

SUMMARY REPORT TO MANAGER
For City Council Meeting of March 22, 2010

SUBJECT: 2009 ANNUAL REPORT – SAGINAW-MIDLAND MUNICIPAL WATER SUPPLY CORPORATION

INITIATED BY: Noel D. Bush, Utilities Director

RESOLUTION SUMMARY: This resolution receives and files the 2009 Annual Report for the Saginaw-Midland Municipal Water Supply Corporation.

ITEMS ATTACHED:

1. Letter of transmittal
2. Resolution
3. Annual Report

COUNCIL ACTION:

1. 3/5 vote required to approve resolution.

NBD:jjjs



City Hall • 333 West Ellsworth Street • Midland, Michigan 48640-5132 • 989.837.3300 • 989.835.2717 Fax • www.midland-mi.org

March 17, 2010

Honorable Mayor and City Council
City of Midland
333 W. Ellsworth Street
Midland, Michigan 48640

RE: 2009 Annual Report for the Saginaw-Midland Municipal Water Supply Corporation


Dear Councilmen:

The annual report received by the City reflects operations and financial data of the Saginaw-Midland Municipal Water Supply Corporation (SMMWSC) for calendar year 2009.

The Saginaw-Midland Municipal Water Supply Corporation was formed in 1946 and operates as a non-profit municipal corporation pursuant to Act 233 of Michigan Public Acts of 1955, as amended. The Corporation was established to be a supplier of bulk Lake Huron water to its owners, the City of Saginaw and the City of Midland, as well as to other communities along the pipeline route. A board of equal representation from the cities of Saginaw and Midland governs the Corporation.

Corporate Highlights in the report include History, Financial Data, Water Testing, Operations, Legislative, Research and Development, with supporting data on pages 1 through 20 providing further insight into the operations of the Corporation.

Respectfully submitted,



For Noel D. Bush, Utilities Director



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BY COUNCILMAN

RESOLVED, that the Saginaw-Midland Municipal Water Supply Corporation 2009 Annual Report be received and filed in the office of the City Clerk.

YEAS:

NAYS:

ABSENT:

I, Selina Tisdale, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yea vote of all the Councilmen present at a regular meeting of the City Council held Monday, March 22, 2010.

Selina Tisdale, City Clerk

2009

ANNUAL REPORT



- Plant Locations -

JUNCTION PEAKING
PLANT
Bay City

PINCONNING PUMPING
PLANT
Pinconning

WHITESTONE PUMPING
FACILITY
AuGres

Saginaw-Midland Municipal Water Supply Corporation

BOARD OF TRUSTEES

CHAIRMAN
WILLIAM C. LAUDERBACH
Midland

VICE-CHAIRMAN
PAUL H. WENDLER
Saginaw

TRUSTEES

DARNELL EARLEY
Saginaw

JON LYNCH
Midland

JAMES DOANE
Saginaw

CARL COONS
Midland

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2009 ANNUAL REPORT

CORPORATE HIGHLIGHTS

HISTORY

The Saginaw-Midland Municipal Water Supply Corporation (Corporation) was organized in 1946 under Michigan Public Act 130 of 1945 and operates under Act 233 of Michigan Public Acts of 1955, as a non-profit municipal corporation providing raw Lake Huron water to its owners: the City of Saginaw and the City of Midland. The Corporation is classified as a Michigan "Type I Public Water Supply" and is therefore required to operate within the rules and regulations set forth under Michigan's Safe Drinking Water Act 399 P.A. 1976, as amended. The Corporation, with its trained professional staff, who has been tested and licensed by the Michigan Department of Environmental Quality, provides limited treatment and basic disinfection of the lake water in preparation for transmission to its owners. Municipal raw water service is provided to five (5) cities or communities along Saginaw-Midland's main pipeline routes who have entered into long-term wholesale contracts with the Corporation. The Corporation has been providing dependable and reliable high-quality raw water service to its owners and customers for over sixty-one (61) years under a successful "partnership-for-the-common-good" philosophy.

FINANCIAL

Income from water sales to the Corporation's commercial wholesale raw water customers, which includes the cities of Linwood, Standish, Omer, AuGres, and the Sims-Whitney Water Authority, amounted to \$168,790.46 during 2009, and was credited to the Cities of Saginaw and Midland. The total volume of water sales to these customers aggregated 213.16 million gallons, or less than two (2) percent of the total water pumped. A Wholesale Water Rate Study was performed in 2007 that set the raw water rate at \$0.75 per thousand gallons, which remained unchanged in 2009. Wholesale contracts and water rates are evaluated every three (3) years at a minimum, meaning that a rate study will be performed in 2010. Agreements with all wholesale water customers are in force and remain up-to-date.

During 2009, the Corporation worked with a Bond Consultant and Bond Attorney to refinance the 1998 Bonds. A bond sale occurred in January 2009 that resulted in a \$347,000 Net Present Value savings over the life of the bonds.

The Cities of Saginaw and Midland continue to contribute to the Corporation's Improvement & Emergency Repair Fund (I&ER) at a funding level of \$0.005 per thousand gallons delivered. The I&ER fund had an end of year balance of \$1,718,883.19.

The Board of Trustees chose to continue making additional voluntary contributions of \$0.005 per 1000 gallons pumped to the Corporation's MERS pension fund, which began in July 2007. The voluntary contribution will aid in decreasing the Corporation's Unfunded Accrued Liabilities.

The Corporation engaged the services of Yeo & Yeo, Inc., Certified Public Accountants, Saginaw, Michigan, to provide its 2008-2009 annual audit. In their opinion, the audit report presents fairly, in all material respects, the financial position of the Corporation and the results of its operations and its cash flows for the years then ended in conformity with auditing standards generally accepted in the United States. The audit included a Management Discussion and Analysis section. Copies of the audit are available upon written request.

Rising health care costs and accounting disclosure requirements prompted the Corporation to reduce and eventually eliminate its accrued retiree health care liability. To address this concern, the Corporation established a trust in 2006 to address current and future retiree health care costs. The trust provides a method of accumulating assets for retiree health care benefits and allows the assets to be invested in a broad range of equity markets. In 2008, the Corporation hired the firm of Gabriel, Roeder, Smith & Company (GRS) to provide an updated Post Retirement Health Care Actuarial Valuation. The valuation showed that the funding ratio has favorably increased from 6.9% in 2005 to 12.7% in 2008. The report also provided the Corporation with updated annual contribution rates, which took effect in July of 2009. The Corporation continues to fund the trust as recommended in the valuation.

WATER TESTING

Results of continuing raw-water testing programs by the Saginaw-Midland Municipal Water Supply Corporation and the Michigan Department of Environmental Quality indicate that the raw water quality remains very high and well within the standards as established by the Michigan Safe Drinking Water Act 399, P.A. 1976 as amended. The State laboratory tested for metals, volatile organic substances, trihalomethanes, and a variety of automated partial chemistries.

Chlorine was used as the raw water disinfectant during 2009 with 222,495 pounds of chlorine added to 14,616 million gallons of water. Overall, the average chlorine application rate was 1.83 ppm. An approved DPD Colorimetric method was used to determine the free chlorine residual. Saginaw-Midland personnel also conducted regular turbidity measurements of incoming raw water. The average water turbidity for 2009 was 1.33 NTUs with a maximum turbidity level recorded being 70.20 NTUs. Automated raw water analytical instruments were also operational and they provided data on temperature, pH, and conductivity.

Laboratory analysis of both raw and chlorinated water was conducted at the Whitestone Point facility on an hourly basis. Taste and odor evaluations were undertaken once per day. Alkalinity testing was also performed daily in the laboratory using titration methodology. Raw and chlorinated samples were sent via courier to Saginaw's laboratory each weekday for bacteriological analysis. Total organic carbon (TOC) sampling and testing occurred on a quarterly basis. The TOC testing is coordinated with both the City of Saginaw and City of Midland so they can test similar water once it arrives at their plants a few days later.

FACILITIES

In the summer of 2009, the parking lot pavement and curbing at the Junction facility were replaced. During the parking lot work the original steel manholes/drains were replaced with concrete manholes and new drain lines were installed under the parking lot.

The Corporation replaced a severely corroded lintel over a window on the east side of the Junction facility. Plans are to replace additional lintels during the summer of 2010.

OPERATIONS

Employment levels remained at 13 employees. In 2008 a new labor contract was negotiated with the Corporation's unionized employees that operate the Whitestone Plant. The agreement reached with the Employee's Union is a three-year contract covering 2009 through 2011 calendar years. The contract positions the Corporation to meet both its short-term and long term financial goals, while maintaining a competitive compensation and benefit package.

