

10 YEAR FORECAST - 1.5 Mills with .33 Mill annual increase up to 2.75 Mills

| ASSUMPTIONS                                  | Increase %-age | Actual              | Actual              | Budget              | Estimated           | Estimated           | Estimated           | Estimated           | Estimated           | Estimated           | Estimated           | Estimated           | Estimated           | Estimated           |
|--|----------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|  |                | 2003                | 2004                | 2005                | 2006                | 2007                | 2008                | 2009                | 2010                | 2011                | 2012                | 2013                | 2014                | 2015                |
| Property Taxable Value                       |                | \$ 2,910,321,490    | \$ 3,064,862,240    | \$ 3,230,824,070    | \$ 3,401,975,910    | \$ 3,565,270,754    | \$ 3,729,273,208    | \$ 3,897,090,503    | \$ 4,068,562,485    | \$ 4,243,510,672    | \$ 4,421,738,120    | \$ 4,603,029,383    | \$ 4,787,150,558    | \$ 4,978,636,580    |
| Taxable Value Growth Rate                    |                |                     | 5.31%               | 5.41%               | 5.30%               | 4.80%               | 4.60%               | 4.50%               | 4.40%               | 4.30%               | 4.20%               | 4.10%               | 4.00%               | 4.00%               |
| Headlee Rollback %-age                       |                | 98.50%              | 98.50%              | 99.25%              | 99.41%              | 99.42%              | 99.43%              | 99.44%              | 99.45%              | 99.46%              | 99.47%              | 99.48%              | 99.49%              | 99.50%              |
| <b>Value of 1.000 Mill</b>                   |                | <b>\$ 2,895,770</b> | <b>\$ 3,049,538</b> | <b>\$ 3,214,670</b> | <b>\$ 3,384,966</b> | <b>\$ 3,547,444</b> | <b>\$ 3,710,627</b> | <b>\$ 3,877,605</b> | <b>\$ 4,048,220</b> | <b>\$ 4,222,293</b> | <b>\$ 4,399,629</b> | <b>\$ 4,580,014</b> | <b>\$ 4,763,215</b> | <b>\$ 4,953,743</b> |
| <b>Local Street Millage Rate - Graduated</b> |                | -                   | -                   | -                   | -                   | 0.3300              | 0.3300              | 0.3300              | 0.3046              |                     |                     | -                   | -                   | -                   |
| <b>Local Street Millage Rate</b>             |                | -                   | -                   | -                   | 1.5000              | 1.4913              | 1.8109              | 2.1289              | 2.4454              | 2.7352              | 2.7207              | 2.7065              | 2.6927              | 2.6792              |
| <b>GRAND TOTAL</b>                           |                | -                   | -                   | -                   | 1.5000              | 1.8213              | 2.1409              | 2.4589              | 2.7500              | 2.7352              | 2.7207              | 2.7065              | 2.6927              | 2.6792              |

  

