BTOP Comprehensive Community Infrastructure
Service Offerings and Competitor Data Template

Please complete the complete the following worksheets--either of the Last Mile or Middle M
Service Offerings worksheets may be omitted if the applicant is not proposing to provide se
that type.

For both the Last Mile and Middle Mile Service Offerings worksheets, the service offerings s
include all relevant tiers and markets (*e.g.* residential, business, wholesale). Applicants sho
sure to include details on any services that would be offered at discounted rates to particul
classes of customers (*e.g.* community anchor institutions or third party service providers).

In the Last Mile Service Offerings worksheet, applicants are required to provide estimated a
end user speeds. Average speeds should be the average sustained actual, non-burst speed
end user would receive during a peak hour. For purposes of calculating these speeds, appli
should utilize their subscriber projections for year eight of the project, and develop subscril
utilization projections that are consistent with any additional services the applicant plans to
For wireless broadband services, this speed should be an average of the speeds available ac
entire cell. Beyond these general guidelines, due to the multiplicity of technical solutions t
be proposed, the applicants may use discretion to determine the most reasonable manner
to estimate actual speeds on their network. Applicants should explain the underlying assur
used to calculate the average speeds in the space provided.

In the Competitor Data worksheet, applicants are required to provide data on both last mil
middle mile service providers, regardless of whether the applicant proposes to offer both la
and middle mile services. In the column titled Service Areas Where Service Offered, applica
should list all of the Last Mile and Middle Mile Service Areas within their Proposed Funded
area in which the listed services area available. Please ensure that the Service Area names
consistent with those provided within the application and the Service Areas attachment. If
actual availability of the listed services is limited (*e.g.* the service is only available within pa
Last Mile or Middle Mile Service Area), note this in the Other Comments column.

In contrast to several other attachment templates in this application, the data provided via
template will NOT be subject to automated processing. These templates worksheets are pr
to demonstrate the level of data required and to provide a suggested format. Applicants ar
to modify the template layouts in order to provide the most effective presentation of the d
their specific project. Applicants should, however, ensure that they provide at least as muc
as these templates require. To the extent that you modify these templates please ensure t
print layouts are adjusted so that rows do not break across pages in a manner that will be d
to understand. It is recommended that you provide these documents in PDF format when
submitting a copy of your application on an appropriate electronic medium, such as a DVD,
ROM, or flash drive.

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Proposed Last Mile Service Offerings

Name of Service Tier	Advertised Speeds		Estimated Average Speeds		Average Latency	Pricing Plan ($ per month)	Other Comments/Description/Features or Limitations
	Downstream Mbps	Upstream Mbps	Downstream Mbps	Upstream Mbps	@ End User CPE miliseconds		

Explanation of Average Speed Calculations:

Proposed Middle Mile Service Offerings

Name of Service Offering	Distance Band or Point to Point	Minimum Peak Load Network Bandwidth Capacity (Mbps)	Monthly Pricing ($)	Other Comments/Description/Features or Limitations
10Mbps Ethernet	Point to Point	10Mbps	500	Dedicated bandwidth
50Mbps Ethernet	Point to Point	50Mbps	1000	Dedicated bandwidth
100Mbps Ethernet	Point to Point	100Mbps	1200	Dedicated bandwidth
1GigE Ethernet	Point to Point	1,000Mbps	5000	Dedicated bandwidth
2.5Gbps	Point to Point	2,500Mbps	8500	Dedicated bandwidth
10Gbps	Point to Point	10,000Mbps	11000	Dedicated bandwidth
Dark Fiber	Point to Point	N/A	4167	Dependent on Mileage, location and strands

Competitor Data

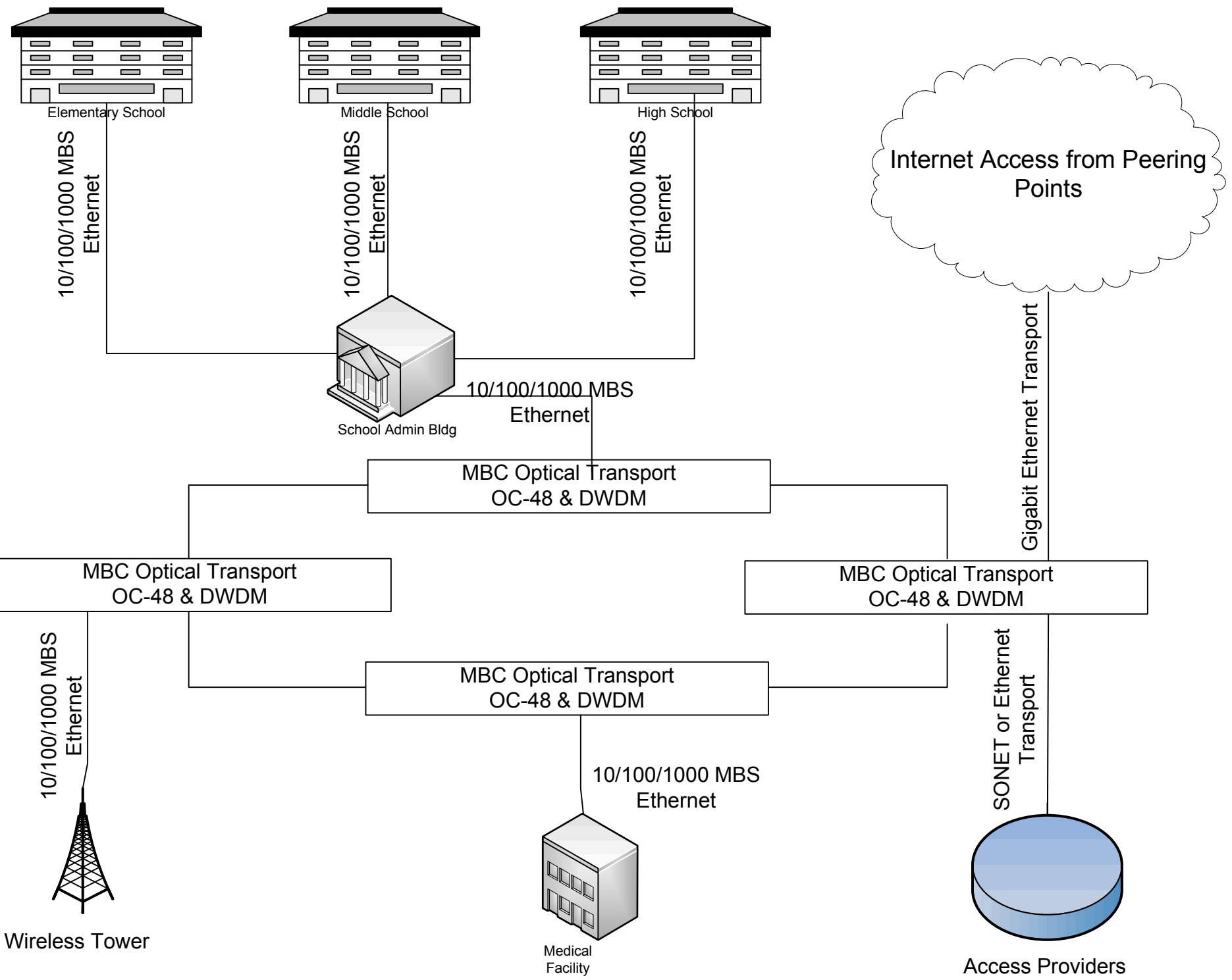
Competitor Data - Last Mile Service Providers

Service Provider	Service Areas Where Service Available	Technology Platform	Service Tiers	Downstream Speed	Monthly Pricing	Other Comments/Description/Features or Limitations
Charter Communications	Southampton, Suffolk, Isle of Wight	Ethernet/Docsis2.0	3Mbps	3Mbps	$50/month	shared bandwidth
			5Mbps	5Mbps	$100/month	shared bandwidth
			10Mbps	10Mbps	$250/month	shared bandwidth
Verizon Communications	Surry, Isle of Wight, Southampton, Suffolk	DSL	DSL	2Mbps	$49/month	DSL connection
Verizon Wireless	Surry, Isle of Wight, Southampton, Franklin, Suffolk	Wireless Internet 1xEVDO	Wireless Broadband	500kbps	$59/month	Cellular data network

Competitor Data - Middle Mile Service Providers

Service Provider	Service Areas Where Service Available	Technology Platform	Service Tiers	Distance Band or Point-to-Point	Minimum Peak Load Network Bandwidth Capacity	Pricing	Other Comments/Description/Features or Limitations
Verizon Communications	Surry, Isle of Wight, Southampton, Suffolk	SONET/TDM	DS1	Point to Point	1.5Mbps	$1,000/month	
			DS3	Point to Point	45Mbps	$6,000/month	
			OC3	Point to Point	155Mbps	UNKNOWN	

Mid-Atlantic Broadband Typical Network Diagram



BTOP Comprehensive Community Infrastructure
Project Plan and Build-out Timeline

PROJECT PLAN

- Use the following table to list the major network build-out phases and milestones that can demonstrate that your entire project will be substantially complete by the end of Year 2 and fully complete by the end of Year 3. This is to be done at the aggregate level (combining all proposed funded service areas.)
- Indicated how the milestones listed below will demonstrate these completion objectives. The applicant should consider such project areas as: a) network design; b) securing all relevant licenses and agreements; c) site preparation; d) inside plant deployment; e) outside plan deployment; f) deployment of business & operational support systems; g) network testing; f) network operational. The applicant may provide any other milestones that it believes showcase progress.
- Project inception (Year 0) starts at the date when the applicant receives notice that the project has been approved for funding.
- In the table, provide any information (e.g., facts, analysis) to: a) demonstrate the reasonableness of these milestones; b) substantiate the ability to reach the milestones by the quarters indicated.

