



**Enterprise Funds**

*for the Fiscal Year Ending June 30, 2010*

**Civic Arena Fund**

**Currie Municipal Golf Course Fund**

**Parking Fund**

**Senior Housing Funds**

**Utilities Division Funds**



Civic Arena Manager..... Kenny Benson

## Service Statement

The department's scope of services includes: administration; upkeep and maintenance of three ice rinks and the accompanying facility; Pro Shop inventory and operations; providing, scheduling and billing ice use for ice user groups concerning skating related activities, including local and national events.

## Functions

### Administrative Services

- Administers department budget
- Coordinates staffing levels in conjunction with facility events
- Manages skate pro shop inventory
- Procures required supplies and equipment
- Oversees contractual custodial service for the facility
- Coordinates rental and billing of ice time for the three ice rinks
- Promotes and sells advertising space in the ice surface and on the rink boards
- Operates retail skate pro shop offering hockey, speed skating and figure skating equipment for sale along with skate sharpening services
- Hosts tournaments and events for local and national groups
- Offers concession area operated by the Midland Amateur Hockey League
- Rents skates for public use
- Offers public skating hours
- Home to the Midland County Sports Hall of Fame
- Offers a meeting room for rink and community use
- Manages preventative maintenance and servicing of mechanical, electrical, HVAC, plumbing and refrigeration systems for the 107,000-square-foot facility

### Arena Operations

- Maintains two NHL-size ice rinks and one Olympic-size rink
- Offers 4 independent team rooms for each rink along with dedicated locker rooms for Dow High, Midland High and Northwood University
- Rents office space to Midland Amateur Hockey League, Midland Figure Skating Club and Midland Speed Skating Club

## Department at a Glance

Funding Level Summary	2006-07 Actual	2007-08 Actual	Adjusted 2008-09 Budget	Estimated 2008-09 Budget	Adopted 2009-10 Budget	% of Change
Civic Arena	\$ 2,404,291	\$ 2,215,186	\$ 1,866,548	\$ 1,919,946	\$ 1,951,670	1.7%
<b>Total Department</b>	<b>\$ 2,404,291</b>	<b>\$ 2,215,186</b>	<b>\$ 1,866,548</b>	<b>\$ 1,919,946</b>	<b>\$ 1,951,670</b>	<b>1.7%</b>
Personal Services	\$ 361,436	\$ 406,062	\$ 390,240	\$ 446,743	\$ 517,329	15.8%
Supplies	39,818	29,816	30,000	31,100	31,150	0.2%
Other Services/Charges	729,054	733,584	776,294	765,878	742,813	-3.0%
Debt Service	1,187,059	1,027,786	641,989	641,989	640,378	-0.3%
Capital Outlay	86,924	17,938	28,025	34,236	20,000	-41.6%
<b>Total Department</b>	<b>\$ 2,404,291</b>	<b>\$ 2,215,186</b>	<b>\$ 1,866,548</b>	<b>\$ 1,919,946</b>	<b>\$ 1,951,670</b>	<b>1.7%</b>

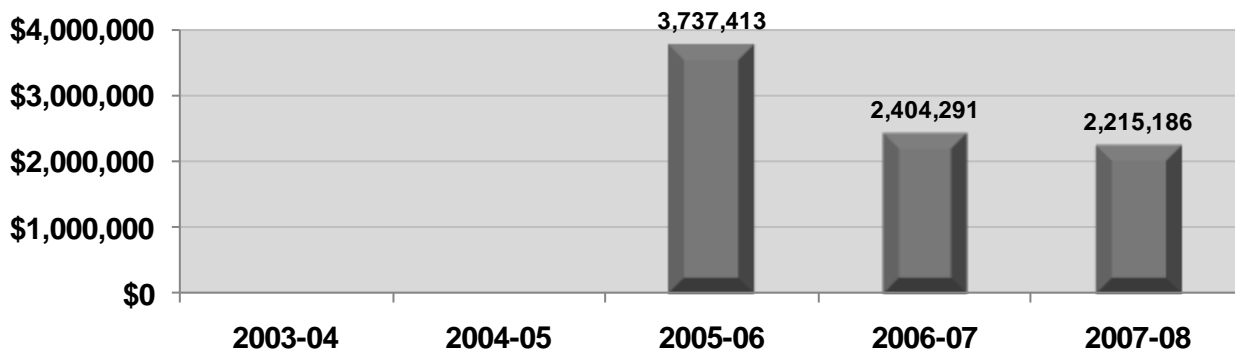
### Personnel Summary

Full-Time	-	-	1	1	2
Regular Part-Time	-	-	-	-	-
<b>Total Department</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>2</b>

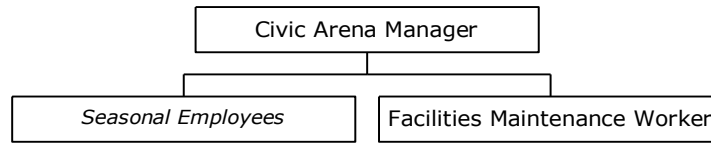
The Civic Arena is maintained and operated by full-time Parks & Recreation employees. Their labor and benefit costs are charged to the Civic Arena for the hours they spend working at the facility. This allows management the flexibility to schedule more or less employee hours as needed to meet the demands at the arena at different times of the year. Seasonal workers are hired to supplement peak season hours and special events. This method of staffing has been an efficient way to utilize our workforce and allows for flexibility in scheduling.

## Summary of Budget Changes

### 5-Year Operating Budget History



**Organizational Chart**



<b>Staff Summary</b>	<b>Approved 2007-08</b>	<b>Approved 2008-09</b>	<b>Adopted 2009-10</b>
<u>Full-Time</u>			
Civic Arena Manager	0	1	1
Facilities Maintenance Worker*	0	0	1
<b>Total Full-Time</b>	<b>0</b>	<b>1</b>	<b>2</b>
<u>Regular Part-Time</u>			
None	0	0	0
<b>Total Regular Part-Time</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Department Total</b>	<b>0</b>	<b>1</b>	<b>2</b>

\* This is not a new position - in the past, the position was reported in the Parks and Recreation department with a labor transfer to the Civic Arena.

FUND 508 - CIVIC ARENA FUND  
 DETAIL OF BUDGET APPROPRIATIONS AND REVENUES  
 Fiscal Year Ending June 30, 2010

	2007-08	2008-09		2009-10
	Actual	Budget	Estimate	Adopted
<b>Operating Revenues</b>				
Skate shop	\$ 157,207	\$ 182,000	\$ 182,000	\$ 160,000
Skate sharpening	16,452	18,000	16,000	20,500
Open skating	72,840	61,000	61,000	80,000
Ice rentals	799,991	800,000	800,000	946,000
Skate rentals	11,559	11,000	11,000	15,000
Office rentals	6,460	7,000	6,460	6,460
Advertising revenues	35,737	85,000	36,000	40,000
<b>Total operating revenues</b>	<b>1,100,246</b>	<b>1,164,000</b>	<b>1,112,460</b>	<b>1,267,960</b>
<b>Operating Expenses</b>				
Personal services	388,930	390,240	446,743	517,329
Supplies	29,816	30,000	31,100	31,150
Other charges	733,584	766,294	755,878	732,813
Reserve for contingencies	-	10,000	10,000	10,000
<b>Total operating expenses</b>	<b>1,152,330</b>	<b>1,196,534</b>	<b>1,243,721</b>	<b>1,291,292</b>
<b>Net Operating Loss</b>	<b>(52,084)</b>	<b>(32,534)</b>	<b>(131,261)</b>	<b>(23,332)</b>
<b>Non-operating Revenues (Expenses)</b>				
Investment earnings	27,153	15,000	2,000	(2,000)
Miscellaneous revenues	31,504	20,800	19,325	21,500
Miscellaneous expenses	(17,132)	-	-	-
Interfund loan interest	(45,835)	(26,192)	(26,192)	(19,644)
Interest expense	(230,037)	(218,883)	(218,883)	(213,820)
<b>Total non-operating revenues (expenses)</b>	<b>(234,347)</b>	<b>(209,275)</b>	<b>(223,750)</b>	<b>(213,964)</b>
<b>Other Financing Sources (Uses)</b>				
Outside contributions	110,058	470,000	478,045	-
Investment in assets	(17,938)	(28,025)	(34,236)	(20,000)
Interfund loan principal	(261,914)	(261,914)	(261,914)	(261,914)
Operating transfers in	200,000	200,000	200,000	200,000
Retirement of debt	(490,000)	(135,000)	(135,000)	(145,000)
<b>Total other financing sources (uses)</b>	<b>(459,794)</b>	<b>245,061</b>	<b>246,895</b>	<b>(226,914)</b>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(746,225)	3,252	(108,116)	(464,210)
Non-working Capital Adjustments	514,737	(10,000)	(10,000)	(5,000)
<b>Working Capital - beginning or year</b>	<b>48,787</b>	<b>(182,701)</b>	<b>(182,701)</b>	<b>(300,817)</b>
<b>Working Capital - end of year</b>	<b>\$ (182,701)</b>	<b>\$ (189,449)</b>	<b>\$ (300,817)</b>	<b>\$ (770,027)</b>

## CIVIC ARENA FUND FIVE-YEAR FINANCIAL PLAN

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Operating Revenues</b>						
Skate shop	\$ 182,000	\$ 160,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Skate sharpening	16,000	20,500	20,500	20,500	20,500	20,500
Open skating	61,000	80,000	84,000	88,200	113,410	119,081
Ice rentals	800,000	946,000	993,300	1,042,965	1,095,113	1,149,869
Skate rentals	11,000	15,000	15,750	16,538	17,364	18,233
Advertising revenues	36,000	40,000	42,000	44,100	46,305	48,620
Office rentals	6,460	6,460	6,783	7,122	7,478	7,852
<b>Total operating revenues</b>	<b>1,112,460</b>	<b>1,267,960</b>	<b>1,312,333</b>	<b>1,369,425</b>	<b>1,450,170</b>	<b>1,514,155</b>
<b>Operating Expenses</b>						
Personal services	446,743	517,329	540,609	564,936	590,358	616,924
Supplies	31,100	31,150	31,929	32,727	33,545	34,384
Other charges	755,878	732,813	751,133	769,911	789,159	808,888
Reserve for contingencies	10,000	10,000	5,000	5,000	5,000	5,000
<b>Total operating expenses</b>	<b>1,243,721</b>	<b>1,291,292</b>	<b>1,328,671</b>	<b>1,372,574</b>	<b>1,418,062</b>	<b>1,465,196</b>
<b>Net Operating Income (Loss)</b>	<b>(131,261)</b>	<b>(23,332)</b>	<b>(16,338)</b>	<b>(3,149)</b>	<b>32,108</b>	<b>48,959</b>
<b>Non-operating Revenues (Expenses)</b>						
Investment earnings	2,000	(2,000)	(9,000)	(18,000)	(20,000)	(22,000)
Miscellaneous revenues	19,325	21,500	21,428	21,643	21,859	22,952
Interfund loan interest	(26,192)	(19,644)	(13,096)	(6,548)	-	-
Interest expense	(218,883)	(213,820)	(208,082)	(202,458)	(196,458)	(190,270)
<b>Total non-operating revenues (expenses)</b>	<b>(223,750)</b>	<b>(213,964)</b>	<b>(208,750)</b>	<b>(205,363)</b>	<b>(194,599)</b>	<b>(189,318)</b>
<b>Other Financing Sources (Uses)</b>						
Outside contributions	478,045	-	-	-	-	-
Interfund loan principal	(261,914)	(261,914)	(261,914)	(261,914)	-	-
Investment in assets	(34,236)	(20,000)	(70,000)	(40,000)	(40,000)	(40,000)
Operating transfers in	200,000	200,000	200,000	200,000	200,000	200,000
Retirement of debt	(135,000)	(145,000)	(150,000)	(160,000)	(165,000)	(175,000)
<b>Total other financing sources (uses)</b>	<b>246,895</b>	<b>(226,914)</b>	<b>(281,914)</b>	<b>(261,914)</b>	<b>(5,000)</b>	<b>(15,000)</b>
<b>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>(108,116)</b>	<b>(464,210)</b>	<b>(507,002)</b>	<b>(470,426)</b>	<b>(167,491)</b>	<b>(155,359)</b>
<b>Non-working Capital Adjustments</b>	<b>(10,000)</b>	<b>(5,000)</b>	<b>(10,000)</b>	<b>256,914</b>	<b>(10,000)</b>	<b>(5,000)</b>
<b>Working Capital - beginning or year</b>	<b>(182,701)</b>	<b>(300,817)</b>	<b>(770,027)</b>	<b>(1,287,029)</b>	<b>(1,500,541)</b>	<b>(1,678,032)</b>
<b>Working Capital - end of year</b>	<b>\$ (300,817)</b>	<b>\$ (770,027)</b>	<b>\$ (1,287,029)</b>	<b>\$ (1,500,541)</b>	<b>\$ (1,678,032)</b>	<b>\$ (1,838,391)</b>

### ASSUMPTIONS:

Working capital goal:	
Personal services increase per year	4.50%
Operating expense increase per year	2.50%
Investment earnings on working capital	1.50%
Annual revenue increases	5.00%



<b>Manager of Golf Operations.....</b>	<b>Paul Milholland</b>
<b>Assistant Golf Professional.....</b>	<b>Michael Woodfin</b>
<b>Golf Course General Supervisor.....</b>	<b>David Rossman</b>
<b>Food and Beverage Manager .....</b>	<b>Jessica Rustoni</b>

## Service Statement

The department's scope of services includes: administration; Clubhouse rentals; food and beverage service; Golf Shop operations; golf pass sales; daily operations accounting; upkeep and maintenance of the fairways, greens, grounds and facilities; scheduling and coordination of tee times, various league activities and special events related to golf activities; plus the Junior Golf Program and applications.

## Functions

### Administrative Services

- Administers department budget
- Reviews fees annually and recommends changes to keep the course competitive with the local golf market
- Markets and advertises for the golf course complex
- Manages staff assignments to provide proper coverage as dictated by course usage
- Offers a golf shop with logo apparel
- Coordinates golf outings for corporate and non-profit groups
- Operates golf leagues Monday – Thursday for 36 leagues comprised of approximately 800 golfers
- Provides for repairs and improvements to the courses
- Hosts junior golf program for youth 17 years and under
- Offers an annual city tournament for local golfers
- Participates in a golf players committee during the golf season to receive input from the golfers on playability and course condition issues
- Operates a food and beverage service including the sale of alcohol

### Golf Operations

- Operates two 18-hole courses, a 9-hole par 3 course and a driving range
- Provides in-house turf maintenance services for all courses

## Department at a Glance

Funding Level Summary	2006-07 Actual	2007-08 Actual	Adjusted 2008-09 Budget	Estimated 2008-09 Budget	Adopted 2009-10 Budget	% of Change
General Operations	\$ 944,151	\$ 1,175,368	\$ 594,973	\$ 699,406	\$ 687,458	-1.7%
East Course Operations	-	65,213	362,028	395,873	420,004	6.1%
West Course Operations	-	107,253	420,386	471,526	534,453	13.3%
Capital Outlay	4,610	520,006	2,999	11,103	29,000	161.2%
<b>Total Department</b>	<b>\$ 948,761</b>	<b>\$ 1,867,840</b>	<b>\$ 1,380,386</b>	<b>\$ 1,577,908</b>	<b>\$ 1,670,915</b>	<b>5.9%</b>
Personal Services	\$ 496,973	\$ 723,622	\$ 794,917	\$ 942,616	\$ 987,437	4.8%
Supplies	180,479	203,378	169,350	179,058	199,984	11.7%
Other Services/Charges	266,699	371,034	413,120	445,131	454,494	2.1%
Capital Outlay	4,610	520,006	2,999	11,103	29,000	161.2%
Operating Transfers Out	-	49,800	-	-	-	0.0%
<b>Total Department</b>	<b>\$ 948,761</b>	<b>\$ 1,867,840</b>	<b>\$ 1,380,386</b>	<b>\$ 1,577,908</b>	<b>\$ 1,670,915</b>	<b>5.9%</b>

### Personnel Summary

Full-Time	1	1	3	3	4
Regular Part-Time	-	-	-	-	1
<b>Total Department</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>5</b>

In fiscal year 2007-08, the City hired its own full-time Golf Course Manager to oversee the operations of the golf pro shop. This function had previously been performed by an outside contractor. Maintenance of the grounds is performed by full-time Parks employees whose labor and benefit costs are charged to the golf course based on the actual hours spent working at the course. This method of staffing for maintenance has been an efficient way to utilize our workforce and allows flexibility to schedule more or less employee hours as maintenance conditions warrant.

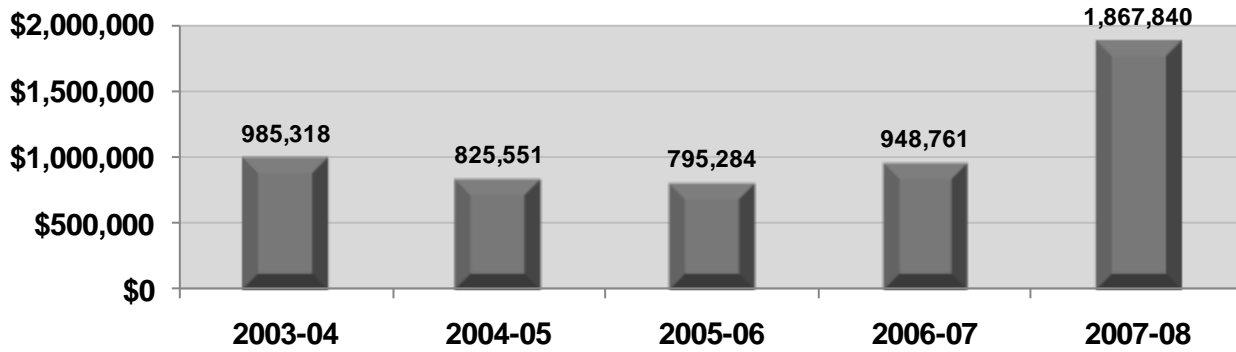
For fiscal year 2008-09, the Golf Course General Supervisor and one Facilities Maintenance position were moved into the Golf Course budget as full-time employees as they spend 100% of their time year round performing golf course maintenance activities. Additional full-time Parks employees will continue to be assigned to work at the golf course as needed for grounds maintenance. In addition, several seasonal employees are hired as maintenance workers, rangers, starters, cart attendants and golf pro shop staff.

Beginning in the 2008 golf season, the operational expenses were broken out into East Course, West Course and General Operations (includes driving range, Par 3 course, clubhouse operations and power cart activities). This will provide management with better information for planning, monitoring and decision-making.

In October 2008 the Michigan Liquor Control Commission approved the City's liquor license application. In April 2009 the golf course began a comprehensive food and beverage operation that now includes the sale of alcohol. It is expected that the availability of alcohol will enhance revenues in not only the food and beverage category, but also in increased greens fees through the attraction of additional golfers to Currie.

