EPA

WIFIA
PROGRAM

SAMPLE CASH FLOW PRO FORMA

FEBRUARY 2, 2016

- This document is intended to serve as an example of a cash flow pro forma for WIFIA prospective borrowers.
- Prospective borrowers should use this file as guidance for the type of information that should be provided in the "Letter of Interest" pro forma submission. However, **it should not be used as a template.**
- Due to the variety of eligible borrowers and projects, some information provided in this file may not be applicable to certain projects and does not need to be included in every submission. Some projects should provide additional relevant information that is not provided herein.

**This is a sample only. It is not intended to serve as a template, reflect any actual credit, or convey acceptable ratios and/or project costs.*

SOURCE AND USES OF FUNDS ($000; Year 2016)

FINANCING: Treatment Plant Upgrade

WWTP - Base Case

USES		SOURCES	
Facility Costs		**Gross Funding Requirements**	$ 180,728
Headworks	$ 1,485		
Primary Clarifiers	6,277		
Trickling Filters & Pumping Stations	28,682	Public or Private Funds	35,530
Secondary Clarifiers	33,716	Public or Private Funds %	20%
Chlorine Cantact Tank	2,521		
Anaerobic Digesters	29,900	Debt	145,199
Solids Dewatering Building	10,887	Debt %	80%
Site Work & Utilities	7,954		
Relief Sewer	4,060		
Project Services	44,184		
Other	758		
	-		
Subtotal - Facility Costs	170,422		
Financing Costs		**Debt Composition**	
Development Costs & Owner Contingency	2,500	WIFIA Debt	88,543
Closing Costs	3,076	% of Eligible Project Costs	49%
Reserve Fund Capitalization	4,730		
Capitalized Interest	-		
	-	Senior Debt	56,656
Subtotal - Financing Costs	10,306	% of Eligible Project Costs	31%
WIFIA Eligible Project Costs	180,728		
Gross Funding Requirements	**$ 180,728**	**Total Funds Drawn**	**$ 180,728**

SPECIMEN FINANICIAL PRO FORMA

Prospective Borrower: Wastewater System
Financing: Treatment Plant Upgrade
Scenario Number: 1 - WWTP - Base Case

Income Statement

	Historical 20XX <-----	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Projected 2017	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	-----> Final Maturity 20XX
Revenues														
Existing Operations Revenue		$ 20,402	$ 20,606	$ 20,812	$ 21,020	$ 21,230	$ 21,443	$ 21,657	$ 21,874	$ 22,092	$ 22,313	$ 22,537	$ 22,762	*xxx*
New Project Revenue		-	-	-	-	-	-	5,414	10,937	11,046	11,157	11,268	11,381	*xxx*
Total Revenues		20,402	20,606	20,812	21,020	21,230	21,443	27,071	32,811	33,139	33,470	33,805	34,143	*xxx*
Expenses														
Cash Operating Expenses		3,166	3,245	3,327	3,410	3,495	3,582	4,590	5,645	5,787	5,931	6,080	6,232	*xxx*
Amortization Expense		-	-	-	-	-	154	205	205	205	205	205	205	*xxx*
Depreciation Expense		3,315	3,315	3,315	3,315	3,315	6,866	8,996	8,996	8,996	8,996	8,996	8,996	*xxx*
Total Expenses		6,481	6,561	6,642	6,725	6,810	10,602	13,791	14,846	14,988	15,132	15,281	15,433	*xxx*
Operating Income		13,921	14,045	14,170	14,295	14,420	10,841	13,281	17,964	18,151	18,338	18,524	18,710	*xxx*
Non-Operating Items														
Add:														
Interest Income		-	-	-	-	-	-	189	189	189	189	189	189	*xxx*
Less:														
Interest Expense														
WIFIA Debt		-	-	-	-	-	1,968	2,553	2,468	2,382	2,293	2,201	2,106	*xxx*
Project Senior Debt		-	-	-	-	-	2,073	2,705	2,634	2,560	2,482	2,400	2,313	*xxx*
Existing Senior Debt		2,400	2,300	2,200	2,100	2,000	1,900	1,800	1,700	1,600	1,500	1,400	1,300	*xxx*
		2,400	2,300	2,200	2,100	2,000	5,942	7,058	6,803	6,542	6,274	6,000	5,719	*xxx*
Net Income/Change in Net Assets		$ 11,521	$ 11,745	$ 11,970	$ 12,195	$ 12,420	$ 4,899	$ 6,412	$ 11,350	$ 11,798	$ 12,253	$ 12,713	$ 13,180	*xxx*

Prospective Borrower: Wastewater System
Financing: Treatment Plant Upgrade
Scenario Number: 1 - WWTP - Base Case