Time Period	Quarter	Milestones	Support for Reasonableness/Data Points
Year 0	-	• Grant awarded • Acceptance process completed	
	Qtr. 1	• Environmental Assessment (EA) RFP distributed • EA responses evaluated & award made • Network design finalized • EFI RFP prepared and distributed to bidders	• EA interval can be up to six months • In parallel, network design finalization and EFI bid packages can take place

Year 1	Qtr. 2	• Environmental Assessment completed • EF&I RFPs responses evaluated and bids awarded • Construction contracts executed • OSP engineering begins • Railroad crossing permits applied for • Easements obtained for node shelters	• OSP engineering will be a six month interval and will begin once the contracts are executed with EF&I firm(s) • Since railroad crossing permits can take up to three months and the required number of crossings are identified in the network design, the application process will begin coincident with OSP engineering commencement
	Qtr. 3	• VDOT permitting process begins • Building permits obtained for node shelter locations • Commercial power for node sites applied for • OSP engineering completed • OSP material acquisition begins	• VDOT permitting will be ongoing as segments are engineered; MBC enjoys preferred status with VDOT, so this should be a smooth process • All MBC node shelters will be located on municipal property, so complications or delays are to be expected • OSP engineering should take an estimated six months to complete
	Qtr. 4	• OSP construction begins • Node site civil construction begins • Nodes installed and commercial power installations complete	• OSP construction should take approximately one year; the contracts will be structured for performance to drive contractors to adhering to this timeline
Year 2	Qtr. 1	• Node shelter installation complete • Transport equipment installed at nodes	• Since there are only four node shelters, proposed the interval for completion should be well within six months • Transport equipment installation should take no more than a few weeks at the node locations
	Qtr. 2	• OSP splicing begins • Installation of transport equipment at anchor institutions begins	• OSP splicing should be completed in a three month window
	Qtr. 3	• OSP construction including splicing concludes • Installation of transport equipment at anchor institutions concludes • Test and turn-up of network	

	Qtr. 4	• Network accepted • Services offered • Project Final Completion	
Year 3	Qtr. 1	• List all relevant milestones	
	Qtr. 2	• List all relevant milestones	•
	Qtr. 3	• List all relevant milestones	•
	Qtr. 4	• List all relevant milestones	•

BUILD-OUT TIMELINE

Complete the following schedule for *each* Last Mile or Middle Mile Service Area to note the degree of build-out, based on: a) infrastructure funds awarded; b) entities passed (households, businesses, and community anchor institutions.). In addition, please complete a schedule that aggregates the build-out timeline across all of the Proposed Funded Service Area.

Service Area	**Southern Route**												
	YEAR 0	**YEAR 1**				**YEAR 2**				**YEAR 3**			
		Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4
Infrastructure Funds		$12,500	$62,100	$117,597	$975,864	$1,147,635	$1,233,272	$2,548,925	$216,753				
Infrastructure Funds Advanced (estimate)													
Percentage of Total Funds		0.10%	0.50%	0.94%	7.79%	9.16%	9.84%	20.34%	1.73%				
Entities Passed & %													
Households													
Percentage of Total Households													
Businesses													
Percentage of Total Businesses													
Community Anchor Institutions						2	3	2					
Percentage of Total Institutions						7.1%	10.7%	7.1%					

Service Area	Northern Route												
		YEAR 1				YEAR 2				YEAR 3			
	YEAR 0	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4
Infrastructure Funds		$11,527	$47,165	$97,159	$721,684	$987,456	$1,367,512	$1,505,263	$173,625				
Infrastructure Funds Advanced (estimate)													
Percentage of Total Funds		0.09%	0.38%	0.78%	5.76%	7.88%	10.91%	12.01%	1.39%				
Entities Passed & %													
Households													
Percentage of Total Households													
Businesses													
Percentage of Total Businesses													
Community Anchor Institutions						3	3	4	4				
Percentage of Total Institutions						10.7%	10.7%	14.3%	14.3%				

Service Area	School Connector Route												
		YEAR 1				YEAR 2				YEAR 3			
	YEAR 0	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4
Infrastructure Funds		$1,300	$11,256	$27,543	$129,687	$243,021	$541,320	$286,354	$62,541				
Infrastructure Funds Advanced (estimate)													
Percentage of Total Funds		0.01%	0.09%	0.22%	1.04%	1.94%	4.32%	2.29%	0.50%				
Entities Passed & %													
Households													
Percentage of Total Households													
Businesses													
Percentage of Total Businesses													
Community Anchor Institutions						2	2	3					
Percentage of Total Institutions						7.1%	7.1%	10.7%					

Service Area	**Aggregated**												
	YEAR 0	**YEAR 1**				**YEAR 2**				**YEAR 3**			
		Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4
Infrastructure Funds		$25,327	$120,521	$242,299	$1,827,235	$2,378,112	$3,142,104	$4,340,542	$452,919	0	0	0	0
Infrastructure Funds Advanced (estimate)													
Percentage of Total Funds		0.20%	0.96%	1.93%	14.58%	18.98%	25.08%	34.64%	3.61%				
Entities Passed & %													
Households													
Percentage of Total Households													
Businesses													
Percentage of Total Businesses													
Community Anchor Institutions						7	9	8	4				
Percentage of Total Institutions						25%	32.10%	28.60%	14.30%				

BTOP Comprehensive Community Infrastructure
Community Anchor Institution and Network Points
of Interest Detail Template

Please complete the Anchor Institution Details worksheet by providing information or
Community Anchor Institutions that will be directly connected by the proposed netwc
as necessary. All Community Anchor Institutions should be given a type from the spec
Community Anchor Institution is considered a minority-serving institution if it is a post-secon
educational institution with enrollment of minority students exceeding 50% of its total enroll
"Project Role" column only requires a word or two, or a short phrase, not a detailed e
detailed explanation of the role of project partners and community anchor institution
provided in the essay portions of the application.

Please complete the Points of Interest worksheet by providing information on all poin
interconnection (passive, non-environmentally controlled points of interconnection, *e*
points, may be excluded), collocation facilities, central offices, head ends, and other c
facilities, network access points to last mile service providers, Internet peering points,
For each point of interest you may provide either a street address or geocoordinates
must provide detail on what the point of interest is, whether it is already existing or w
created by the proposed project. Where more than one facility type applies, select th
facility type. For example, if a central office houses a point of interconnection, select
as the facility type, or if a cell site is located on a tower, select tower as the facility typ
Interconnection Available at the Facility field should be Yes if interconnection to the p
network is available at that location, otherwise No. The brief description field is optio
be used to convey a better understanding of what the facility is. You may use the spa
the bottom of the table to provide additional notes, if desired.

