

**\$30,000,000\***  
**CALIFORNIA SCHOOL FINANCE AUTHORITY (CSFA)**  
**SCHOOL FACILITY REVENUE BONDS**  
**(Ivy Academia Entrepreneurial Charter School)**  
**SERIES 2021A \$29,000,000 (TAX-EXEMPT) and 2021B \$1,000,000 (TAXABLE)**  
**ITEM #9 - RESOLUTION 21-31**

**STAFF SUMMARY**

<b>EXECUTIVE SUMMARY</b>			
<b>Applicant/Borrower:</b>	ASF 5975 Shoup LLC	<b>Par Amount Requested:</b>	Not-to-Exceed * \$30,000,000
<b>Financing Term:</b> Fixed rate, up to 40 years, 10 year par call		<b>Interest Rate:</b> 4.00% on the Tax-Exempt; 5.0% on the Taxable	
<b>Applicant Description:</b> ASF 5975 Shoup LLC is a limited liability company formed for the single purpose of supporting its sole member, Alternative Schools Foundation, a 501(c)(3) nonprofit public benefit corporation and a support organization for Alternative Schools, Inc., d/b/a Ivy Academia Entrepreneurial Charter School.			
<b>Type of Financing:</b> Tax-Exempt and Taxable Charter School Refunding Revenue Bonds			
<b>Project User:</b>	Ivy Academia Entrepreneurial Charter School	<b>County Served:</b>	Los Angeles County
<b>District in Which Project is Located:</b>	Los Angeles Unified School District	<b>Charter Authorizer:</b>	Los Angeles Unified School District
<b>Project Description:</b> Bond proceeds will be used to refinance California Enterprise Development Authority Educational Facilities Revenue Bonds (Ivy Academia Project) Series 2018 A, B and C, and finance the acquisition and construction, improvement, renovation and furnishing of a new facility for the operation of Ivy Academia Entrepreneurial Charter School.			
<b>Project Site:</b> 5975 Shoup Avenue, Woodland Hills, CA 91367			
<b>Financing Team:</b>		<b>Financing Details:</b>	
<b>Bond Counsel:</b>	Kutak Rock LLP	<b>Type of Issue:</b>	School Facility Revenue Bonds
<b>Underwriter:</b>	Truist Securities	<b>Tax Status:</b>	Tax-Exempt & Taxable
<b>Borrower's Counsel:</b>	Young, Minney & Corr LLP	<b>Maturity:</b>	2031 (Taxable) & 2061 (Tax-Exempt)
<b>Issuer's Counsel:</b>	Attorney General's Office	<b>Credit Enhancement:</b>	Yes
<b>Issuer:</b>	California School Finance Authority	<b>Credit Rating:</b>	Unrated
<b>Bond/ Trustee:</b>	Wilmington Trust, N.A.	<b>Fees:</b>	See Costs of Issuance Table
<b>CSFA Analyst:</b> Elizabeth Mendez		<b>Date of Staff Report:</b> October 1, 2021	
<b>Date of CSFA Board Meeting:</b> October 28, 2021		<b>Resolution Number:</b> 21-31	
<b>Staff Recommendation:</b> Staff recommends the California School Finance Authority Board approve Resolution Number 21-31 authorizing the issuance of School Facility Revenue Bonds in an amount not to exceed \$30,000,000 to finance and/or refinance the acquisition, construction, expansion, remodeling, renovation, furnishing, and/or equipping of certain educational facilities located in Los Angeles County, California for the use by Alternative Schools, INC., D/B/A Ivy Academia Entrepreneurial Charter School and Alternative Schools Foundation.			

## BACKGROUND AND HISTORY

In September 2004, Ivy Academia Entrepreneurial Charter School (IAC) opened to serve grades transitional kindergarten (TK) through 12 in Woodland Hills, located in the West San Fernando Valley. IAC seeks to provide students a college preparatory education that ensures college readiness coupled with the entrepreneurial dispositions necessary for successful careers. According to information provided by the IAC, the school's innovative efforts are clearing the way to implement a model for all schools, capitalizing on entrepreneurial spirit and raising awareness around the need for high-quality public elementary, middle, and high schools. IAC is a stand-alone school and has no obligated group. It currently serves approximately 650 students and IAC's most recent charter is in good standing expiring in June 30, 2025, which includes the two year extension under new state law.