Balance Sheet

	Historical 20XX <-----	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Projected 2017	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	-----> Final Maturity 20XX
ASSETS														
Current Assets														
Cash		$ 13,326	$ 26,349	$ 39,597	$ 53,070	$ 66,768	$ 76,095	$ 84,284	$ 97,237	$ 111,661	$ 126,372	$ 141,369	$ 156,651	*XXX*
Accounts Receivable (Net)		5,031	5,081	5,132	5,183	5,235	5,287	6,675	8,090	8,171	8,253	8,335	8,419	*XXX*
Other		-	-	-	-	-	-	-	-	-	-	-	-	*XXX*
Total Current Assets		18,356	31,430	44,729	58,253	72,002	81,383	90,959	105,328	119,833	134,625	149,704	165,070	*XXX*
Property, Plant & Equipment														
Non-Depreciable Assets		-	-	-	-	-	-	-	-	-	-	-	-	*XXX*
Existing Depreciable Assets		82,880	82,880	82,880	82,880	82,880	82,880	82,880	82,880	82,880	82,880	82,880	82,880	*XXX*
New Gross Assets		-	-	-	-	-	170,422	170,422	170,422	170,422	170,422	170,422	170,422	*XXX*
Accumulated Depr.		(38,195)	(41,510)	(44,826)	(48,141)	(51,456)	(58,322)	(67,318)	(76,314)	(85,309)	(94,305)	(103,301)	(112,297)	*XXX*
Net PP&E		44,685	41,370	38,054	34,739	31,424	194,981	185,985	176,989	167,993	158,997	150,001	141,005	*XXX*
Other Assets														
Capitalized Financing Costs		-	-	-	-	-	2,922	2,717	2,512	2,307	2,102	1,897	1,692	*XXX*
R&R Reserve Fund		-	-	-	-	-	-	-	-	-	-	-	-	*XXX*
Debt Service Reserve Fund		-	-	-	-	-	-	4,730	4,730	4,730	4,730	4,730	4,730	*XXX*
Other		-	-	-	-	-	-	-	-	-	-	-	-	*XXX*
Subtotal		-	-	-	-	-	2,922	7,447	7,242	7,037	6,832	6,627	6,422	*XXX*
Total Assets		63,041	72,800	82,783	92,992	103,426	279,286	284,391	289,559	294,862	300,454	306,332	312,497	*XXX*
LIABILITIES														
Current Liabilities														
Accounts Payable		520	533	547	560	575	589	754	928	951	975	999	1,024	*XXX*
Accrued Expenses		-	-	-	-	-	-	-	-	-	-	-	-	*XXX*
Other		-	-	-	-	-	-	-	-	-	-	-	-	*XXX*
Subtotal		520	533	547	560	575	589	754	928	951	975	999	1,024	*XXX*
Long-Term Liabilities														
Existing Senior Debt		46,000	44,000	42,000	40,000	38,000	36,000	34,000	32,000	30,000	28,000	26,000	24,000	*XXX*
Project Senior Debt		-	-	-	-	-	55,636	54,218	52,729	51,165	49,523	47,799	45,988	*XXX*
WIFIA Debt		-	-	-	-	-	86,509	83,726	80,859	77,905	74,862	71,727	68,497	*XXX*
Subtotal		46,000	-	42,000	40,000	38,000	178,146	171,944	165,587	159,069	152,384	145,525	138,485	*XXX*
			44,000											
Total Liabilities		46,520	44,533	42,547	40,560	38,575	178,735	172,698	166,515	160,021	153,359	146,525	139,509	*XXX*
EQUITY/NET ASSETS														
Capital Stock		-	-	-	-	-	-	-	-	-	-	-	-	*XXX*
Paid-In Capital		-	-	-	-	-	30,800	35,530	35,530	35,530	35,530	35,530	35,530	*XXX*
Retained Earnings/Change in Net Assets		16,521	28,266	40,236	52,432	64,852	69,751	76,163	87,514	99,312	111,565	124,278	137,458	*XXX*
Additional Paid-In Capital		-	-	-	-	-	-	-	-	-	-	-	-	*XXX*
Total Capital		16,521	28,266	40,236	52,432	64,852	100,551	111,693	123,043	134,842	147,094	159,807	172,987	*XXX*
Total Liabilities and Capital		$ 63,041	$ 72,800	$ 82,783	$ 92,992	$ 103,426	$ 279,286	$ 284,391	$ 289,559	$ 294,862	$ 300,454	$ 306,332	$ 312,497	*XXX*

Prospective Borrower: Wastewater System
Financing: Treatment Plant Upgrade
Scenario Number: 1 - WWTP - Base Case