**The data provided via this template will be subject to automated processing. Applic
therefore required to provide this upload as an Excel file, and not to convert it to a F
upload. Additionally, applicants should not modify the format of this file.**

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BTOP CCI Community Anchor Institutions Detail Template

Title: **Middle Mile Expansion for Eastern Virginia**
Easy Grants ID: **7280**

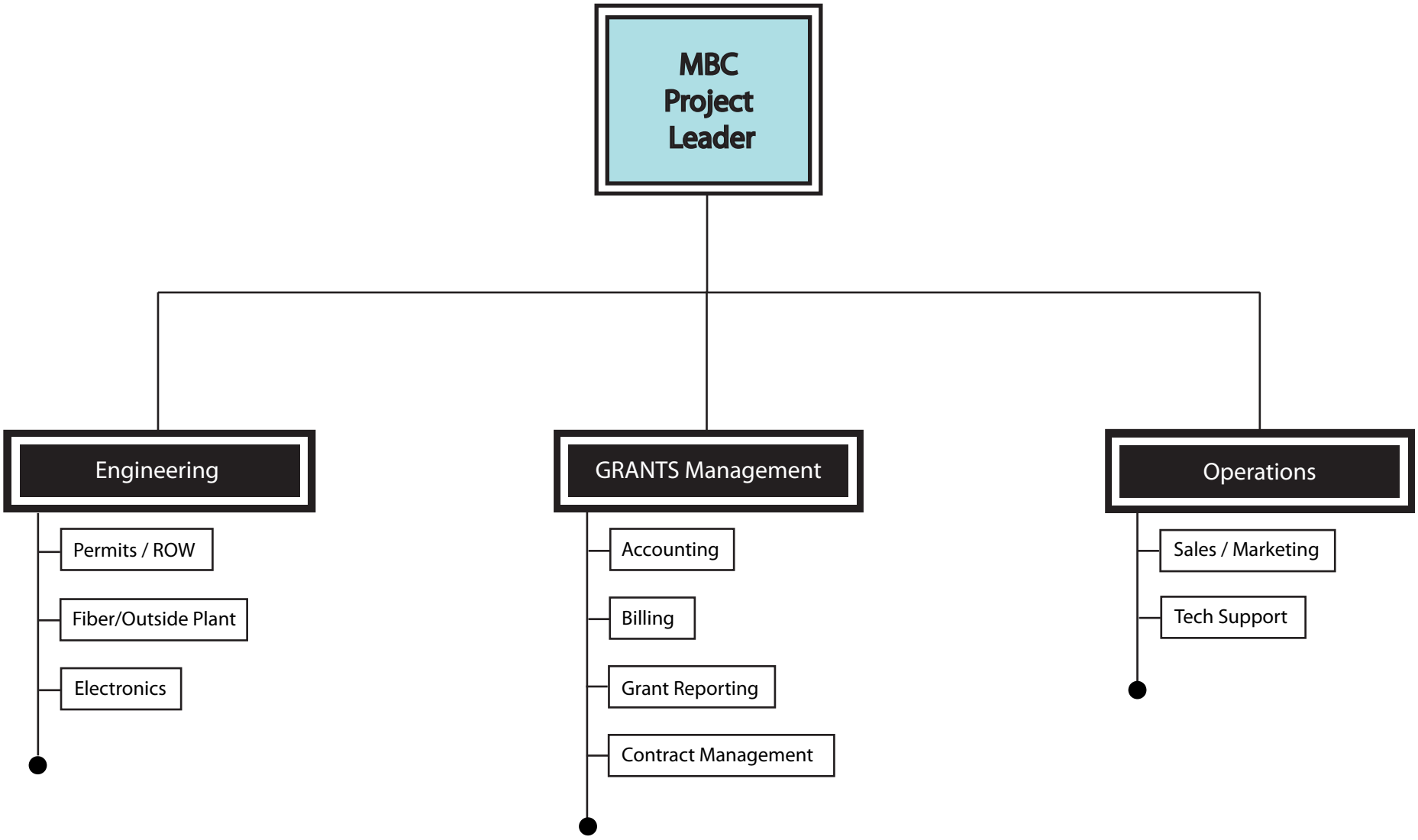
Facility Name	Organization	Address Line 1	City	State	Zip	Facility Type	Minority Serving Institution Type	Project Role
Surry County High School		1675 Hollybush Road	Dendron	VA	23839	School (k-12)		Potential Service Recipient
Luther Porter Jackson Middle School		4255 New Design Road	Dendron	VA	23839	School (k-12)		Potential Service Recipient
Surry County Elementary		1600 Hollybush Road	Dendron	VA	23839	School (k-12)		Potential Service Recipient
Surry County School Board		45 School Street	Surry	VA	23839	Other Government Facility		Potential Service Recipient
Carrollton Elementary		14440 New Towne Haven Lane	Carrollton	VA	23314	School (k-12)		Potential Service Recipient
Carrsville Elementary		5355 Carrsville Highway	Carrsville	VA	23325	School (k-12)		Potential Service Recipient
Hardy Elementary		9311 Hardy Circle	Smithfield	VA	23430	School (k-12)		Potential Service Recipient
Westside Elementary		800 Main St.	Smithfield	VA	23430	School (k-12)		Potential Service Recipient
Windsor Elementary		20008 Courthouse Hwy	Windsor	VA	23487	School (k-12)		Potential Service Recipient
Smithfield Middle		14175 Turner Drive	Smithfield	VA	23430	School (k-12)		Potential Service Recipient
Windsor Middle		23320 North Court Street	Windsor	VA	23487	School (k-12)		Potential Service Recipient
Smithfield High		14171 Turner Drive	Smithfield	VA	23430	School (k-12)		Potential Service Recipient
Windsor High		24 Church Street	Windsor	VA	23487	School (k-12)		Potential Service Recipient
New Directions Alternative Center		23320 North Court Street	Windsor	VA	23487	School (k-12)		Potential Service Recipient
Isle of Wight School Board		820 West Main Street	Smithfield	VA	23430	Other Government Facility		Potential Service Recipient
Paul Camp Community College - Smithfield Campus		253 James St.	Smithfield	VA	23430	Community College		Potential Service Recipient
Obici Medical		913 South Church St.	Smithfield	VA	23430	Medical or Healthcare Provider		Potential Service Recipient
Southampton School Board		21308 Plank Rd.	Courtland	VA	23837	Other Government Facility		Potential Service Recipient
Southampton Academy		26495 Old Plank Road	Courtland	VA	23837	School (k-12)		Potential Service Recipient
S. P. Morton Elementary		300 Morton Street	Franklin	VA	23851	School (k-12)		Potential Service Recipient
J. P. King Middle School		501 Charles Street	Franklin	VA	23851	School (k-12)		Potential Service Recipient
Franklin High School		310 Crescent Drive	Franklin	VA	23851	School (k-12)		Potential Service Recipient
City of Franklin School Board		207 West Second Avenue	Franklin	VA	23851	Other Government Facility		Potential Service Recipient
Paul Camp Community College		100 S. College Drive	Franklin	VA	23851	Community College		Potential Service Recipient
ODU VMASC		1030 University Blvd.	Suffolk	VA	23435	Other Institution of Higher Education		Potential Service Recipient
Potomac Hospital		6023 Spinnaker Cove Ct.	Suffolk	VA	23435	Medical or Healthcare Provider		Potential Service Recipient
Bon Secours Hospital		5818 Harbour View Blvd	Suffolk	VA	23435	Medical or Healthcare Provider		Potential Service Recipient
Sentara Health		3920 Bridge Road	Suffolk	VA	23435	Medical or Healthcare Provider		Potential Service Recipient

BTOP CCI Network Points of Interest Detail Template

Title: **Middle Mile Expansion for Eastern Virginia**
Easy Grants ID: **7280**

Facility Type	Address Line 1	City	State	Zip	Longitude	Latitude	Interconnection Available at this Location	Status in Proposed Network
Other Centralized Facility		Waverly	VA	23890	37.03762N	77.09196W	Yes	Existing - Applicant/Partner Owned
Other Centralized Facility		Emporia	VA	23847	36.71270N	77.51690W	Yes	Existing - Applicant/Partner Owned
Other Centralized Facility		Courtland	VA	23837	36.68602N	77.02430W	Yes	New for Proposed Network
Other Centralized Facility		Windsor	VA	23487	36.80122N	76.71619W	Yes	New for Proposed Network
Other Centralized Facility		Surry	VA	23883	37.13730N	76.83231W	No	New for Proposed Network
Other Centralized Facility		Smithfield	VA	23430	36.97630N	76.61069W	Yes	New for Proposed Network
Point of Interconnection		Suffolk	VA	23435	36.86951N	76.41766W	Yes	Existing - Applicant/Partner Owned
Tower (cell site)		Suffolk	VA	23435	36.80889N	76.50619W	No	Existing - Other
Central Office		Norfolk	VA	23502	36.86533N	76.23064W	Yes	Existing - Applicant/Partner Owned

Organizational Chart
for
Mid-Atlantic Broadband Cooperative



18.5 Resumes/Organizational Chart

Tad Deriso

Title – President and CEO of Mid-Atlantic Broadband Cooperative
Role in this project -

Education - Tad attended Georgia State University in Atlanta, Georgia for undergraduate and received a BBA in Management.

Qualifications – Tad has been working in the field of rural telecommunications for more than sixteen years and has dealt with rural telecommunications providers and cooperatives. During this time, he helped plan and coordinate broadband telecommunications projects for rural communities across the United States. He helped establish the Mid-Atlantic Broadband Cooperative, which is striving to construct an advanced open-access fiber optic network in rural Southside Virginia. Tad, being the General Manager at MBC, focuses on managing construction of the regional fiber network to provide educational support to local communities and for drawing technology-based opportunities for economic development to rural Virginia.