## Summary of Budget Changes

### 5-Year Operating Budget History



## Organizational Chart



Staff Summary	Approved 2007-08	Approved 2008-09	Adopted 2009-10
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Full-Time

Director of Golf Operations	1	1	1
Golf Course Assistant Manager	0	0	1
General Supervisor - Golf Course	0	1	1
Golf Course Facilities Maintenance	0	1	1
<b>Total Full-Time</b>	<b>1</b>	<b>3</b>	<b>4</b>

Regular Part-Time

Food and Beverage Manager	0	0	1
<b>Total Regular Part-Time</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>Department Total</b>	<b>1</b>	<b>3</b>	<b>5</b>

# Currie Municipal Golf Course

FUND 584 - CURRIE MUNICIPAL GOLF COURSE FUND  
 DETAIL OF BUDGET APPROPRIATIONS AND REVENUES  
 Fiscal Year Ending June 30, 2010

	2007-08	2008-09		2009-10
	Actual	Budget	Estimate	Adopted
<b>Operating Revenues</b>				
Greens fees	\$ 564,691	\$ 758,882	\$ 611,181	\$ 690,000
Season memberships	161,010	208,670	162,000	181,500
Power cart rentals	179,341	222,500	211,722	235,000
Golf cart trail fees	6,508	12,000	5,400	5,000
Driving range rentals	25,533	50,000	28,000	35,000
Gift certificates	1,869	7,000	500	500
Golf pro shop	26,391	75,000	50,000	55,000
Other operating revenues	15,735	4,000	17,549	20,250
Clubhouse rentals	1,173	2,000	2,000	2,750
Golf handicap fees	370	5,425	1,105	1,200
Junior golf program	5,800	10,000	8,000	10,000
Food concessions	18,684	20,000	114,935	240,000
<b>Total operating revenues</b>	<b>1,007,105</b>	<b>1,375,477</b>	<b>1,212,392</b>	<b>1,476,200</b>
<b>Operating Expenses</b>				
Personal services	692,661	794,917	942,616	987,437
Supplies	203,378	169,350	179,058	199,984
Other charges	367,374	413,120	444,778	454,494
<b>Total operating expenses</b>	<b>1,263,413</b>	<b>1,377,387</b>	<b>1,566,452</b>	<b>1,641,915</b>
<b>Net Operating Loss</b>	<b>(256,308)</b>	<b>(1,910)</b>	<b>(354,060)</b>	<b>(165,715)</b>
<b>Non-operating Revenues (Expenses)</b>				
Investment earnings	7,755	5,054	(5,268)	(11,560)
Miscellaneous revenues	208	233	-	-
Miscellaneous expenses	(34,621)	-	(353)	-
<b>Total non-operating revenues (expenses)</b>	<b>(26,658)</b>	<b>5,287</b>	<b>(5,621)</b>	<b>(11,560)</b>
<b>Other Financing Sources (Uses)</b>				
Operating transfers in	24,223	-	-	-
Operating transfers out	(49,800)	-	-	-
Investment in assets	(520,006)	(2,999)	(11,103)	(29,000)
<b>Total other financing sources (uses)</b>	<b>(545,583)</b>	<b>(2,999)</b>	<b>(11,103)</b>	<b>(29,000)</b>
Excess of Revenues and Other Sources Over (Under) Expenses and Other Uses	(828,549)	378	(370,784)	(206,275)
<b>Working Capital - beginning or year</b>	<b>143,496</b>	<b>(685,053)</b>	<b>(685,053)</b>	<b>(1,055,837)</b>
<b>Working Capital - end of year</b>	<b>\$ (685,053)</b>	<b>\$ (684,675)</b>	<b>\$ (1,055,837)</b>	<b>\$ (1,262,112)</b>

## CURRIE MUNICIPAL GOLF COURSE FUND FIVE-YEAR FINANCIAL PLAN

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Operating Revenues</b>						
Greens fees	\$ 611,181	\$ 690,000	\$ 745,200	\$ 797,364	\$ 837,232	\$ 879,094
Season memberships	162,000	181,500	196,020	209,741	220,228	231,239
Power cart rentals	211,722	235,000	251,450	264,023	277,224	291,085
Golf cart trail fees	5,400	5,000	5,400	5,670	5,954	6,252
Driving range rentals	28,000	35,000	38,850	40,793	42,833	44,975
Other operating revenues	194,089	329,700	346,185	363,494	381,669	400,752
<b>Total operating revenues</b>	<b>1,212,392</b>	<b>1,476,200</b>	<b>1,583,105</b>	<b>1,681,085</b>	<b>1,765,140</b>	<b>1,853,397</b>
<b>Operating Expenses</b>						
Personal services	942,616	987,437	900,581	928,854	957,975	987,970
Supplies	179,058	199,984	205,984	212,164	218,529	225,085
Other charges	444,778	454,494	360,653	373,004	385,725	398,827
<b>Total operating expenses</b>	<b>1,566,452</b>	<b>1,641,915</b>	<b>1,467,218</b>	<b>1,514,022</b>	<b>1,562,229</b>	<b>1,611,882</b>
<b>Net Operating Income (Loss)</b>	<b>(354,060)</b>	<b>(165,715)</b>	<b>115,887</b>	<b>167,063</b>	<b>202,911</b>	<b>241,515</b>
<b>Non-operating Revenues (Expenses)</b>						
Investment earnings	(5,268)	(11,560)	(14,268)	(12,743)	(10,429)	(7,541)
Miscellaneous expenses	(353)	-	-	-	-	-
<b>Total non-operating revenues (expenses)</b>	<b>(5,621)</b>	<b>(11,560)</b>	<b>(14,268)</b>	<b>(12,743)</b>	<b>(10,429)</b>	<b>(7,541)</b>
<b>Other Financing Uses</b>						
Investment in Assets	(11,103)	(29,000)	-	-	-	-
<b>Excess of Revenues and Other Sources Over (Under) Expenses and Other Uses</b>	<b>(370,784)</b>	<b>(206,275)</b>	<b>101,619</b>	<b>154,320</b>	<b>192,482</b>	<b>233,974</b>
<b>Working Capital - beginning of year</b>	<b>(685,053)</b>	<b>(1,055,837)</b>	<b>(1,262,112)</b>	<b>(1,160,493)</b>	<b>(1,006,173)</b>	<b>(813,691)</b>
<b>Working Capital - end of year</b>	<b>\$ (1,055,837)</b>	<b>\$ (1,262,112)</b>	<b>\$ (1,160,493)</b>	<b>\$ (1,006,173)</b>	<b>\$ (813,691)</b>	<b>\$ (579,717)</b>
<b>ASSUMPTIONS:</b>						
Working capital goal	\$ 150,000					
Revenue increase per year	5%					
Rate increase in 2010/11	8%					
Rate increase in 2011/12	7%					
Power cart rental increase in 2010/11	7%					
Operating expense increase per year	3%					
Investment earnings on working capital	1.50%					
Annual dividends on donated stock	\$ 4,664					



**City Treasurer ..... Dana Strayer**

**FUND 585 - PARKING FUND**  
**DETAIL OF BUDGET APPROPRIATIONS AND REVENUES**  
 Fiscal Year Ending June 30, 2010

	2007-08	2008-09		2009-10
	Actual	Budget	Estimate	Adopted
<b>Operating Revenues</b>				
Meter collections	\$ 4,823	\$ 5,200	\$ 4,769	\$ 5,723
Parking tickets	16,284	14,400	15,932	18,000
Leased parking	22,412	24,900	27,969	37,500
Parking structure leases	43,542	45,573	45,609	47,873
<b>Total operating revenues</b>	<b>87,061</b>	<b>90,073</b>	<b>94,279</b>	<b>109,096</b>
<b>Operating Expenses</b>				
Administration	13,375	15,151	14,934	15,888
Parking enforcement	41,387	52,371	56,817	25,332
Lot maintenance	3,701	12,728	11,447	13,261
Parking structure maintenance	90,000	90,000	90,000	90,000
<b>Total operating expenses</b>	<b>148,463</b>	<b>170,250</b>	<b>173,198</b>	<b>144,481</b>
<b>Net Operating Loss</b>	<b>(61,402)</b>	<b>(80,177)</b>	<b>(78,919)</b>	<b>(35,385)</b>
<b>Non-operating Revenues (Expenses)</b>				
Miscellaneous expenses	(2,646)	-	-	-
Miscellaneous revenues	-	-	-	-
Investment earnings	(57)	-	584	584
<b>Total non-operating revenues (expenses)</b>	<b>(2,703)</b>	<b>-</b>	<b>584</b>	<b>584</b>
<b>Other Financing Sources</b>				
Operating transfer in - DDA Fund	45,000	45,000	45,000	45,000
<b>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>(19,105)</b>	<b>(35,177)</b>	<b>(33,335)</b>	<b>10,199</b>
<b>Working Capital - beginning of year</b>	<b>63,906</b>	<b>44,801</b>	<b>44,801</b>	<b>11,466</b>
<b>Working Capital - end of year</b>	<b>\$ 44,801</b>	<b>\$ 9,624</b>	<b>\$ 11,466</b>	<b>\$ 21,665</b>

**PARKING FUND  
FIVE-YEAR FINANCIAL PLAN**

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Operating Revenues</b>						
Meter collections	\$ 4,769	\$ 5,723	\$ 5,750	\$ 5,750	\$ 5,800	\$ 5,800
Parking tickets	15,932	18,000	18,000	18,000	18,100	18,100
Leases	73,578	85,373	87,934	90,572	93,289	96,088
<b>Total operating revenues</b>	<b>94,279</b>	<b>109,096</b>	<b>111,684</b>	<b>114,322</b>	<b>117,189</b>	<b>119,988</b>
<b>Operating Expenses</b>						
Administration	14,934	15,888	16,285	16,692	17,109	17,537
Parking enforcement	56,817	25,332	25,965	26,614	27,279	27,961
Lot maintenance	11,447	13,261	13,593	13,933	14,281	14,638
Parking structure maintenance	90,000	90,000	90,000	90,000	90,000	90,000
<b>Total operating expenses</b>	<b>173,198</b>	<b>144,481</b>	<b>145,843</b>	<b>147,239</b>	<b>148,669</b>	<b>150,136</b>
<b>Net Operating Loss</b>	<b>(78,919)</b>	<b>(35,385)</b>	<b>(34,159)</b>	<b>(32,917)</b>	<b>(31,480)</b>	<b>(30,148)</b>
<b>Non-operating Revenues</b>						
Investment earnings	584	584	325	282	468	678
<b>Other Financing Sources (Uses)</b>						
Investment in assets	-	-	(14,000)	-	-	-
Operating transfer in - DDA Fund	45,000	45,000	45,000	45,000	45,000	45,000
<b>Total other financing sources (uses)</b>	<b>45,000</b>	<b>45,000</b>	<b>31,000</b>	<b>45,000</b>	<b>45,000</b>	<b>45,000</b>
<b>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>(33,335)</b>	<b>10,199</b>	<b>(2,834)</b>	<b>12,365</b>	<b>13,988</b>	<b>15,530</b>
<b>Working Capital - beginning of year</b>	<b>44,801</b>	<b>11,466</b>	<b>21,665</b>	<b>18,831</b>	<b>31,196</b>	<b>45,184</b>
<b>Working Capital - end of year</b>	<b>\$ 11,466</b>	<b>\$ 21,665</b>	<b>\$ 18,831</b>	<b>\$ 31,196</b>	<b>\$ 45,184</b>	<b>\$ 60,714</b>

**ASSUMPTIONS:**

Lease rate increases	3%
Operating expense increase per year	2.50%
Investment earnings on working capital	1.50%



<b>Director of Planning and Community Development .....</b>	<b>Keith Baker</b>
<b>Riverside Place Senior Housing Manager.....</b>	<b>Catherine Marcy</b>
<b>Washington Woods Senior Housing Manager .....</b>	<b>Candace Balis</b>
<b>Riverside Place Senior Housing Health Coordinator .....</b>	<b>Michel Hupfer</b>
<b>Washington Woods Senior Housing Health Coordinator .....</b>	<b>Carole Winter</b>

## Service Statement

The goal of Senior Housing at the City of Midland is to allow our residents to “age in place” and remain in their own apartment for as long as is safely possible. Support services such as a meal plan and health monitoring are offered.

All expenses must be met with rent revenue, because no operating subsidy is received. Washington Woods and Riverside Place are debt-free and non-profit. Between the two complexes, there are a total of 364 apartments. One- and two-bedroom apartments are available. There are no maximum or minimum income levels. Residents represent a broad range of incomes.

You are eligible to live at either senior living community:

- If you or your spouse is 62 years or older in any income range;
- If you meet written tenant selection criteria and have a home assessment by our health coordinator;
- Persons 55 years of age or older in any income range are considered when there is no waiting list for those 62 years and older.

The waiting list rankings are determined by application date.

A wide variety of planned activities are offered from bingo to Bible study. Each apartment is equipped with an emergency call system, and the front entrances are locked at all times. Card and craft shops are operated by the Tenant Council. Laundry facilities and beauty shops are also located within the buildings.

Good customer service, friendly, helpful staff and a well-maintained building are key elements in drawing new residents and retaining current ones. Senior Housing adheres to fair housing policies and ensures equal housing opportunities for all people, regardless of race, color, national origin, religion, sex, familial status and/or disability.

## Functions

### Administration

- Prepares and administers the department budget
- Develops and administers the capital improvement budget
- Establishes and maintains good working relationships with residents, families, contractors and service agencies
- Develops resident policies, resolves resident conflicts and ensures a safe living environment for residents
- Coordinates and delegates work to appropriate personnel
- Monitors department activities to assure efficient operations and adherence to established policies, practices and procedures
- Ensures safe working methods and facilitates safe working behavior

### Office Staff

- Coordinates rental application process and calculates waiting list placement
- Fills apartment vacancies, completes apartment rental paperwork and calculates rent
- Conducts tours for prospective tenants and visitors
- Composes and distributes written communications regarding policies and special events
- Plans and coordinates social activities, entertainment and other resident functions
- Inputs time card information into the payroll system
- Records resident billing and daily meal charges; prepares resident invoices
- Conducts annual resident rent review and adjusts rents
- Prepares a variety of financial reports
- Issues purchase orders and prepares bills for payment
- Orders requested supplies
- Checks in residents at daily meal
- Produces work orders for maintenance to complete

### Maintenance

- Keeps inventory of supplies & places orders
- Schedules and coordinates contractual work
- Troubleshoots and makes repairs within the building, including residents' apartments
- Cleans and maintains the appearance of the public areas
- Maintains the grounds, including mowing, landscaping and removing snow
- Completes renovation on vacated apartments
- Sets up tables, chairs and equipment for activities
- Maintains grounds & maintenance equipment
- Repairs and cleans furnace and air conditioning units

### Health Service Coordinator

- Conducts pre-admission assessments
- Assesses health levels of residents for continued residency and advises management of issues
- Initiates and facilitates family conferences to ensure resident is receiving appropriate health care
- Oversees resident health care services; supervises nursing staff and health care contractors
- Plans, coordinates and conducts health care education programs for housing residents and City staff
- Serves as a resident health advocate
- Acts as facility contact for discharge planning after a hospitalization or long term care stay
- Identifies the need for and administers proper infection control procedures

### Senior Housing Nurse

- Assesses the needs of residents regarding their physical and mental conditions
- Monitors resident status and arranges for appropriate intervention
- Maintains and updates medical histories
- Counsels residents and families regarding aging issues
- Assists with health screening, health fairs and flu clinics
- Serves as a resident health advocate
- Responds to emergency situations

## Department at a Glance - Riverside Place

<b>Funding Level Summary</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>	<b>Adjusted 2008-09 Budget</b>	<b>Estimated 2008-09 Budget</b>	<b>Adopted 2009-10 Budget</b>	<b>% of Change</b>
Riverside	\$ 1,166,151	\$ 1,256,352	\$ 1,375,411	\$ 1,332,911	\$ 1,340,454	0.6%
<b>Total Department</b>	<b>\$ 1,166,151</b>	<b>\$ 1,256,352</b>	<b>\$ 1,375,411</b>	<b>\$ 1,332,911</b>	<b>\$ 1,340,454</b>	<b>0.6%</b>
Personal Services	\$ 496,943	\$ 578,930	\$ 621,402	\$ 614,616	\$ 639,607	4.1%
Supplies	22,679	23,638	23,520	23,720	23,720	0.0%
Other Services/Charges	531,056	525,618	579,086	556,862	579,577	4.1%
Miscellaneous	69,817	73,028	80,450	66,930	76,000	13.6%
Capital Outlay	35,656	45,138	60,953	60,783	11,550	-81.0%
Operating Transfers Out	10,000	10,000	10,000	10,000	10,000	0.0%
<b>Total Department</b>	<b>\$ 1,166,151</b>	<b>\$ 1,256,352</b>	<b>\$ 1,375,411</b>	<b>\$ 1,332,911</b>	<b>\$ 1,340,454</b>	<b>0.6%</b>

### Personnel Summary

Full-Time	6	6	6	6	6
Regular Part-Time	4	4	4	4	4
<b>Total Department</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>

## Department at a Glance - Washington Woods

<b>Funding Level Summary</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>	<b>Adjusted 2008-09 Budget</b>	<b>Estimated 2008-09 Budget</b>	<b>Adopted 2009-10 Budget</b>	<b>% of Change</b>
Washington Woods	\$ 1,356,833	\$ 1,349,476	\$ 1,551,716	\$ 1,451,552	\$ 1,396,981	-3.8%
<b>Total Department</b>	<b>\$ 1,356,833</b>	<b>\$ 1,349,476</b>	<b>\$ 1,551,716</b>	<b>\$ 1,451,552</b>	<b>\$ 1,396,981</b>	<b>-3.8%</b>
Personal Services	\$ 591,126	\$ 677,673	\$ 754,440	\$ 707,266	\$ 708,992	0.2%
Supplies	43,201	30,802	38,761	36,794	37,411	1.7%
Other Services/Charges	550,762	522,548	568,702	532,087	546,716	2.7%
Miscellaneous	85,344	91,157	95,460	90,004	98,362	9.3%
Capital Outlay	86,400	27,296	94,353	85,401	5,500	-93.6%
<b>Total Department</b>	<b>\$ 1,356,833</b>	<b>\$ 1,349,476</b>	<b>\$ 1,551,716</b>	<b>\$ 1,451,552</b>	<b>\$ 1,396,981</b>	<b>-3.8%</b>

### Personnel Summary

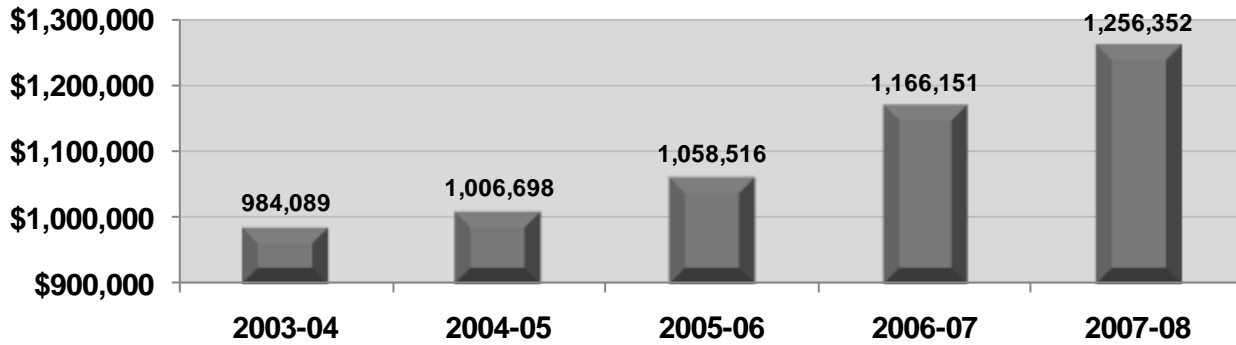
Full-Time	7	7	7	7	6
Regular Part-Time	5	5	5	5	6
<b>Total Department</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>

## Summary of Budget Changes

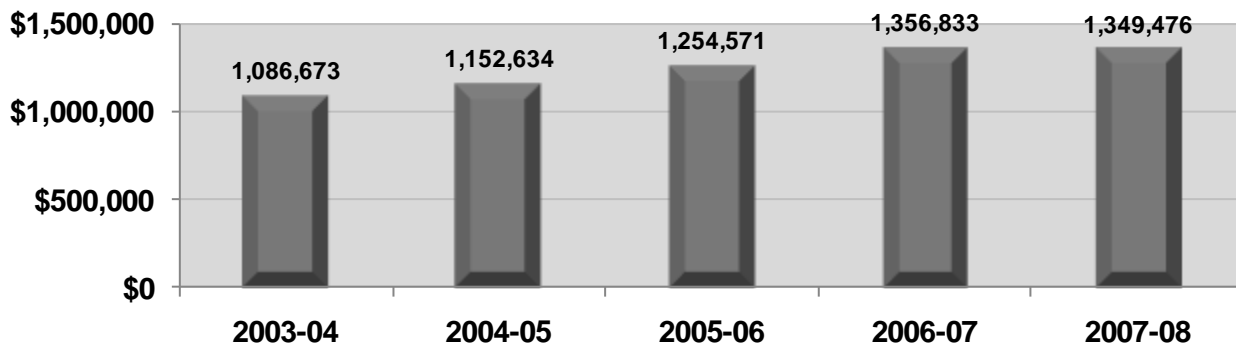
### Significant Notes – 2009-10 Budget Compared to 2008-09 Budget

- Through attrition, reduced full-time staff assistant position to part-time.