Statement of Cashflows

	Historical 20XX <-----	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Projected 2017	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	----->	Final Maturity 20XX
Operations															
Net Income/Change in Net Assets		$ 11,521	$ 11,745	$ 11,970	$ 12,195	$ 12,420	$ 4,899	$ 6,412	$ 11,350	$ 11,798	$ 12,253	$ 12,713	$ 13,180		*XXX*
Depreciation		3,315	3,315	3,315	3,315	3,315	6,866	8,996	8,996	8,996	8,996	8,996	8,996		*XXX*
(Increase) Decrease in Receivables		(31)	(50)	(51)	(51)	(52)	(52)	(1,388)	(1,415)	(81)	(82)	(83)	(83)		*XXX*
(Increase) Prepaid Expenses		-	-	-	-	-	-	-	-	-	-	-	-		*XXX*
(Increase) Customer Deposits		-	-	-	-	-	-	-	-	-	-	-	-		*XXX*
(Increase) in Other Current Assets		-	-	-	-	-	-	-	-	-	-	-	-		*XXX*
(Decrease) Accounts Payable		520	13	13	14	14	14	166	174	23	24	24	25		*XXX*
(Decrease) Accrued Expenses		-	-	-	-	-	-	-	-	-	-	-	-		*XXX*
(Decrease) Other Current Liabilities		-	-	-	-	-	-	-	-	-	-	-	-		*XXX*
Cash Flow from Operations		15,326	15,023	15,248	15,473	15,698	11,727	14,186	19,105	20,737	21,191	21,651	22,118		*XXX*
Investing															
Net New Non-Depreciable Assets		-	-	-	-	-	-	-	-	-	-	-	-		*XXX*
Net New Depreciable Assets		-	-	-	-	-	(170,422)	-	-	-	-	-	-		*XXX*
Cash Flow From Investing		-	-	-	-	-	(170,422)	-	-	-	-	-	-		*XXX*
Financing															
Net Increase (Decrease) in Existing Senior Debt		(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)		*XXX*
Net Increase (Decrease) in Project Senior Debt		-	-	-	-	-	55,636	(1,418)	(1,489)	(1,564)	(1,642)	(1,724)	(1,810)		*XXX*
Net Increase (Decrease) in WIFIA Debt		-	-	-	-	-	86,509	(2,783)	(2,867)	(2,954)	(3,043)	(3,135)	(3,230)		*XXX*
Issuance (Buy Back) of Capital Stock		-	-	-	-	-	30,800	4,730	-	-	-	-	-		*XXX*
(Increase) in Other Financing Assets		-	-	-	-	-	(2,922)	(4,525)	205	205	205	205	205		*XXX*
Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	-		*XXX*
Cash Flow From Financing		(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	168,023	(5,997)	(6,152)	(6,313)	(6,480)	(6,654)	(6,835)		*XXX*
Net Change in Cash		$ 13,326	$ 13,023	$ 13,248	$ 13,473	$ 13,698	$ 9,328	$ 8,189	$ 12,953	$ 14,424	$ 14,710	$ 14,997	$ 15,283		*XXX*
Cash-Beginning of Year		-	13,326	26,349	39,597	53,070	66,768	76,095	84,284	97,237	111,661	126,372	141,369		*XXX*
Cash-End of Year		13,326	26,349	39,597	53,070	66,768	76,095	84,284	97,237	111,661	126,372	141,369	156,651		*XXX*

SPECIMEN FINANICIAL PRO FORMA

Prospective Borrower: Wastewater System
Financing: Treatment Plant Upgrade
Scenario Number: 1 - WWTP - Base Case

Calculation of CFADS

	Historical 20XX <-----	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Projected 2017	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	-----> Final Maturity 20XX
Revenue														
Existing Operations Revenue		$ 20,402	$ 20,606	$ 20,812	$ 21,020	$ 21,230	$ 21,443	$ 21,657	$ 21,874	$ 22,092	$ 22,313	$ 22,537	$ 22,762	*xxx*
New Project Revenue		-	-	-	-	-	-	5,414	10,937	11,046	11,157	11,268	11,381	*xxx*
Interest Income		-	-	-	-	-	-	189	189	189	189	189	189	*xxx*
Subtotal		20,402	20,606	20,812	21,020	21,230	21,443	27,261	33,000	33,328	33,659	33,994	34,332	*xxx*
Expenses														
Operating Expenses														
Fixed Expenses		982	1,006	1,032	1,057	1,084	1,111	1,423	1,751	1,795	1,839	1,885	1,933	*xxx*
Variable Costs		2,184	2,239	2,295	2,352	2,411	2,471	3,166	3,895	3,992	4,092	4,194	4,299	*xxx*
Corporate Income Taxes		-	-	-	-	-	-	-	-	-	-	-	-	*xxx*
Subtotal		3,166	3,245	3,327	3,410	3,495	3,582	4,590	5,645	5,787	5,931	6,080	6,232	*xxx*
Capital Expenditures		-	-	-	-	-	-	-	-	-	-	-	-	*xxx*
Inc. / (Dec.) in Working Cap. Reqs.		37	37	37	38	38	38	1,222	1,242	58	58	58	58	*xxx*
Subtotal		37	37	37	38	38	38	1,222	1,242	58	58	58	58	*xxx*
Cashflow Available for Debt Service		17,199	17,323	17,448	17,573	17,698	17,822	21,449	26,113	27,484	27,670	27,856	28,042	*xxx*