This is the first bond issuance for IAC through the California School Finance Authority (CSFA or Authority). IAC previously applied for issuance in 2018 through CSFA, however CSFA could not bring the financing to its board because the property did not have a conditional use permit (CUP) that allowed for the use of the facility as a public school. The school issued their bonds through the California Enterprise Development Authority (CEDA) with the expectation of obtaining the CUP for use by a public school. The proceeds of the 2018 bonds were used for the acquisition of the K-12 Shoup Avenue Campus. The conditional use permit took three years to obtain, which was much longer than anticipated. The school property now has a conditional use permit that allows the school to operate in the subject location and is in compliance with CSFA statute regulations. The 2020/21 school year is when IAC operated at the new campus. This new issuance through CSFA will be used to refinance the CEDA 2018 bonds and finance improvements and other costs. Given the delays with the CUP, the school had to pay for debt service on the 2018 bonds as well as the facilities they occupied during the 2018 – 2020/21 school years, therefore paying for two facilities for three years.

Due to the delay in obtaining the conditional use permit, IAC failed to meet certain financial covenants (occupancy and debt service coverage ratio) in the loan agreement under the 2018 bonds. The missed covenants were primarily owed to three factors:

1. The conditional use permit wasn't approved until this year, and as such IAC was not able to move into the new facility. With this move IAC was able to increase enrollment by 40 students during the pandemic to about 640 students.
2. IAC was making double facilities payments for the past three years; 1) for their previous campus they continued to occupy and 2) payments on the bonds for the new facility.
3. The new campus needed major repairs and IAC spent approximately \$3 million on the campus and depleted their cash.

IAC is currently paying approximately \$2.5 million annually related to the 2018 bonds. This refinancing will result in an annual estimated payments of \$1.43 million; a projected savings of over \$1 million annually.

Charter Terms and Authorizers for Ivy Academia Entrepreneurial Charter			
School	Address	Authorizer	Charter Term
K-12 Campus	5975 Shoup Avenue	Los Angeles Unified School District	6/30/2025

Current Ivy Academia Entrepreneurial Charter demographics include:

<b>2020-21 Demographics*</b>	<b>Ivy Academia Entrepreneurial Charter</b>
<b>Free and Reduced Priced Meals (FRPM)</b>	<b>68%</b>
<b>English Language Learner (ELL)</b>	<b>16%</b>
<b>Students with Disabilities</b>	<b>15%</b>
<b>African American</b>	<b>15%</b>
<b>Latino/Hispanic</b>	<b>46%</b>
<b>Asian/Filipino/Pacific Islander</b>	<b>14%</b>
<b>White</b>	<b>24%</b>

\*FRPM and ELL statistics are for the 2020/21 school year as certification has not been provided for the 2021/22 school year. All other demographics are for the 2021/22 school year

IAC leadership, including the Board of Directors and School Leadership, is included in Appendix A.

According to information provided by the school, increases in enrollment are primarily owed to IAC occupying their new facility and finding some success in recruiting thanks to that new facility in the last year (more detail on that is provided in the next paragraph). Additionally the financing team has provided as part of Exhibit B, a No-Growth Scenario. In this No-Growth Scenario the school maintains 643 students as in 2021-22 and through the next four years, and the debt service coverage ratios per year are the following: 1.56, 1.81, 1.77, 1.49, and 1.39 therefore IAC does not need to rely on any enrollment growth to cover the bond payment.

Enrollment projections for IAC include:

	Prior	Current	Projected			
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Kindergarten	51	57	76	76	76	76
Grade 1	49	49	66	66	66	66
Grade 2	41	52	48	66	66	66
Grade 3	40	47	48	48	66	66
Grade 4	62	40	48	48	48	66
Grade 5	47	69	48	48	48	48
Grade 6	79	62	60	75	75	75
Grade 7	65	77	60	60	65	65
Grade 8	56	76	75	60	60	60
Grade 9	33	33	60	60	60	60
Grade 10	32	33	30	40	50	50
Grade 11	23	26	30	30	40	40
Grade 12	25	22	26	30	30	30
<b>Total</b>	<b>603</b>	<b>643</b>	<b>675</b>	<b>707</b>	<b>750</b>	<b>768</b>
<b>% Growth</b>	N/A	6.633%	4.977%	4.741%	6.082%	2.400%

**PROJECT DESCRIPTION**

The proceeds of the bonds will be used to finance, refinance or reimburse ASF 5975 Shoup LLC (Borrower or the Lessor) for the costs of acquiring, constructing, improving, installing, furnishing and equipping at an educational facility located at 5975 Shoup Avenue, Woodland Hills, CA 91367.