During 2009 construction of the Junction Station Improvement Project was completed. The project involved the installation of additional yard piping at the Junction Site as well as a new Maintenance Building. The piping portion of the project involved the creation of a second route for water to flow through the Junction Station facility and onto the Cities of Saginaw and Midland. The piping improvement increased the overall reliability of the system and formed an emergency bypass around Junction Station if a section of piping were to fail.

LEGISLATION, RESEARCH & DEVELOPMENT

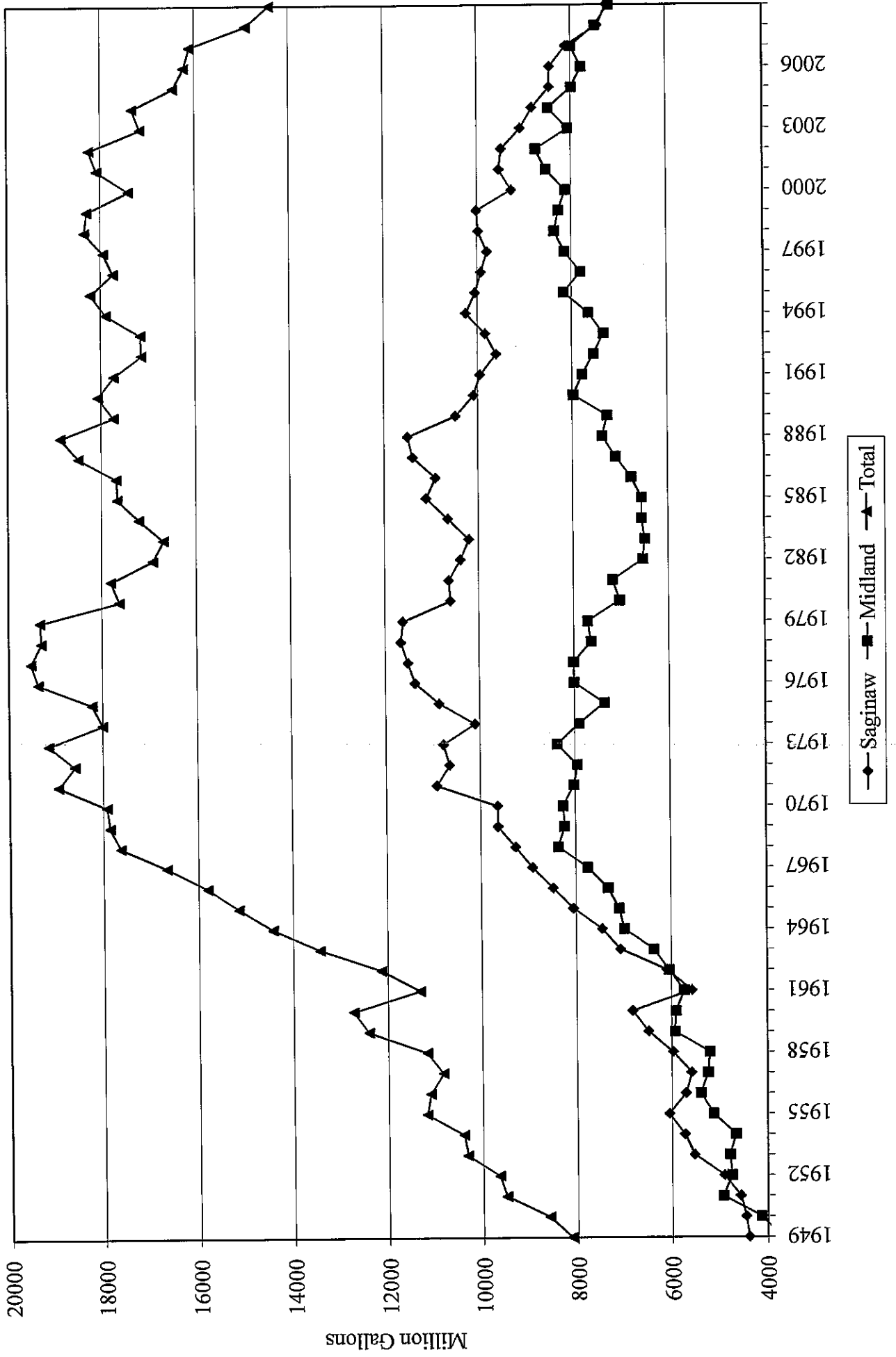
Legislation was passed near the end of 2009 that changed Act 233 that will allow the Corporation to sell water to Indian Tribes.

The twelve (12) member Water Advisory Committee (WAC), a group of technically competent, interested individuals from the community, industry, academia and water-related municipal management, was formed by and reports to the Corporation's Board. The purpose of this committee is to take under consideration, in an organized way, various subjects of interest or concern to the partner cities in the field of water supply. The Committee meets monthly and is in its 36th year of providing this valuable volunteer service to the Corporation. The Water Advisory Committee's projects include the studying of the raw water quality at the Lake Huron source, evaluating promulgated legislation and its effect on the Corporation, researching the treatability of the Lake Huron water supply through the use of a variety of pilot filter and processing plants along the Corporation's pipeline routes.

OPERATIONS

Saginaw-Midland Municipal Water Supply Corporation

Annual Flows



ANNUAL PUMPAGE

	<u>MG to</u>	<u>% Water</u>	<u>MG to</u>	<u>% Water</u>	<u>Combined</u>
	<u>Saginaw</u>	<u>Pumped</u>	<u>Midland</u>	<u>Pumped</u>	<u>MG (S&M)</u>
1949	4,391.31	54.07%	3,730.70	45.93%	8,122.01
1950	4,458.40	51.85%	4,139.89	48.15%	8,598.29
1951	4,570.58	48.11%	4,930.54	51.89%	9,501.12
1952	4,902.18	50.81%	4,745.25	49.19%	9,647.44
1953	5,533.76	53.61%	4,788.28	46.39%	10,322.04
1954	5,736.30	55.16%	4,662.44	44.84%	10,398.74
1955	6,052.89	54.13%	5,129.01	45.87%	11,181.90
1956	5,707.81	51.40%	5,396.10	48.60%	11,103.91
1957	5,586.44	51.58%	5,243.71	48.42%	10,830.15
1958	5,967.68	53.41%	5,204.81	46.59%	11,172.49
1959	6,479.00	52.20%	5,931.71	47.80%	12,410.71
1960	6,818.98	53.56%	5,911.90	46.44%	12,730.88
1961	5,574.79	49.29%	5,734.73	50.71%	11,309.52
1962	6,088.87	50.19%	6,042.82	49.81%	12,131.69
1963	7,061.87	52.60%	6,364.02	47.40%	13,425.89
1964	7,442.35	51.61%	6,978.80	48.39%	14,421.15
1965	8,052.60	53.19%	7,086.60	46.81%	15,139.20
1966	8,480.87	53.69%	7,313.87	46.31%	15,794.74
1967	8,910.55	53.49%	7,746.65	46.51%	16,657.20
1968	9,267.75	52.57%	8,362.85	47.43%	17,630.60
1969	9,628.70	53.91%	8,230.45	46.09%	17,859.15
1970	9,633.80	53.76%	8,255.50	46.07%	17,919.30
1971	10,921.10	57.65%	8,023.50	42.35%	18,944.60
1972	10,646.15	57.26%	7,945.75	42.74%	18,591.90
1973	10,773.97	56.27%	8,373.97	43.73%	19,147.94
1974	10,097.46	56.10%	7,900.87	43.90%	17,998.33
1975	10,857.10	59.60%	7,360.06	40.40%	18,217.16
1976	11,366.24	58.69%	8,000.33	41.31%	19,366.57
1977	11,514.91	58.98%	8,008.23	41.02%	19,523.14
1978	11,662.95	60.44%	7,633.31	39.56%	19,296.26
1979	11,617.41	60.12%	7,704.87	39.88%	19,322.28
1980	10,598.80	60.14%	7,025.47	39.86%	17,624.27
1981	10,630.96	59.72%	7,169.76	40.28%	17,800.72
1982	10,380.19	61.37%	6,533.47	38.63%	16,913.66
1983	10,196.40	61.11%	6,489.94	38.89%	16,686.34
1984	10,644.95	61.89%	6,555.62	38.11%	17,200.57
1985	11,103.36	62.88%	6,554.31	37.12%	17,657.67
1986	10,904.35	61.69%	6,771.81	38.31%	17,676.16
1987	11,390.03	61.65%	7,085.37	38.35%	18,475.40
1988	11,494.14	60.94%	7,367.44	39.06%	18,861.58
1989	10,473.13	59.07%	7,257.58	40.93%	17,730.71
1990	10,085.77	55.84%	7,977.37	44.16%	18,063.14