Responsibilities for this project -

Gray Ramsey

Title – General Manager of Mid-Atlantic Broadband Cooperative

Education – BA Virginia Tech, Blacksburg, VA

Years of Experience – 31

Qualifications – Gray has been working in the telecommunications field for 31 years holding various management positions of increasing responsibility. The majority of his career has been in OSP Engineering and Construction. In his current position as General Manager, Gray is responsible for the day-to-day operations of MBC including network operations, cooperative member relationships, and network expansion.

Responsibilities for this project – Gray will have the responsibility of overseeing all aspects of this project including the planning, engineering, construction and the turn up/testing of the proposed network elements.

Hunter Ford

Title – Network Operations Manager for Mid-Atlantic Broadband Cooperative

Role in this project – Engineer and managing network operations

Education -

Qualifications – Hunter is responsible for managing and maintaining more than 800 miles of fiber that make up the Mid-Atlantic Broadband Cooperative fiber optic outside plant network. He also manages the MBC Network Operations Center facility in South Boston, VA. Before joining MBC, he was employed by Embarq (formerly Sprint and Central Telephone of Virginia) in South Boston, VA. Here he held various roles in network engineering, outside plant planning and supervision.

Responsibilities for this project – Hunter will be responsible for engineering, permitting, construction, and inspection of this project. He will verify that construction is progressing as it should and will inspect the work after it is finished to confirm that the construction has been done correctly and will function properly. The responsibilities that he has already fulfilled include planning and design.

Glenn Ratliff

Title – Technical Advisor for Mid-Atlantic Broadband Cooperative

Role in this project -

Education – Glenn attended the University of Virginia in Charlottesville, Virginia for undergraduate and received a BS in Electrical Engineering. He also received a Master of Engineering in Systems Engineering from the University of Virginia.

Qualifications – In 1992, Glenn founded GCR Company, a technology company that specializes in PCs, LANs, WANs, and specialty software. GCR Company began to offer Internet service (gcronline.com) to Southside Virginia in 1997. GCR Company has grown, and today employs six full-time positions and has sales exceeding $1 million per year. Glenn is the owner, founder, and president of GCR Company. In 1999, he founded GCR Telecommunications to assist the development of GCR Online and to take advantage of technology and services only available to incumbent telephone companies. These two companies work together today to deliver a full range of services, which includes ADSL, SDSL, dedicated T1, web hosting, e-commerce, SONET services, and practically any other traditional telecom or Internet service.

In addition to founding these communication companies, Glenn has substantial background experience with telecommunications. He has extensive knowledge with all types of networks. He has experience designing telco grade fiber optic networks and collocation space in ILEC central offices. He also has experience with management of projects exceeding $3 million.

Responsibilities for this project -

Dana Jones

Title – Accounting/Finance Manager for Mid-Atlantic Broadband Cooperative

Role in this project – Financial Oversight as well as Grant Administrator

Education – Dana attended Lee University in Cleveland, Tennessee for undergraduate and received a BS in Accounting.

Qualifications – As the Accounting and Finance Manager for Mid-Atlantic Broadband Cooperative, Dana manages all the financial aspects for this not-for-profit telecommunication company. Included in this role is monthly financial reporting, grant administration, as well as the daily activities associated with accounts payable and accounts receivable. Outside of her experience with Mid-Atlantic Broadband Cooperative she has been in the accounting profession for over eight years. Within these eight years, Dana has worked for both profit and not-for-profit companies. Her experience has been in multiple industries including banking, education, hospitality, health care and most recently telecommunications.

Responsibilities for this project – The responsibilities that Dana will have in this project will include but not be limited to financial oversight. Included in this role is ensuring our compliance with accounting and audit requirements, as well as Mid-Atlantic Broadband Cooperative transparency and accountability with quarterly and semi-annual financial and technical reports. The responsibility of financial oversight will also include that Mid-Atlantic Broadband Cooperative complies with federal record retention requirements as well as the submittal of funding requests and all the responsibilities associated with those requests.

Income Statement

	Historical - MBC		
	FY 2008		FY 2009
Revenues			
Network Services Revenues:			
Local Voice Service	$0		$0
Broadband Data	$1,406,015		$3,180,694
Video Service	$0		$0
Network Access Service Revenues	$0		$0
Universal Service Fund	$0		$0
Toll Service/Long Distance Voice	$0		$0
Installation Revenues	$52,817		$81,863
Other Operating Revenues	$40,419		$299,048
Other Revenues	$7,305,001		$8,940,324
Uncollectible Revenues	$0		$0
Total Revenues	**$8,804,252**		**$12,501,929**
Expenses			
Backhaul	$0		$0
Network Maintenance/Monitoring	$1,207,886		$2,947,602
Utilities	$47,085		$67,770
Leasing	$0		$0
Sales/Marketing	$89,101		$169,891
Customer Care	$10,535		$19,894
Billing	$0		$0
Corporate G&A	$363,838		$414,513
Other Operating Expense	$195,031		$232,659
Total Expense	**$1,913,476**		**$3,852,329**
EBITDA	**$6,890,776**		**$8,649,600**
Depreication	$3,033,427		$3,745,244
Amoritizaion	$0		$0
Earnings Before Interest and Taxes	**$3,857,349**		**$4,904,356**
Interest Expense - New RUS Debt	$0		$0
Interest Expense - Existing RUS Debt	$0		$0
Interest Expense - Other	$37,288		$31,522
Income Before Taxes	**$3,820,061**		**$4,872,833**
Property Tax	$574		$1,770
Income Tax	$0		$0
Net Income	**$3,819,487**		**$4,871,063**

Balance Sheet

	Historical - MBC		
	FY 2008		FY 2009
Assets			
Current Assets			
Cash	$817,586		$2,242,198
Marketable Securities	$0		$0
Accounts Receivable	$2,359,261		$364,227
Notes Receivable	$0		$0
Inventory	$227,480		$999,383
Prepayments	$160,920		$212,728
Other Current Assets	$0		$0
Total Current Assets	**$3,565,247**		**$3,818,536**
Non-Current Assets			
Long Term Investments	$0		$0
Amortizable Assets	$0		$0
Plant in Service	$41,398,301		$47,252,090
Less: Accumulated Depreciation	-$4,832,463		-$8,919,166
Net Plant	**$36,565,838**		**$38,332,924**
Other	$20,650		$36,806
Total Non-Current Assets	**$36,586,488**		**$38,369,730**
Total Assets	**$40,151,735**		**$42,188,266**
Liabilities and Owners' Equity	**FY 2008**		**FY 2009**
Liabilites			
Current Liabilities			
Accounts Payable	$1,836,289		$166,123
Notes Payable	$0		$0
Current Portion - Total RUS Debt	$0		$0
Current Portion - Other Debt	$0		$0
Other Current Liabilties	$0		$75,000
Total Current Liabilities	**$1,836,289**		**$241,123**
Long-Term Liabilties			
Exisiting RUS Debt	$0		$0
Proposed RUS Debt	$0		$0
Existing non-RUS Debt	$2,000,000		$0
Total Long-Term Liabilties	**$2,000,000**		**$0**
Total Liabilties	**$3,836,289**		**$241,123**
Owner's Equity			
Captial Stock	$0		$0
Additional Paid-In Capital	$0		$0
Patroniage Capital Credits	$0		$0
Retained Earnings	$36,315,446		$41,947,143
Total Equity	**$36,315,446**		**$41,947,143**
Total Liabilties and Owner's Equity	**$40,151,735**		**$42,188,266**

Statement of Cash Flows

	Historical - MBC		
	FY 2008		FY 2009
Beginning Cash	$804,516		$817,586
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Income	$3,819,487		$4,871,063
Adjustments to reconcile Net Income to Net Cash provided by Operating Activities			
Add: Depreciation	$3,033,427		$5,460,227
Add: Amortization	$0		$0
Changes in Current Assets and Liabilities			
Marketable Securities	$0		$0
Accounts Receivable	-$1,540,591		-$232,046
Inventory	$0		-$264,920
Prepayments	-$70,381		$212,728
Other Current Assets	$2,826		$0
Accounts Payable	$1,363,814		$190,305
Other Current Liabilties	$10,698		$0
Net Cash Provided (Used) by Operations	**$6,619,280**		**$10,237,357**
CASH FLOWS FROM FINANCING ACTIVITIES			
Notes Receivable	$5,100		$0
Notes Payable	-$37,288		$0
Principle Payments	$0		$2,000,000
New Borrowing	$750,000		$0
Additional Paid-in Capital	-$7,335,112		-$43,304,172
Additions to Patronage Capital Credits	$3,550		$32,499,959
Payment of Dividends	$0		$0
Net Cash Provided by Financing Activities	**-$6,613,750**		**-$8,804,213**
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital Expenditures	$26,590		$7,524
Amortizable Asset (Net of Amortization)	$0		$0
Long-Term Investments	-$19,050		-$16,056
Net Cash Used by Investing Activities	**$7,540**		**-$8,532**
Net Increase (Decrease) in Cash	**$13,070**		**$1,424,612**
Ending Cash	**$817,586**		**$2,242,198**

Comprehensive Community Infrastructure Budget Narrative Template

Applicant Name: Mid-Atlantic Broadband Cooperative

EasyGrants Number: 7280

Organization Type: Cooperative or Mutual

Proposed Period of Performance: August 1, 2010 – September 30, 2013

Total Project Costs: $12,529,059

Total Federal Grant Request: $10,023,247

Total Matching Funds (Cash): $2,505,812

Total Matching Funds (In-Kind): $0

Total Matching Funds (Cash + In-Kind): $2,505,812

Total Matching Funds (Cash + In-Kind) as Percentage of Total Project Costs: 20%

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1. Administrative and legal expenses - $418,200

- Legal expenses for drafting and executing contracts with vendors are estimated to be $40,000 (100 hours @ $400/hour).