Project Breakdown				
Site	Landlord	Location	Purpose	Amount
K-12 Campus	ASF 5975 Shoup LLC	5975 Shoup Avenue, Woodland Hills	Refinancing	\$25,132,800
K-12 Campus	ASF 5975 Shoup LLC	5975 Shoup Avenue, Woodland Hills	Construction	\$1,000,000
K-12 Campus	ASF 5975 Shoup LLC	5975 Shoup Avenue, Woodland Hills	Reimbursement of Capital Expenditures	\$2,000,000
<b>Total Estimated Project Costs</b>				<b>\$28,132,800</b>

The Shoup Avenue campus consists of five buildings aggregating approximately 34,860 square feet located on an approximately 8.56 acre parcel, including 33 classrooms, administrative space, an auditorium/gymnasium, two swimming pools, play fields and athletic fields, parking lot, and various ancillary facilities.

In addition to the refunding and reimbursement of prior capital expenditures, IAC will likely pursue needed improvements and renovations at the Shoup Avenue campus, specifically the updating of its athletic fields and roof. IAC's legal and financing team are analyzing the opportunity to apply already expended-and-future school-funded components of the Ivy Academia Project (Project) to the 2021 Bond Plan of Finance.

## FINANCING

The Borrower is a California limited liability company (LLC) formed on April 30, 2018. The LLC and its sole member, Alternative Schools Foundation (ASF), were formed to support the charter schools operated by Alternative Schools, Inc. (Alternative Schools or the Lessee), a California nonprofit public benefits corporation and an organization described in Section 501(c)(3) of the Code that operates a charter school, Ivy Academia, also known as Ivy Academia Entrepreneurial Charter School (Ivy Academia or the School), and specifically for the purpose of holding title to property and managing, operating and leasing property, and collecting rental income.

### **Security and Source of Payment**

The Bonds will be secured by lease payments made by the Borrower and a deed of trust on the property. The lease payments will be paid directly to the bond Trustee via the CSFA's intercept pursuant to Education Code 17199.4.

As additional security, and in connection with the issuance of the Bonds, the Lessee will provide instructions to the State Controller's Office (SCO) to make an apportionment to the Trustee with respect to IAC in the amounts and on the dates provided, in a written notice sufficient in the aggregate to repay the Bonds and pay necessary and incidental costs. Funds received by the Trustee pursuant to such Intercept will be held in trust and will be disbursed, allocated and applied solely for the uses and purposes set forth in the Indenture, including the payment of debt service on the Bonds. Under the laws of the State of California, no party, including the Lessee, the Borrower, or any of their respective creditors will have any claim to the money apportioned or to be apportioned to the Trustee by the SCO pursuant to the Intercept.

### **Preliminary Sources and Uses and Preliminary Costs of Issuance**

Below are the preliminary estimated sources and uses, and detailed information about the expected costs of issuance for board consideration. Please note these figures are subject to change between the time the board packets are distributed and the time the board meets, and are further subject to final pricing. Members will be provided updated figures should significant changes occur before the board meeting date.

**Sources and Uses**

<b>Sources:</b>	<b>Series 2021A (Tax-Exempt)</b>	<b>Series 2021B (Taxable)</b>	<b>CSFA Grant</b>	<b>Total</b>
<b>Bond Proceeds:</b>				
Par Amount	\$25,560,000	\$2,330,000	\$0	\$27,890,000
Bond Premium	\$401,671	\$0	\$0	\$401,671
2018 Reserve Fund	\$1,000,113	\$0	\$0	\$1,000,113
CSFA Grant Contribution	\$0	\$0	\$1,000,000	\$1,000,000
<b>Total:</b>	<b>\$26,961,784</b>	<b>\$2,330,000</b>	<b>\$1,000,000</b>	<b>\$30,291,784</b>
<b>Uses:</b>	<b>Series 2021A (Tax-Exempt)</b>	<b>Series 2021B (Taxable)</b>	<b>CSFA Grant</b>	<b>Total</b>
<b>Project Fund Deposits:</b>				
Refund Deposit	\$25,132,800	\$0	\$0	\$25,132,800
Tenant Improvements	\$1,000,000	\$0	\$0	\$1,000,000
Reimbursement of Capital Expenditures		2,000,000	\$0	2,000,000
	<b>\$26,132,800</b>	<b>\$2,000,000</b>	<b>\$0</b>	<b>\$28,132,800</b>
<b>Other Fund Deposits:</b>				
Debt Service Reserve Fund	\$304,852	\$118,948	\$1,000,000	\$1,423,800
<b>Delivery Date Expenses:</b>				
Cost of Issuance	\$321,293	\$128,707	\$0	\$450,000
Underwriter's Discount	\$198,675	80,225	\$0	\$278,900
	<b>\$519,968</b>	<b>\$208,932</b>	<b>\$0</b>	<b>\$728,900</b>
<b>Other Uses of Funds:</b>				
Contingency	\$4,164	\$2,120	\$0	\$6,284
<b>Total:</b>	<b>\$26,961,784</b>	<b>\$2,330,000</b>	<b>\$1,000,000</b>	<b>\$30,291,784</b>