ANNUAL PUMPAGE

	<u>MG to</u>	<u>% Water</u>	<u>MG to</u>	<u>% Water</u>	<u>Combined</u>
	<u>Saginaw</u>	<u>Pumped</u>	<u>Midland</u>	<u>Pumped</u>	<u>MG (S&M)</u>
1991	9,945.24	56.10%	7,782.82	43.90%	17,728.06
1992	9,600.24	56.03%	7,534.92	43.97%	17,135.16
1993	9,831.01	57.31%	7,322.74	42.69%	17,153.75
1994	10,243.89	57.27%	7,643.40	42.73%	17,887.29
1995	10,044.13	55.15%	8,167.64	44.85%	18,211.77
1996	9,918.50	55.94%	7,812.47	44.06%	17,730.97
1997	9,787.32	54.57%	8,147.99	45.43%	17,935.31
1998	9,974.71	54.40%	8,362.50	45.60%	18,337.21
1999	10,009.24	54.74%	8,275.84	45.26%	18,285.08
2000	9,270.59	53.28%	8,127.87	46.72%	17,398.46
2001	9,531.43	52.74%	8,541.14	47.26%	18,072.57
2002	9,480.55	51.99%	8,756.14	48.01%	18,236.69
2003	9,079.48	52.95%	8,068.08	47.05%	17,147.56
2004	8,829.22	50.99%	8,486.82	49.01%	17,316.04
2005	8,456.40	51.41%	7,991.34	48.59%	16,447.74
2006	8,448.97	52.09%	7,772.30	47.91%	16,221.27
2007	8,104.77	50.35%	7,993.44	49.65%	16,098.21
2008	7,419.01	49.81%	7,476.60	50.19%	14,895.61
2009	7,224.34	50.16%	7,178.63	49.84%	14,402.97

% Share of Pumpage as per Ownership Ratio:

53.49%

46.51%

DAILY PUMPING RECORD

	MG to Saginaw		MG to Midland		Recorded Junction Station	
	<u>Avg. Day</u>	<u>Max. Day</u>	<u>Avg. Day</u>	<u>Max. Day</u>	<u>Avg. Day</u>	<u>Max. Day</u>
1949	12.03	17.07	10.22	12.47	22.25	28.49
1950	12.22	17.88	11.34	14.39	23.56	31.50
1951	12.52	19.35	13.51	19.10	26.03	35.30
1952	13.43	23.63	13.00	17.47	26.43	39.70
1953	15.16	23.62	13.12	18.96	28.28	42.33
1954	15.72	26.33	12.77	19.66	28.49	42.29
1955	16.59	25.25	14.05	20.38	30.64	42.54
1956	15.64	22.33	14.78	20.13	30.42	42.11
1957	15.30	23.33	14.37	19.66	29.67	41.60
1958	16.35	23.70	14.26	20.24	30.61	43.94
1959	17.75	28.09	16.25	21.59	34.00	49.68
1960	18.68	27.72	16.20	22.10	34.88	49.44
1961	15.27	25.39	15.71	20.76	30.98	46.15
1962	16.68	24.83	16.56	24.18	33.24	49.41
1963	19.34	28.00	17.44	23.87	36.78	49.70
1964	20.33	28.32	19.07	23.80	39.40	50.55
1965	22.06	28.55	19.42	24.40	41.48	50.70
1966	23.23	28.20	20.04	24.05	43.27	50.27
1967	24.41	36.90	21.22	32.05	45.63	65.90
1968	25.32	37.10	22.85	30.10	48.17	67.20
1969	26.38	39.00	22.55	31.05	48.93	69.60
1970	26.48	44.60	22.62	31.40	49.10	73.60
1971	29.92	43.80	21.98	33.30	51.90	72.70
1972	29.07	43.40	21.72	33.20	50.79	75.80
1973	29.52	46.08	22.94	35.59	52.46	78.71
1974	27.66	47.87	21.65	39.80	49.31	67.72
1975	29.75	45.51	20.16	32.74	49.91	76.33
1976	31.05	45.83	21.86	33.96	52.91	76.24
1977	31.55	44.89	21.94	33.82	53.49	74.96
1978	31.95	46.53	20.91	30.45	52.86	76.51
1979	31.83	46.20	21.10	30.31	52.93	76.51
1980	28.95	43.14	19.19	27.98	47.30	69.74
1981	29.12	43.80	19.62	29.56	48.74	70.15
1982	28.46	45.95	17.89	35.27	46.35	64.58
1983	27.92	43.60	17.63	29.73	45.55	67.23
1984	29.06	44.83	17.90	29.21	46.96	74.04
1985	30.40	47.59	17.95	29.83	48.35	76.23
1986	29.85	40.72	18.53	27.72	48.38	61.38
1987	31.18	46.02	19.39	38.32	50.57	80.27
1988	31.49	51.25	20.18	40.42	51.67	90.39
1989	28.69	45.46	19.88	34.16	48.57	78.04
1990	27.63	40.90	21.86	35.57	49.49	73.22

DAILY PUMPING RECORD

	MG to Saginaw		MG to Midland		Recorded Junction Station	
	<u>Avg. Day</u>	<u>Max. Day</u>	<u>Avg. Day</u>	<u>Max. Day</u>	<u>Avg. Day</u>	<u>Max. Day</u>
1991	27.23	47.21	21.31	37.23	48.54	76.00
1992	26.28	39.28	20.62	36.37	46.89	72.67
1993	26.85	39.78	20.00	32.41	46.85	72.09
1994	28.07	44.11	21.10	33.15	49.01	75.73
1995	27.50	49.30	22.36	39.03	49.87	85.49
1996	27.08	44.75	21.34	36.91	48.42	80.96
1997	26.82	48.92	22.31	40.76	49.13	82.43
1998	27.30	44.35	22.89	40.25	50.19	81.65
1999	27.41	39.67	22.65	37.75	50.06	74.32
2000	25.32	41.94	22.20	37.10	47.52	76.21
2001	26.14	45.14	23.37	40.84	49.45	82.50
2002	25.95	41.76	23.97	38.79	49.92	70.95
2003	24.88	39.00	22.10	37.05	46.98	70.44
2004	24.46	35.39	23.45	37.44	47.90	70.83
2005	23.50	34.88	22.14	41.63	45.65	74.98
2006	23.12	35.67	21.27	42.26	44.39	75.32
2007	22.19	40.48	21.90	42.99	44.09	80.49
2008	20.27	29.04	20.42	38.02	40.69	64.38
2009	19.79	30.14	18.85	37.37	38.64	64.01

Maximum Day pumpage records do not include water pumped from raw water reservoirs at Saginaw and Midland required to meet maximum day's requirements, nor water sold to municipal customers along the raw water pipeline.