### 5-Year Operating Budget History – Riverside Place

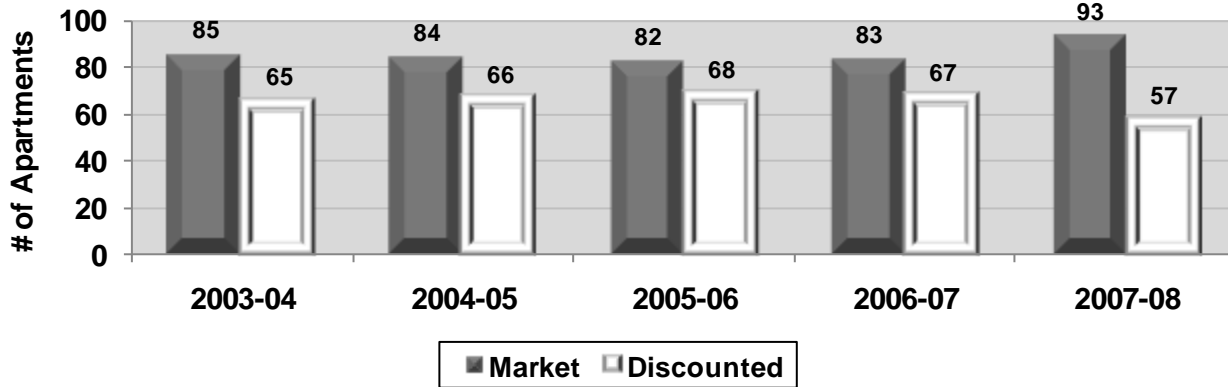


### 5-Year Operating Budget History – Washington Woods

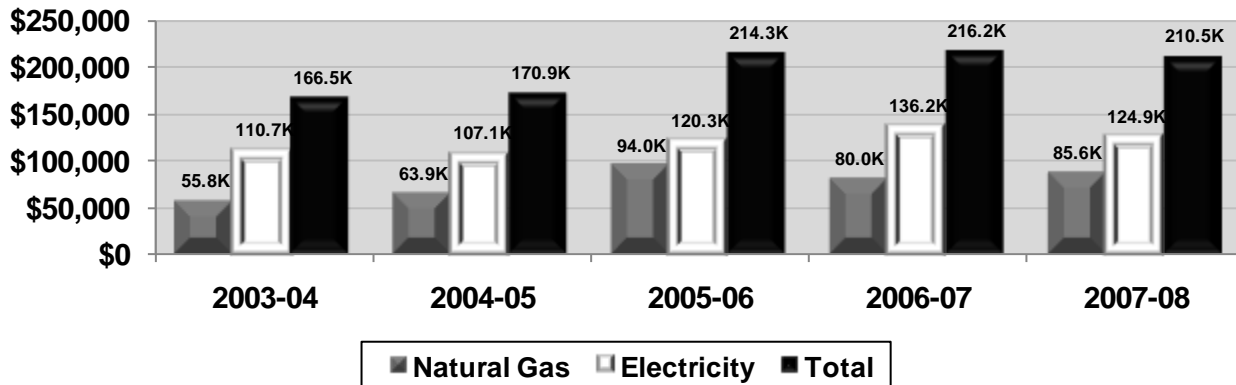


## Key Departmental Trends – Riverside Place

### Market vs Discounted Trend



### Annual Utility Trend



## Performance Objectives – Riverside Place

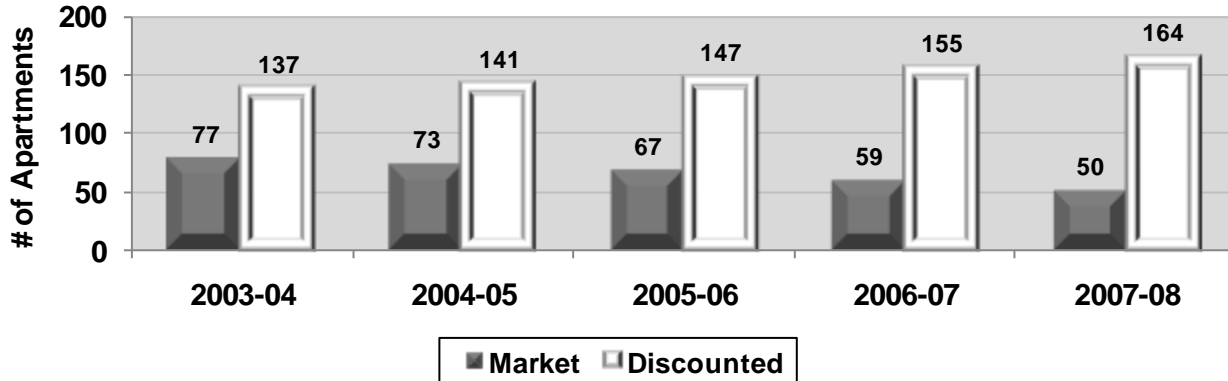
Performance Indicators (OUTPUT)	2006-07 Actual	2007-08 Actual	% Change
Apartment Renovations	41	53	29.3%
Number of apartments serviced	150	150	0.0%

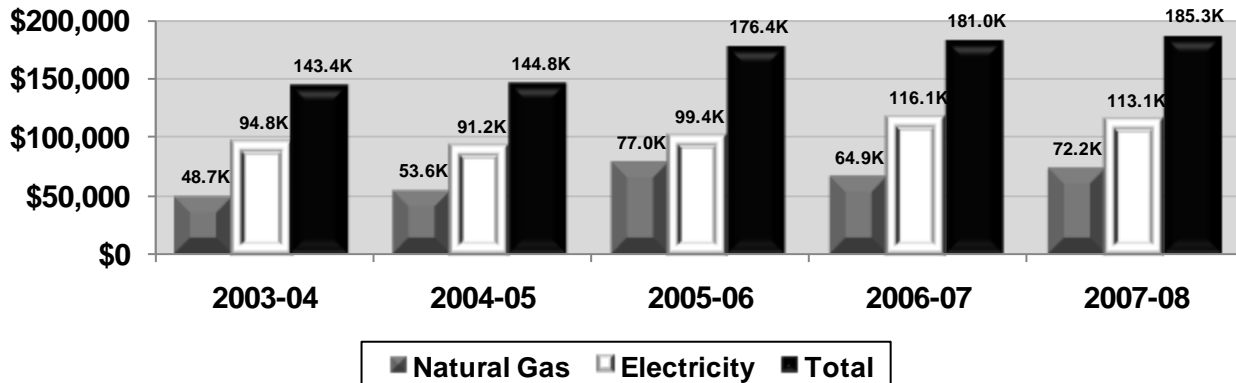
Performance Indicators (EFFICIENCY)	2006-07 Actual	2007-08 Actual	% Change
% Occupancy	100%	100%	0.0%
Apartment Turnover by Maintenance (Average days)	4.2	2.9	-31.0%

## Key Departmental Trends – Washington Woods

### Market vs Discounted Trend



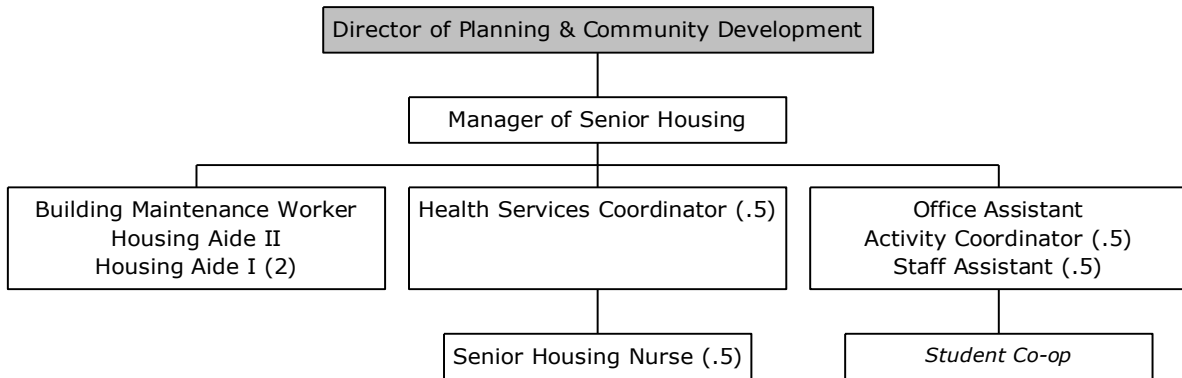
### Annual Utility Trend



## Performance Objectives – Washington Woods

Performance Indicators (OUTPUT)	2006-07 Actual	2007-08 Actual	% Change
Health Coordinator Assessments – New Residents	49	39	-20.4%
Meals Served	30,632	31,751	3.7%
Resident Activities	568	583	2.6%
Performance Indicators (EFFICIENCY)	2006-07 Actual	2007-08 Actual	% Change
Apartment Renovations	50	40	-20.0%

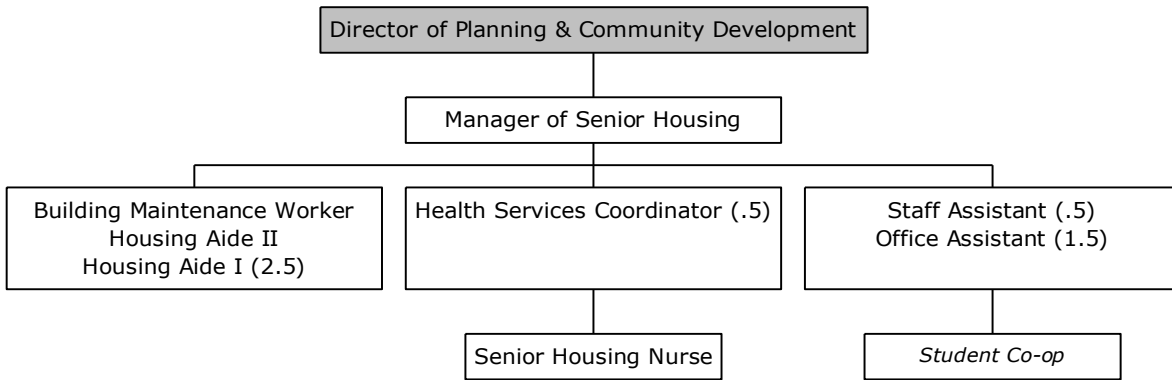
## Organizational Chart – Riverside Place



Shaded boxes indicate a reporting structure to a department head that is funded outside of this budget.

<b>Staff Summary</b>	<b>Approved 2007-08</b>	<b>Approved 2008-09</b>	<b>Adopted 2009-10</b>
<u>Full-Time</u>			
Manager of Senior Housing	1	1	1
Office Assistant	1	1	1
Building Maintenance Worker	1	1	1
Housing Aide II	1	1	1
Housing Aide I	2	2	2
<b>Total Full-Time</b>	<b>6</b>	<b>6</b>	<b>6</b>
<u>Regular Part-Time</u>			
Health Services Coordinator	1	1	1
Senior Housing Nurse	1	1	1
Staff Assistant	1	1	1
Activity Coordinator	1	1	1
<b>Total Regular Part-Time</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Department Total</b>	<b>10</b>	<b>10</b>	<b>10</b>

## Organizational Chart – Washington Woods



Shaded boxes indicate a reporting structure to a department head that is funded outside of this budget.

<b>Staff Summary</b>	<b>Approved 2007-08</b>	<b>Approved 2008-09</b>	<b>Adopted 2009-10</b>
<u>Full-Time</u>			
Manager of Senior Housing	1	1	1
Office Assistant	1	1	1
Staff Assistant	1	1	0
Building Maintenance Worker	1	1	1
Housing Aide II	1	1	1
Housing Aide I	2	2	2
<b>Total Full-Time</b>	<b>7</b>	<b>7</b>	<b>6</b>
<u>Regular Part-Time</u>			
Health Services Coordinator	1	1	1
Senior Housing Nurse	2	2	2
Office Assistant	1	1	1
Staff Assistant	0	0	1
Housing Aide I	1	1	1
<b>Total Regular Part-Time</b>	<b>5</b>	<b>5</b>	<b>6</b>
<b>Department Total</b>	<b>12</b>	<b>12</b>	<b>12</b>

FUND 537 - RIVERSIDE PLACE FUND  
 DETAIL OF BUDGET APPROPRIATIONS AND REVENUES  
 Fiscal Year Ending June 30, 2010

	2007-08	2008-09		2009-10
	Actual	Budget	Estimate	Adopted
<b>Operating Revenues</b>				
Apartment rentals	\$ 1,074,342	\$ 1,135,147	\$ 1,160,527	\$ 1,209,600
Carport rentals	6,304	6,350	6,376	6,300
<b>Total operating revenues</b>	<b>1,080,646</b>	<b>1,141,497</b>	<b>1,166,903</b>	<b>1,215,900</b>
<b>Operating Expenses</b>				
Personal services	497,697	621,402	614,616	639,607
Supplies	23,638	23,520	23,720	23,720
Other charges	525,618	579,086	556,862	579,577
Reserve for contingencies	-	3,450	-	10,000
<b>Total operating expenses</b>	<b>1,046,953</b>	<b>1,227,458</b>	<b>1,195,198</b>	<b>1,252,904</b>
<b>Net Operating Income (Loss)</b>	<b>33,693</b>	<b>(85,961)</b>	<b>(28,295)</b>	<b>(37,004)</b>
<b>Non-operating Revenues (Expenses)</b>				
Food services	(73,028)	(77,000)	(66,930)	(66,000)
Supportive living	35,505	36,000	35,000	35,000
Investment earnings	39,212	25,000	18,000	18,000
Miscellaneous revenues	95,954	88,353	94,857	92,900
Miscellaneous expenses	(81,233)	-	-	-
<b>Total non-operating revenues (expenses)</b>	<b>16,410</b>	<b>72,353</b>	<b>80,927</b>	<b>79,900</b>
<b>Other Financing Uses</b>				
Operating transfer out - Washington Woods	(10,000)	(10,000)	(10,000)	(10,000)
Investment in assets	(45,138)	(60,953)	(60,783)	(11,550)
<b>Total other financing uses</b>	<b>(55,138)</b>	<b>(70,953)</b>	<b>(70,783)</b>	<b>(21,550)</b>
<b>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>(5,035)</b>	<b>(84,561)</b>	<b>(18,151)</b>	<b>21,346</b>
<b>Working Capital - beginning of year</b>	<b>806,135</b>	<b>801,100</b>	<b>801,100</b>	<b>782,949</b>
<b>Working Capital - end of year</b>	<b>\$ 801,100</b>	<b>\$ 716,539</b>	<b>\$ 782,949</b>	<b>\$ 804,295</b>

## RIVERSIDE PLACE FUND FIVE-YEAR FINANCIAL PLAN

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Operating Revenues</b>						
Apartment rentals	\$ 1,160,527	\$ 1,209,600	\$ 1,271,363	\$ 1,323,438	\$ 1,378,001	\$ 1,435,173
Carport rentals	6,376	6,300	6,300	6,300	6,300	6,300
Total operating revenues	<u>1,166,903</u>	<u>1,215,900</u>	<u>1,277,663</u>	<u>1,329,738</u>	<u>1,384,301</u>	<u>1,441,473</u>
<b>Operating Expenses</b>						
Personal services	614,616	639,607	668,389	698,467	729,898	762,743
Supplies	23,720	23,720	23,938	24,161	24,390	24,625
Other charges	556,862	579,577	591,566	603,855	618,951	634,425
Reserve for contingencies	-	10,000	5,000	5,000	5,000	5,000
Total operating expenses	<u>1,195,198</u>	<u>1,252,904</u>	<u>1,288,893</u>	<u>1,331,483</u>	<u>1,378,239</u>	<u>1,426,793</u>
Net Operating Income (Loss)	<u>(28,295)</u>	<u>(37,004)</u>	<u>(11,230)</u>	<u>(1,745)</u>	<u>6,062</u>	<u>14,680</u>
<b>Non-operating Revenues (Expenses)</b>						
Food services	(66,930)	(66,000)	(66,000)	(66,000)	(66,000)	(66,000)
Supportive living	35,000	35,000	35,000	35,000	35,000	35,000
Investment earnings	18,000	18,000	12,064	12,621	13,297	14,212
Miscellaneous revenues	94,857	92,900	93,812	94,751	95,719	96,716
Total non-operating revenues (expenses)	<u>80,927</u>	<u>79,900</u>	<u>74,876</u>	<u>76,372</u>	<u>78,016</u>	<u>79,928</u>
<b>Other Financing Uses</b>						
Operating transfer out - Washington Woods	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Investment in assets	(60,783)	(11,550)	(16,550)	(19,550)	(13,050)	(10,550)
Total other financing uses	<u>(70,783)</u>	<u>(21,550)</u>	<u>(26,550)</u>	<u>(29,550)</u>	<u>(23,050)</u>	<u>(20,550)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(18,151)	21,346	37,096	45,077	61,028	74,058
<b>Working Capital - beginning of year</b>	<u>801,100</u>	<u>782,949</u>	<u>804,295</u>	<u>841,391</u>	<u>886,468</u>	<u>947,496</u>
<b>Working Capital - end of year</b>	<u>\$ 782,949</u>	<u>\$ 804,295</u>	<u>\$ 841,391</u>	<u>\$ 886,468</u>	<u>\$ 947,496</u>	<u>\$ 1,021,554</u>