### Total Costs of Issuance\*

Expense	Amount
CSFA Issuance Fee	\$23,670
Annual Admin Fee	\$4,101
Agent-for-Sale Fee	\$6,000
CDLAC Fee	\$5,000
Issuer's Counsel Fee	\$10,000
Financial Advisor Fee	\$85,000
Bond Counsel Fee	\$100,000
Borrower's Counsel Fee	\$75,000
Underwriter's/Disclosure Counsel Fee	\$75,000
Trustee Fee	\$6,500
Trustee Counsel Fee	\$1,000
Financial Printer Fee	\$5,000
Underwriter Fee	\$278,900
Title Insurance Estimate	\$25,000
Appraiser Fee	\$10,000
Contingency	\$18,729
<b>Total</b>	<b>\$728,900</b>

\*Estimates based current principal amount of \$27,890,000.

### Credit Enhancement

A \$1,000,000 not-to-exceed credit enhancement award application for IAC for this financing is before the CSFA Board at the October 28, 2021 meeting. The enhancement award will partially replace the current projected Debt Service Reserve Fund of \$1,423,800.

### SALES RESTRICTIONS

The following sales restrictions will apply to the financing given the Bonds are unrated. The Authority's sales restrictions can be viewed at: <http://treasurer.ca.gov/csfa/financings/guidelines.pdf>.

1. Bonds will be in minimum denominations of **\$100,000**
2. Bonds will be privately placed or publicly offered initially to Qualified Institutional Buyers (QIBs) and Accredited Investors (AIs)
3. Initial bond purchasers will be required to execute an Investor Letter
4. Subsequent transfers of bonds will be limited to QIBs and AIs
5. Sales restrictions conspicuously noted on bond and described in detail in offering materials, if any, as well as in the bond documents
6. If the rating is BB+ or below or the bonds are unrated, one or more of the following will be required depending on the transaction, as requested by the financing team and approved by the Authority:
  - a. Traveling Investor Letter; or
  - b. Higher minimum denominations of \$250,000; or
  - c. Physical Delivery; or
  - d. Limited initial sale to QIBs, with subsequent transfers limited to QIBs as well; or
  - e. Other investor protection measures
7. Bond payments will be made via the intercept mechanism outlined in Section 17199.4 of the Education Code.

## OTHER PROJECT DATA

**Tax Equity and Fiscal Responsibility Act (TEFRA):** The TEFRA Notice was published on the CSFA Webpage on October 21, 2021. The TEFRA hearing will take place on October 28, 2021. Staff does not anticipate any comments but will provide an update to the Board if any are received.

**Due Diligence Undertaken to Date:** The financial, operating and other information concerning the Borrower, the Project, and related matters presented in this Staff Summary was provided by the Borrower and Lender. The analysis contained herein was prepared by Authority Staff for the limited purpose of determining financial feasibility pursuant to Section 17183.5 of the CSFA Act and providing the Authority Board with information concerning certain aspects of the Project. The review undertaken by Authority staff, the recommendation of Authority Staff to the Authority Board to approve the financing, or any approval by the Authority Board are not intended to, and did not, include all of the due diligence activities and other investigations necessary or desirable for the purpose of making an investment decision relating to the making of the financing by the Lender, and should not be relied on by any party for such purpose.

**Borrower Financial Data:** The Borrower is a California LLC of ASF, as a support organization for charter schools formed and controlled by IAC. Each of ASF and IAC has received a determination letter from the Internal Revenue Service recognizing it as an entity described in Section 501(c)(3) of the Code. For federal tax purposes, the Borrower is treated as a “disregarded entity” of ASF because ASF is its sole member.

The LLC is a single purpose entity with no assets other than the applicable Facility and its rights under the Lease, which will be assigned to the Trustee. The LLC was formed for the purpose of owning facilities and is not expected to have any other assets or revenue available to it to make payments due under the Loan Agreement.