- Grant administration is estimated at $93,600 (3,120 hours @ $30/hour).

-Project management costs are estimated at $249,600 (6,240 hours @ $40/hour).

-Grant preparation costs are estimated at $35,000 which is based on $15,000 in network conceptual design, $10,000 in mapping costs, and $10,000 in staff administrative time.

- Matching funds for this will be 20% of $418,200 or $83,640; matching funds will be split equally between the applicant and ODU Foundation.

2. Land, structure, rights-of-way, appraisals, etc. - $332,000

- Along the course of the proposed fiber route, four 12'x20' concrete shelters will be required at strategic locations to house fiber multiplexing equipment. Each of these sites will require a 45 kW generator for backup power.

- Matching funds for this will be 20% of $332,000 or $66,400; matching funds will be split equally between the applicant and ODU Foundation.

3. Relocation expenses and payment - $0

- There are no expenses of this kind on the project.

4. Architectural and engineering fees - $186,000

- While the basic routes of the proposed fiber cables and structures have been identified, MBC will engage contract OSP Engineering firm(s) to provide detailed OSP construction prints. The current average cost per mile for OSP engineers for MBC is $1,094 per mile, and with the project encompassing ~170 miles, the estimated OSP engineering costs will be $186,000.

- Matching funds for this will be 20% of $186,000 or $37,200; matching funds will be split equally between the applicant and ODU Foundation.

5. Other architectural and engineering fees - $50,000

- Before construction of the project can begin, an enironmental assessment will be required, and the cost for an Environmental Engineering firm to conduct this assessment is $50,000.

- Matching funds for this will be 20% of $50,000 or $10,000; matching funds will be split equally between the applicant and ODU Foundation.

6. Project inspection fees - $145,600

- During the construction phase of the project, two project inspectors will be engaged to ensure that the contractors are constructing the project to the required standards, and that all state, local, and federal regulations are being observed.

-The estimated cost was calculated using the assumption that we construction phase would last one year resulting in 4,160 manhours at $35/hour for the budgeted amount of $145,600.

- Matching funds for this will be 20% of $145,600 or $29,120; matching funds will be split equally between the applicant and ODU Foundation.

7. Site work - $200,000

- Four concrete shelters will be placed on municpal property to house MBC transport equipment and fiber terminations. Historical pricing for site preparation work is $50,000 for site preparation and installing the shelter and generator.

- Matching funds for this will be 20% of $200,000 or $40,000; matching funds will be split equally between the applicant and ODU Foundation.

8. Demolition and removal - $0

- No demolition or removal is required on this project.

9. Construction - $8,260,120

Item	Unit Basis	Unit Cost	Units	Cost
144 Fiber Cable	Foot	$1.45	723,276	$1,048,750
24 Fiber Cable	Foot	$0.47	177,114	$83,245
Hand holes	Each	$649.00	133	$86,317
Pole Line Hardware/Strand	Foot	$0.40	112,768	$45,107
Cable Route Markers	Each	$27.29	1,375	$37,524
Splice Cases	Each	$475	79	$37,525
Buried Cable Placement	Foot	$7.00	774,372	$5,420,604
Aerial Cable Placement	Foot	$4.75	112,768	$535,648
Bridge Attachments	Foot	$60.00	13,250	$795,000
Building Conduits	Each	$1,500.00	28	$42,000
Splicing Labor	Each	$1,200.00	107	$128,400
Total Cost				$8,260,120

-This work will be completed by MBC contractors.

- Matching funds for this will be 20% of $8,260,120 or $1,652,024; matching funds will be split equally between the applicant and ODU Foundation.

10. Equipment - $2,937,139

Item	Units	Unit Cost	Cost
170 Ah Batteries	28	$306	$8,568
55 Ah Batteries	4	$148	$592
Nortel 6110	29	$4,500	$130,500
Nortel 6130	4	$8,000	$32,000
Nortel 6500	4	$150,000	$600,000
Nortel OC-48 Cards (at existing nodes)	8	$9,500	$76,000
Infinera DWDM 3 Way System	2	$447,558	$895,116
Infinera DWDM 2 Way System	1	$287,927	$287,927
Infinera BMM/XLM Cards (at existing nodes)	2	$116,754	$233,508
Infinera TAM Cards	12	$29,756	$357,072
Infinera OLA	4	$49,514	$198,056
Ethernet Switch	4	$7,500	$30,000
Fiber Panels - Nodes	9	$700	$6,300
Fiber Panels - Anchor Location	29	$350	$10,150
Installation Labor	358	$75	$26,850
Equipment Cabinet	1	$9,500	$9,500
Valere DC System (100 amp)	1	$3,500	$3,500
Valere DC System (200 amp)	6	$4,000	$24,000
Wilmore Inverter	3	$2,500	$7,500
Grand Total			$2,937,139

-Matching funds for this will be 20% of $2,937,139 or $587,428; matching funds will be split equally between the applicant and ODU Foundation.

11. Miscellaneous - $0

- No expenses of this type will be required on this project.

13. Contingencies - $0

- Contingencies are an unallowable expenditures under BTOP.

15. Project (program) income - $0

- The value for this line-item on the SF-424C is $0. Please do not provide an estimated Project (program income) on the SF-424C.

Addendum

- Very few indirect costs are allowable through BTOP. If any allowable indirect costs and/or fringe benefits are included in the budget, please provide a copy of your existing Negotiated Indirect Cost Recovery Agreement (NICRA), if available. If the NICRA is applied accordingly in the budget, there is no need to justify the costs. If a NICRA is not available or is not consistent with the rates/calculations in the budget, please provide an explanation of how the amounts were calculated. Please clearly list the manner in which indirect costs are calculated in the budget.

Note: Verify that indirects are calculated correctly and are eligible BTOP costs. To clarify, reasonable indirect costs under BTOP are only allowable for Full Time Employees (FTEs) associated with the construction, deployment, or installation of facilities or equipment used to provide broadband service.

General Budget Overview

Budget	Federal Funding Request	Matching Funds (Cash)	Matching Funds (In-Kind)	Budget TOTAL	Last Mile Allocation	Middle Mile Allocation	Allocated TOTAL
Network & Access Equipment (switching, routing, transport, access)	$2,349,711	$587,428		**$2,937,139**		$2,937,139.00	**$2,937,139**
Outside Plant (cables, conduits, ducts, poles, towers, repeaters, etc.)	$6,608,096	$1,652,024		**$8,260,120**		$8,260,120.00	**$8,260,120**
Buildings and Land – (new construction, improvements, renovations, lease)	$265,600	$66,400		**$332,000**		$332,000.00	**$332,000**
Customer Premise Equipment (modems, set-top boxes, inside wiring, etc.)	$0	$0		**$0**			**$0**
Billing and Operational Support Systems (IT systems, software, etc.)	$0	$0		**$0**			**$0**
Operating Equipment (vehicles, office equipment, other)	$0	$0		**$0**			**$0**
Engineering/Professional Services (engineering design, project management, consulting, etc.)	$639,840	$159,960		**$799,800**		$799,800.00	**$799,800**
Testing (network elements, IT system elements, user devices, test generators, lab furnishings, servers/computers, etc.)	$0	$0		**$0**			**$0**
Site Preparation	$160,000	$40,000		**$200,000**		$200,000.00	**$200,000**
Other				**$0**			**$0**
TOTAL BROADBAND SYSTEM:	**$10,023,247**	**$2,505,812**	**$0**	**$12,529,059**	**$0**	**$12,529,059**	**$12,529,059**
Cost Share Percentage:	**80.00%**	**20.00%**	**0.00%**				

DETAIL OF PROJECT COSTS

PLEASE COMPLETE THE TABLE BELOW FOR THE DIFFERENT CATEGORIES OF EQUIPMENT THAT WILL BE REQUIRED FOR COMPLETING THE PROJECT. EACH CATEGORY SHOULD BE BROKEN DOWN TO THE APPROPRIATE LEVEL FOR IDENTIFYING UNIT COST

