

**CITY OF MIDLAND**  
**EQUIPMENT REVOLVING FUND**  
**TEN-YEAR FINANCIAL PLAN**

	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
<b>Operating Revenues</b>				
Equipment rental - operations	\$ 2,786,678	\$ 3,009,952	\$ 3,280,848	\$ 3,576,124
Gas and oil sales	58,481	50,000	51,500	53,045
Equipment maintenance	150,000	150,000	154,500	159,135
Total operating revenues	<u>2,995,159</u>	<u>3,209,952</u>	<u>3,486,848</u>	<u>3,788,304</u>
<b>Operating Expenses</b>				
Personal services	1,071,438	1,082,997	1,152,979	1,187,568
Supplies	619,792	613,580	631,987	650,947
Other services and charges	512,340	500,932	515,960	531,439
Reserve for contingencies	15,000	25,000	25,000	25,000
Total operating expenses	<u>2,218,570</u>	<u>2,222,509</u>	<u>2,325,926</u>	<u>2,394,954</u>
Net operating income	<u>776,589</u>	<u>987,443</u>	<u>1,160,922</u>	<u>1,393,350</u>
<b>Non-operating Revenues (Expenses)</b>				
Investment earnings	90,850	88,761	93,704	80,433
Sale of assets	133,298	87,400	87,400	87,400
Miscellaneous revenue	26,587	-	-	-
Miscellaneous expense	(294,198)	(320,816)	(330,440)	(340,353)
Total non-operating revenues (expenses)	<u>(43,463)</u>	<u>(144,655)</u>	<u>(149,336)</u>	<u>(172,520)</u>
<b>Other Financing Sources (Uses)</b>				
Loan proceeds	-	-	1,000,000	-
Loan payments	-	-	-	(200,000)
Investment in assets	(1,095,065)	(979,500)	(2,306,500)	(1,491,500)
Total other financing sources (uses)	<u>(1,095,065)</u>	<u>(979,500)</u>	<u>(1,306,500)</u>	<u>(1,691,500)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(361,939)	(136,712)	(294,914)	(470,670)
<b>Working Capital - beginning of year</b>	<u>2,580,965</u>	<u>2,219,026</u>	<u>2,082,314</u>	<u>1,787,400</u>
<b>Working Capital - end of Year</b>	<u>\$ 2,219,026</u>	<u>\$ 2,082,314</u>	<u>\$ 1,787,400</u>	<u>\$ 1,316,730</u>
<b>Assumptions:</b>				
Working capital goal - operations	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Working capital for investment in assets	2,169,026	2,032,314	1,737,400	1,266,730
	<u>\$ 2,219,026</u>	<u>\$ 2,082,314</u>	<u>\$ 1,787,400</u>	<u>\$ 1,316,730</u>

Rental rate increases:

2006/07	8%
2007/08	9%
2008/09	9%
2009/10	9%
2010/11	8%
2011/12	7%
2012/13 thereafter	0%

Operating expense increase per year	3%
Investment earnings on working capital	4.50%

Investment in assets: ten-year capital plan

2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
\$ 3,897,975	\$ 4,209,813	\$ 4,504,500	\$ 4,504,500	\$ 4,504,500	\$ 4,504,500	\$ 4,504,500
54,636	56,275	57,963	59,702	61,493	63,338	65,238
163,909	168,826	173,891	179,108	184,481	190,015	195,715
<u>4,116,520</u>	<u>4,434,914</u>	<u>4,736,354</u>	<u>4,743,310</u>	<u>4,750,474</u>	<u>4,757,853</u>	<u>4,765,453</u>
1,223,195	1,259,891	1,297,688	1,336,619	1,376,718	1,418,020	1,460,561
670,475	690,589	711,307	732,646	754,625	777,264	800,582
547,382	563,803	580,717	598,139	616,083	634,565	653,602
25,000	25,000	25,000	25,000	25,000	25,000	25,000
<u>2,466,052</u>	<u>2,539,283</u>	<u>2,614,712</u>	<u>2,692,404</u>	<u>2,772,426</u>	<u>2,854,849</u>	<u>2,939,745</u>
1,650,468	1,895,631	2,121,642	2,050,906	1,978,048	1,903,004	1,825,708
59,253	38,195	14,622	23,521	26,457	6,380	10,875
87,400	87,400	87,400	87,400	87,400	87,400	87,400
-	-	-	-	-	-	-
<u>(350,564)</u>	<u>(361,081)</u>	<u>(371,913)</u>	<u>(383,070)</u>	<u>(394,562)</u>	<u>(406,399)</u>	<u>(418,591)</u>
<u>(203,911)</u>	<u>(235,486)</u>	<u>(269,891)</u>	<u>(272,149)</u>	<u>(280,705)</u>	<u>(312,619)</u>	<u>(320,316)</u>
-	-	1,000,000	-	-	-	-
(200,000)	(200,000)	(200,000)	(400,000)	(200,000)	(200,000)	(200,000)
<u>(1,714,500)</u>	<u>(1,984,000)</u>	<u>(2,454,000)</u>	<u>(1,313,500)</u>	<u>(1,943,500)</u>	<u>(1,290,500)</u>	<u>(1,007,000)</u>
<u>(1,914,500)</u>	<u>(2,184,000)</u>	<u>(1,654,000)</u>	<u>(1,713,500)</u>	<u>(2,143,500)</u>	<u>(1,490,500)</u>	<u>(1,207,000)</u>
(467,943)	(523,855)	197,751	65,257	(446,157)	99,885	298,392
<u>1,316,730</u>	<u>848,787</u>	<u>324,932</u>	<u>522,683</u>	<u>587,940</u>	<u>141,783</u>	<u>241,668</u>
<u>\$ 848,787</u>	<u>\$ 324,932</u>	<u>\$ 522,683</u>	<u>\$ 587,940</u>	<u>\$ 141,783</u>	<u>\$ 241,668</u>	<u>\$ 540,060</u>
\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
798,787	274,932	472,683	537,940	91,783	191,668	490,060
<u>\$ 848,787</u>	<u>\$ 324,932</u>	<u>\$ 522,683</u>	<u>\$ 587,940</u>	<u>\$ 141,783</u>	<u>\$ 241,668</u>	<u>\$ 540,060</u>