## STAFF RECOMMENDATION

Staff recommends the California School Finance Authority's (CSFA) Board approve Resolution Number 21-31 authorizing the issuance of School Facility Revenue Bonds in an amount not to exceed \$16,000,000 to finance and/or refinance the acquisition, construction, expansion, remodeling, renovation, furnishing, and/or equipping of certain educational facilities located in Los Angeles, California for use by Ivy Academia

1. **Applicant / Borrower:** ASF 5975 Shoup LLC
2. **Project:** Refunding and Renovation
3. **Amount of Financing:** Not to exceed \$30,000,000
4. **Maturity:** July 1, 2061
5. **Repayment/Security:** Lease Payments and Deed of Trust on Real Property
6. **Preliminary Interest Rate:** 4% on tax-exempt bonds and 5% on taxable bonds
7. **Fees:** \$728,900 is the total estimated Costs of Issuance, based on proposed project costs related to refunding, if the financing expands to include renovation, certain fees (including CSFA's and the underwriter's) will increase proportional to increased issuance amount.
8. **Not an Unconditional Commitment:** The CSFA resolution shall not be construed as unconditional commitment to finance the Project, but rather CSFA's approval pursuant to the resolution conditioned upon entry by CSFA and the Borrower into a loan agreement, in form and substance satisfactory to CSFA and its counsel.
9. **Limited Time:** The Board's approval expires 12 months from the date of its adoption. Thus, CSFA must issue the bonds no later than 12 months from such date. Once the approval has expired, the item must return to the Board for new approval.
10. **Loan Agreement Covenants:** N/A

**APPENDIX A:  
SCHOOL GOVERNANCE**

***Board of Directors***

Janay Bailey	Chairperson of the Board
Farbood Majd	Vice Chairperson of the Board
Leslie Vanderpool	Secretary of the Board
Debra Boyd	Chief Financial Officer of the Board
Bruce Hojati	Member-at-Large

***School Leadership***

Joseph Herzog	Executive Director
Thomas Kuhny	TK-12 Principal
Maria Gennaro	Director of Business and Operations
Vickory Steinman	Director of Curriculum and Instruction
Dr. Deirdra Brasch	Director of Information Services

**APPENDIX B:  
ESTIMATED BUDGET PROJECTIONS AND ENROLLMENT**

	2021-22	2022-23	2023-24	2024-25	2025-26
<b>Enrollment</b>	<b>643</b>	<b>675</b>	<b>707</b>	<b>750</b>	<b>768</b>
<b>Revenue</b>					
State LCFF Revenue	6,163,297	6,949,417	7,406,673	8,159,978	8,339,522
Federal Revenue	1,037,032	1,122,956	1,146,599	495,851	523,895
Other State Revenue	1,058,180	593,692	623,420	662,009	678,759
Local Revenue	55,060	55,060	55,060	55,060	55,060
SB740 Revenue	724,166	760,205	796,245	844,673	864,945
<b>Total Revenues</b>	<b>\$ 9,037,735</b>	<b>\$ 9,481,330</b>	<b>\$ 10,027,997</b>	<b>\$ 10,217,570</b>	<b>\$ 10,462,181</b>
<b>Expenses</b>					
Certificated Salaries	2,481,518	2,623,149	2,771,044	2,996,730	3,086,632
Classified Salaries	630,337	757,457	780,180	910,311	937,621
Benefits	1,128,966	1,248,504	1,302,461	1,389,471	1,430,364
Books and Supplies	515,000	652,152	672,434	696,238	720,885
Services and Other Operating Expenses	1,521,943	1,567,103	1,702,401	1,679,954	1,738,331
Bond Payments	1,774,491	1,422,100	1,423,500	1,419,200	1,419,350
Depreciation	22,977	22,977	22,977	22,977	22,977
<b>Total Expenses</b>	<b>\$ 8,075,231</b>	<b>\$ 8,293,442</b>	<b>\$ 8,674,998</b>	<b>\$ 9,114,881</b>	<b>\$ 9,356,159</b>
<b>Net Income</b>	<b>\$ 962,504</b>	<b>\$ 1,187,888</b>	<b>\$ 1,352,999</b>	<b>\$ 1,102,689</b>	<b>\$ 1,106,022</b>
<b>Plus: Depreciation</b>	22,977	22,977	22,977	22,977	22,977
<b>Plus: Bond Debt Payments</b>	1,774,491	1,422,100	1,423,500	1,419,200	1,419,350
<b>Net Income Available for Debt Service</b>	<b>\$ 2,759,972</b>	<b>\$ 2,632,966</b>	<b>\$ 2,799,476</b>	<b>\$ 2,544,867</b>	<b>\$ 2,548,350</b>
<b>Bond Debt Service</b>	1,774,491	1,422,100	1,423,500	1,419,200	1,419,350
<b>Coverage</b>	<b>1.56</b>	<b>1.85</b>	<b>1.97</b>	<b>1.79</b>	<b>1.80</b>
<b>Beginning Cash</b>	245,434	3,207,937	4,395,825	5,748,824	6,851,514
<b>Plus: Reimbursement from Bonds</b>	2,000,000	-			
<b>Plus: Net Income</b>	962,504	1,187,888	1,352,999	1,102,689	1,106,022
<b>Ending Cash Balance</b>	<b>\$ 3,207,937</b>	<b>\$ 4,395,825</b>	<b>\$ 5,748,824</b>	<b>\$ 6,851,514</b>	<b>\$ 7,957,536</b>
<b>Days Cash On Hand</b>	<b>145</b>	<b>193</b>	<b>242</b>	<b>274</b>	<b>310</b>