### ASSUMPTIONS:

Working capital goal	\$ 400,000
Annual market rent increase	5.00%
Operating expense increase per year	2.50%
Personal services increase per year	4.50%
Investment earnings on working capital	1.50%
Investment in assets: five-year capital plan	

FUND 536 - WASHINGTON WOODS FUND  
 DETAIL OF BUDGET APPROPRIATIONS AND REVENUES  
 Fiscal Year Ending June 30, 2010

	2007-08	2008-09		2009-10
	Actual	Budget	Estimate	Adopted
<b>Operating Revenues</b>				
Apartment rentals	\$ 1,142,900	\$ 1,184,692	\$ 1,201,908	\$ 1,231,536
Carport rentals	8,104	8,100	7,534	7,534
Total operating revenues	<u>1,151,004</u>	<u>1,192,792</u>	<u>1,209,442</u>	<u>1,239,070</u>
<b>Operating Expenses</b>				
Personal services	590,610	754,440	695,972	708,992
Supplies	30,802	38,761	36,794	37,411
Other charges	522,548	568,702	532,087	546,716
Reserve for contingencies	-	6,600	10,000	10,000
Total operating expenses	<u>1,143,960</u>	<u>1,368,503</u>	<u>1,274,853</u>	<u>1,303,119</u>
Net Operating Income (Loss)	<u>7,044</u>	<u>(175,711)</u>	<u>(65,411)</u>	<u>(64,049)</u>
<b>Non-operating Revenues (Expenses)</b>				
Food services	(68,719)	(76,020)	(66,574)	(75,062)
Investment earnings	33,801	18,500	15,156	15,156
Miscellaneous revenues	123,117	119,753	144,405	130,260
Miscellaneous expenses	<u>(109,501)</u>	<u>(12,840)</u>	<u>(24,724)</u>	<u>(13,300)</u>
Total non-operating revenues (expenses)	<u>(21,302)</u>	<u>49,393</u>	<u>68,263</u>	<u>57,054</u>
<b>Other Financing Sources (Uses)</b>				
Investment in assets	(27,296)	(94,353)	(85,401)	(5,500)
Operating transfers in	<u>10,000</u>	<u>77,000</u>	<u>74,317</u>	<u>10,000</u>
Total other financing sources (uses)	<u>(17,296)</u>	<u>(17,353)</u>	<u>(11,084)</u>	<u>4,500</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(31,554)	(143,671)	(8,232)	(2,495)
<b>Working Capital - beginning of year</b>	<u>709,171</u>	<u>677,617</u>	<u>677,617</u>	<u>669,385</u>
<b>Working Capital - end of year</b>	<u>\$ 677,617</u>	<u>\$ 533,946</u>	<u>\$ 669,385</u>	<u>\$ 666,890</u>

## WASHINGTON WOODS FUND FIVE-YEAR FINANCIAL PLAN

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Operating Revenues</b>						
Apartment rentals	\$ 1,201,908	\$ 1,231,536	\$ 1,262,398	\$ 1,294,461	\$ 1,327,815	\$ 1,362,531
Carport rentals	7,534	7,534	8,100	8,100	8,100	8,100
Total operating revenues	<u>1,209,442</u>	<u>1,239,070</u>	<u>1,270,498</u>	<u>1,302,561</u>	<u>1,335,915</u>	<u>1,370,631</u>
<b>Operating Expenses</b>						
Personal services	695,972	708,992	740,897	774,237	809,078	845,487
Supplies	36,794	37,411	37,896	38,393	38,903	39,426
Other charges	532,087	546,716	557,434	569,957	584,206	598,811
Reserve for contingencies	10,000	10,000	5,000	5,000	5,000	5,000
Total operating expenses	<u>1,274,853</u>	<u>1,303,119</u>	<u>1,341,227</u>	<u>1,387,587</u>	<u>1,437,187</u>	<u>1,488,724</u>
Net Operating Loss	<u>(65,411)</u>	<u>(64,049)</u>	<u>(70,729)</u>	<u>(85,026)</u>	<u>(101,272)</u>	<u>(118,093)</u>
<b>Non-operating Revenues (Expenses)</b>						
Food services	(66,574)	(75,062)	(75,062)	(75,062)	(75,062)	(75,062)
Investment earnings	15,156	15,156	10,003	9,635	9,159	8,333
Miscellaneous revenues	144,405	130,260	131,432	132,639	136,618	140,717
Miscellaneous expenses	(24,724)	(13,300)	(13,699)	(14,110)	(14,533)	(14,969)
Total non-operating revenues (expenses)	<u>68,263</u>	<u>57,054</u>	<u>52,674</u>	<u>53,102</u>	<u>56,182</u>	<u>59,019</u>
<b>Other Financing Sources (Uses)</b>						
Investment in assets	(85,401)	(5,500)	(16,500)	(9,800)	(20,000)	(13,800)
Operating transfers in	74,317	10,000	10,000	10,000	10,000	10,000
Total other financing sources (uses)	<u>(11,084)</u>	<u>4,500</u>	<u>(6,500)</u>	<u>200</u>	<u>(10,000)</u>	<u>(3,800)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(8,232)	(2,495)	(24,555)	(31,724)	(55,090)	(62,874)
<b>Working Capital - beginning of year</b>	<u>677,617</u>	<u>669,385</u>	<u>666,890</u>	<u>642,335</u>	<u>610,611</u>	<u>555,521</u>
<b>Working Capital - end of year</b>	<u>\$ 669,385</u>	<u>\$ 666,890</u>	<u>\$ 642,335</u>	<u>\$ 610,611</u>	<u>\$ 555,521</u>	<u>\$ 492,647</u>

### ASSUMPTIONS:

Working capital goal	\$ 500,000
Annual market rent increase	5.00%
Annual non-market rent increase	1.00%
Operating expense increase per year	2.50%
Personal services increase per year	4.50%
Miscellaneous income increase per year	3.00%
Miscellaneous expense increase per year	3.00%
Investment earnings on working capital	1.50%
Investment in assets: five-year capital plan	



Utilities Director.....Noel Bush  
Landfill Superintendent.....Scott O’Laughlin  
Wastewater Superintendent.....Kevin Babinski  
Water Superintendent.....David Love  
Budget Analyst.....Joseph Sova

## Service Statement

Facilitate, monitor and audit all Utilities Department budgets according to City guidelines to ensure availability of funds to effectively provide department services. Coordinate funding and assist division superintendents in the financial aspects of their operations, as well as with City Council communications relating to analysis, reporting and purchasing initiatives.

## Functions

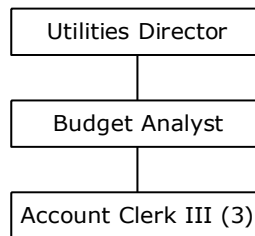
### Utilities Administration

- Oversees, coordinates and facilitates the operating and capital budgeting, major purchasing initiatives and communications for each of the following Utilities enterprise and special revenue funds:
  - Landfill Enterprise Fund
  - Wastewater Enterprise Fund
  - Water Enterprise Fund
  - Storm Water Management Special Revenue Fund
  - Assesses and administers environmental issues impacting the City

### Customer Service and Billing

- Provides water and sewer billing for the City’s retail, wholesale and industrial customers
- Account management and administration
- Issues new water permits
- Coordinates work orders for new meter sets, final bill meter reading, repairs, shut-offs and meter change-outs
- Water service and billing inquiries
- Educates consumers on leak detection and water loss through leaky toilets, etc.

## Organizational Chart





**Landfill Superintendent..... Scott O'Laughlin**

## Service Statement

Landfill staff is responsible for safe, efficient and regulatory-compliant disposal of all non-hazardous solid waste in Midland County. Midland is a closed county, meaning Midland waste does not leave and waste from other counties or states does not enter the county for disposal. The site is open Monday through Friday, 8:00 a.m. – 4:00 p.m. all year, and on Saturdays from 8:30 a.m. – noon during the months of March through November. We process and average over 100 vehicles per day, which amounts to roughly 600 tons per day of waste that's buried.

The site recently began filling Cell 16, a cell construction project, which added 11 acres of waste disposal. Including future cell construction, the site has an estimated life of over 40 years remaining. We are also investigating the addition of a Type III (inert waste) waste disposal cell on the property to further extend the site life. Finally, new technologies of bioreactor, or liquid introduction to waste, cells and landfill gas collection for conversion to energy are being implemented into the operation over the next few years to reduce gas migration off the property and provide a source of revenue through energy sale (or offset of current energy use). These projects are subject to review and approval by our regulatory agency, the Michigan Department of Environmental Quality, in accordance with Part 115 of PA 451, as amended.

The City also runs a large scale yard waste composting operation on the property. Over 40,000 cubic yards of leaves and grass are ground, mixed, rotated several times and eventually screened to generate high-quality compost. The material is currently used completely on site.

We support recycling and education at the site. We have a scrap metal drop-off area where metals are collected for disposal at a recycling yard, which also provides some revenue. Concrete and asphalt are recycled when brought to the site, and their use results in good road conditions in the waste disposal area.

We have consultants perform groundwater, surface water and air monitoring at the site to ensure we are not releasing pollutants from the site. Landfill staff strives to maintain a park-like appearance through groundskeeping, litter control and dust minimization.

The Landfill provides a drop off location for five to six household hazardous waste collections held annually. The materials are taken off site for proper disposal by a hazardous waste disposal firm. The program is provided to citizens at no expense. Electronic waste collections for recycling have also been added to minimize the amount of those materials being disposed of at the site.

Citizens have access to convenient dumpsters on a paved, elevated pad for disposal of small volumes of waste. Each household in the city of Midland and Midland County is allowed a single visit each month of up to three cubic yards of waste at no charge (excludes tires; maximum one appliance). Additional volume or visits within the calendar month are charged at the rates posted at the site and in the City's Code of Ordinances. Disposal fees were reduced in 2003 for all waste types, and had not increased during the ten prior years.

## Functions

### Waste Disposal for Midland County

- Residential waste drop-off area for convenient disposal for citizens, including 3 yards per residence per month for free
- Commercial/industrial non-hazardous solid waste
- Asbestos
- Contaminated soil

### Recycling

- Yard waste: 40,000+ yards of leaves & grass processed into compost annually
- Grinds up brush for internal use
- Separates scrap metal where possible and sells for scrap value
- Keeps concrete & asphalt waste separate for crushing & reuse as road or road base material on site
- Uses waste foundry sand for daily waste cover, avoiding use of virgin sand for cover
- Supports Midland Area Recycling Center, located on site
- Provides tours to schools from pre-kindergarten through college

### Site Maintenance

- Maintains park-like appearance
- Dust minimization
- Controls litter
- Erosion prevention
- Gas odor control
- Pump system maintenance

### Regulatory Compliance/Environmental Stewardship

- Customer service: processes an average of over 100 vehicles daily
- Inspects loads to insure against prohibited waste disposal
- Keeps records for reporting to Michigan Department of Environmental Quality
- Monitors groundwater to verify no contamination of water table beneath site
- Developing a landfill gas collection system to reduce odor concerns and generate energy (future)
- Designing bioreactor landfill cell to extend site life and reduce future liability

## Department at a Glance

Funding Level Summary	2006-07 Actual	2007-08 Actual	Adjusted 2008-09 Budget	Estimated 2008-09 Budget	Adopted 2009-10 Budget	% of Change
Sanitary Landfill	\$ 4,456,813	\$ 4,178,779	\$ 5,700,666	\$ 5,675,465	\$ 6,208,080	9.4%
<b>Total Department</b>	<b>\$ 4,456,813</b>	<b>\$ 4,178,779</b>	<b>\$ 5,700,666</b>	<b>\$ 5,675,465</b>	<b>\$ 6,208,080</b>	<b>9.4%</b>
Personal Services	\$ 880,892	\$ 885,246	\$ 1,014,798	\$ 930,613	\$ 1,012,378	8.8%
Supplies	180,725	211,655	178,989	205,302	201,449	-1.9%
Other Services/Charges	1,088,684	1,236,854	1,445,357	1,477,700	1,595,253	8.0%
Perpetual Care	-	-	125,000	125,000	125,000	0.0%
Miscellaneous	203,157	162,032	15,000	18,000	50,000	177.8%
Capital Outlay	2,091,655	1,682,992	2,921,522	2,918,850	2,850,000	-2.4%
Interfund Loans Issued	-	-	-	-	374,000	100.0%
Operating Transfers Out	11,700	-	-	-	-	0.0%
<b>Total Department</b>	<b>\$ 4,456,813</b>	<b>\$ 4,178,779</b>	<b>\$ 5,700,666</b>	<b>\$ 5,675,465</b>	<b>\$ 6,208,080</b>	<b>9.4%</b>

### Personnel Summary

Full-Time	8	9	9	9	9
Regular Part-Time	-	-	-	-	-
<b>Total Department</b>	<b>8</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>

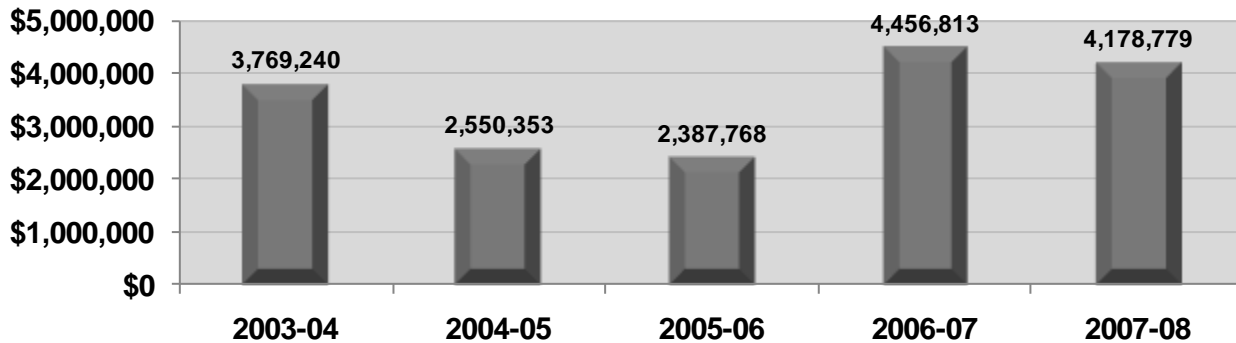
**Summary of Budget Changes**

**Significant Notes – 2009-10 Budget Compared to 2008-09 Budget**

Fiscal year 2009-10 will continue with several projects already underway. Cell 16 continues to be the primary waste disposal cell, and will for years to come. Hydrogeologic work for the planned Type III – Construction and Demolition Debris cell continues after a regulatory delay in 2008-09. Cell construction should commence during the 2009-10 fiscal year. Construction of an active gas collection and destruction system is expected to be completed by July 2009. This system will reduce odors leaving the site, minimize environmental impact of the site and lead to a 2009-10 fiscal year gas-to-energy facility that will generate revenue for the life of the Landfill site. Area A, an older disposal area, has an increased need for repairs of the final cover soils next year.

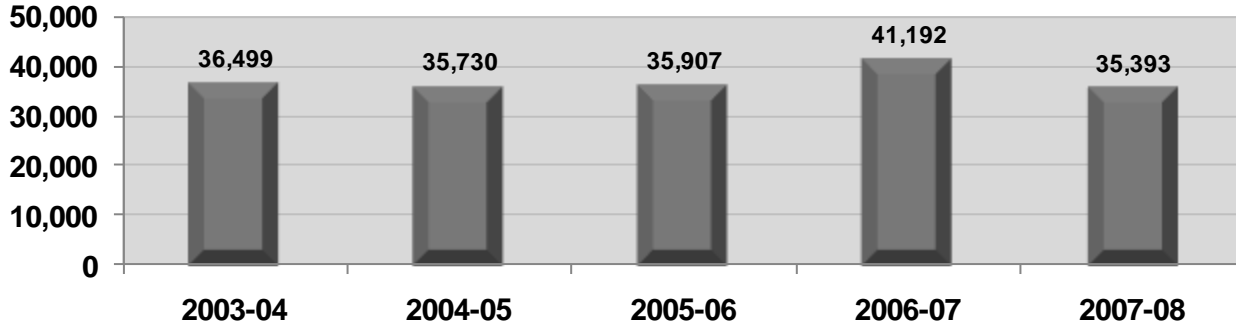
In spring 2009, a portion of raw compost and ground wood waste on the property was sold, prior to most processing, for use in biological treatment of contaminated soils in Porter Township. In fiscal year 2008-09, the Landfill continued its policy of purchasing properties adjacent to the Landfill to increase the buffer between the landfill operations and residences through the purchase of another vacant home.

