

**CITY OF MIDLAND**  
**DATA PROCESSING - COMPUTER RENTAL FUND**  
**FIVE-YEAR FINANCIAL PLAN**

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
<b>Operating Revenues</b>						
Computer rental	\$ 211,525	\$ -	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000
<b>Operating Expenses</b>						
Supplies	8,933	10,000	10,300	10,609	10,927	11,255
Other charges	109,500	106,100	109,283	112,561	115,938	119,416
Total operating expenses	118,433	116,100	119,583	123,170	126,865	130,671
Net operating income	93,092	(116,100)	55,417	51,830	48,135	44,329
<b>Non-operating Revenue (Expenses)</b>						
Investment earnings	5,977	13,000	9,949	11,605	10,083	9,576
Miscellaneous revenue	500	500	500	500	500	500
Total non-operating revenues (expenses)	6,477	13,500	10,449	12,105	10,583	10,076
<b>Other Financing Sources (Uses)</b>						
Investment in assets	(46,368)	(50,000)	(60,000)	(130,000)	(70,000)	(50,000)
Total other financing sources (uses)	(46,368)	(50,000)	(60,000)	(130,000)	(70,000)	(50,000)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	53,201	(152,600)	5,866	(66,065)	(11,282)	4,405
<b>Working Capital - beginning of year</b>	383,669	436,870	284,270	290,136	224,071	212,789
<b>Working Capital - end of year</b>	<u>\$ 436,870</u>	<u>\$ 284,270</u>	<u>\$ 290,136</u>	<u>\$ 224,071</u>	<u>\$ 212,789</u>	<u>\$ 217,194</u>

**ASSUMPTIONS:**

Working capital goal	\$ 200,000
Computer rental rates	
2005-06	\$ -
2006-07 thereafter	175,000
Operating expense increase per year	3%
Investment earnings on working capital:	
2005-06	3.00%
2006-07	3.50%
2007-08	4.00%
2008-09	4.50%
2009-10	4.50%

Investment in assets: five-year capital plan

Computers are on a four-year replacement schedule