SERVICE AREA or COMMON NETWORK FACILITES:		Match (Cash/In-kind)	Unit Cost	No. of Units	Total Cost	Last Mile Allocation	Middle Mile Allocation	Allocated Total	SF-424C Budget Category	Support of Reasonableness
NETWORK & ACCESS EQUIPMENT					**$2,937,139**	**$0**	**$2,937,139**	**$2,937,139**		
Switching					$0			$0		
					$0			$0		
					$0			$0		
Routing	Ethernet Switch	Cash Match	$7,500.00	4	$30,000		$30,000.00	$30,000		
					$0			$0		
					$0			$0		
Transport	Infinera DWDM 3 Way System	Cash Match	$447,558.00	2	$895,116		$895,116.00	$895,116	10. Equipment	
	Infinera DWDM 2 Way System	Cash Match	$287,927.00	1	$287,927		$287,927.00	$287,927	10. Equipment	
	Infinera BMM/XLM Cards (at existing nodes)	Cash Match	$116,754.00	2	$233,508		$233,508.00	$233,508	10. Equipment	
	Infinera OLA	Cash Match	$49,514.00	4	$198,056		$198,056.00	$198,056	10. Equipment	
	Infinera TAM Cards	Cash Match	$29,756.00	12	$357,072		$357,072.00	$357,072	10. Equipment	
	Nortel 6110	Cash Match	$4,500.00	29	$130,500		$130,500.00	$130,500	10. Equipment	
	Nortel 6130	Cash Match	$8,000.00	4	$32,000		$32,000.00	$32,000	10. Equipment	
	Nortel 6500	Cash Match	$150,000.00	4	$600,000		$600,000.00	$600,000	10. Equipment	
	Nortel OC-8 Cards (at existing nodes)	Cash Match	$9,500.00	8	$76,000		$76,000.00	$76,000	10. Equipment	
					$0			$0		
Access					$0			$0		
					$0			$0		
					$0			$0		
Other	Valere DC System (100 amp)	Cash Match	$3,500.00	1	$3,500		$3,500.00	$3,500	10. Equipment	
	Valere DC System (200 amp)	Cash Match	$4,000.00	6	$24,000		$24,000.00	$24,000	10. Equipment	
	170 Ah Batteries	Cash Match	$306.00	28	$8,568		$8,568.00	$8,568	10. Equipment	
	55 Ah Batteries	Cash Match	$148.00	4	$592		$592.00	$592	10. Equipment	
	Wilmore Inverter	Cash Match	$2,500.00	3	$7,500		$7,500.00	$7,500	10. Equipment	
	Fiber Panels - Anchor Institutions	Cash Match	$350.00	29	$10,150		$10,150.00	$10,150	10. Equipment	
	Fiber Panels - Nodes	Cash Match	$700.00	9	$6,300		$6,300.00	$6,300	10. Equipment	
	Equipment Cabinet	Cash Match	$9,500.00	1	$9,500		$9,500.00	$9,500	10. Equipment	
	Insallation Labor	Cash Match	$75.00	358	$26,850		$26,850.00	$26,850	10. Equipment	
					$0			$0		
OUTSIDE PLANT					**$8,260,120**	**$0**	**$8,260,120**	**$8,260,120**		
Cables	144 Fiber Cable	Cash Match	$1.45	723,276	$1,048,750		$1,048,750.20	$1,048,750	9. Construction	
	24 Fiber Cable	Cash Match	$0.47	177,114	$83,245		$83,244.58	$83,245		
					$0			$0		
Conduits	Building entrance conduits	Cash Match	1,500	28	$42,000		$42,000.00	$42,000	9. Construction	
					$0			$0		
					$0			$0		
Ducts					$0			$0		
					$0			$0		
					$0			$0		
Poles					$0			$0		
					$0			$0		
					$0			$0		
Towers					$0			$0		
					$0			$0		
					$0			$0		
Repeaters					$0			$0		
					$0			$0		

					$0			$0		
Other	Pole Line Hardware/6M Strand	Cash Match	$0.40	112,768	$45,107		$45,107.20	$45,107	9. Construction	
	Cable Route Markers	Cash Match	$27.29	1,375	$37,524		$37,523.75	$37,524	9. Construction	
	Splice Cases	Cash Match	$475.00	79	$37,525		$37,525.00	$37,525	9. Construction	
	Buried Cable Placement	Cash Match	$7.00	774,372	$5,420,604		$5,420,604.00	$5,420,604	9. Construction	
	Aerial Cable Placement	Cash Match	$4.75	112,768	$535,648		$535,648.00	$535,648	9. Construction	
	Bridge Attachments	Cash Match	$60.00	13,250	$795,000		$795,000.00	$795,000	9. Construction	
	Splicing Labor	Cash Match	$1,200.00	107	$128,400		$128,400.00	$128,400	9. Construction	
	Hand Holes	Cash Match	$649.00	133	$86,317		$86,317.00	$86,317	9. Construction	

COMMON		Match	Unit Cost	No. of	Total Cost	Last Mile	Middle Mile	Allocated Total	SF-424C Budget	Support of Reasonableness
BUILDINGS					**$332,000**	**$0**	**$332,000**	**$332,000**		
New Construction					$0			$0		
					$0			$0		
					$0			$0		
Pre-Fab Huts	Node Shelter (12' x 20')	Cash Match	$58,000.00	4	$232,000		$232,000.00	$232,000	2. Land, structures	
					$0			$0		
					$0			$0		
Improvements &					$0			$0		
					$0			$0		
					$0			$0		
Other	45 kW Generator	Cash Match	$25,000.00	4	$100,000		$100,000.00	$100,000	2. Land, structures	
					$0			$0		
					$0			$0		
CUSTOMER PREMISE EQUIPMENT					**$0**	**$0**	**$0**	**$0**		
Modems					$0			$0		
					$0			$0		
					$0			$0		
Set Top Boxes					$0			$0		
					$0			$0		
					$0			$0		
Inside Writing					$0			$0		
					$0			$0		
					$0			$0		
Other					$0			$0		
					$0			$0		
					$0			$0		
BILLING SUPPORT AND OPERATIONS SUPPORT SYSTEMS					**$0**	**$0**	**$0**	**$0**		
Billing Support					$0			$0		
					$0			$0		
					$0			$0		
Customer Care					$0			$0		
					$0			$0		
					$0			$0		
Other Support					$0			$0		
					$0			$0		
					$0			$0		

COMMON		Match	Unit Cost	No. of	Total Cost	Last Mile	Middle Mile	Allocated Total	SF-424C Budget	Support of Reasonableness
OPERATING EQUIPMENT					**$0**	**$0**	**$0**	**$0**		
Vehicles					$0			$0		
					$0			$0		
					$0			$0		
Office Equipment /					$0			$0		
					$0			$0		
					$0			$0		
Other					$0			$0		
					$0			$0		
					$0			$0		
PROFESSIONAL SERVICES					**$799,800**	**$0**	**$799,800**	**$799,800**		
Engineering	OSP Engineering	Cash Match	$1,000.00	186	$186,000		$186,000	$186,000	4. Architectural and engr.	
					$0		$0	$0		
					$0		$0	$0		
Project	Project Management	Cash Match	$6,240.00	40	$249,600		$249,600	$249,600	1. Admin and Legal	
	Project Inspection	Cash Match	$4,160.00	35	$145,600		$145,600	$145,600	6. Inspection fees	
	Grant Administration	Cash Match	$3,120.00	30	$93,600		$93,600	$93,600	1. Admin and Legal	
Consulting	Environmental Assessment	Cash Match	$50,000.00	1	$50,000		$50,000	$50,000	5. Other archit. and engr.	
					$0		$0	$0		
					$0		$0	$0		
Other	Legal	Cash Match	$400.00	100	$40,000		$40,000	$40,000	1. Admin and Legal	
	Grant Preparation	Cash Match	$35,000.00	1	$35,000		$35,000	$35,000	1. Admin and Legal	
					$0		$0	$0		
TESTING					**$0**	**$0**	**$0**	**$0**		
Network					$0			$0		
					$0			$0		
					$0			$0		
IT System					$0			$0		
					$0			$0		
					$0			$0		
User Devices					$0			$0		
					$0			$0		
					$0			$0		
Test Generators					$0			$0		
					$0			$0		
					$0			$0		
Lab					$0			$0		
					$0			$0		
					$0			$0		
Servers/Computer					$0			$0		
					$0			$0		
					$0			$0		

COMMON		Match	Unit Cost	No. of	Total Cost	Last Mile	Middle Mile	Allocated Total	SF-424C Budget	Support of Reasonableness
OTHER UPFRONT COSTS					**$200,000**	**$0**	**$200,000**	**$200,000**		
Site	Site preparation for node shelters	Cash Match	$50,000.00	4	$200,000		$200,000	$200,000	7. Site work	
					$0			$0		
					$0			$0		
Other					$0			$0		
					$0			$0		
					$0			$0		
				PROJECT TOTAL:	**$12,529,059**	**$0**	**$12,529,059**	**$12,529,059**		

BTOP Comprehensive Community Infrastructure
Pro Forma Financial Projections

Please complete the Income Statement, Balance Sheet, Cash Flows, and NPV-IRR Table worksheets. Key assumptions used to formulate these financial projections should be listed in the Key Assumptions worksheet. Please note that these are **project-specific** projections, in contrast to the historical financial information which is provided at the organizational level.