**5-Year Operating Budget History**

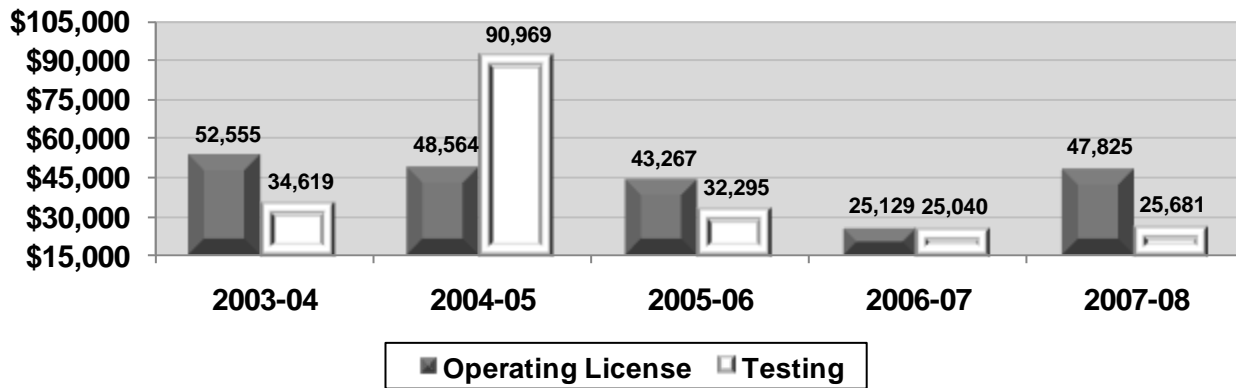


**Key Departmental Trends**

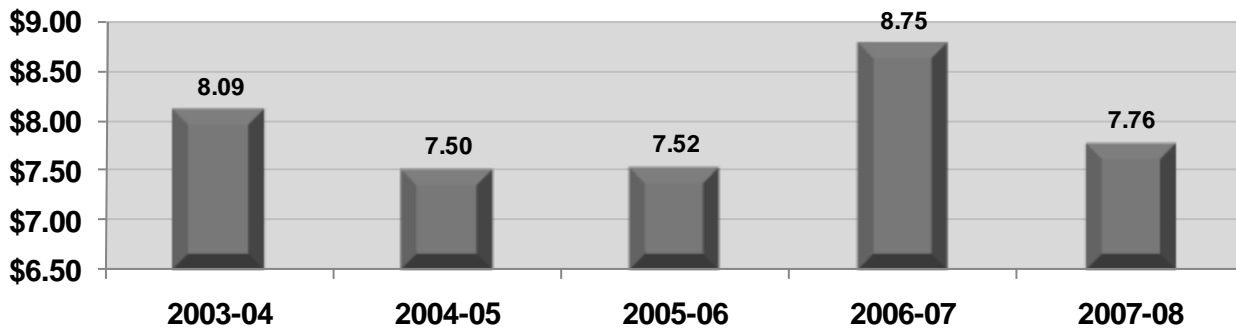
**Vehicle Count**



**Licensing and Testing Costs**

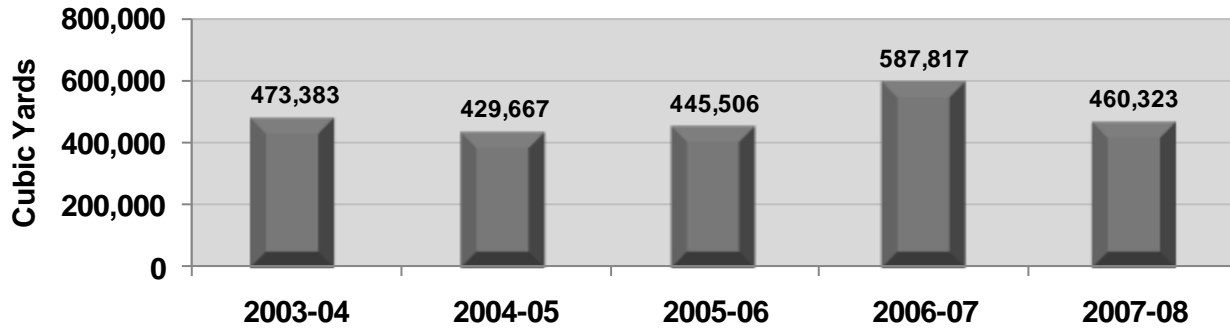


**Average Charge Per Yard**

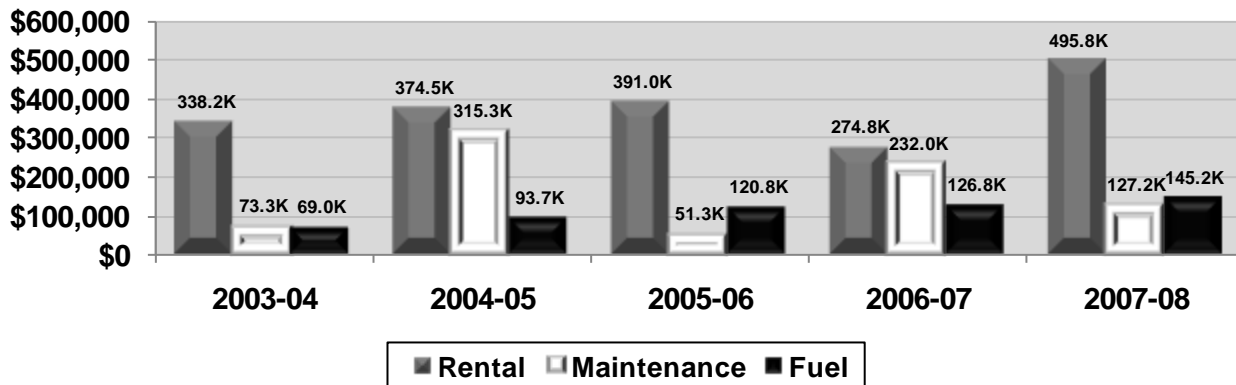


**Key Departmental Trends (cont.)**

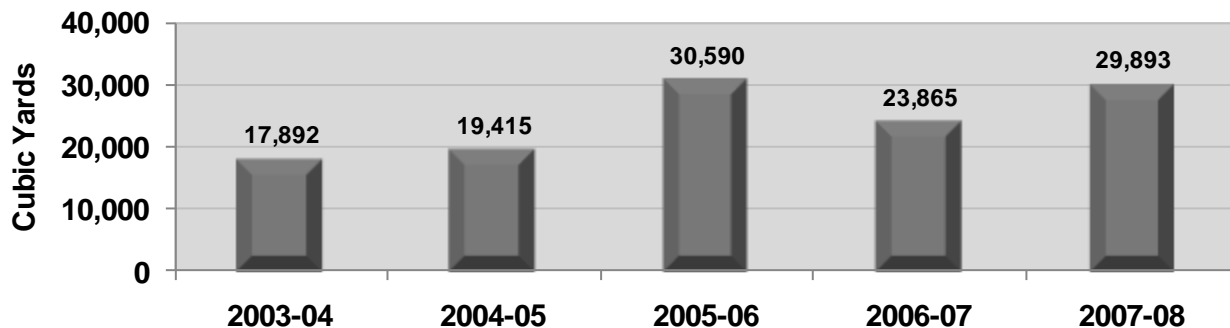
**Total Waste Received at Gate**



**Equipment Operating Costs**



**Yard Waste Received**



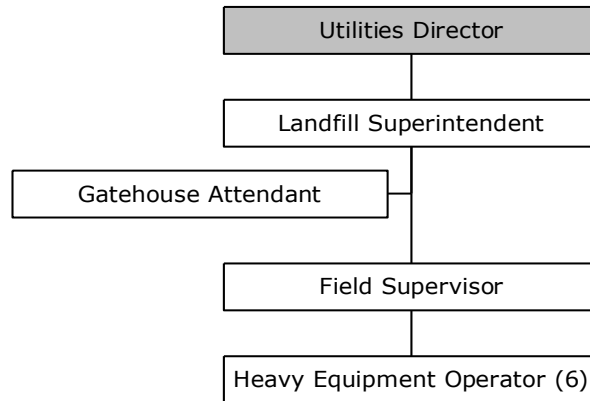
**Performance Objectives**

<b>Performance Indicators (OUTPUT)</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>	<b>% Change</b>
Vehicle Count	41,192	35,393	-14.1%
Air Space Capacity (Cubic Yards)	905,764	2,556,451	182.2%
Air Space Consumed (Cubic Yards)	224,143	149,710	-33.2%
Remaining Life of Open Cells (Years)	4.0	17.1	327.5%
Yard Waste Received (Cubic Yards)	23,865	29,893	25.3%
Total Waste Received at Gate (Cubic Yards)	587,817	460,323	-21.7%
Waste Received at Gate (Cubic Yards):			
Contractor	147,373	145,477	-1.3%
Demolition	162,976	159,353	-2.2%
City Residence	43,765	40,812	-6.7%
Heavy	35,646	38,484	8.0%
Yard Waste	23,865	29,893	25.3%
Public	11,528	10,490	-9.0%
Contaminated Soils	151,500	23,222	-84.7%
Other	11,165	12,592	12.8%

<b>Performance Indicators (EFFICIENCY)</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>	<b>% Change</b>
Average Waste Revenue per Cubic Yard	\$8.75	\$7.76	-11.3%
Cubic yard of Waste Handled per Employee	73,477	57,540	-21.7%
Average Cubic Yard per Vehicle	14.3	13.0	-9.0%
Average Air Space Consumed per Vehicle	5.4	4.2	-21.7%

**Organizational Chart**



Shaded boxes indicate a reporting structure to a department head that is funded outside of this budget.

<b>Staff Summary</b>	<b>Approved 2007-08</b>	<b>Approved 2008-09</b>	<b>Adopted 2009-10</b>
<u>Full-Time</u>			
Landfill Superintendent	1	1	1
Field Supervisor	1	1	1
Gatehouse Attendant	1	1	1
Heavy Equipment Operator	6	6	6
<b>Total Full-Time</b>	<b>9</b>	<b>9</b>	<b>9</b>
<u>Regular Part-Time</u>			
None	0	0	0
<b>Total Regular Part-Time</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Department Total</b>	<b>9</b>	<b>9</b>	<b>9</b>

**FUND 517 - LANDFILL FUND**  
**DETAIL OF BUDGET APPROPRIATIONS AND REVENUES**  
**Fiscal Year Ending June 30, 2010**

	2007-08	2008-09		2009-10
	Actual	Budget	Estimate	Adopted
<b>Operating Revenues</b>				
Township	\$ 414,660	\$ 430,000	\$ 402,763	\$ 402,750
Public	1,125,833	1,100,000	1,522,951	1,218,360
City - residential	415,873	410,000	406,962	411,030
Demolition	1,468,453	1,150,000	1,446,863	1,302,170
Penalties	2,358	1,500	6,000	1,790
<b>Total operating revenues</b>	<b>3,427,177</b>	<b>3,091,500</b>	<b>3,785,539</b>	<b>3,336,100</b>
<b>Operating Expenses</b>				
Personal services	754,086	994,962	913,343	1,012,378
Supplies	211,655	178,989	205,302	201,449
Other charges	1,236,854	1,445,357	1,477,700	1,595,253
Perpetual care	-	125,000	125,000	125,000
Reserve for contingencies	-	15,000	18,000	50,000
<b>Total operating expenses</b>	<b>2,202,595</b>	<b>2,759,308</b>	<b>2,739,345</b>	<b>2,984,080</b>
<b>Net Operating Income</b>	<b>1,224,582</b>	<b>332,192</b>	<b>1,046,194</b>	<b>352,020</b>
<b>Non-operating Revenues (Expenses)</b>				
Investment earnings	228,499	235,000	272,002	270,000
Interfund loan interest	45,835	26,192	26,192	19,644
Miscellaneous revenues	67,077	28,500	23,249	21,250
Miscellaneous expenses	(293,192)	(19,836)	(17,270)	-
<b>Total non-operating revenues (expenses)</b>	<b>48,219</b>	<b>269,856</b>	<b>304,173</b>	<b>310,894</b>
<b>Other Financing Sources (Uses)</b>				
Investment in assets	(1,682,992)	(2,921,522)	(2,918,850)	(2,850,000)
Interfund loans issued	-	-	-	(374,000)
Interfund loan proceeds	261,914	261,914	261,914	261,914
<b>Total other financing sources (uses)</b>	<b>(1,421,078)</b>	<b>(2,659,608)</b>	<b>(2,656,936)</b>	<b>(2,962,086)</b>
<b>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>(148,277)</b>	<b>(2,057,560)</b>	<b>(1,306,569)</b>	<b>(2,299,172)</b>
<b>Working Capital - beginning of year</b>	<b>5,936,707</b>	<b>5,788,430</b>	<b>5,788,430</b>	<b>4,481,861</b>
<b>Working Capital - end of year</b>	<b>\$ 5,788,430</b>	<b>\$ 3,730,870</b>	<b>\$ 4,481,861</b>	<b>\$ 2,182,689</b>

## LANDFILL FUND FIVE-YEAR FINANCIAL PLAN

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Operating Revenues</b>	<u>\$ 3,785,539</u>	<u>\$ 3,336,100</u>	<u>\$ 3,367,010</u>	<u>\$ 3,398,270</u>	<u>\$ 3,429,890</u>	<u>\$ 3,461,870</u>
<b>Operating Expenses</b>						
Personal services	913,343	1,012,378	1,057,935	1,105,542	1,155,291	1,207,279
Supplies	205,302	201,449	206,485	211,647	216,938	222,361
Other charges	1,477,700	1,595,253	1,635,134	1,676,012	1,717,912	1,760,860
Perpetual care	125,000	125,000	128,125	131,328	134,611	137,976
Reserve for contingencies	18,000	50,000	25,000	25,000	25,000	25,000
Total operating expenses	<u>2,739,345</u>	<u>2,984,080</u>	<u>3,052,679</u>	<u>3,149,529</u>	<u>3,249,752</u>	<u>3,353,476</u>
Net Operating Income	<u>1,046,194</u>	<u>352,020</u>	<u>314,331</u>	<u>248,741</u>	<u>180,138</u>	<u>108,394</u>
<b>Non-operating Revenues (Expenses)</b>						
Investment earnings	272,002	270,000	32,740	21,165	28,097	30,489
Interfund loan interest	26,192	19,644	13,096	6,548	-	-
Miscellaneous revenues	23,249	21,250	21,250	21,250	21,250	21,250
Miscellaneous expenses	(17,270)	-	-	-	-	-
Total non-operating revenues (expenses)	<u>304,173</u>	<u>310,894</u>	<u>67,086</u>	<u>48,963</u>	<u>49,347</u>	<u>51,739</u>
<b>Other Financing Sources (Uses)</b>						
Investment in Assets	(1,134,297)	(200,000)	(515,000)	(147,500)	(120,000)	(331,000)
Interfund loans issued	-	(374,000)	-	-	-	-
Interfund loan proceeds	261,914	261,914	361,914	361,914	100,000	100,000
Cell Development & Closure	(1,784,553)	(2,650,000)	(1,000,000)	(50,000)	(50,000)	(200,000)
Total other financing sources (uses)	<u>(2,656,936)</u>	<u>(2,962,086)</u>	<u>(1,153,086)</u>	<u>164,414</u>	<u>(70,000)</u>	<u>(431,000)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(1,306,569)	(2,299,172)	(771,669)	462,118	159,485	(270,867)
<b>Working Capital - beginning of year</b>	<u>5,788,430</u>	<u>4,481,861</u>	<u>2,182,689</u>	<u>1,411,020</u>	<u>1,873,138</u>	<u>2,032,623</u>
<b>Working Capital - end of year</b>	<u>\$ 4,481,861</u>	<u>\$ 2,182,689</u>	<u>\$ 1,411,020</u>	<u>\$ 1,873,138</u>	<u>\$ 2,032,623</u>	<u>\$ 1,761,756</u>
Working capital (Goal = \$1 million)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Working capital for cell development & closure	3,481,861	1,182,689	411,020	873,138	1,032,623	761,756
	<u>\$ 4,481,861</u>	<u>\$ 2,182,689</u>	<u>\$ 1,411,020</u>	<u>\$ 1,873,138</u>	<u>\$ 2,032,623</u>	<u>\$ 1,761,756</u>

### ASSUMPTIONS:

Rate adjustments	None
Growth rate	1.0%
Personal services increase per year	4.50%
Operating expense increase per year	2.50%
Investment earnings on working capital	1.50%
Investment in assets: five-year capital plan	



**Wastewater Superintendent.....Kevin Babinski**

## Service Statement

The City of Midland Wastewater Treatment Plant is a "Class A" sewage treatment plant and has been issued a National Pollution Discharge Elimination System (NPDES) permit by the EPA and MDEQ. The treatment plant has a design capacity of 10.0 million gallons a day (MGD) and a hydraulic capacity of 18.0 MGD. Samples are collected during each shift and analyzed daily by the operational staff in the wastewater laboratory. Process adjustments for each phase of treatment are made based on the analytical results in comparison to permit limitation of each pollutant. Daily reports are generated and compiled into a monthly operating report, which is submitted to the State of Michigan.

Sludge is a waste product that is generated from solids removed during the cleaning of the wastewater. It is stabilized through a biological process referred to as anaerobic digestion. In this process, microorganisms destroy pathogens and viruses while reducing the volatile content, creating a safe recyclable product called bio-solids. Bio-solids are used as a fertilizer throughout the farming industry and contain nitrogen, phosphorus and many micro-nutrient and organic solids that enrich the soil. The City of Midland recycles approximately 3.5 million gallons of bio-solids each year.

Staff monitors plant equipment using a SCADA system and performs inspections of all equipment and structures daily. An intensive preventive maintenance program keeps equipment operating at peak efficiency.

A computerized work order system tracks equipment maintenance costs. Most repairs to equipment are done in-house.

The treatment plant has a standby diesel generator sized to run critical loads during a power outage.

Staff, working with an engineering firm, is implementing an asset management program to review and prioritize capital expenditures for the next 20 years. The development of a comprehensive plan for wastewater improvements will allow for orderly and cost-effective improvements.

The sewer maintenance staff is responsible for maintaining nearly 200 miles of sanitary sewers. The sanitary system is cleaned on a two-year rotation. Computerized work orders track progress. Staff will respond to service requests 24 hours a day. The staff conducts regular inspections and is responsible for repairs to damaged structures and lines. Recently purchased equipment allows us to repair some defects in-house using a form of trenchless sewer technology called "spot liners". Larger defects that require a full-length liner or a dig and repair method are contracted out.

The storm maintenance staff is responsible for maintaining nearly 180 miles of storm sewer. The storm system is cleaned on a four-year rotation. Progress is tracked using a computerized work order system. Open drains throughout the city are inspected for debris after major rainfalls.

## Functions

### Sewer Maintenance

- Maintains and repairs the sanitary sewer system on a two-year rotation
- Maintenance includes cleaning, televising and repairing sanitary sewers and manholes
- Responds to service request calls related to the sanitary sewer system
- Inspects, assists and supervises subcontractors in the maintenance of the sanitary sewer system

### Storm Maintenance

- Maintains and repairs the storm sewer systems
- Cleans storm sewers on a four-year rotation including catch basins
- Inspects, removes debris and supervises subcontractors in the maintenance of open drains and outfalls

### Plant Operations

- Maintains National Pollutant Discharge Elimination System Permit, effluent limits and compliance schedule
- Removes non-recyclable material from wastewater and dispose
- Removes solids from wastewater and stabilizes for recycling
- Monitors biological treatment systems processes for cleaning wastewater
- Collects daily samples and performs daily analytical on all phases of the water recycling process and discharge requirements
- Adjusts process controls of each phase of treatment based on analytical results
- Maintains quality control and quality assurance of laboratory
- Inspects all plant equipment to ensure it is properly running and reports any malfunctioning equipment
- Generates daily report on all processes
- Monitors pumping stations via computer system communication
- Maintains storm water compliance permit as required by the State of Michigan, which includes bi-weekly storm water inspections, bi-annual inspections and annual reports

### Pump Station Maintenance

- Monitors 40 pump stations via telemetry and computer system
- Performs weekly inspections as part of preventative maintenance program
- Utilizes in-house staff for pump, motor, electrical and structural repairs
- Researches new technology as it becomes available and implements this technology after it has been tested and proven, i.e., PLC control
- Installs equipment to help increase efficiency and reliability of pump station, i.e., variable frequency drives, flow meters and standby generators
- Assists in design and construction of new pump stations
- Documents improvements and/or repairs to keep history to assist PM program
- All maintenance staff are members of MWEA and receive information on training and latest technology used in the wastewater industry

### Plant Maintenance

- Monitors plant equipment via computer and associated instruments
- Performs weekly inspections of plant equipment and structures
- Administers intensive preventative maintenance program
- Utilizes in-house staff for pump, motor, electrical, and structural repairs
- Works in cooperation with operations staff utilizing a trouble area work order program
- Annually tests thermography on critical equipment
- Annually calibrates meters
- Prioritizes equipment replacement using an asset management plan
- All maintenance staff are members of MWEA and receive information on training and latest technology used in the wastewater industry

## Department at a Glance

<b>Funding Level Summary</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>	<b>Adjusted 2008-09 Budget</b>	<b>Estimated 2008-09 Budget</b>	<b>Adopted 2009-10 Budget</b>	<b>% of Change</b>
Administration	\$ 666,705	\$ 693,407	\$ 889,155	\$ 888,323	\$ 938,750	5.7%
Operations	1,103,363	1,162,046	1,284,828	1,355,068	1,436,216	6.0%
Maintenance	1,486,579	1,550,216	1,750,265	1,694,337	1,716,834	1.3%
Miscellaneous	471,402	621,563	50,500	50,405	64,500	28.0%
Debt Service	1,396,347	1,427,254	1,391,607	1,391,607	1,403,742	0.9%
Capital Outlay	295,642	451,278	1,304,111	1,713,672	1,190,280	-30.5%
Operating Transfers Out	140,000	73,960	-	-	-	0.0%
<b>Total Department</b>	<b>\$ 5,560,038</b>	<b>\$ 5,979,724</b>	<b>\$ 6,670,466</b>	<b>\$ 7,093,412</b>	<b>\$ 6,750,322</b>	<b>-4.8%</b>

