

CITY OF MIDLAND
WATER FUND
FIVE-YEAR FINANCIAL PLAN

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Operating Revenues						
Filtered water - city	\$ 5,424,997	\$ 5,687,770	\$ 5,913,420	\$ 6,123,240	\$ 6,305,150	\$ 6,494,710
Filtered water - county/Auburn	420,441	433,675	444,720	456,257	468,210	480,680
Industrial grade water	1,495,921	1,331,000	1,334,300	1,337,600	1,340,900	1,344,300
Capital charges	159,780	131,900	139,750	117,500	97,500	93,500
Other	842,715	828,000	819,436	827,630	835,907	852,625
Total Operating Revenues	8,343,854	8,412,345	8,651,626	8,862,227	9,047,667	9,265,815
Operating Expenses						
Administration	1,052,074	1,033,110	1,077,788	1,110,122	1,143,426	1,177,729
Operations	1,616,860	1,713,786	1,796,184	1,850,070	1,905,572	1,962,739
Maintenance	2,442,532	2,378,009	2,493,777	2,568,590	2,645,648	2,725,017
Safety	29,083	25,910	26,687	27,488	28,313	29,162
Saginaw Midland Water Supply	960,000	965,000	993,950	1,023,769	1,054,482	1,086,116
Reserve for contingencies	50,000	100,000	100,000	100,000	100,000	100,000
Total operating expenses	6,150,549	6,215,815	6,488,386	6,680,039	6,877,441	7,080,763
Net operating income	2,193,305	2,196,530	2,163,240	2,182,188	2,170,226	2,185,052
Non-operating Revenues (Expenses)						
Investment earnings	164,826	151,951	122,227	98,516	84,742	74,173
Contract revenue	1,105,065	1,124,000	1,135,000	1,135,000	1,135,000	1,135,000
Miscellaneous revenue	53,912	37,160	38,275	39,423	40,606	41,824
Interest expense	(746,482)	(718,521)	(636,765)	(546,140)	(452,365)	(356,609)
Miscellaneous expense	(396,572)	(444,290)	(457,619)	(471,348)	(485,488)	(500,053)
Total non-operating revenues (expenses)	180,749	150,300	201,118	255,451	322,495	394,335
Other Financing Sources (Uses)						
Operating transfers in	53,974	-	-	-	-	-
Investment in assets	(3,748,263)	(1,100,085)	(864,000)	(754,000)	(703,100)	(843,000)
Retirement of debt	(1,815,465)	(1,882,580)	(1,907,278)	(1,939,722)	(1,974,486)	(1,058,837)
Operating transfers out	(90,000)	(100,000)	(120,000)	(50,000)	(50,000)	(50,000)
Total other financing sources (uses)	(5,599,754)	(3,082,665)	(2,891,278)	(2,743,722)	(2,727,586)	(1,951,837)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(3,225,700)	(735,835)	(526,920)	(306,083)	(234,865)	627,550
Working Capital - beginning of year	6,677,693	3,451,993	2,716,158	2,189,238	1,883,155	1,648,290
Working Capital - end of year	\$ 3,451,993	\$ 2,716,158	\$ 2,189,238	\$ 1,883,155	\$ 1,648,290	\$ 2,275,840
Working capital - capacity improvements	\$ 454,120	\$ 586,020	\$ 725,770	\$ 843,270	\$ 940,770	\$ 1,034,270
Working capital - operations	2,997,873	2,130,138	1,463,468	1,039,885	707,520	1,241,570
\$ 3,451,993	\$ 2,716,158	\$ 2,189,238	\$ 1,883,155	\$ 1,648,290	\$ 2,275,840	
ASSUMPTIONS:						
Working capital goal for operations	\$ 1,000,000					
Filtered water revenue increase:						
2006-07 and 2007-08	4.00%					
2008-09	3.50%					
2009-10 and 2010-11	3.00%					
Industrial water sales increase	0.25%					
Capital charges - based on estimated schedule						
Other income increase per year	1%					
Operating expense increase per year	3%					
Raw water cost increase	3%					
Investment earnings on working capital	4.50%					
Retirement of debt - actual						
Investment in assets: five-year capital plan						