MONTHLY AVERAGE

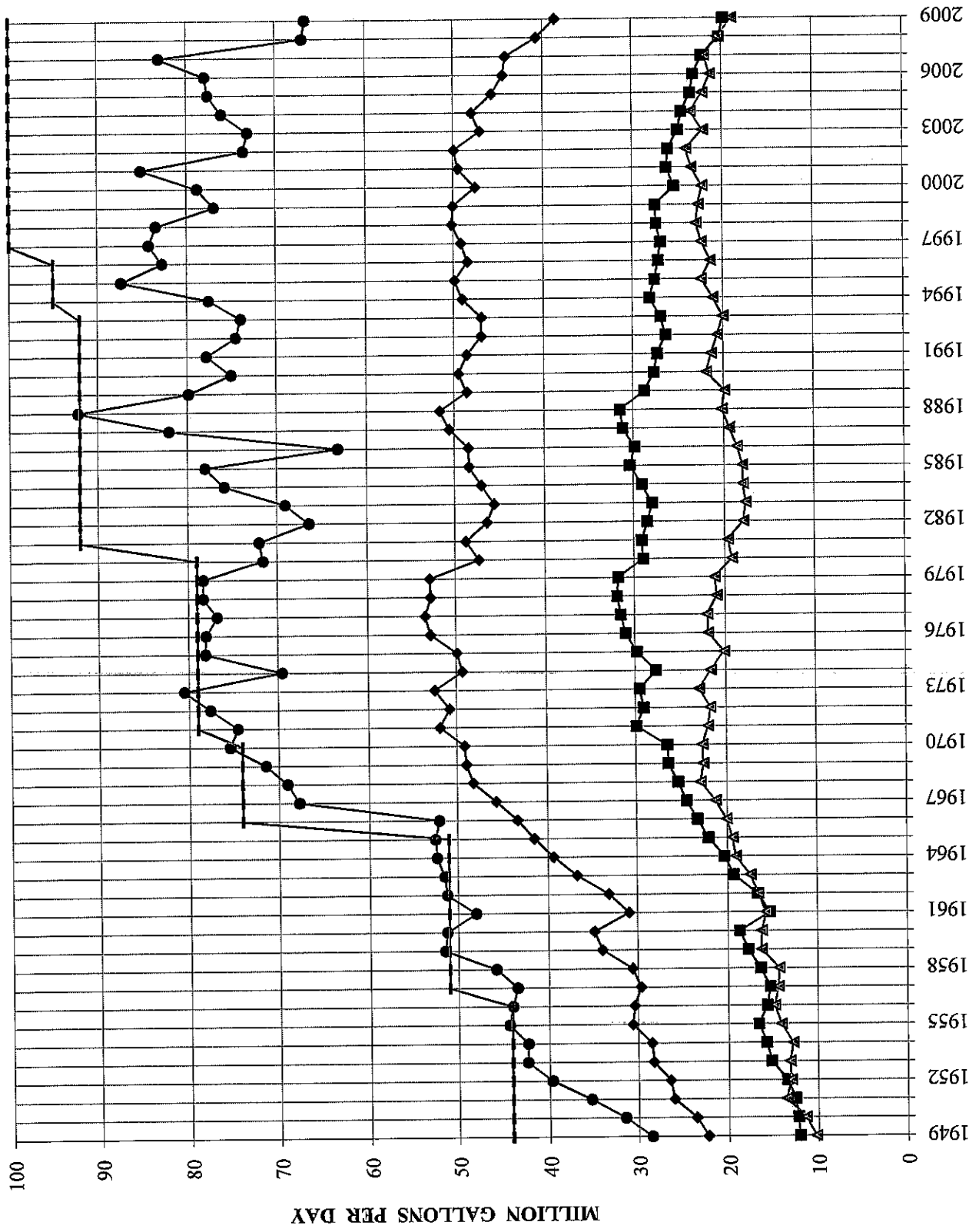
DAILY CONSUMPTION AS METERED AT JUNCTION STATION

CALENDAR YEAR - 2009

	<u>AVERAGE DAILY USE</u>			<u>MAXIMUM DAILY USE</u>		
	<u>Saginaw</u>	<u>Midland</u>	<u>Junction</u>	<u>Saginaw</u>	<u>Midland</u>	<u>Junction</u>
January	17.65	17.76	35.41	19.92	23.20	41.06
February	17.69	16.77	34.47	17.69	16.77	34.47
March	16.72	16.68	33.40	18.52	24.27	41.21
April	18.90	16.42	35.32	27.36	23.41	42.84
May	18.95	18.75	37.70	22.94	26.89	49.83
June	23.71	20.94	44.65	30.14	33.32	63.46
July	23.48	22.32	45.80	28.55	32.40	56.52
August	23.30	22.99	46.29	26.27	32.53	56.71
September	23.84	22.82	46.66	27.72	37.37	64.01
October	18.64	17.29	35.93	22.58	24.49	45.81
November	17.61	16.68	34.28	19.10	23.98	41.89
December	16.98	16.58	33.56	18.85	24.44	41.46

SAGINAW-MIDLAND MUNICIPAL WATER SUPPLY CORPORATION

DAILY PUMPING CHART



SAGINAW AVERAGE
 MIDLAND AVERAGE
 JUNCTION AVERAGE
 MAXIMUM DAY
 SYSTEM CAPACITY

MILLION GALLONS METERED

CALENDAR YEAR - 2009

	<u>Saginaw</u>	<u>Midland</u>	<u>Total Sag & Mid</u>	<u>Wholesale Customers</u>	<u>Metered W.S. Station</u>
January	547.10	550.47	1,097.57	17.07	1,114.64
February	495.39	469.68	965.07	16.15	981.22
March	518.21	517.08	1,035.29	17.17	1,052.46
April	567.05	492.52	1,059.57	16.56	1,076.13
May	587.45	581.20	1,168.65	18.29	1,186.94
June	711.29	628.21	1,339.50	22.17	1,361.67
July	727.74	691.93	1,419.67	23.55	1,443.22
August	722.27	712.57	1,434.84	21.77	1,456.61
September	715.21	684.73	1,399.94	19.28	1,419.22
October	577.95	835.89	1,413.84	14.64	1,428.48
November	528.24	500.30	1,028.54	14.08	1,042.62
December	<u>526.44</u>	<u>514.05</u>	<u>1,040.49</u>	<u>12.43</u>	<u>1,052.92</u>
TOTALS	7,224.34	7,178.63	14,402.97	213.16	14,616.13
Average Day	19.79	18.85	38.64		