Please refer to the Comprehensive Community Infrastructure Grant Guidance for detailed instructions on the completing this attachment.

Applicants are required to provide this attachment as an Excel file, and not to convert it to a PDF when submitting a copy of their application on an appropriate electronic medium, such as a DVD, CD-ROM, or flash drive. Applicants may make adjustments to the format of the templates as necessary to provide the most effective presentation of the data for their specific project, but should not remove major headings (*e.g.* Revenues and Expenses on the Income Statement) or provide less detailed information than would be required to complete the provided templates.

Income Statement

	Forecast Period							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Revenues								
Broadband Offerings								
Wholesale Data	$ -	$ 75,200	$ 374,900	$ 586,800	$ 648,800	$ 657,700	$ 677,200	$ 723,600
Retail Data	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Dark Fiber	$ -	$ -	$ 50,000	$ 75,000	$ 100,000	$ 137,500	$ 150,000	$ 150,000
Collocation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other (list specific services)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Network Driven Revenues								
Video Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Voice Services (local/toll/long distance)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other (list specific services)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Universal Service Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Installation Revenues		$ 8,250	$ 11,250	$ 12,000	$ 9,000	$ 9,750	$ 9,000	$ 9,750
Other Revenues - Grant	$ 2,215,382	$ 10,313,677	$ -	$ -	$ -	$ -	$ -	$ -
Total Revenues	**$ 2,215,382**	**$ 10,397,127**	**$ 436,150**	**$ 673,800**	**$ 757,800**	**$ 804,950**	**$ 836,200**	**$ 883,350**
Expenses								
Backhaul	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Network Maintenance/Monitoring	$ -	$ 26,532	$ 47,381	$ 50,698	$ 54,247	$ 58,044	$ 62,107	$ 66,454
Utilities	$ -	$ 15,600	$ 15,912	$ 16,230	$ 16,555	$ 16,886	$ 17,224	$ 17,568
Leasing	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales/Marketing	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Customer Care	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Billing		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Corporate G&A	$ 209,100	$ 209,100	$ -	$ -	$ -	$ -	$ -	$ -
Other Operating Expense	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total	**$ 209,100**	**$ 251,232**	**$ 63,293**	**$ 66,928**	**$ 70,801**	**$ 74,930**	**$ 79,330**	**$ 84,022**
EBITDA	**$ 2,006,282**	**$ 10,145,895**	**$ 372,857**	**$ 606,872**	**$ 686,999**	**$ 730,020**	**$ 756,870**	**$ 799,328**
Depreciation	$ -	$ 295,500	$ 1,042,239	$ 1,042,239	$ 1,042,239	$ 1,042,239	$ 1,042,239	$ 1,042,239
Amortization	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Earnings Before Interest and Taxes	**$ 2,006,282**	**$ 9,850,395**	**$ (669,382)**	**$ (435,367)**	**$ (355,240)**	**$ (312,219)**	**$ (285,369)**	**$ (242,911)**
Interest Expense	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Income Before Taxes	**$ 2,006,282**	**$ 9,850,395**	**$ (669,382)**	**$ (435,367)**	**$ (355,240)**	**$ (312,219)**	**$ (285,369)**	**$ (242,911)**
Property Tax	$ -	$ 2,296	$ 2,296	$ 2,319	$ 2,342	$ 2,366	$ 2,389	$ 2,413
Income Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Income	$ 2,006,282	$ 9,848,099	$ (671,678)	$ (437,686)	$ (357,583)	$ (314,584)	$ (287,759)	$ (245,325)

Balance Sheet

	Forecast Period							
Assets	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**
Current Assets								
Cash	$ (203,872)	$ (378,407)	$ (19,020)	$ 579,164	$ 1,263,118	$ 1,989,716	$ 2,743,506	$ 3,539,378
Marketable Securities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts Receivable	$ -	$ 5,510	$ 11,985	$ 18,445	$ 19,245	$ 20,405	$ 21,205	$ 22,365
Notes Receivable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Inventory	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prepayments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Current Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Current Assets	$ (203,872)	$ (372,897)	$ (7,035)	$ 597,609	$ 1,282,363	$ 2,010,121	$ 2,764,711	$ 3,561,743
Non-Current Assets								
Long-Term Investments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Amortizable Asset (Net of Amortization)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plant in Service	$ -	$ 12,110,859	$ 12,110,859	$ 12,110,859	$ 12,110,859	$ 12,110,859	$ 12,110,859	$ 12,110,859
Less: Accumulated Depreciation	$ -	$ 295,500	$ 1,337,739	$ 2,379,978	$ 3,422,217	$ 4,464,456	$ 5,506,695	$ 6,548,934
Net Plant	$ -	$ 11,815,359	$ 10,773,120	$ 9,730,881	$ 8,688,642	$ 7,646,403	$ 6,604,164	$ 5,561,925
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Non-Current Assets	$ -	$ 11,815,359	$ 10,773,120	$ 9,730,881	$ 8,688,642	$ 7,646,403	$ 6,604,164	$ 5,561,925
Total Assets	$ (203,872)	$ 11,442,462	$ 10,766,085	$ 10,328,490	$ 9,971,005	$ 9,656,524	$ 9,368,875	$ 9,123,668

Liabilities and Owners' Equity	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**
Liabilities								
Current Liabilities								
Accounts Payable	$ 5,228	$ 6,281	$ 1,582	$ 1,673	$ 1,770	$ 1,873	$ 1,983	$ 2,101
Notes Payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Current Liabilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Current Liabilities	$ 5,228	$ 6,281	$ 1,582	$ 1,673	$ 1,770	$ 1,873	$ 1,983	$ 2,101
Long-Term Liabilities								
Long Term Notes Payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Long Term Liabilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Long-Term Liabilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Liabilities	$ 5,228	$ 6,281	$ 1,582	$ 1,673	$ 1,770	$ 1,873	$ 1,983	$ 2,101
Owner's Equity								
Capital Stock	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Additional Paid-In Capital	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retained Earnings	$ (209,100)	$ 11,436,181	$ 10,764,503	$ 10,326,817	$ 9,969,235	$ 9,654,650	$ 9,366,892	$ 9,121,567
Total Equity	$ (209,100)	$ 11,436,181	$ 10,764,503	$ 10,326,817	$ 9,969,235	$ 9,654,650	$ 9,366,892	$ 9,121,567
Total Liabilities and Owner's Equity	$ (203,872)	$ 11,442,462	$ 10,766,085	$ 10,328,490	$ 9,971,005	$ 9,656,524	$ 9,368,875	$ 9,123,668

Statement of Cash Flows

	Forecast Period							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Beginning Cash	**$ -**	**$ (203,872)**	**$ (378,407)**	**$ (19,020)**	**$ 579,164**	**$ 1,263,118**	**$ 1,989,716**	**$ 2,743,506**
CASH FLOWS FROM OPERATING ACTIVITIES:								
Net Income	2,006,282	9,848,099	(671,678)	(437,686)	(357,583)	(314,584)	(287,759)	(245,325)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities								
Add: Depreciation	-	295,500	1,042,239	1,042,239	1,042,239	1,042,239	1,042,239	1,042,239
Add: Amortization	-	-	-	-	-	-	-	-
Changes in Current Assets and Liabilities:								
Marketable Securities	-	-	-	-	-	-	-	-
Accounts Receivable	-	(5,510)	(6,475)	(6,460)	(800)	(1,160)	(800)	(1,160)
Inventory	-	-	-	-	-	-	-	-
Prepayments	-	-	-	-	-	-	-	-
Other Current Assets	-	-	-	-	-	-	-	-
Accounts Payable	5,228	1,053	(4,698)	91	97	103	110	117
Other Current Liabilities	-	-	-	-	-	-	-	-
Net Cash Provided (Used) by Operations	**$ 2,011,510**	**$ 10,139,142**	**$ 359,388**	**$ 598,184**	**$ 683,953**	**$ 726,598**	**$ 753,790**	**$ 795,872**
CASH FLOWS FROM INVESTING ACTIVITIES:								
Capital Expenditures	(2,215,382)	(10,313,677)	-	-	-	-	-	-
Amortizable Asset (Net of Amortization)	-	-	-	-	-	-	-	-
Long-Term Investments	-	-	-	-	-	-	-	-
Net Cash Used by Investing Activities	**$ (2,215,382)**	**$ (10,313,677)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
CASH FLOWS FROM FINANCING ACTIVITIES:								
Notes Receivable	-	-	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-	-	-
Principal Payments	-	-	-	-	-	-	-	-
New Borrowing	-	-	-	-	-	-	-	-
Additional Paid-in Capital	-	-	-	-	-	-	-	-
Additions to Patronage Capital Credits	-	-	-	-	-	-	-	-
Payment of Dividends	-	-	-	-	-	-	-	-
Net Cash Used by Investing Activities	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Net Increase (Decrease) in Cash	**$ (203,872)**	**$ (174,535)**	**$ 359,388**	**$ 598,184**	**$ 683,953**	**$ 726,598**	**$ 753,790**	**$ 795,872**
Ending Cash	**$ (203,872)**	**$ (378,407)**	**$ (19,020)**	**$ 579,164**	**$ 1,263,118**	**$ 1,989,716**	**$ 2,743,506**	**$ 3,539,378**

