Attachment A.

Under ideal circumstances, the GMP operates as planned in any given year, budgeted expenses equal actual, and the subsequent year's fee is reevaluated solely in the context of the next fiscal-year budget. However, things are rarely so neat. In some instances, actual expenses can be less than budgeted, in which case the additional revenue is carried forward and can reduce the subsequent year's fee, as illustrated in the following example:

	Assumes no draw from reserves; the amount collected is no more than is necessary to cover the reasonable costs of the program.	
	GMP Yr 1	GMP Yr 2
Opening Balance	$ -	$ 80,000
Budget Expenses	$ 800,000	$ 800,000
# of Wells	3,000	3,000
Reg Fee	$ 267	$ 240
Reserves	$ 400,000	$ 400,000
Actual Expenses	$ 720,000	$ 800,000
Ending Balance	$ 80,000	$ -