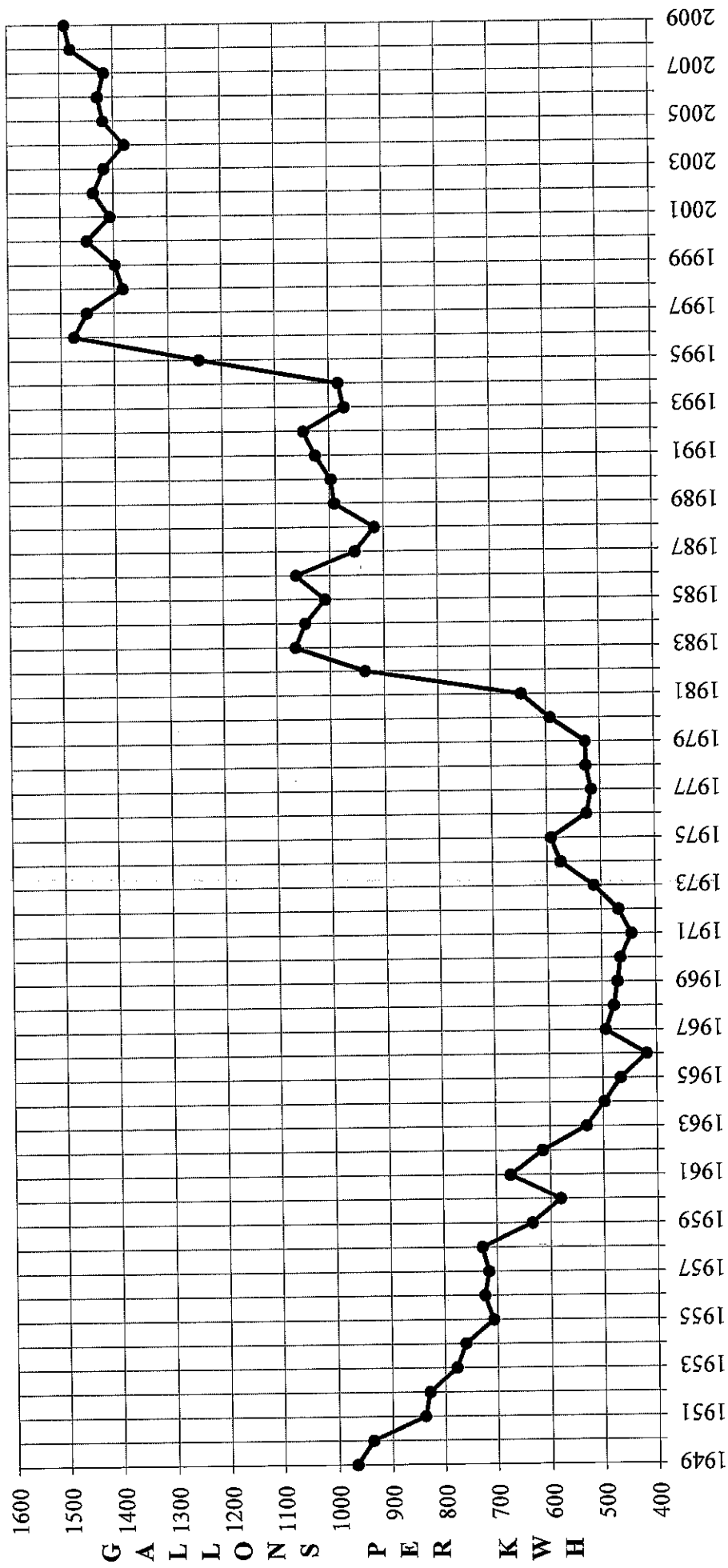
WATER SOLD TO WHOLESALE CUSTOMERS

CALENDAR YEAR - 2009

MILLION GALLONS

	<u>SIMS</u>	<u>LINWOOD</u>	<u>STANDISH</u>	<u>OMER</u>	<u>AUGRES</u>	<u>TOTAL</u>	<u>REVENUE</u>
January	3.640	1.361	8.460	1.055	2.557	17.07	\$13,451.40
February	4.200	1.469	7.520	0.973	1.991	16.153	\$12,761.40
March	4.140	1.687	8.000	1.138	2.203	17.168	\$14,689.31
April	3.410	1.606	8.040	1.079	2.422	16.557	\$13,064.40
May	4.180	1.857	8.400	1.065	2.790	18.292	\$14,365.65
June	5.970	2.407	9.220	1.180	3.389	22.166	\$17,271.15
July	7.750	2.556	8.280	1.208	3.758	23.552	\$18,310.65
August	6.130	2.156	8.310	1.045	4.131	21.772	\$16,975.65
September	5.220	2.192	7.770	0.972	3.122	19.276	\$15,103.65
October	3.380	1.592	6.300	0.954	2.410	14.636	\$11,623.65
November	2.850	1.828	5.700	0.951	2.747	14.076	\$11,203.65
December	<u>2.460</u>	<u>1.611</u>	<u>5.140</u>	<u>1.016</u>	<u>2.204</u>	<u>12.431</u>	<u>\$9,969.90</u>
TOTALS	53.330	22.322	91.140	12.636	33.724	213.160	
Revenue	\$41,357.46	\$18,101.46	\$71,841.62	\$10,836.96	\$26,652.96		\$168,790.46
Cost Per 1,000 Gallons	0.7755	0.8109	0.7883	0.8576	0.7903		0.7918

**ENERGY EFFICIENCY INDEX
GALLONS PER KWH DELIVERED**



SAGINAW-MIDLAND WATER SUPPLY SYSTEM

2009 POWER USE AND COST

	KWH CONSUMED				MG	Power	Cost	Cost
	<u>Whitestone</u>	<u>Junction</u>	<u>Pinconning</u>	<u>TOTAL</u>	<u>Sold</u>	<u>Cost</u>	<u>M.G.</u>	<u>KWH</u>
January	744,000	9,600	19,200	772,800	1,114.64	\$55,072.00	\$49.41	0.07126
February	666,000	14,400	4,800	685,200	981.22	\$48,800.32	\$49.73	0.07122
March	726,000	14,400	4,800	745,200	1,052.46	\$48,193.73	\$45.79	0.06467
April	714,000	9,600	9,600	733,200	1,076.13	\$46,464.75	\$43.18	0.06337
May	756,000	9,600	9,600	775,200	1,186.94	\$42,800.10	\$36.06	0.05521
June	912,000	14,400	0	926,400	1,361.67	\$57,399.85	\$42.15	0.06196
July	966,000	9,600	4,800	980,400	1,443.22	\$68,564.52	\$47.51	0.06994
August	972,000	9,600	0	981,600	1,456.61	\$66,251.62	\$45.48	0.06749
September	966,000	9,600	4,800	980,400	1,419.22	\$55,063.89	\$38.80	0.05616
October	750,000	9,600	4,800	764,400	1,428.48	\$50,795.00	\$35.56	0.06645
November	702,000	14,400	0	716,400	1,042.62	\$42,585.31	\$40.84	0.05944
December	<u>726,000</u>	<u>9,600</u>	<u>14,400</u>	<u>750,000</u>	<u>1,052.92</u>	<u>\$47,159.09</u>	<u>\$44.79</u>	<u>0.06288</u>
TOTAL	9,600,000	134,400	76,800	9,811,200	14,616.13	\$629,150.18	\$43.04	0.06413

**SAGINAW-MIDLAND WATER SUPPLY SYSTEM
POWER USE**

	2006			2007			2008			2009		
	MG <u>SOLD</u>	KWH <u>USED</u>	GALLONS <u>PER KWH</u>	MG <u>SOLD</u>	KWH <u>USED</u>	GALLONS <u>PER KWH</u>	MG <u>SOLD</u>	KWH <u>USED</u>	GALLONS <u>PER KWH</u>	MG <u>SOLD</u>	KWH <u>USED</u>	GALLONS <u>PER KWH</u>
January	1,231	823,200	1372	1,168	804,000	1453	1,154	769,200	1500	1,115	772,800	1442
February	1,091	722,400	1510	1,132	751,200	1507	1,107	728,400	1520	981	685,200	1432
March	1,198	799,200	1499	1,201	799,200	1503	1,184	776,400	1525	1,052	745,200	1412
April	1,218	812,400	1499	1,194	770,400	1550	1,172	757,200	1548	1,076	733,200	1468
May	1,467	1,016,400	1443	1,379	962,400	1433	1,367	896,400	1525	1,187	775,200	1531
June	1,624	1,191,600	1363	1,778	1,442,400	1233	1,442	1,016,400	1419	1,362	926,400	1470
July	1,762	1,353,600	1302	1,692	1,281,600	1320	1,511	1,030,800	1466	1,443	980,400	1472
August	1,760	1,335,600	1318	1,676	1,262,400	1328	1,546	1,107,600	1396	1,457	981,600	1484
September	1,398	945,600	1478	1,470	1,035,600	1419	1,329	896,400	1483	1,419	980,400	1448
October	1,332	908,400	1466	1,349	915,600	1473	1,145	770,400	1486	1,428	764,400	1869
November	1,152	771,600	1493	1,131	740,400	1528	1,072	717,600	1494	1,043	716,400	1455
December	<u>1,216</u>	<u>842,400</u>	<u>1443</u>	<u>1,154</u>	<u>764,400</u>	<u>1510</u>	<u>1,083</u>	<u>752,400</u>	<u>1439</u>	<u>1,053</u>	<u>750,000</u>	<u>1404</u>
TOTALS	16,449	11,522,400	1428	16,324	11,529,600	1416	15,112	10,219,200	1479	14,616	9,811,200	1490

SAGINAW-MIDLAND WATER SUPPLY SYSTEM

Summary of Yearly Power Cost and Use

<u>YEAR</u>	<u>MG SOLD</u>	<u>KWH PURCHASED</u>	<u>NET COST</u>	<u>COST PER KWH</u>	<u>GALLONS PER KWH</u>
1949	8,123	8,409,600	\$75,398.04	0.00897	966
1950	8,598	9,190,400	\$81,486.60	0.00887	936
1951	9,501	11,350,400	\$98,057.25	0.00864	837
1952	9,647	11,644,800	\$106,967.54	0.00919	828
1953	10,322	13,289,800	\$140,286.96	0.01056	777
1954	10,438	13,739,800	\$142,318.04	0.01036	760
1955	11,224	15,892,000	\$159,402.86	0.01004	706
1956	11,148	15,430,600	\$160,111.97	0.01038	722
1957	10,883	15,232,000	\$162,039.86	0.01064	714
1958	11,235	15,462,400	\$165,826.44	0.01072	727
1959	12,482	19,726,000	\$205,477.35	0.01042	633
1960	12,798	22,063,600	\$224,821.29	0.01019	580
1961	11,379	16,928,000	\$178,767.93	0.01056	672
1962	12,197	19,907,000	\$205,819.45	0.01034	613
1963	13,493	25,444,000	\$250,079.63	0.00983	530
1964	14,501	29,206,400	\$288,910.50	0.00989	497
1965	15,219	32,649,600	\$310,883.76	0.00952	466
1966	15,879	38,032,400	\$360,103.91	0.00947	418
1967	16,751	33,996,200	\$320,504.18	0.00943	493
1968	17,785	37,238,400	\$347,399.14	0.00933	478
1969	18,016	38,296,000	\$365,488.45	0.00954	470
1970	18,087	38,945,400	\$386,161.17	0.00992	464
1971	19,146	43,174,800	\$479,595.67	0.01111	443
1972	18,804	40,215,600	\$455,906.14	0.01134	468
1973	19,374	37,794,000	\$448,242.56	0.01186	513
1974	18,227	31,755,600	\$444,519.47	0.01401	574
1975	18,441	31,193,200	\$623,923.99	0.02001	591
1976	19,601	37,341,600	\$891,548.20	0.02387	525
1977	19,780	38,347,600	\$1,094,954.19	0.02855	516
1978	19,524	37,151,200	\$1,286,989.42	0.03464	526
1979	19,538	37,135,000	\$1,180,054.23	0.03177	526
1980	17,799	30,127,200	\$1,102,649.17	0.03659	591
1981	17,960	27,938,500	\$1,251,148.45	0.04478	643
1982	17,100	18,283,202	\$794,159.73	0.04344	935
1983	16,900	15,891,600	\$675,719.31	0.04252	1063
1984	17,393	16,641,552	\$722,863.87	0.04343	1045
1985	17,837	17,694,000	\$731,644.64	0.04134	1008
1986	17,837	16,795,200	\$763,875.76	0.04548	1062
1987	18,659	19,573,200	\$855,530.83	0.04371	953
1988	19,042	20,763,600	\$998,289.87	0.04808	917