NPV/IRR Table

	Net Present Value	Internal Rate of Return
Without BTOP Funding	-$11,815,481	-14.37%
With BTOP Funding	$2,451,865	89.53%

For NPV calc. assume 6% hurdle rate with no terminal value

With BTOP Funding

	Forecast Period -- Incremental Investment							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Net Income (Including Grant Revenue)	$ 2,006,282	$ 9,848,099	$ (671,678)	$ (437,686)	$ (357,583)	$ (314,584)	$ (287,759)	$ (245,325)
Depreciation	$ -	$ 295,500	$ 1,042,239	$ 1,042,239	$ 1,042,239	$ 1,042,239	$ 1,042,239	$ 1,042,239
Changes in Current Assets and Liabilities	$ 5,228	$ (4,457)	$ (11,173)	$ (6,369)	$ (703)	$ (1,057)	$ (690)	$ (1,043)
Capital Spending	$ (2,215,382)	$ (10,313,677)	$ -	$ -	$ -	$ -	$ -	$ -
								Terminal Value 8 X EBITDA
Cash Flow for Investment Evaluation	$ (203,872)	$ (174,535)	$ 359,388	$ 598,184	$ 683,953	$ 726,598	$ 753,790	$ 795,872	$ 6,394,621

Investment Attractiveness

With BTOP Funding, at various hurdle rates

Project Attractiveness with BTOP funding, no terminal value, and 5-year evaluation period.

Hurdle rates	NPV
6%	$ 2,451,865
9%	$ 2,056,880
12%	$ 1,733,421
15%	$ 1,466,787
18%	$ 1,245,633
21%	$ 1,061,135
24%	$ 906,376
27%	$ 775,897
30%	$ 665,359

Project Attractiveness with BTOP funding, 8X EBITDA terminal value, 5-year evaluation period.

Hurdle rates	NPV
6%	$ 6,236,831
9%	$ 5,001,141
12%	$ 4,039,385
15%	$ 3,284,537
18%	$ 2,687,339
21%	$ 2,211,263
24%	$ 1,828,989
27%	$ 1,519,912
30%	$ 1,268,369

Without BTOP Funding (use 6% debt financing for 20 years)

	Forecast Period -- Incremental Investment							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Net Income	$ (960,842)	$ (1,196,884)	$ (1,381,322)	$ (1,124,368)	$ (1,019,926)	$ (951,128)	$ (896,954)	$ (825,532)
Depreciation	$ -	$ 295,500	$ 1,042,239	$ 1,042,239	$ 1,042,239	$ 1,042,239	$ 1,042,239	$ 1,042,239
Changes in Current Assets and Liabilities	$ 5,228	$ (4,457)	$ (11,173)	$ (6,369)	$ (703)	$ (1,057)	$ (690)	$ (1,043)
Impact to Cash Flow for Principal Pmts	$ (340,596)	$ (361,032)	$ (382,694)	$ (405,655)	$ (429,995)	$ (455,794)	$ (483,142)	$ (512,131)
Capital Spending	$ (2,215,382)	$ (10,313,677)	$ -	$ -	$ -	$ -	$ -	$ -
								Terminal Value 8 X EBITDA
Cash Flow for Investment Evaluation	$ (3,511,592)	$ (11,580,550)	$ (732,950)	$ (494,154)	$ (408,385)	$ (365,740)	$ (338,548)	$ (296,466)	$ 6,394,621

Investment Attractiveness

Without BTOP Funding

Assume MBC would finance the project 100% with debt at 6 % interest financed over a 20 yr period

Project Attractiveness without BTOP funding, no terminal value, and 5-year evaluation period.

Hurdle rates	NPV
6%	$ (15,600,447)
9%	$ (14,702,288)
12%	$ (13,892,940)
15%	$ (13,159,925)
18%	$ (12,493,011)
21%	$ (11,883,727)
24%	$ (11,324,999)
27%	$ (10,810,876)
30%	$ (10,336,311)

Project Attractiveness without BTOP funding, 8X EBITDA terminal value, 5-year evaluation period.

Hurdle rates	NPV
6%	$ (11,815,481)
9%	$ (11,758,028)
12%	$ (11,586,975)
15%	$ (11,342,175)
18%	$ (11,051,305)
21%	$ (10,733,598)
24%	$ (10,402,386)
27%	$ (10,066,862)
30%	$ (9,733,301)

Revenue Assumptions

Factor	Specific Metric Used in Analysis
Customers Passed	
Anchor Institutions - Segment A	14
Anchor Institutions - Segment B	7
Anchor Institutions - Segment C	7
Businesses	
Households	
Last Mile Providers	
Other	
Take Rate (should likely vary across 8-Year Forecast)	
Anchor Institutions - Segment A	100%
Anchor Institutions - Segment B	100
Anchor Institutions - Segment C	100
Businesses	
Households	
Last Mile Providers	
Direct Customer Connections	
Customer Segment A	14
Customer Segment B	7
Anchor Institutions - Segment C	7
Other	
Average Revenue per User (may vary across 8-year forecast)	
Anchor Institutions - Segment A	Year 4 ARPU = $28,363; Year 8 ARPU= $37,440
Anchor Institutions - Segment B	Year 4 ARPU = $23,635; Year 8 ARPU= $31,200
Anchor Institutions - Segment C	Year 4 ARPU = $4,727; Year 8 ARPU=$6,240
Businesses	
Households	
Last Mile Providers	
Other	

Expense Assumptions

Factor	Specific Metric Used in Analysis
Network Expenses	
Backhaul	
Maintenance	Pole attachement: $8.52/month per route mile X 170 miles Collocation: $2000/month with Cox Norfolk Pole Transfers, non-billable fiber cuts: $500/month
Utilities	$325/location - 4 locations
Leasing	
Depreciation	Generators: 120 months; Aerial Fiber: 180 months; Buried Fiber: 180 months; Nodes/Shelters: 180 months; Long Haul Equipment: 84 months, Regional Equipment: 84 months
Other	
Sales & Marketing	
Advertising	
Commissions	
Salaries	
Other	
Customer Care & Billing	
Systems	
Personnel	
Other	
General & Administrative	
Professional Services	
Insurance	
Non-Network Utilities	
Travel	
Supplies	
Miscellaneous	Legal Expenses: 100 hours @ $400/hr Grant Admistration: 3120 hrs @ $30/hour Project Management 6240 hrs @ $40/hour Grant Prep: $15,000 conceptual, $10,000 mapping, $10,000 administration time,
Interest Expenses	
Debt Instrument A	
Debt Instrument B	

Taxes	
Federal Tax Rate	
Other Tax Rates	

Rationale (Cite Basis)
Anchor institutions along this route are Isle of Wight and Surry K-12 schools/admin buildings; four hospitals; one community college
Anchor institutions along this route are Southampton Academy; Southampton County admin buildings; and the City of Franklin K-12 schools and admin building; one community college
Anchor institutions along this route are Isle of Wight K-12 schools/admin buildings; community college
Since MBC's network is open access to any service provider who joins the cooperative, it is anticipated that the take rate will be 100%
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Rationale (Cite Basis)
All figures based on MBC Historical data
4 shelter locations historical data averages $325 utilities per month
Based on industry standards
No increase in staffing will be required to manage this project outside of the grant period
No increase in billing software will be required to manage this project
No increase in staffing will be required to manage this project outside of the grant period
Increase will be nominal and will be cared by MBC through general insurance
Administrative and legal expenses directly related to grant administration
No Debt
No Debt

Tax Exempt
Tax Exempt