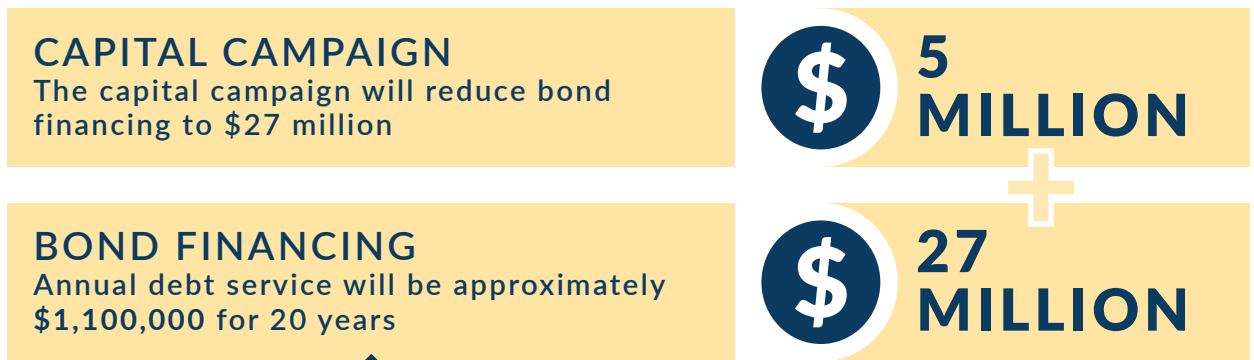




POTENTIAL SOURCES OF FUNDS

ESTIMATED COST: \$32 MILLION

The current funding strategy includes the mix below:



THE \$1,100,000 DEBT SERVICE MAY COME FROM:



OTHER SOURCES OF FUNDS THAT WOULD MINIMIZE THE TAX INCREASE:

DERRY TOWNSHIP MUNICIPAL AUTHORITY	GENERATING AN ESTIMATED \$250,000-\$500,000 PER YEAR: The township will finance an additional \$15M digester and all of the new income generated by trucked in waste to the new digester would be the Township's. This debt would be "self-liquidating" and would not affect the Township's borrowing capacity.
---	---

THIS PLAN WOULD NOT IMPACT SEWER RATES FOR RESIDENTS, BUSINESSES OR OTHERS WHO CURRENTLY USE DTMA SERVICES.

REDEVELOPMENT ASSISTANCE CAPITAL PROGRAM (RACP)-(TBD)	UP TO \$10 MILLION: Any state grant award will reduce bond financing. \$10 million has been applied for in RACP funds. An award in the range of \$1M-\$3M is most likely.
--	--

REDUCTION IN OPERATING COSTS	ESTIMATED AT \$375,000: The new facility is estimated to have an operating loss of approximately \$355,000 as opposed to \$730,000 today. This savings will only be realized if the Township is able to successfully execute its business plan.
-------------------------------------	---