Cost
1					
2	\$ 30.00	\$ 17.43		\$ 3,292	\$ 39,499
3	\$ 30.00	\$ 17.43		\$ 823	\$ 9,875
4	\$ 30.00	\$ 17.43	\$ 300	\$ 465	\$ 929
5	\$ 30.00	\$ 17.43	\$ 180	\$ 345	\$ 1,378
6	\$	-		\$ -	\$ -
7	\$ 30.00	\$ 17.43	\$ -	\$ 205	\$ 409
8	\$ 30.00	\$ 17.43	\$ -	\$ 1,878	\$ 3,755
9	\$ 30.00	\$ 17.43	\$ -	\$ 205	\$ 409
10	\$ 30.00	\$ 17.43		\$ 1,726	\$ 1,726
11	\$ 30.00	\$ 17.43		\$ 879	\$ 879
12	\$ 30.00	\$ 17.43		\$ 705	\$ 705
13	\$	-	\$ 300	\$ 300	\$ 1,200
14	\$	-	\$ 50	\$ 50	\$ 600
15	\$	-	\$ 120	\$ 120	\$ 2,400
16	\$	-	\$ 150	\$ 150	\$ 1,800
17	\$	-	\$ 200	\$ 200	\$ 2,400
18	\$	-	\$ 60	\$ 60	\$ 720
19	\$	-	\$ 1,701	\$ 1,701	\$ 20,412
20	\$ 30.00	\$ 17.43	\$ 910	\$ 1,075	\$ 4,298
21	\$	\$ 17.43		\$ 105	\$ 105
22	\$	\$ 17.43		\$ 1,255	\$ 1,255
23	\$ 30.00	\$ 17.43		\$ 1,646	\$ 1,646
24	\$ 30.00	\$ 17.43	\$ 433	\$ 1,420	\$ 1,420
25	\$ 30.00	\$ 17.43	\$ 2,000	\$ 2,082	\$ 2,082
26	\$	-		\$ -	\$ -
27	\$ 30.00	\$ 17.43	\$ 80	\$ 245	\$ 245
28	\$	-		\$ -	\$ -
29	\$ 30.00	\$ 17.43	\$ 665	\$ 1,652	\$ 1,652
30	\$	\$ 17.43		\$ 105	\$ 105
31	\$	\$ 17.43		\$ 105	\$ 105
32	\$	\$ 17.43		\$ 1,255	\$ 1,255

	K	L	M	N	O
33	\$ 30.00	\$ 17.43		\$ 987	\$ 987
34	\$ -	\$ -		\$ -	\$ -
35	\$ -	\$ -		\$ -	\$ -
36	\$ -	\$ -		\$ -	\$ -
37	\$ -	\$ -		\$ -	\$ -
38	\$ -	\$ -		\$ -	\$ -
39				\$ -	\$ -
					\$ 104,252