Personal Services	\$ 1,680,441	\$ 1,882,616	\$ 1,841,745	\$ 1,841,236	\$ 1,888,006	2.5%
Supplies	367,835	369,148	425,250	494,329	466,345	-5.7%
Other Services/Charges	1,679,773	1,775,468	1,707,753	1,652,568	1,801,949	9.0%
Debt Service	1,396,347	1,427,254	1,391,607	1,391,607	1,403,742	0.9%
Capital Outlay	295,642	451,278	1,304,111	1,713,672	1,190,280	-30.5%
Operating Transfers Out	140,000	73,960	-	-	-	0.0%
<b>Total Department</b>	<b>\$ 5,560,038</b>	<b>\$ 5,979,724</b>	<b>\$ 6,670,466</b>	<b>\$ 7,093,412</b>	<b>\$ 6,750,322</b>	<b>-4.8%</b>

### Personnel Summary

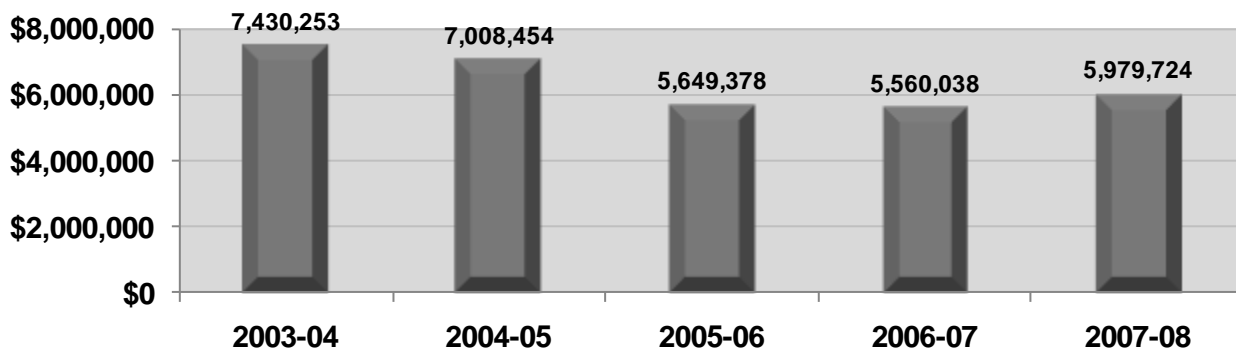
Full-Time	22	22	22	22	20
Regular Part-Time	1	1	1	1	1
<b>Total Department</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>21</b>

## Summary of Budget Changes

### Significant Notes – 2009-10 Budget Compared to 2008-09 Budget

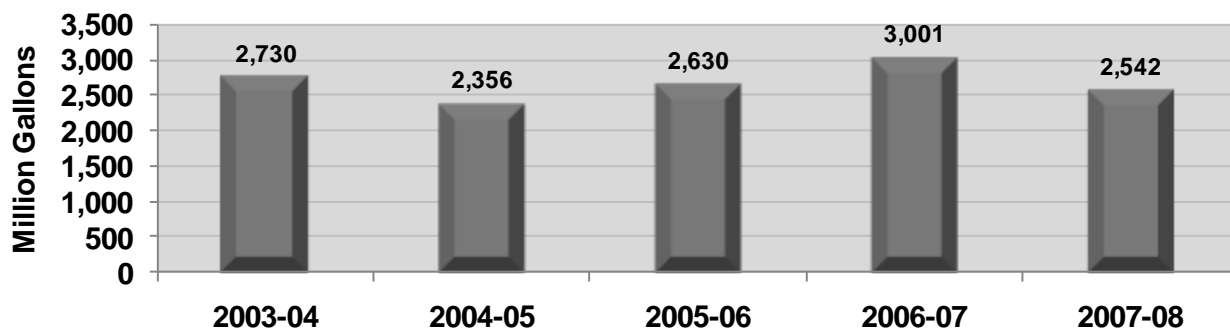
Repairs to infrastructure at the wastewater plant will include concrete repairs to the main pump house, equalization basin hatches, primary treatment building, flow split building and the tunnel. Manhole rehabilitation will continue on older deteriorating block manholes in the downtown area. Rehabilitation of the sanitary sewer using trenchless technologies on Fournie and North Street is scheduled. Two new pump stations will be added at Contractor Drive and Sandow Road.

### 5-Year Operating Budget History



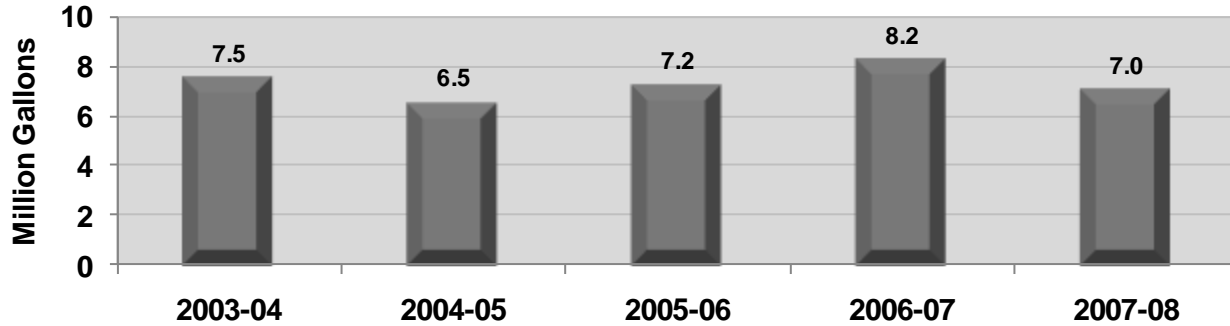
## Key Departmental Trends

### Sewer Treated

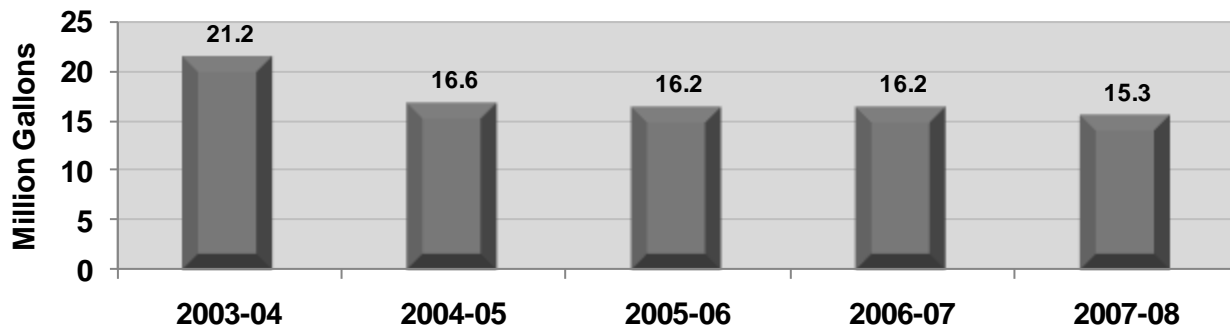


## Key Departmental Trends (cont.)

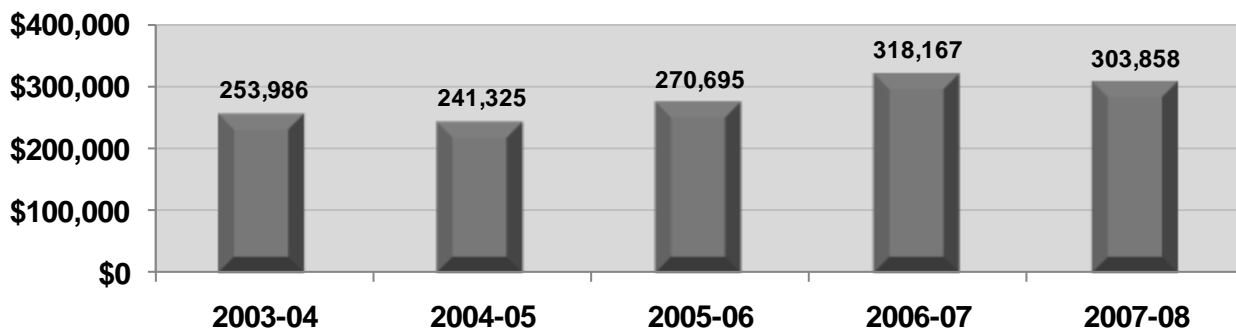
### Sewer Treated Avg Day



### Sewer Treated Max Day

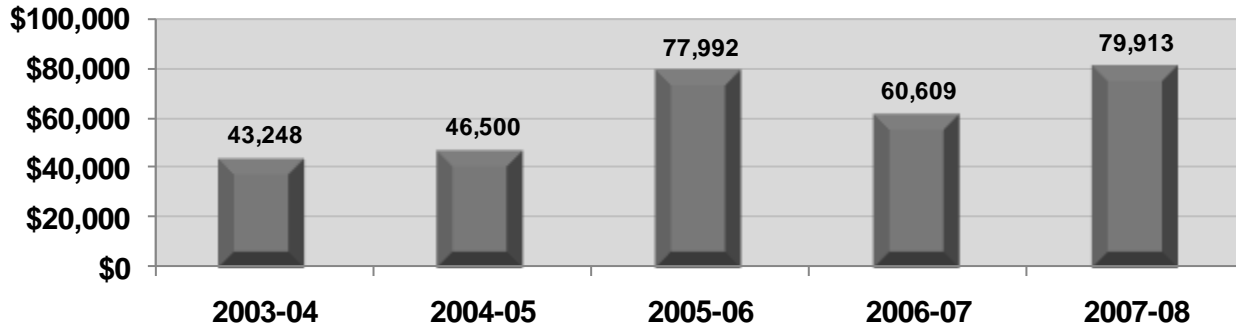


### Electric Costs

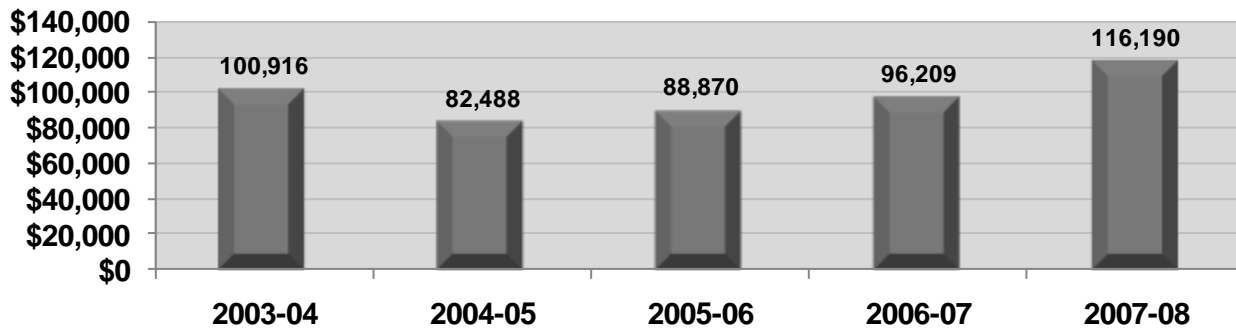


## Key Departmental Trends (cont.)

### Natural Gas Costs



### Chemical Costs



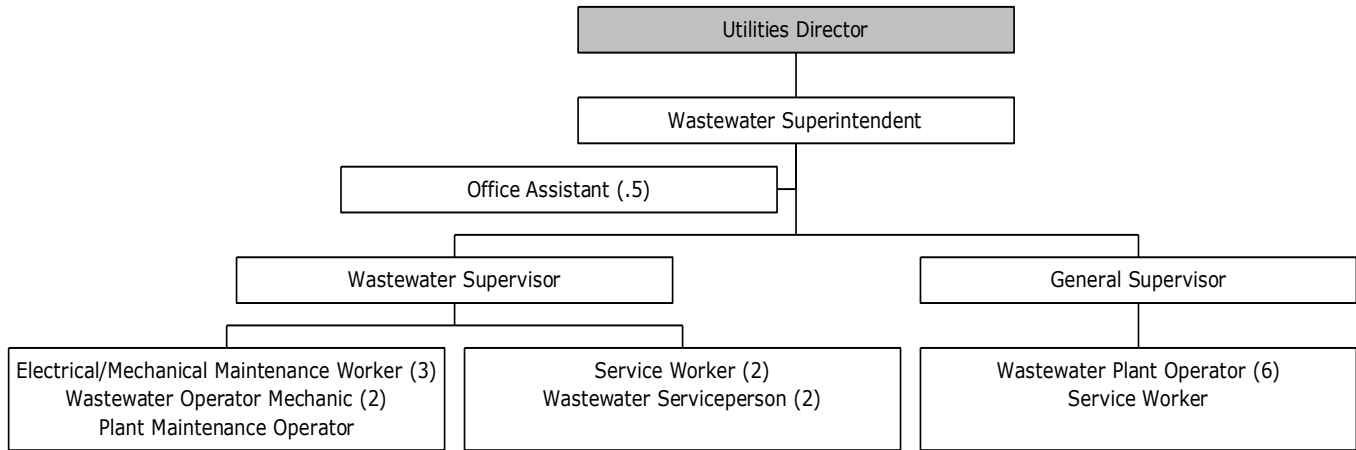
## Performance Objectives

<b>Performance Indicators (OUTPUT)</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>	<b>% Change</b>
Annual Treatment (MG)	3,000.6	2,541.6	-15.3%
Max Day Treatment (MG)	16.2	15.3	-5.6%
Average Day Treatment (MG)	8.2	7.0	-14.6%
Miles of Pipe	193.1	193.6	0.3%
Feet of Pipe Cleaned	460,949	457,878	-0.7%
Collection Failures (#)	4	14	250.0%
Inches of Rain per Year	32.9	33.7	2.3%
Inches of Rain Max Month	4.5	5.4	19.1%

<b>Performance Indicators (EFFICIENCY)</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>	<b>% Change</b>
MG Treated Per Employee	130.5	110.5	-15.3%
Cost per MG Collected/Treated	\$1,774	\$2,238	26.2%
Chemical Cost per MG Treated	\$20.20	\$31.44	55.7%
Collection Failures per Mile of Pipe	0.02	0.07	261.6%
Average Residential Sewer Cost/Quarter	\$76.10	\$79.62	4.6%
Non-Compliance Days	0	0	N/A

## Organizational Chart



Shaded boxes indicate a reporting structure to a department head that is funded outside of this budget.

<b>Staff Summary</b>	<b>Approved 2007-08</b>	<b>Approved 2008-09</b>	<b>Adopted 2009-10</b>
<u>Full-Time</u>			
Wastewater Superintendent	1	1	1
Wastewater Supervisor	1	1	1
General Supervisor	1	1	1
Electrical/Mechanical Maintenance Worker II	3	3	3
Plant Maintenance Operator	1	1	1
Service Worker	4	4	3
Wastewater Operator Mechanic	2	2	2
Wastewater Plant Operator	6	6	6
Wastewater Serviceperson	3	3	2
<b>Total Full-Time</b>	<b>22</b>	<b>22</b>	<b>20</b>
<u>Regular Part-Time</u>			
Office Assistant	1	1	1
<b>Total Regular Part-Time</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Department Total</b>	<b>23</b>	<b>23</b>	<b>21</b>

FUND 590 - WASTEWATER FUND  
 DETAIL OF BUDGET APPROPRIATIONS AND REVENUES  
 Fiscal Year Ending June 30, 2010

	2007-08	2008-09		2009-10
	Actual	Budget	Estimate	Adopted
<b>Operating Revenues</b>				
Sewer service charges	\$ 4,827,045	\$ 5,133,620	\$ 5,044,183	\$ 5,295,925
Forfeited discounts	72,362	60,580	70,631	65,590
<b>Total operating revenues</b>	<b>4,899,407</b>	<b>5,194,200</b>	<b>5,114,814</b>	<b>5,361,515</b>
<b>Operating Expenses</b>				
Administration	693,407	889,155	888,323	938,750
Operations				
Wastewater operations	891,776	1,013,659	1,094,129	1,125,520
Residuals processing	160,444	157,216	146,583	152,343
Digester operations	76,811	70,111	71,547	121,127
Maintenance				
Pump stations	428,096	485,577	448,872	466,566
Sewer plant	520,051	509,254	505,155	475,671
Janitorial	65,137	74,311	79,339	75,515
Sanitary sewer cleaning	230,374	254,533	253,975	227,965
Digester maintenance	10,151	19,442	18,703	19,803
Residuals process	4,539	14,457	9,735	13,817
Motor equipment	168,863	211,855	186,997	224,393
Sanitary sewer repair	109,481	147,288	167,233	181,569
Instrumentation	13,524	33,548	24,328	31,535
Safety	33,015	43,842	42,809	37,226
Reserve for contingencies	-	50,000	50,000	50,000
<b>Total operating expenses</b>	<b>3,405,669</b>	<b>3,974,248</b>	<b>3,987,728</b>	<b>4,141,800</b>
<b>Net Operating Income</b>	<b>1,493,738</b>	<b>1,219,952</b>	<b>1,127,086</b>	<b>1,219,715</b>
<b>Non-operating Revenues (Expenses)</b>				
Capital charges	16,540	12,300	7,210	4,600
Investment earnings	94,551	50,000	44,654	44,000
Miscellaneous revenues	37,272	32,000	27,224	24,000
Miscellaneous expenses	(666,005)	(500)	(405)	(14,500)
Interest expense	(567,812)	(536,607)	(536,607)	(503,742)
<b>Total non-operating revenues (expenses)</b>	<b>(1,085,454)</b>	<b>(442,807)</b>	<b>(457,924)</b>	<b>(445,642)</b>
<b>Other Financing Sources (Uses)</b>				
Investment in assets	(451,278)	(1,304,111)	(1,713,672)	(1,190,280)
Interfund loan proceeds	-	-	-	374,000
Operating transfers in	972,170	834,964	1,249,755	836,395
Operating transfers out	(73,960)	-	-	-
Retirement of debt	(815,000)	(855,000)	(855,000)	(900,000)
<b>Total other financing sources (uses)</b>	<b>(368,068)</b>	<b>(1,324,147)</b>	<b>(1,318,917)</b>	<b>(879,885)</b>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	40,216	(547,002)	(649,755)	(105,812)
<b>Working Capital - beginning of year</b>	<b>1,965,009</b>	<b>2,005,225</b>	<b>2,005,225</b>	<b>1,355,470</b>
<b>Working Capital - end of year</b>	<b>\$ 2,005,225</b>	<b>\$ 1,458,223</b>	<b>\$ 1,355,470</b>	<b>\$ 1,249,658</b>