SAGINAW-MIDLAND WATER SUPPLY SYSTEM

Summary of Yearly Power Cost and Use

<u>YEAR</u>	<u>MG SOLD</u>	<u>KWH PURCHASED</u>	<u>NET COST</u>	<u>COST PER KWH</u>	<u>GALLONS PER KWH</u>
1989	17,910	18,088,800	\$810,021.81	0.04478	990
1990	18,263	18,331,200	\$870,285.61	0.04748	996
1991	17,936	17,498,400	\$831,267.52	0.04751	1025
1992	17,331	16,558,200	\$707,967.94	0.04276	1047
1993	16,449	16,932,400	\$760,371.79	0.04491	971
1994	18,139	18,473,000	\$890,122.83	0.04819	982
1995	18,462	14,873,400	\$823,043.64	0.05534	1241
1996	17,948	12,174,000	\$703,660.41	0.05780	1474
1997	18,148	12,516,800	\$663,877.11	0.05304	1450
1998	18,570	13,434,000	\$704,138.84	0.05241	1382
1999	18,509	13,249,200	\$699,687.30	0.05241	1397
2000	17,632	12,169,200	\$651,683.36	0.05355	1449
2001	18,321	13,034,400	\$716,026.50	0.05493	1406
2002	18,480	12,866,400	\$684,262.05	0.05318	1436
2003	17,379	12,267,600	\$627,819.76	0.05118	1417
2004	17,539	12,723,600	\$678,866.86	0.05335	1378
2005	16,677	11,758,800	\$609,240.22	0.05181	1418
2006	16,449	11,522,400	\$654,882.16	0.05684	1428
2007	16,325	11,529,600	\$734,850.26	0.06374	1416
2008	15,112	10,219,200	\$653,146.66	0.06391	1479
2009	14,616	9,811,200	\$629,150.18	0.06413	1490

Saginaw-Midland Municipal Water Supply Corporation

HOURS OF OPERATION

2009

Whitestone Station Pump Number	7		6	1	2,5	3	3	4
	#1	#2	#3	#4	#5	#6	#7	#8
1948-2008	234,634	248,219	195,875	47,148	68,138	41,365	59,212	19,037
January	0	709	709	0	0	0	35	0
February	0	672	672	0	0	0	0	0
March	687	744	57	0	0	0	0	0
April	465	624	351	0	0	0	0	0
May	202	744	513	0	0	0	29	0
June	525	402	26	0	0	110	108	109
July	373	81	0	0	0	168	429	66
August	110	0	0	0	0	278	296	170
September	77	63	34	0	0	191	228	238
October	744	720	0	0	0	0	24	0
November	624	393	423	0	0	0	744	0
December	741	289	452	0	0	3	0	0
Total to Date	239,182	253,660	199,112	47,148	68,138	42,115	61,105	19,620

Pinconning Station Pump Number	#1	#2	#3	#4	#5**
	1948-2008	63,375	55,650	65,502	101,020
January	0	0	0	0	0
February	0	0	0	0	0
March	0	0	0	0	0
April	0	0	0	0	0
May	0	0	0	0	0
June	0	0	0	0	0
July	0	0	0	0	0
August	0	0	0	0	0
September	0	0	0	0	0
October	0	0	0	0	0
November	0	0	0	0	0
December	0	0	0	0	0
Total to Date	63,375	55,650	65,502	101,020	31,422

Junction Station Pump Number	#1	#2	#3	#4
	1948-2008	5,472	19,623	26,125
January	0	0	0	0
February	0	0	0	0
March	0	0	0	0
April	0	0	0	0
May	0	0	0	0
June	0	0	0	0
July	0	0	0	0
August	0	0	0	0
September	0	0	0	0
October	0	0	0	0
November	0	0	0	0
December	0	0	0	0
Total to Date	5,472	19,623	26,125	22,529

¹ New #1 pump at Junction & #4 pump at Whitestone put in service 3-1-57 & 4-1-67

² New #5 pumps at Whitestone & Pinconning put into service 5-1-67

³ New #6 & #7 pumps at Whitestone put into service on 3-29-82

⁴ New #8 pump at Whitestone put into service on 5-17-95

⁵ Pump #5 at Whitestone rebuilt - put into service on 11-19-03

⁶ Pump #3 at Whitestone - motor rebuilt and placed into service on 11-22-06

⁷ Pump #1 at Whitestone - motor rebuilt and placed into service on 08-28-08

FINANCIAL DATA

Saginaw-Midland Municipal Water Supply Corporation

BALANCE SHEET

December 31, 2009

	Operating Fund	Other Funding	Plant & Equipment	Bond	Combined
<u>ASSETS</u>					
Cash on Hand	\$100.00				\$100.00
Cash in Bank	(\$28,766.19)	\$343,680.74	\$235,432.56		\$550,347.11
Cash Investments - Restricted		\$1,370,000.00			\$1,370,000.00
Retiree Health Benefits Trust	\$358,704.31				\$358,704.31
Accounts Receivable - Saginaw	\$94,019.81	\$2,782.71		(\$498,327.18)	(\$401,524.66)
Accounts Receivable - Midland	\$82,808.19	\$2,419.74		(\$433,329.70)	(\$348,101.77)
Accounts Receivable - Others	\$9,969.90				\$9,969.90
Inventory	\$82,247.51				\$82,247.51
Fixed Systems	\$57,126,525.03		\$2,489,126.03		\$59,615,651.06
Furniture and Fixtures	\$14,925.07				\$14,925.07
Machinery and Equipment	\$490,203.14				\$490,203.14
Vehicles	\$91,065.20				\$91,065.20
Accumulated Depreciation	(\$25,191,585.44)		(\$366,436.66)		(\$25,558,022.10)
Prepaid Expenses	\$55,681.07				\$55,681.07
Deferred Bond Issue Cost- 1998	\$12,452.12			(\$6,131.54)	\$6,320.58
Deferred Bond Issue Cost- 2002	\$93,035.25			(\$5,814.69)	\$87,220.56
Deferred Bond Issue Cost- 2006	\$36,671.05			(\$1,666.87)	\$35,004.18
Deferred Bond Issue Cost- 2009	\$165,303.56			(\$10,331.49)	\$154,972.07
TOTAL ASSETS	\$33,493,359.58	\$1,718,883.19	\$2,358,121.93	(\$955,601.47)	\$36,614,763.23

<u>LIABILITIES AND EQUITY</u>					
Employee Flexible Spending Plan	(\$0.06)				(\$0.06)
Accrued Vacation & Sick Time	\$234,825.69				\$234,825.69
Retiree Health Benefit Trust	\$358,704.31				\$358,704.31
Accrued Power	\$46,503.97				\$46,503.97
Accrued Pension - MERS	\$6,822.03				\$6,822.03
Bonds Payable - 1998	\$1,235,000.00			(\$1,235,000.00)	\$0.00
Bonds Discount - 1998	(\$3,700.04)			\$1,850.00	(\$1,850.04)
Bonds Payable - 2002	\$8,950,000.00			(\$435,000.00)	\$8,515,000.00
Bonds Premium - 2002	\$228,768.56			(\$14,298.01)	\$214,470.55
Deferred Escrow Loss - 2002	(\$302,564.39)			\$18,910.28	(\$283,654.11)
Bonds Payable - 2006	\$2,390,000.00			(\$95,000.00)	\$2,295,000.00
Bonds Discount - 2006	(\$13,277.46)			\$603.50	(\$12,673.96)
Bonds Payable - 2009	\$5,910,000.00			(\$43,653.06)	\$5,866,346.94
Bond Premium - 2009	\$69,008.09			(\$4,313.03)	\$64,695.06
Deferred Escrow Loss - 2009	(\$129,305.85)			\$6,734.70	(\$122,571.15)
Cash Equity - Saginaw	\$112,325.58				\$112,325.58
Cash Equity - Midland	\$97,674.42				\$97,674.42
Fund Equity - Saginaw	\$7,650,214.39	\$919,376.98	\$1,459,645.99		\$10,029,237.36
Fund Equity - Midland	\$6,652,360.34	\$799,506.21	\$1,269,257.40		\$8,721,123.95
YTD Excess Revenue over Expenses			(\$370,781.46)	\$843,564.15	\$472,782.69
TOTAL LIABILITIES AND EQUITY	\$33,493,359.58	\$1,718,883.19	\$2,358,121.93	(\$955,601.47)	\$36,614,763.23