Prospective Borrower: Wastewater System
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Debt Service

	Historical 20XX <-----	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Projected 2017	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	-----> Final Maturity 20XX
WIFIA Debt														
Opening Balance		$ -	$ -	$ -	$ -	$ -	$ -	$ 86,509	$ 83,726	$ 80,859	$ 77,905	$ 74,862	$ 71,727	*XXX*
Drawdowns		-	-	-	-	-	88,543	-	-	-	-	-	-	*XXX*
Repayments		-	-	-	-	-	2,034	2,783	2,867	2,954	3,043	3,135	3,230	*XXX*
Closing Balance		-	-	-	-	-	86,509	83,726	80,859	77,905	74,862	71,727	68,497	*XXX*
Interest (capitalized)		-	-	-	-	-	-	-	-	-	-	-	-	*XXX*
Interest (expensed)		-	-	-	-	-	1,968	2,553	2,468	2,382	2,293	2,201	2,106	*XXX*
Total Interest		-	-	-	-	-	1,968	2,553	2,468	2,382	2,293	2,201	2,106	*XXX*
WIFIA Debt Service		-	-	-	-	-	4,002	5,336	5,336	5,336	5,336	5,336	5,336	*XXX*
Project Senior Debt														
Opening Balance		$ -	$ -	$ -	$ -	$ -	$ -	$ 55,636	$ 54,218	$ 52,729	$ 51,165	$ 49,523	$ 47,799	*XXX*
Drawdowns		-	-	-	-	-	56,656	-	-	-	-	-	-	*XXX*
Repayments		-	-	-	-	-	1,019	1,418	1,489	1,564	1,642	1,724	1,810	*XXX*
Closing Balance		-	-	-	-	-	55,636	54,218	52,729	51,165	49,523	47,799	45,988	*XXX*
Interest (capitalized)		-	-	-	-	-	-	-	-	-	-	-	-	*XXX*
Interest (expensed)		-	-	-	-	-	2,073	2,705	2,634	2,560	2,482	2,400	2,313	*XXX*
		-	-	-	-	-	2,073	2,705	2,634	2,560	2,482	2,400	2,313	*XXX*
Project Senior Debt Service		-	-	-	-	-	3,093	4,124	4,124	4,124	4,124	4,124	4,124	*XXX*
Existing Senior Debt														
Opening Balance		$ 48,000	$ 46,000	$ 44,000	$ 42,000	$ 40,000	$ 38,000	$ 36,000	$ 34,000	$ 32,000	$ 30,000	$ 28,000	$ 26,000	*XXX*
Principal Payments		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	*XXX*
Interest Payments		2,400	2,300	2,200	2,100	2,000	1,900	1,800	1,700	1,600	1,500	1,400	1,300	
Closing Balance		46,000	44,000	42,000	40,000	38,000	36,000	34,000	32,000	30,000	28,000	26,000	24,000	*XXX*
Existing Senior Debt Service		4,400	4,300	4,200	4,100	4,000	3,900	3,800	3,700	3,600	3,500	3,400	3,300	*XXX*
Total Debt Service														
WIFIA Debt Service		$ -	$ -	$ -	$ -	$ -	$ 4,002	$ 5,336	$ 5,336	$ 5,336	$ 5,336	$ 5,336	$ 5,336	*XXX*
Project Senior Debt Service		-	-	-	-	-	3,093	4,124	4,124	4,124	4,124	4,124	4,124	*XXX*
Existing Senior Debt Service		4,400	4,300	4,200	4,100	4,000	3,900	3,800	3,700	3,600	3,500	3,400	3,300	*XXX*
		4,400	4,300	4,200	4,100	4,000	10,995	13,260	13,160	13,060	12,960	12,860	12,760	*XXX*
Cash Flow Available for Debt Service		$ 17,199	$ 17,323	$ 17,448	$ 17,573	$ 17,698	$ 17,822	$ 21,449	$ 26,113	$ 27,484	$ 27,670	$ 27,856	$ 28,042	*XXX*
Senior Debt Service Coverage		**3.91x**	**4.03x**	**4.15x**	**4.29x**	**4.42x**	**2.55x**	**2.71x**	**3.34x**	**3.56x**	**3.63x**	**3.70x**	**3.78x**	***XXX***
WIFIA Debt Service Coverage		***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	**1.62x**	**1.62x**	**1.98x**	**2.10x**	**2.14x**	**2.17x**	**2.20x**	***XXX***