## WASTEWATER FUND FIVE-YEAR FINANCIAL PLAN

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Operating Revenues</b>	<u>\$ 5,114,814</u>	<u>\$ 5,361,515</u>	<u>\$ 5,633,015</u>	<u>\$ 5,914,660</u>	<u>\$ 6,210,396</u>	<u>\$ 6,520,907</u>
<b>Operating Expenses</b>						
Administration	888,323	938,750	964,378	990,706	1,017,752	1,045,537
Operations	1,312,259	1,398,990	1,447,815	1,498,344	1,550,636	1,604,753
Maintenance	1,694,337	1,716,834	1,776,752	1,838,761	1,902,934	1,969,346
Safety	42,809	37,226	38,678	40,186	41,753	43,381
Reserve for contingencies	50,000	50,000	25,000	50,000	50,000	25,000
Total operating expenses	<u>3,987,728</u>	<u>4,141,800</u>	<u>4,252,623</u>	<u>4,417,997</u>	<u>4,563,075</u>	<u>4,688,017</u>
Net Operating Income	<u>1,127,086</u>	<u>1,219,715</u>	<u>1,380,392</u>	<u>1,496,663</u>	<u>1,647,321</u>	<u>1,832,890</u>
<b>Non-operating Revenues (Expenses)</b>						
Capital charges	7,210	4,600	6,660	6,660	6,660	6,660
Investment earnings	44,654	44,000	17,000	16,000	13,000	11,000
Miscellaneous revenues	27,224	24,000	24,720	25,462	26,226	27,013
Miscellaneous expenses	(405)	(14,500)	(14,935)	(15,383)	(15,844)	(16,319)
Interest expense	(536,607)	(503,742)	(469,021)	(432,182)	(399,485)	(364,457)
Total non-operating revenues (expenses)	<u>(457,924)</u>	<u>(445,642)</u>	<u>(435,576)</u>	<u>(399,443)</u>	<u>(369,443)</u>	<u>(336,103)</u>
<b>Other Financing Sources (Uses)</b>						
Investment in assets	(1,713,672)	(1,190,280)	(1,009,500)	(1,006,500)	(1,163,000)	(1,106,000)
Interfund loan proceeds	-	374,000	-	-	-	-
Operating transfers in	1,249,755	836,395	848,413	856,309	863,691	875,674
Retirement of debt	(855,000)	(900,000)	(1,045,000)	(1,095,000)	(1,140,000)	(1,195,000)
Total other financing sources (uses)	<u>(1,318,917)</u>	<u>(879,885)</u>	<u>(1,206,087)</u>	<u>(1,245,191)</u>	<u>(1,439,309)</u>	<u>(1,425,326)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(649,755)	(105,812)	(261,271)	(147,971)	(161,431)	71,461
<b>Working Capital - beginning of year</b>	<u>2,005,225</u>	<u>1,355,470</u>	<u>1,249,658</u>	<u>988,387</u>	<u>840,416</u>	<u>678,985</u>
<b>Working Capital - end of year</b>	<u>\$ 1,355,470</u>	<u>\$ 1,249,658</u>	<u>\$ 988,387</u>	<u>\$ 840,416</u>	<u>\$ 678,985</u>	<u>\$ 750,446</u>

### ASSUMPTIONS:

Working capital goal	600,000
Sewer revenue increases:	
2009-10	5.00%
2010-11	5.00%
2011-12	5.00%
2012-13	5.00%
2013-14	5.00%
Personnel services increase per year	4.50%
Other operating expenses increase per year	2.25%
Investment earnings on working capital	1.50%
Miscellaneous income increase per year	3.00%
Miscellaneous expense increase per year	3.00%
Retirement of debt - actual	
Investment in assets: five-year capital plan	



**Water Superintendent.....David Love**

## Service Statement

Raw water from Lake Huron is purchased from the Saginaw-Midland Municipal Water Supply Corporation pipeline. The pipeline corporation is jointly owned by the cities of Midland and Saginaw.

The Water Division is responsible for the planning, management, treatment and distribution of potable water. Bringing this precious natural resource into homes and businesses requires the hard work and commitment of knowledgeable and devoted trained specialists working around the clock.

The City of Midland water system operates under oversight from EPA and MDEQ under the U.S. Safe Drinking Water Act of 1974 and the Michigan Safe Drinking Water Act 1976 PA 399.

Our water treatment and distribution system protect us from naturally-occurring and manmade contaminants. Our water treatment plant is capable of producing 48 million gallons a day of high quality water. Chemicals are added to the raw water at the Water Plant to accomplish the purification and disinfection process that includes: coagulation, clarification and filtration. Operators at the plant monitor water quality in "real time" 24 hours a day, 365 days a year. Over 100,000 tests are performed each year by our laboratory - before, during and after treatment - to assure that the water meets or exceeds all the requirements of Federal and State regulations for safe drinking water. Finished water is distributed through separate transmission systems to both our general population or domestic flow and our industrial customers at Dow Chemical's Michigan Division and Dow Corning. The plant maintenance team is responsible for ensuring the reliability of all the electrical and mechanical systems for the treatment and delivery of the water. Water is stored in both elevated and underground facilities located throughout the water system to meet our customers' needs.

The water transmission and distribution system is comprised of over 332 miles of water main providing water for fire protection, business, industry and individual customers in the City of Midland, Homer Township, Larkin Township, Midland Township, Mills Township, Water District #1 of Midland County and the City of Auburn. Water system distribution crews provide for the integrity of this delivery system with emergency water main repair, valve operation, elevated storage inspection and cleaning, hydrant inspections and meter reading and maintenance. The Distribution staff also administers the City's Cross Connection Control Program to protect the system from backflow potential.

## Functions

### Water Plant Operations

- Maintains water quality within Federal and State requirements to protect public health
- Monitors plant operation 24/7 to optimize treatment efficiency
- Files monthly treatment reports to MDEQ
- Complies with Process Safety (OSHA) and Risk Management (EPA) requirements for chlorine handling
- Performs daily chemical and biological analysis monitoring treatment process
- Develops short- and long-range budget and capital improvement plan
- Responds to citizen service requests and inquiries related to water quality questions
- Performs daily water system testing for bacteriological indicator organism to confirm water quality
- Maintains certification of plant laboratory to meet EPA and MDEQ standards
- Monitors mandated MDEQ operator certification to ensure continuing education requirements are completed
- Conducts water quality control sampling of our distribution system
- Coordinates daily flow request with the Saginaw-Midland Water Supply Corp. to optimize raw water system efficiency
- Monitors and maintains treatment chemical inventories
- Meets MDEQ and Clean Water Act requirements for the disposal of water treatment residuals

### Water Plant Maintenance

- Maintains 5 pump stations including: industrial pumping, domestic pumping, pressure district pumping and booster pump stations
- Maintains Supervisor Control and Data Acquisition (SCADA) systems and corresponding remote radio telemetry to insure reliability of the plant controls
- Performs preventive maintenance program on system equipment
- Monthly calibrates online analytical equipment for turbidity and chlorine to ensure regulatory compliance

- Completes all required staff safety training
- Conducts annual maintenance of all treatment basins and process equipment including calibration of all chemical feeders and flow meters
- Completes annual inspection and monitoring program of plant filters

### Water Distribution

- Maintains and repairs emergency water main for 332 miles of water main
- Inspects and cleans elevated storage
- Reviews and approves design for all water system extensions and improvements
- Responds to citizen service requests and inquiries related to water quality questions, water pressure problems and water main repair or construction projects
- Provides accurate and timely readings of 18,025 water meters on a quarterly basis for billing purposes
- Administers and enforces City Ordinances relating to our cross connection control program including the facilitation of the testing requirements for 4,828 backflow prevention devices
- Monitors operator MDEQ certification to ensure mandated continuing education requirements are completed
- Conducts annual system flushing program
- Monitors and maintains inventories for water system repair parts and meter stock
- Maintains and repairs emergency valves for 3,032 distribution valves
- Maintains 48" and 36" raw water transmission lines from Saginaw-Midland Municipal Water Supply Corporation to the City of Midland Water Treatment Plant
- Maintains 2,979 fire hydrants including auxiliary valves
- Gathers fire flow test data for City of Midland Fire Department and fire suppression contractors
- Responds to approximately 6,000 requests for utility locates on an annual basis

## Department at a Glance

Funding Level Summary	2006-07 Actual	2007-08 Actual	Adjusted 2008-09 Budget	Estimated 2008-09 Budget	Adopted 2009-10 Budget	% of Change
Administration	\$ 1,008,306	\$ 1,060,895	\$ 1,342,232	\$ 1,341,546	\$ 1,416,385	5.6%
Plant Operations	4,016,920	4,114,107	3,274,508	3,196,384	3,264,030	2.1%
Maintenance	2,318,442	2,379,338	2,917,133	3,028,934	3,018,005	-0.4%
Miscellaneous	696,601	1,497,737	57,998	61,812	148,144	139.7%
Debt Service	2,111,327	2,074,217	2,477,627	2,466,417	2,396,212	-2.8%
Capital Outlay	222,557	241,154	3,161,641	1,860,700	2,871,351	54.3%
Operating Transfers Out	100,000	190,000	-	-	-	0.0%
<b>Total Department</b>	<b>\$ 10,474,153</b>	<b>\$ 11,557,448</b>	<b>\$ 13,231,139</b>	<b>\$ 11,955,793</b>	<b>\$ 13,114,127</b>	<b>9.7%</b>

Personal Services	\$ 3,113,342	\$ 3,427,504	\$ 3,468,281	\$ 3,528,433	\$ 3,653,093	3.5%
Supplies	473,457	534,627	621,175	654,977	676,593	3.3%
Other Services/Charges	4,453,470	5,089,946	3,502,415	3,445,266	3,516,878	2.1%
Debt Service	2,111,327	2,074,217	2,477,627	2,466,417	2,396,212	-2.8%
Capital Outlay	222,557	241,154	3,161,641	1,860,700	2,871,351	54.3%
Operating Transfers Out	100,000	190,000	-	-	-	0.0%
<b>Total Department</b>	<b>\$ 10,474,153</b>	<b>\$ 11,557,448</b>	<b>\$ 13,231,139</b>	<b>\$ 11,955,793</b>	<b>\$ 13,114,127</b>	<b>9.7%</b>

### Personnel Summary

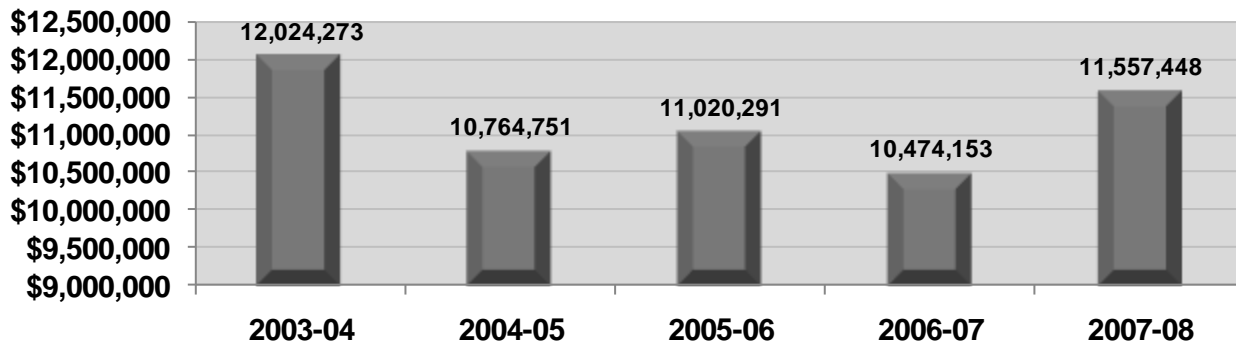
Full-Time	31	31	31	31	30
Regular Part-Time	1	1	1	1	1
<b>Total Department</b>	<b>32</b>	<b>32</b>	<b>32</b>	<b>32</b>	<b>31</b>

## Summary of Budget Changes

### Significant Notes – 2009-10 Budget Compared to 2008-09 Budget

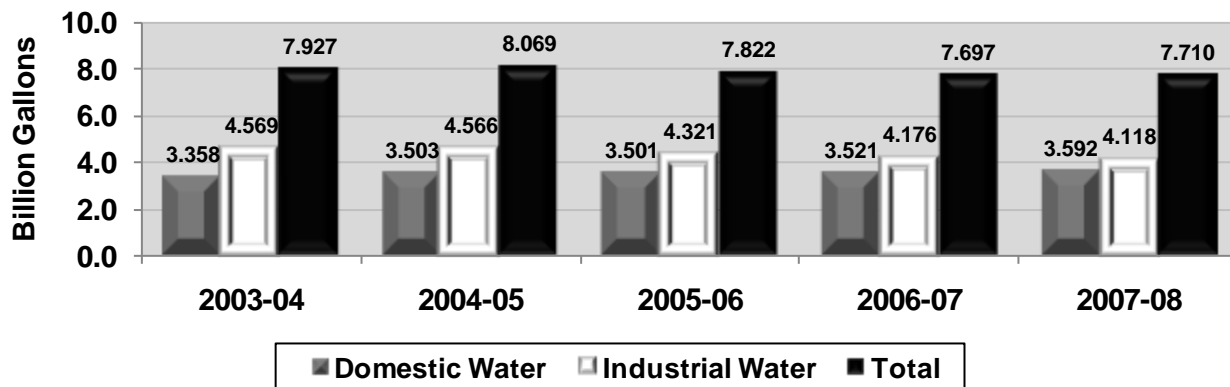
Major capital expenditures will be undertaken to replace and upgrade our existing 28-year-old chemical feed systems along with our 9-year-old Supervisory Control and Data Acquisition hardware and software. The project has a projected completion of June 2010. The second phase of the three-phase project for the West Side Transmission Main system will be completed between Northwood Drive and Saginaw Road; this project, when fully completed, will provide increased flow capacity to the northwest sections of the city.

### 5-Year Operating Budget History

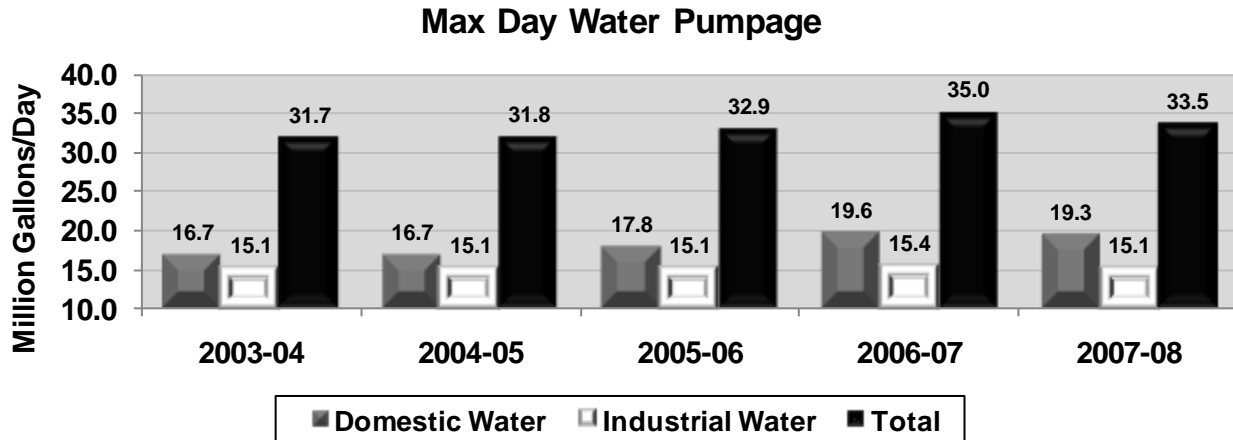


## Key Departmental Trends

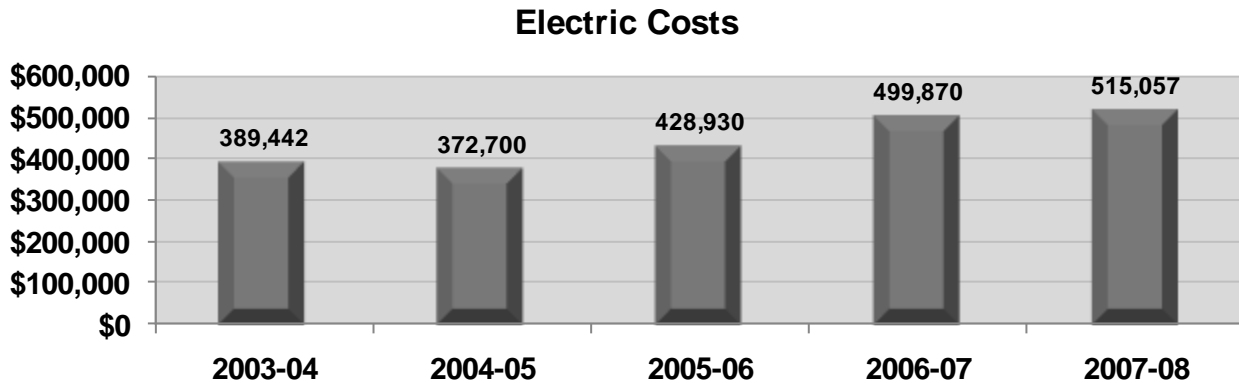
### Water Treated



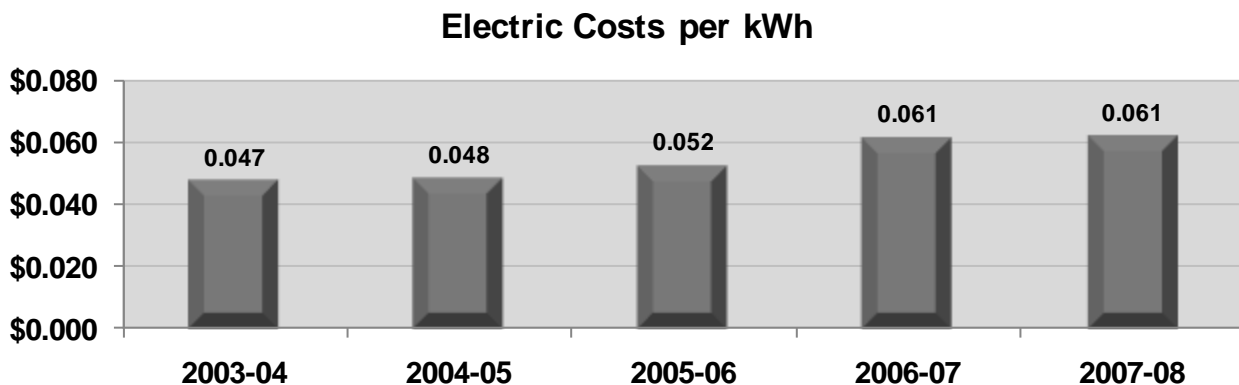
## Key Departmental Trends (cont.)



Industrial pumpage has decreased with reduced electrical output from MCV and production adjustments at Dow Chemical's Michigan Division.

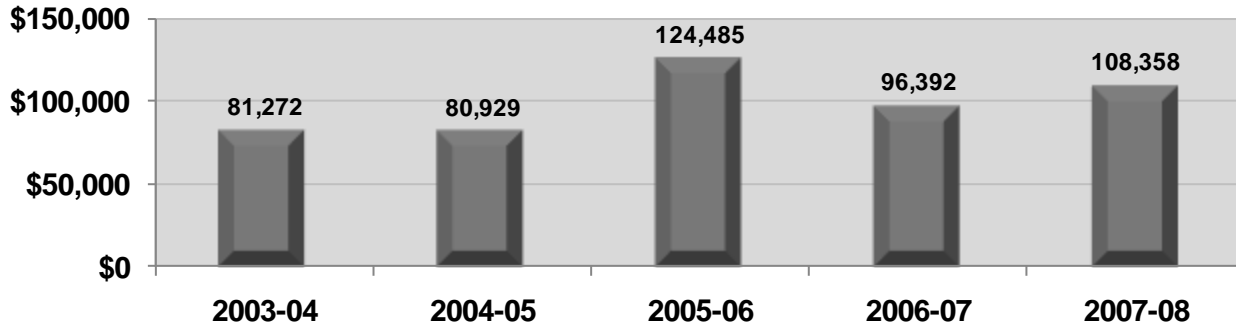


Municipal Rate Customers of Consumers Energy are projected to see an increase of at least 11%. More specifically, Consumers is proposing "the phase-out of discounted tariffs (municipal pumping, metal melting, etc.)" which will cause continued increases in electrical cost.

