

CITY OF MIDLAND
RIVERSIDE PLACE FUND
FIVE-YEAR FINANCIAL PLAN

| | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
|--|------------|------------|--------------|--------------|--------------|--------------|
| Operating Revenues | | | | | | |
| Apartment rentals | \$ 966,516 | \$ 972,000 | \$ 1,020,600 | \$ 1,071,630 | \$ 1,125,212 | \$ 1,181,473 |
| Other rentals | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| Total operating revenues | 972,516 | 978,000 | 1,026,600 | 1,077,630 | 1,131,212 | 1,187,473 |
| Operating Expenses | | | | | | |
| Personal services | 397,449 | 429,505 | 442,390 | 455,662 | 469,332 | 483,412 |
| Supplies | 28,380 | 28,880 | 29,746 | 30,638 | 31,557 | 32,504 |
| Other charges | 540,728 | 537,665 | 533,195 | 549,191 | 565,667 | 582,637 |
| Reserve for contingencies | - | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Total operating expenses | 966,557 | 1,006,050 | 1,015,331 | 1,045,491 | 1,076,556 | 1,108,553 |
| Net operating income (loss) | 5,959 | (28,050) | 11,269 | 32,139 | 54,656 | 78,920 |
| Non-operating Revenues (Expenses) | | | | | | |
| Food services | (71,000) | (76,000) | (76,000) | (76,000) | (76,000) | (76,000) |
| Supportive living | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 |
| Investment earnings | 12,500 | 13,200 | 18,369 | 18,518 | 19,017 | 17,696 |
| Miscellaneous revenue (expense) | 15,117 | (16,000) | (15,520) | (15,026) | (14,517) | 2,007 |
| Total non-operating revenues (expenses) | (8,383) | (43,800) | (38,151) | (37,508) | (36,500) | (21,297) |
| Other Financing Sources (Uses) | | | | | | |
| Operating transfer out - Washington Woods | - | (10,000) | (10,000) | (10,000) | (10,000) | (10,000) |
| Investment in assets | (26,630) | (25,000) | (25,000) | (25,000) | (37,500) | (37,500) |
| Total other financing sources (uses) | (26,630) | (35,000) | (35,000) | (35,000) | (47,500) | (47,500) |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | (29,054) | (106,850) | (61,882) | (40,369) | (29,344) | 10,123 |
| Working Capital - beginning of year | 660,746 | 631,692 | 524,842 | 462,960 | 422,591 | 393,247 |
| Working Capital - end of year | \$ 631,692 | \$ 524,842 | \$ 462,960 | \$ 422,591 | \$ 393,247 | \$ 403,370 |

ASSUMPTIONS:

| | |
|---|------------|
| Working capital goal | \$ 400,000 |
| Revenues increase: | |
| 2005-06 to 2009-10 | 5% |
| 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