**STATEMENT OF INCOME AND EXPENSES
OPERATING AND OTHER FUNDS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
INCOME				
Water Sales-City of Saginaw	\$1,083,427.68	\$1,106,513.22	\$1,093,189.38	\$1,079,491.25
Water Sales-City of Midland	\$994,842.03	\$1,084,610.54	\$1,096,222.33	\$1,024,555.99
Water Sales-Others	\$167,990.50	\$169,852.45	\$169,831.05	\$167,623.80
Other Income	\$2,540.32	\$5,897.67	\$1,567.93	\$942.53
Interest Income	\$10,994.62	\$12,000.01	\$4,738.27	\$2,222.56
TOTAL INCOME	\$2,259,795.15	\$2,378,873.89	\$2,365,548.96	\$2,274,836.13
EXPENSES				
Wages - Production	\$308,200.33	\$316,041.67	\$330,515.65	\$289,336.68
Wages-Officers/Administration	\$138,365.14	\$143,822.57	\$149,064.58	\$149,649.26
Wages - Maint. & Distribution	\$254,698.53	\$265,073.32	\$270,104.76	\$284,956.99
Board Expense	\$779.52	\$758.08	\$980.56	\$199.44
Social Security	\$52,227.38	\$54,415.58	\$56,639.98	\$54,616.54
Pension Expense - MERS	\$76,105.43	\$134,808.84	\$171,421.79	\$163,637.30
Regulatory Compliance	\$13,826.87	\$4,583.95	\$8,559.62	\$5,470.29
Health & Safety	\$3,420.32	\$5,456.81	\$3,108.04	\$5,366.91
Energy - Electrical	\$654,882.16	\$734,850.26	\$653,146.66	\$629,150.18
Energy - Natural Gas	\$15,649.87	\$12,897.46	\$14,099.65	\$13,341.17
Communications	\$11,897.64	\$10,531.37	\$10,451.50	\$11,026.11
Data Link	\$5,806.82	\$6,497.48	\$6,294.34	\$7,960.96
Purchased Water - W.S.	\$296.95	\$313.94	\$262.08	\$277.48
Repairs & Maintenance	\$43,913.94	\$37,634.93	\$35,429.50	\$44,930.31
Imp & Emerg. Repair Fund	\$162,212.70	\$119,208.15	\$74,478.05	\$70,514.85
Water Treatment Supplies	\$53,990.00	\$48,220.00	\$44,090.00	\$41,521.00
Plant Maintenance Supplies	\$6,886.35	\$5,676.28	\$6,570.36	\$6,764.23
Office Expense	\$5,416.23	\$4,096.80	\$8,651.62	\$3,655.32
Insurance - Business	\$57,198.62	\$59,729.52	\$53,953.29	\$60,243.74
Insurance - Health Care	\$245,140.56	\$152,303.19	\$154,194.99	\$158,902.04
Retirement Health Care Benefit	\$106,341.86	\$189,081.38	\$184,403.12	\$209,672.16
Insurance - Misc. Employee			\$18,700.13	\$19,617.50
Professional Fees	\$13,440.08	\$12,339.50	\$29,056.58	\$11,148.61
Right-of-Way	\$9,702.28	\$10,377.46	\$21,472.59	\$11,095.13
Equipment Purchases	(\$1,625.01)	\$24,844.83	\$33,312.78	\$0.00
Vehicle Operating Expense	\$13,029.97	\$15,108.69	\$16,709.56	\$11,543.05
Travel & Auto Allowance	\$1,009.31	\$1,758.60	\$3,500.62	\$4,101.66
Research & Development	\$6,981.30	\$8,443.23	\$6,376.56	\$6,137.22
Contingencies	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL EXPENSES	\$2,259,795.15	\$2,378,873.89	\$2,365,548.96	\$2,274,836.13

Corporation Bonds

2009

INTEREST AND AMORTIZATION

Interest and Amortization costs of the jointly owned Systems are shown as expense and credit items on the monthly bills to Saginaw and Midland, since the Cities each pay their ownership share of such costs. Amounts involved are as follows:

1998R Bond Issue (\$13,920,000) - Interest and Amortization Costs Payable over 20 Years

	<u>Saginaw Share</u>	<u>Midland Share</u>	<u>Total</u>
Total Bond Issue	\$11,420,908.40	\$9,931,224.71	\$21,352,133.11
Payments: 1998-2008	\$6,849,752.01	\$5,956,306.10	\$12,806,058.11
Refinance Bonds (2009 Bonds)	\$3,817,197.66	\$3,319,302.33	\$7,136,500.00
2009	<u>\$753,958.72</u>	<u>\$655,616.28</u>	<u>\$1,409,575.00</u>
Balance of 1998R Bond Issue	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

2002R Bond Issue (\$11,180,000) - Interest and Amortization Costs Payable over 14 Years

	<u>Saginaw Share</u>	<u>Midland Share</u>	<u>Total</u>
Total Bond Issue	\$8,536,065.15	\$7,422,665.35	\$15,958,730.50
Payments: 2003-2008	\$2,568,581.43	\$2,233,549.07	\$4,802,130.50
2009	<u>\$454,751.46</u>	<u>\$395,436.04</u>	<u>\$850,187.50</u>
Balance of 2002R Bond Issue	<u>\$5,512,732.26</u>	<u>\$4,793,680.24</u>	<u>\$10,306,412.50</u>

2006 Bond Issue (\$2,665,000) - Interest and Amortization Costs Payable over 15 Years

	<u>Saginaw Share</u>	<u>Midland Share</u>	<u>Total</u>
Total Bond Issue	\$2,017,166.22	\$1,754,057.59	\$3,771,223.81
Payments: 2006-2008	\$281,143.61	\$244,472.70	\$525,616.31
2009	<u>\$104,291.63</u>	<u>\$90,688.37</u>	<u>\$194,980.00</u>
Balance of 2006 Bond Issue	<u>\$1,631,730.98</u>	<u>\$1,418,896.52</u>	<u>\$3,050,627.50</u>

2009R Bond Issue (\$5,910,000) - Interest and Amortization Costs Payable over 8 Years

	<u>Saginaw Share</u>	<u>Midland Share</u>	<u>Total</u>
Total Bond Issue	\$3,607,330.18	\$3,136,808.85	\$6,744,139.03
Payments: 2009	<u>\$79,944.54</u>	<u>\$69,516.99</u>	<u>\$149,461.53</u>
Balance of 2009 Bond Issue	<u>\$3,527,385.64</u>	<u>\$3,067,291.86</u>	<u>\$6,594,677.50</u>