|  | n/a    | 2003                | 2004                | 2005                | 2006                 | 2007                 | 2008                 | 2009                 | 2010                 | 2011                 | 2012                 | 2013                 | 2014                 | 2015                 | 2006-2015 Total       |
|--|--------|---------------------|---------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| Local Road Millage Revenue - Operating |        | \$ -                | \$ -                | \$ -                | \$ 5,077,449         | \$ 6,460,960         | \$ 7,944,150         | \$ 9,534,757         | \$ 11,132,626        | \$ 11,548,627        | \$ 11,969,891        | \$ 12,395,861        | \$ 12,825,948        | \$ 13,272,291        | \$ 102,162,562        |
| Taxes - IFT / Special In Leiu          | 2.0%   | -                   | -                   | -                   | 13,547               | 13,469               | 16,355               | 19,228               | 22,086               | 24,703               | 24,572               | 24,444               | 24,319               | 24,198               | 206,921               |
| License & Permits - Other              | 2.0%   | 30,041              | 13,696              | 25,000              | 10,000               | 10,200               | 10,404               | 10,612               | 10,824               | 11,041               | 11,262               | 11,487               | 11,717               | 11,951               | 109,497               |
| Federal & State Grants (Act 51)        | 0.0%   | 1,168,415           | 1,259,663           | 1,245,550           | 1,216,070            | 1,216,070            | 1,216,070            | 1,216,070            | 1,216,070            | 1,216,070            | 1,216,070            | 1,216,070            | 1,216,070            | 1,216,070            | 12,160,700            |
| Municipal Contributions                | 0.0%   | 40,807              | 40,000              | 40,000              | 40,000               | 40,000               | 40,000               | 40,000               | 40,000               | 40,000               | 40,000               | 40,000               | 40,000               | 40,000               | 240,000               |
| Charge for Service - Other             | 2.0%   | 9,199               | 7,127               | 5,200               | 7,200                | 7,344                | 7,491                | 7,641                | 7,794                | 7,949                | 8,108                | 8,271                | 8,436                | 8,605                | 78,838                |
| Charge for Service - DPS               | 2.0%   | 66,113              | 120,744             | 53,000              | 87,000               | 88,740               | 90,515               | 92,325               | 94,172               | 96,055               | 97,976               | 99,936               | 101,934              | 103,973              | 952,626               |
| Sales                                  | 0.0%   | 933                 | 22                  | -                   | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                     |
| Fees                                   | 0.0%   | 635                 | -                   | -                   | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                     |
| Rental Equipment                       | 0.0%   | (252)               | -                   | -                   | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                     |
| Interest Earnings - Operating          | 2.0%   | 58,936              | 38,155              | 20,000              | 60,000               | 7,872                | 19,575               | 12,082               | 18,499               | 13,507               | 12,512               | 15,754               | 20,027               | 15,430               | 195,258               |
| SAD - Interest                         | -20.0% | 27,601              | 22,219              | 19,160              | 13,080               | 10,464               | 6,697                | 5,358                | 4,286                | 3,429                | 2,743                | 2,194                | 1,756                | 1,756                | 58,378                |
| SAD - Principal                        | -20.0% | 78,301              | 66,712              | 26,600              | 20,390               | 16,312               | 13,050               | 10,440               | 8,352                | 6,681                | 5,345                | 4,276                | 3,421                | 2,737                | 91,003                |
| Miscellaneous Revenue                  | 0.0%   | 18,196              | (9,253)             | -                   | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                     |
| Other Financing (Bonds)                |        | -                   | -                   | -                   | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                     |
| Transfer-In / G.F. (Street Lighting)   |        | 1,500,000           | 500,000             | 25,000              | 25,000               | 25,000               | 25,000               | 25,000               | 25,000               | 25,000               | 25,000               | 25,000               | 25,000               | 25,000               | 250,000               |
| Transfer-In / G.F.                     |        | -                   | -                   | -                   | 1,692,483            | 886,861              | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 2,579,344             |
| Transfer-In / G.F. (Formerly M.R.)     |        | 3,101,829           | 787,943             | -                   | 1,692,483            | 1,773,722            | 927,657              | 969,401              | -                    | -                    | -                    | -                    | -                    | -                    | 5,363,263             |
| <b>TOTAL - LOCAL RD REVENUE</b>        |        | <b>\$ 6,100,752</b> | <b>\$ 2,847,027</b> | <b>\$ 1,459,510</b> | <b>\$ 9,954,702</b>  | <b>\$ 10,557,014</b> | <b>\$ 10,318,638</b> | <b>\$ 11,944,252</b> | <b>\$ 12,580,779</b> | <b>\$ 12,993,920</b> | <b>\$ 13,374,166</b> | <b>\$ 13,803,842</b> | <b>\$ 14,239,067</b> | <b>\$ 14,682,010</b> | <b>\$ 124,448,391</b> |
| 454 - Construction                     |        | \$ 2,207,308        | \$ 253,454          | \$ 60,700           | \$ 7,096,671         | \$ 5,705,766         | \$ 6,278,006         | \$ 6,988,532         | \$ 7,994,732         | \$ 8,026,243         | \$ 7,996,714         | \$ 8,148,148         | \$ 8,737,626         | \$ 8,991,064         | \$ 75,963,502         |
| <b>Capital - Local Road Expense</b>    |        | <b>\$ 2,207,308</b> | <b>\$ 253,454</b>   | <b>\$ 60,700</b>    | <b>\$ 7,096,671</b>  | <b>\$ 5,705,766</b>  | <b>\$ 6,278,006</b>  | <b>\$ 6,988,532</b>  | <b>\$ 7,994,732</b>  | <b>\$ 8,026,243</b>  | <b>\$ 7,996,714</b>  | <b>\$ 8,148,148</b>  | <b>\$ 8,737,626</b>  | <b>\$ 8,991,064</b>  | <b>\$ 75,963,502</b>  |
| 444 - Transfer Out                     |        | \$ 762,060          | \$ 768,836          | \$ 805,440          | \$ 340,810           | \$ 426,302           | \$ 427,318           | \$ 490,211           | \$ 525,230           | \$ 531,390           | \$ 543,064           | \$ 571,890           | \$ 650,639           | \$ 673,471           | \$ 5,180,325          |
| 464 - Routine Maintenance              |        | 1,525,714           | 1,517,648           | 948,450             | 1,656,632            | 1,723,903            | 1,794,991            | 1,870,195            | 1,949,843            | 2,034,297            | 2,123,953            | 2,219,249            | 2,320,665            | 2,428,733            | 20,122,462            |
| 474 - Traffic Service                  |        | 518,198             | 483,021             | 280,960             | 551,785              | 572,551              | 594,612              | 618,087              | 643,110              | 669,827              | 698,403              | 729,020              | 761,881              | 797,211              | 6,636,486             |
| 484 - Winter Maintenance               |        | 630,157             | 399,312             | 574,190             | 712,839              | 745,216              | 779,511              | 815,872              | 854,463              | 895,461              | 939,065              | 985,490              | 1,034,972            | 1,087,774            | 8,850,664             |
| 494 - Administration                   |        | 724,448             | 246,908             | 237,700             | 778,066              | 798,091              | 818,884              | 840,498              | 862,990              | 886,425              | 910,872              | 936,409              | 963,120              | 991,102              | 8,786,456             |
| <b>Operating - Local Road Expenses</b> |        | <b>\$ 4,160,577</b> | <b>\$ 3,415,725</b> | <b>\$ 2,846,740</b> | <b>\$ 4,040,132</b>  | <b>\$ 4,266,063</b>  | <b>\$ 4,415,316</b>  | <b>\$ 4,634,863</b>  | <b>\$ 4,835,635</b>  | <b>\$ 5,017,400</b>  | <b>\$ 5,215,357</b>  | <b>\$ 5,442,057</b>  | <b>\$ 5,731,278</b>  | <b>\$ 5,978,292</b>  | <b>\$ 49,576,392</b>  |
| <b>TOTAL - LOCAL RD EXPENSE</b>        |        | <b>\$ 6,367,885</b> | <b>\$ 3,669,179</b> | <b>\$ 2,907,440</b> | <b>\$ 11,136,803</b> | <b>\$ 9,971,830</b>  | <b>\$ 10,693,322</b> | <b>\$ 11,623,394</b> | <b>\$ 12,830,367</b> | <b>\$ 13,043,643</b> | <b>\$ 13,212,071</b> | <b>\$ 13,590,205</b> | <b>\$ 14,468,904</b> | <b>\$ 14,969,356</b> | <b>\$ 125,539,894</b> |