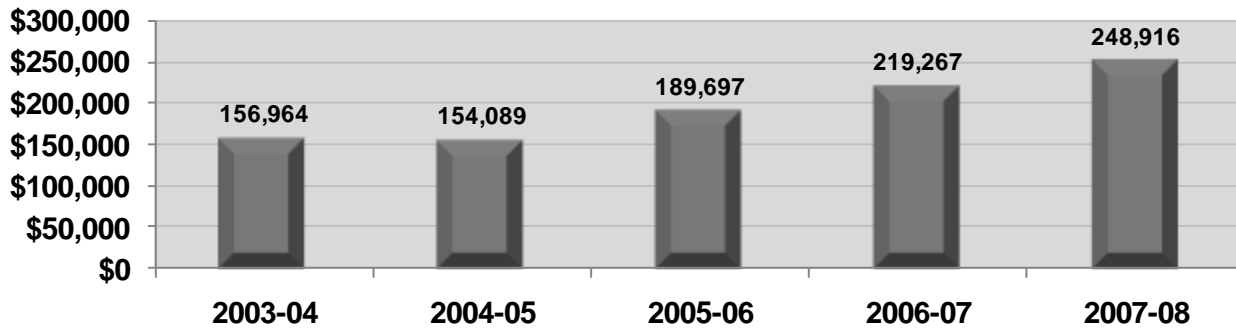


## Key Departmental Trends (cont.)

### Natural Gas Costs

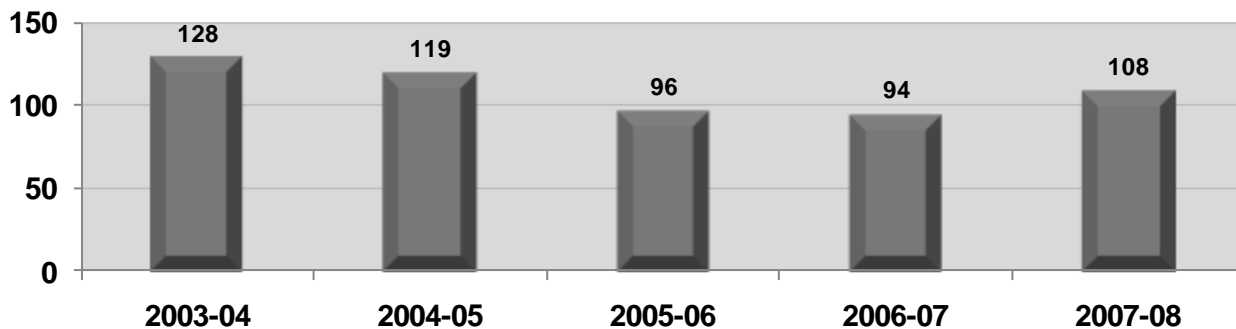


### Chemical Costs



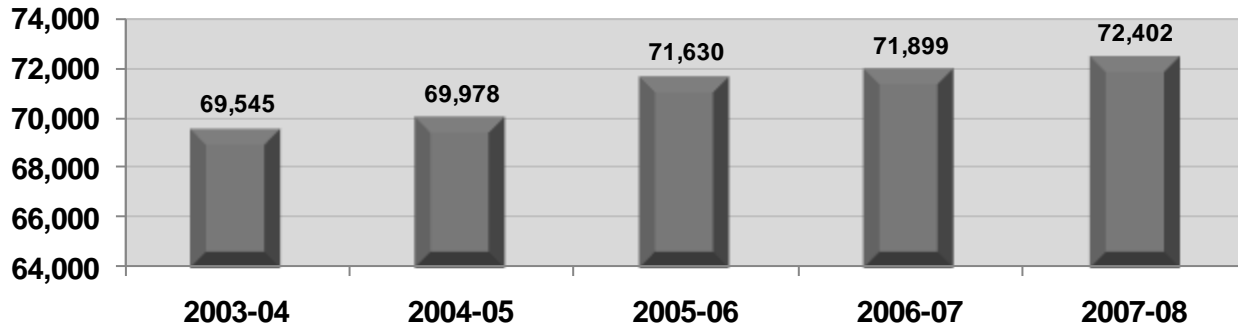
Reduced supplies of some chemicals, such as fluorosilicic acid, are expected to last until production of other products (chlorine and fertilizer, respectively) increase. Widely varying cost increases for different chemicals that have gone up include: hydrofluosilicic acid (HFS) from 50 to 360 percent; and chlorine from 28 to 200 percent.

### Water Main Breaks



## Key Departmental Trends (cont.)

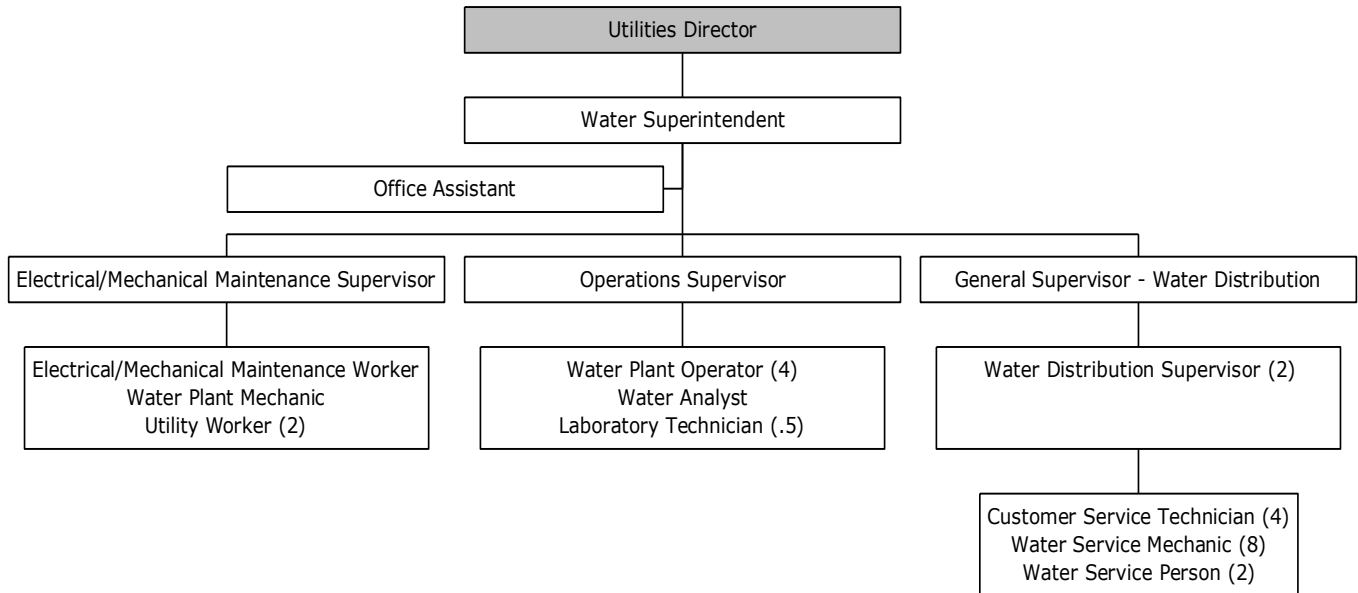
### Water Bills Processed



## Performance Objectives

<b>Performance Indicators (OUTPUT)</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>	<b>% Change</b>
Water Treated (MG)	7,696.6	7,709.5	0.2%
Contract Water Analyses Performed	7,971	7,297	-8.5%
Main Breaks Repaired	94	108	14.9%
New Service Installations	215	75	-65.1%
Water Bills Processed	71,899	72,402	0.7%
Service Orders Processed	3,804	4,792	26.0%
New Meter Set Installations	196	178	-9.2%
Miles of Water Main	332.8	332.8	0.0%
Fire Hydrants	2,947	2,979	1.1%
Valves	6,189	6,189	0.0%
Utility Locates (Miss Dig)	5,795	6,390	10.3%
<b>Performance Indicators (EFFICIENCY)</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>	<b>% Change</b>
MG Pumped Per Employee	592.04	593.04	0.2%
Costs per MG Treated/Distributed	\$1,325.57	\$1,384.06	4.4%
Chemical Costs per MG Treated	\$28.36	\$32.29	13.8%
Water Main Breaks per Mile of Pipe	0.28	0.32	15.9%
Avg Residential Water Cost/Quarter	\$58.56	\$60.88	4.0%
Customers Billed per Employee	14,380	14,480	0.7%

## Organizational Chart



Shaded boxes indicate a reporting structure to a department head that is funded outside of this budget.

<b>Staff Summary</b>	<b>Approved 2007-08</b>	<b>Approved 2008-09</b>	<b>Adopted 2009-10</b>
<u>Full-Time</u>			
Water Superintendent	1	1	1
Electrical/Mechanical Maintenance Supervisor	1	1	1
General Supervisor, Water Distribution	1	1	1
Operations Supervisor	1	1	1
Water Distribution Supervisor	2	2	2
Customer Service Technician	3	4	4
Electrical/Mechanical Maintenance Worker I	1	1	1
Office Assistant	2	1	1
Utility Worker I	2	2	2
Water Analyst	1	1	1
Water Plant Mechanic	1	1	1
Water Plant Operator	4	4	4
Water Service Mechanic	8	8	8
Water Service Person	3	3	2
<b>Total Full-Time</b>	<b>31</b>	<b>31</b>	<b>30</b>
<u>Regular Part-Time</u>			
Laboratory Technician	1	1	1
<b>Total Regular Part-Time</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Department Total</b>	<b>32</b>	<b>32</b>	<b>31</b>

# Water Treatment and Distribution

## FUND 591 - WATER FUND DETAIL OF BUDGET APPROPRIATIONS AND REVENUES Fiscal Year Ending June 30, 2010

	2007-08	2008-09		2009-10
	Actual	Budget	Estimate	Adopted
<b>Operating Revenues</b>				
Water sales				
Filtered water - city	\$ 5,809,836	\$ 6,038,390	\$ 6,025,682	\$ 6,180,340
Filtered water - county/Auburn	435,049	492,425	447,411	450,588
Industrial grade water	1,752,175	1,545,000	1,674,805	1,540,000
Hydrant rentals	383,887	345,000	330,720	345,000
Administrative fees	340,208	413,000	411,000	409,100
Forfeited discounts	96,534	75,480	83,051	75,030
Service connections	79,749	30,510	52,638	23,390
Capital charges	194,310	138,100	183,550	73,470
	<u>9,091,748</u>	<u>9,077,905</u>	<u>9,208,857</u>	<u>9,096,918</u>
<b>Operating Expenses</b>				
Administration	1,060,895	1,342,232	1,341,546	1,416,385
Plant operations	4,079,764	3,241,863	3,164,962	3,226,515
Maintenance				
Plant	538,339	658,790	637,790	649,108
Valley Drive repump	3,217	13,152	11,113	13,255
Clerical activities	39,360	151,430	76,363	85,775
Meter reading	224,729	254,135	289,994	289,158
Elevated tanks	13,620	90,056	84,437	59,085
Water systems	1,265,691	1,434,695	1,604,182	1,591,164
Equipment & structures	48,092	55,801	55,659	58,689
Vehicles	246,290	259,074	269,396	271,771
Utilities safety	34,343	32,645	31,422	37,515
Reserve for contingencies	-	56,998	57,998	100,000
	<u>7,554,340</u>	<u>7,590,871</u>	<u>7,624,862</u>	<u>7,798,420</u>
Net Operating Income	<u>1,537,408</u>	<u>1,487,034</u>	<u>1,583,995</u>	<u>1,298,498</u>
<b>Non-operating Revenues (Expenses)</b>				
Investment earnings	178,335	117,306	81,442	80,000
Rentals	-	2,500	-	-
Contractual revenues				
Dow Chemical	917,395	1,212,275	893,520	1,384,400
Dow Corning	112,752	149,447	82,554	170,794
Miscellaneous revenues	49,857	55,570	164,364	90,046
Miscellaneous expenses	(1,497,737)	(1,000)	(3,814)	(48,144)
Interest expense	(165,729)	(536,579)	(525,370)	(399,351)
	<u>(405,127)</u>	<u>999,519</u>	<u>692,696</u>	<u>1,277,745</u>

# Water Treatment and Distribution

FUND 591 - WATER FUND  
 DETAIL OF BUDGET APPROPRIATIONS AND REVENUES  
 Fiscal Year Ending June 30, 2010

	2007-08	2008-09		2009-10
	Actual	Budget	Estimate	Adopted
<b>Other Financing Sources (Uses)</b>				
Investment in assets	\$ (241,154)	\$ (3,161,641)	\$ (1,860,700)	\$ (2,871,351)
Retirement of debt	(1,908,488)	(1,941,048)	(1,941,047)	(1,996,861)
Less: paid from restricted assets	-	-	-	1,155,000
Operating transfers in	59,997	-	-	-
Operating transfers out	(190,000)	-	-	-
<b>Total other financing sources (uses)</b>	<u>(2,279,645)</u>	<u>(5,102,689)</u>	<u>(3,801,747)</u>	<u>(3,713,212)</u>
Excess of Revenues and Other Sources				
Over (Under) Expenditures and Other Uses	(1,147,364)	(2,616,136)	(1,525,056)	(1,136,969)
<b>Working Capital - beginning of year</b>	<u>5,766,605</u>	<u>4,619,241</u>	<u>4,619,241</u>	<u>3,094,185</u>
<b>Working Capital - end of year</b>	<u>\$ 4,619,241</u>	<u>\$ 2,003,105</u>	<u>\$ 3,094,185</u>	<u>\$ 1,957,216</u>
<b>Working Capital</b>				
Reserved for capacity improvements	\$ 623,610	\$ 11,710	\$ 807,160	\$ 880,630
Unreserved	3,995,631	1,991,395	2,287,025	1,076,586
	<u>\$ 4,619,241</u>	<u>\$ 2,003,105</u>	<u>\$ 3,094,185</u>	<u>\$ 1,957,216</u>

# Water Treatment and Distribution

## WATER FUND FIVE-YEAR FINANCIAL PLAN

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Operating Revenues</b>						
Filtered water - city	\$ 6,025,682	\$ 6,180,340	\$ 6,365,750	\$ 6,556,723	\$ 6,753,424	\$ 6,956,027
Filtered water - county/Auburn	447,411	450,588	464,106	478,029	492,370	507,142
Industrial grade water	1,674,805	1,540,000	1,540,000	1,540,400	1,540,400	1,540,400
Capital charges	183,550	73,470	44,200	39,950	39,950	39,950
Other revenues	877,409	852,520	860,520	868,520	876,520	884,520
<b>Total operating revenues</b>	<b>9,208,857</b>	<b>9,096,918</b>	<b>9,274,576</b>	<b>9,483,622</b>	<b>9,702,664</b>	<b>9,928,039</b>
<b>Operating Expenses</b>						
Administration	1,341,546	1,416,385	1,461,993	1,509,069	1,557,661	1,607,818
Operations	2,074,938	2,126,515	2,187,759	2,250,766	2,315,588	2,382,277
Maintenance	3,028,934	3,018,005	3,132,086	3,250,479	3,373,347	3,500,860
Safety	31,422	37,515	38,918	40,374	41,884	43,450
Saginaw Midland Water Supply	1,090,024	1,100,000	1,133,000	1,166,990	1,202,000	1,238,060
Reserve for contingencies	57,998	100,000	100,000	100,000	100,000	100,000
<b>Total operating expenses</b>	<b>7,624,862</b>	<b>7,798,420</b>	<b>8,053,756</b>	<b>8,317,678</b>	<b>8,590,480</b>	<b>8,872,465</b>
<b>Net Operating Income</b>	<b>1,583,995</b>	<b>1,298,498</b>	<b>1,220,820</b>	<b>1,165,944</b>	<b>1,112,184</b>	<b>1,055,574</b>
<b>Non-operating Revenues (Expenses)</b>						
Investment earnings	81,442	80,000	31,629	40,512	44,308	37,314
Contractual revenues	976,074	1,555,194	1,555,194	1,555,194	1,555,194	1,555,194
Miscellaneous revenues	164,364	90,046	50,000	50,000	50,000	50,000
Interest expense	(525,370)	(399,351)	(298,649)	(264,969)	(228,756)	(193,826)
Miscellaneous expenses	(3,814)	(48,144)	(50,551)	(53,079)	(55,733)	(58,520)
<b>Total non-operating revenues (expenses)</b>	<b>692,696</b>	<b>1,277,745</b>	<b>1,287,623</b>	<b>1,327,658</b>	<b>1,365,013</b>	<b>1,390,162</b>
<b>Other Financing Sources (Uses)</b>						
Investment in assets	(1,860,700)	(2,871,351)	(1,288,000)	(706,500)	(1,886,300)	(2,020,000)
Retirement of debt	(1,941,047)	(1,996,861)	(886,046)	(920,930)	(953,488)	(995,349)
Less: paid from restricted assets	-	1,155,000	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(3,801,747)</b>	<b>(3,713,212)</b>	<b>(2,174,046)</b>	<b>(1,627,430)</b>	<b>(2,839,788)</b>	<b>(3,015,349)</b>
<b>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>(1,525,056)</b>	<b>(1,136,969)</b>	<b>334,397</b>	<b>866,172</b>	<b>(362,591)</b>	<b>(569,613)</b>
<b>Working Capital - beginning of year</b>	<b>4,619,241</b>	<b>3,094,185</b>	<b>1,957,216</b>	<b>2,291,613</b>	<b>3,157,785</b>	<b>2,795,194</b>
<b>Working Capital - end of year</b>	<b>\$ 3,094,185</b>	<b>\$ 1,957,216</b>	<b>\$ 2,291,613</b>	<b>\$ 3,157,785</b>	<b>\$ 2,795,194</b>	<b>\$ 2,225,581</b>
Working capital - capacity improvements	\$ 807,160	\$ 880,630	\$ 924,830	\$ 964,780	\$ 1,004,730	\$ 1,044,680
Working capital - operations	2,287,025	1,076,586	1,366,783	2,193,005	1,790,464	1,180,901
	<b>\$ 3,094,185</b>	<b>\$ 1,957,216</b>	<b>\$ 2,291,613</b>	<b>\$ 3,157,785</b>	<b>\$ 2,795,194</b>	<b>\$ 2,225,581</b>
<b>ASSUMPTIONS:</b>						
Working capital goal for operations	\$1,000,000					
Filtered water revenue increase:						
2008-09	3.50%					
2009-10 through 2012-13	3.00%					
Industrial water sales increase	0.25%					
Capital charges - based on estimated schedule						
Other income increase per year	1.00%					
Personnel services increase per year	4.50%					
Other operating expenses increase per year	2.25%					
Raw water cost increase	3.00%					
Investment earnings on working capital	1.50%					
Retirement of debt - actual						
Investment in assets: five-year capital plan						