## NO GROWTH SCENARIO

	2021-22	2022-23	2023-24	2024-25	2025-26
<b>Enrollment</b>	<b>643</b>	<b>643</b>	<b>643</b>	<b>643</b>	<b>643</b>
<b>Revenue</b>					
State LCFF Revenue	6,163,297	6,556,810	6,657,208	6,893,032	6,893,032
Federal Revenue	1,037,032	1,116,893	1,123,527	452,911	460,973
Other State Revenue	1,058,180	566,204	566,636	567,140	567,140
Local Revenue	55,060	55,060	55,060	55,060	55,060
SB740 Revenue	724,166	724,166	724,166	724,166	724,166
<b>Total Revenues</b>	<b>\$ 9,037,735</b>	<b>\$ 9,019,133</b>	<b>\$ 9,126,597</b>	<b>\$ 8,692,309</b>	<b>\$ 8,700,372</b>
<b>Expenses</b>					
Certificated Salaries	2,481,518	2,481,518	2,481,518	2,481,518	2,531,148
Classified Salaries	630,337	681,907	681,907	681,907	695,545
Benefits	1,128,966	1,189,788	1,189,788	1,189,788	1,212,565
Books and Supplies	515,000	537,152	553,857	573,464	593,765
Services and Other Operating Expenses	1,521,943	1,558,118	1,683,346	1,648,092	1,696,773
Bond Payments	1,774,491	1,422,100	1,423,500	1,419,200	1,419,350
Depreciation	22,977	22,977	22,977	22,977	22,977
<b>Total Expenses</b>	<b>\$ 8,075,231</b>	<b>\$ 7,893,560</b>	<b>\$ 8,036,893</b>	<b>\$ 8,016,947</b>	<b>\$ 8,172,123</b>
<b>Net Income</b>	<b>\$ 962,504</b>	<b>\$ 1,125,573</b>	<b>\$ 1,089,704</b>	<b>\$ 675,363</b>	<b>\$ 528,249</b>
<b>Plus: Depreciation</b>	22,977	22,977	-	22,977	22,977
<b>Plus: Bond Debt Payments</b>	1,774,491	1,422,100	1,423,500	1,419,200	1,419,350
<b>Net Income Available for Debt Service</b>	<b>\$ 2,759,972</b>	<b>\$ 2,570,650</b>	<b>\$ 2,513,204</b>	<b>\$ 2,117,540</b>	<b>\$ 1,970,576</b>
<b>Bond Debt Service</b>	1,774,491	1,422,100	1,423,500	1,419,200	1,419,350
<b>Coverage</b>	<b>1.56</b>	<b>1.81</b>	<b>1.77</b>	<b>1.49</b>	<b>1.39</b>
<b>Beginning Cash</b>	245,434	3,207,937	4,333,510	5,423,214	6,098,577
<b>Plus: Reimbursement from Bonds</b>	2,000,000	-	-	-	-
<b>Plus: Net Income</b>	962,504	1,125,573	1,089,704	675,363	528,249
<b>Ending Cash Balance</b>	<b>\$ 3,207,937</b>	<b>\$ 4,333,510</b>	<b>\$ 5,423,214</b>	<b>\$ 6,098,577</b>	<b>\$ 6,626,826</b>
<b>Days Cash On Hand</b>	<b>145</b>	<b>200</b>	<b>246</b>	<b>278</b>	<b>296</b>