**Saginaw-Midland Municipal Water Supply Corporation
Bond Payment Schedules**

Pay Date	2002R				2006				2009R				Annual Payments					
	Bond		Midland		Bond		Midland		Bond		Midland		Combined		Saginaw		Midland	
	Payment	Saginaw	Payment	Midland	Payment	Saginaw	Payment	Midland	Payment	Saginaw	Payment	Midland	Payment	Midland	2010	2011	2012	2013
3/1/2010	\$200,525.00	\$107,257.56	\$93,267.44	\$47,971.25	\$25,659.04	\$22,312.21	\$88,018.75	\$47,079.80	\$40,938.95	\$40,938.95	\$40,938.95	\$40,938.95	\$40,938.95	\$1,378,946.28				
9/1/2010	\$1,140,525.00	\$610,048.26	\$530,476.74	\$152,971.25	\$81,821.83	\$71,149.42	\$948,018.75	\$507,079.80	\$440,938.95	\$440,938.95	\$440,938.95	\$440,938.95	\$440,938.95	\$1,199,083.72				
3/1/2011	\$184,075.00	\$98,458.72	\$85,616.28	\$45,740.00	\$24,465.58	\$21,274.42	\$75,118.75	\$40,179.80	\$34,938.95	\$34,938.95	\$34,938.95	\$34,938.95	\$34,938.95					
9/1/2011	\$1,244,075.00	\$665,435.46	\$578,639.54	\$130,740.00	\$69,930.70	\$60,809.30	\$910,118.75	\$486,807.70	\$423,311.05	\$423,311.05	\$423,311.05	\$423,311.05	\$423,311.05	\$1,204,589.54				
3/1/2012	\$157,575.00	\$84,284.30	\$73,290.70	\$43,933.75	\$23,499.45	\$20,434.30	\$62,593.75	\$33,480.38	\$29,113.37	\$29,113.37	\$29,113.37	\$29,113.37	\$29,113.37					
9/1/2012	\$1,312,575.00	\$702,075.00	\$610,500.00	\$123,933.75	\$66,290.15	\$57,643.60	\$877,593.75	\$469,410.61	\$408,183.14	\$408,183.14	\$408,183.14	\$408,183.14	\$408,183.14	\$1,199,165.11				
3/1/2013	\$134,475.00	\$71,928.49	\$62,546.51	\$42,233.75	\$22,590.15	\$19,643.60	\$50,368.75	\$26,941.42	\$23,427.33	\$23,427.33	\$23,427.33	\$23,427.33	\$23,427.33					
9/1/2013	\$1,379,475.00	\$737,838.72	\$641,616.28	\$137,233.75	\$73,404.10	\$63,829.65	\$850,368.75	\$454,848.40	\$395,520.35	\$395,520.35	\$395,520.35	\$395,520.35	\$395,520.35	\$1,206,583.72				
3/1/2014	\$108,018.75	\$57,777.47	\$50,241.28	\$40,215.00	\$21,510.35	\$18,704.65	\$40,768.75	\$21,806.54	\$18,962.21	\$18,962.21	\$18,962.21	\$18,962.21	\$18,962.21					
9/1/2014	\$1,418,018.75	\$758,475.15	\$659,543.60	\$145,215.00	\$77,673.14	\$67,541.86	\$855,768.75	\$457,736.77	\$398,031.98	\$398,031.98	\$398,031.98	\$398,031.98	\$398,031.98	\$1,213,025.58				
3/1/2015	\$73,631.25	\$39,384.16	\$34,247.09	\$38,062.50	\$20,359.01	\$17,703.49	\$29,970.00	\$16,030.47	\$13,939.53	\$13,939.53	\$13,939.53	\$13,939.53	\$13,939.53					
9/1/2015	\$1,453,631.25	\$777,523.69	\$676,107.56	\$148,062.50	\$79,196.22	\$68,866.28	\$869,970.00	\$465,332.79	\$404,637.21	\$404,637.21	\$404,637.21	\$404,637.21	\$404,637.21	\$1,215,501.17				
3/1/2016	\$37,406.25	\$20,007.99	\$17,398.26	\$35,807.50	\$19,152.85	\$16,654.65	\$18,000.00	\$9,627.91	\$8,372.09	\$8,372.09	\$8,372.09	\$8,372.09	\$8,372.09					
9/1/2016	\$1,462,406.25	\$782,217.29	\$680,188.96	\$150,807.50	\$80,664.48	\$70,143.02	\$918,000.00	\$491,023.26	\$426,976.75	\$426,976.75	\$426,976.75	\$426,976.75	\$426,976.75	\$1,219,733.72				
3/1/2017				\$33,450.00	\$17,891.86	\$15,558.14												
9/1/2017				\$433,450.00	\$231,845.35	\$201,604.65								\$466,900.00	\$249,737.21	\$217,162.79		
3/1/2018				\$25,200.00	\$13,479.07	\$11,720.93								\$450,400.00	\$240,911.63	\$209,488.37		
9/1/2018				\$425,200.00	\$227,432.56	\$197,767.44								\$433,600.00	\$231,925.58	\$201,674.42		
3/1/2019				\$16,800.00	\$8,986.05	\$7,813.95								\$416,800.00	\$222,939.53	\$193,860.47		
9/1/2019				\$416,800.00	\$222,939.53	\$193,860.47								\$416,800.00	\$222,939.53	\$193,860.47		
3/1/2020				\$8,400.00	\$4,493.02	\$3,906.98								\$416,800.00	\$222,939.53	\$193,860.47		
9/1/2020				\$408,400.00	\$218,446.51	\$189,953.49								\$416,800.00	\$222,939.53	\$193,860.47		
				\$3,050,627.50	\$1,631,730.99	\$1,418,896.51								\$6,594,677.50	\$3,527,385.64	\$3,067,291.87		
				\$10,306,412.50	\$5,512,732.26	\$4,793,680.24								\$19,951,717.50	\$10,671,848.89	\$9,279,868.60		

OPERATING EXPENSES

Calendar Year - 2009

	<u>Salaries</u> <u>Labor & Fees</u>	<u>Power</u>	<u>Other</u> <u>Funding</u>	<u>Other</u> <u>Expenses</u>	<u>Less</u> <u>Misc. Income</u>	<u>Int. & Amort.</u> <u>Absorbed</u>	<u>Total</u>
January	\$52,770.55	\$55,072.00	\$5,487.85	\$67,315.27	(13,752.91)	\$215,192.58	\$382,085.34
February	\$52,970.53	\$48,800.32	\$4,825.35	\$63,064.51	(12,934.46)	\$215,192.58	\$371,918.83
March	\$53,800.54	\$48,193.73	\$5,176.45	\$52,021.61	(14,224.95)	\$215,192.58	\$360,159.96
April	\$51,250.48	\$46,464.75	\$5,297.85	\$75,408.08	(13,516.52)	\$215,192.58	\$380,097.22
May	\$79,730.99	\$42,800.10	\$5,843.25	\$80,000.05	(14,540.48)	\$215,192.58	\$409,026.49
June	\$53,193.16	\$57,399.85	\$6,697.50	\$80,733.78	(17,455.19)	\$215,192.58	\$395,761.68
July	\$80,354.66	\$68,564.52	\$7,098.35	\$69,351.71	(18,469.65)	\$211,362.31	\$418,261.90
August	\$55,939.85	\$66,251.62	\$7,174.20	\$79,394.67	(17,187.18)	\$211,362.31	\$402,935.47
September	\$53,448.38	\$55,063.89	\$6,999.70	\$68,958.66	(15,474.29)	\$211,362.31	\$380,358.65
October	\$80,342.80	\$50,795.00	\$5,569.20	\$75,727.29	(11,754.03)	\$211,362.31	\$412,042.57
November	\$52,127.13	\$42,585.31	\$5,142.70	\$66,746.91	(11,428.56)	\$211,362.31	\$366,535.80
December	\$58,213.30	\$47,159.09	\$5,202.45	\$72,306.19	(10,050.67)	\$211,362.31	\$384,192.67
TOTALS	\$724,142.37	\$629,150.18	\$70,514.85	\$851,028.73	(170,788.89)	\$2,559,329.34	\$4,663,376.58

Cost per 1,000 Gal.

2009	0.04954	0.04304	0.00482	0.05823	-0.01168	0.17510	0.31905
2008	0.04967	0.04322	0.00493	0.05871	-0.01166	0.17081	0.31568

IMPROVEMENT AND EMERGENCY REPAIR FUND

For the year ending December 31, 2009

<u>INCOME</u>	<u>City of Saginaw</u>	<u>City of Midland</u>	<u>Combined</u>
@ .005 per 1,000 Gallons Effective 07-01-07	\$37,717.24	\$32,797.61	\$70,514.85
Interest on Investments	<u>\$12,963.80</u>	<u>\$11,272.86</u>	<u>\$24,236.66</u>
TOTAL INCOME	\$50,681.04	\$44,070.47	\$94,751.51
<u>WITHDRAWALS</u>			
Hydraulic Study	\$33,803.08	\$29,393.99	\$63,197.07
SCADA to Ethernet Project	\$1,146.79	\$997.21	\$2,144.00
Whitestone Pump Rebuild	\$1,123.26	\$976.74	\$2,100.00
Three Mile Road - Emergency Repair	<u>\$1,553.04</u>	<u>\$1,350.46</u>	<u>\$2,903.50</u>
TOTAL WITHDRAWALS	\$37,626.17	\$32,718.40	\$70,344.57
Balance December 31, 2008	\$906,322.11	\$788,154.14	\$1,694,476.25
Balance December 31, 2009	\$919,376.98	\$799,506.21	\$1,718,883.19