  

| Local Road Fund Balance             | 2003                | 2004                | 2005                  | 2006                  | 2007              | 2008                | 2009              | 2010                | 2011               | 2012              | 2013                | 2014                | 2015                |
|-------------------------------------|---------------------|---------------------|-----------------------|-----------------------|-------------------|---------------------|-------------------|---------------------|--------------------|-------------------|---------------------|---------------------|---------------------|
| Total Revenues                      | \$ 6,100,752        | \$ 2,847,027        | \$ 1,459,510          | \$ 9,954,702          | \$ 10,557,014     | \$ 10,318,638       | \$ 11,944,252     | \$ 12,580,779       | \$ 12,993,920      | \$ 13,374,166     | \$ 13,803,842       | \$ 14,239,067       | \$ 14,682,010       |
| Total Expenses                      | 6,367,885           | 3,669,179           | 2,907,440             | 11,136,803            | 9,971,830         | 10,693,322          | 11,623,394        | 12,830,367          | 13,043,643         | 13,212,071        | 13,590,205          | 14,468,904          | 14,969,356          |
| <b>Total Over / (Under) Expense</b> | <b>\$ (267,133)</b> | <b>\$ (822,152)</b> | <b>\$ (1,447,930)</b> | <b>\$ (1,182,101)</b> | <b>\$ 585,185</b> | <b>\$ (374,684)</b> | <b>\$ 320,858</b> | <b>\$ (249,588)</b> | <b>\$ (49,723)</b> | <b>\$ 162,095</b> | <b>\$ 213,637</b>   | <b>\$ (229,837)</b> | <b>\$ (287,345)</b> |
| Fund Balance - Before               | 4,112,892           | 3,845,759           | 3,023,607             | 1,575,677             | 393,576           | 978,761             | 604,077           | 924,935             | 675,347            | 625,624           | 787,718             | 1,001,356           | 771,519             |
| <b>Fund Balance - After</b>         | <b>\$ 3,845,759</b> | <b>\$ 3,023,607</b> | <b>\$ 1,575,677</b>   | <b>\$ 393,576</b>     | <b>\$ 978,761</b> | <b>\$ 604,077</b>   | <b>\$ 924,935</b> | <b>\$ 675,347</b>   | <b>\$ 625,624</b>  | <b>\$ 787,718</b> | <b>\$ 1,001,356</b> | <b>\$ 771,519</b>   | <b>\$ 484,173</b>   |
| 15% of Operating Expenses           | 624,087             | 512,359             | 427,011               | 606,020               | 639,909           | 662,297             | 695,229           | 725,345             | 752,610            | 782,304           | 816,309             | 859,692             | 896,744             |

NOTE: This 10 year forecast utilizes numerous assumptions made from historic information. These projections are not to be accepted as absolutely predictable.