

City of Ann Arbor
INCOME STATEMENT - OPEN SPACE AND PARKLAND PRESERVATION MILLAGE (FINAL)
For the Period Ended June 30, 2008

	<u>FY 2003/04</u>	<u>FY 2004/05</u>	<u>FY 2005/06</u>	<u>FY 2006/07</u>	<u>FY 2007/08</u>
<u>REVENUE</u>					
Millage Proceeds		\$ 1,939,530	\$ 2,014,851	\$ 2,130,654	\$ 2,237,489
Bond/Note Proceeds		-	20,108,066	-	-
Investment Income	1	116,040	760,529	1,177,978	920,378
Prior Year Refund of Expenses				3,918	2,643
Refund of Escrow					8,409
State Grants		659,337	-	-	-
Federal Grants		-	190,642	1,257,400	336,643
Contributions & Memorials		50,000	-	-	-
Gross Revenue		<u>\$ 2,764,907</u>	<u>\$ 23,074,088</u>	<u>\$ 4,569,950</u>	<u>\$ 3,505,562</u>
Tax Refund		(1,546)	(3,235)	(1,930)	(13,020)
Uncollectible Personal Property Taxes		(950)	-	-	-
Net Revenues		<u>\$ 2,762,412</u>	<u>\$ 23,070,853</u>	<u>\$ 4,568,020</u>	<u>\$ 3,492,542</u>
<u>EXPENSES</u>					
DEBT SERVICE		\$ -	\$ 470,468	\$ 1,158,125	\$ 1,165,950
<u>PROJECTS</u>					
Greenbelt Projects	2	\$ 33,370	\$ 4,746,315	\$ 3,292,912	\$ 1,855,831
Park Projects	3	1,401,484	204,370	2,907,316	2,525,060
Total Project Expenditures		<u>\$ 1,434,854</u>	<u>\$ 4,950,686</u>	<u>\$ 6,200,228</u>	<u>\$ 4,380,890</u>
<u>ADMINISTRATIVE EXPENSES</u>					
Conservation Fund					
Non-Transaction Expenses		\$ 34,920	\$ 76,136	\$ 62,951	\$ 65,029
Transaction Expenses		24,600	68,353	42,816	88,680
General Expenses		11,629	21,857	15,991	14,950
Total Conservation Fund	4	<u>\$ 71,149</u>	<u>\$ 166,345</u>	<u>\$ 121,757</u>	<u>\$ 168,659</u>
Personnel - GIS Staff		9,318	13,901	22,729	10,293
Contractual - Appraisers		-	-	2,111	885
Contractual - Clark		28,539	19,695	-	-
Contractual - Lonik		6,245	-	-	-
Professional Services		-	-	-	200
MI Farmland Alliance		500	-	-	-
IT Fund - GIS activity		-	2,045	2,520	12,612
Insurance Fund		1,428	2,664	2,844	2,220
Advertising		769	-	36	2,752
Printing		21	-	-	-
Materials & Supplies		248	84	(2,138.0)	-
Bond Issuance Costs		-	87,865	-	-
Subtotal		<u>\$ 47,069</u>	<u>\$ 126,255</u>	<u>\$ 28,103</u>	<u>\$ 28,962</u>
Total Administrative Expenditures		<u>\$ 118,217</u>	<u>\$ 292,600</u>	<u>\$ 149,860</u>	<u>\$ 197,621</u>
Total Expenditures		<u>\$ 1,553,071</u>	<u>\$ 5,713,753</u>	<u>\$ 7,508,213</u>	<u>\$ 5,744,461</u>
Net Change In Fund Balance	5	<u>\$ 1,209,341</u>	<u>\$ 17,357,100</u>	<u>\$ (2,940,194)</u>	<u>\$ (2,251,919)</u>
<u>MEMO</u>					
Total Fund Balance		\$ 4,260,286	\$ 5,469,627	\$ 22,826,726	\$ 19,886,532
		\$ 17,634,613			

The City of Ann Arbor
NOTES TO THE FINANCIAL STATEMENTS

Note 1

The City invests the funds balance in accordance with its investment policy. All earnings from investments are included in investment income.

Note 2 Greenbelt Projects

To maintain confidentiality, properties are assigned unique identification numbers during negotiations.

ID No.	FY 04/05	FY 05/06	FY 06/07	FY 07/08	TOTAL
Biltmore	\$ -	\$ -	\$ -	\$ 630,235	\$ 630,235
Bloomer	4,490	1,923,333	-	-	1,927,823
Bloomer - Endowment	-	-	23,867	-	23,867
Cares	3,200	500	2,427,559	-	2,431,259
Cares - Endowment	-	-	23,867	-	23,867
Fishbeck-Salem	3,995	804,754	-	-	808,749
Fishbeck-Superior	4,695	1,992,708	-	-	1,997,403
Fishbeck - Endowments	-	-	47,733	-	47,733
Fox	-	-	-	192,750	192,750
John & Bev Alexander	3,700	1,300	3,130	1,028,001	1,036,131
Kapp	-	-	760,936	-	760,936
2005-01	4,290	-	-	-	4,290
2005-06	-	3,200	-	-	3,200
2005-08	-	4,815	-	-	4,815
2005-12	5,100	500	-	-	5,600
2005-14	3,900	690	-	-	4,590
2005-15	-	500	190	-	690
2005-16	-	500	-	-	500
2005-17	-	3,890	-	-	3,890
2005-18	-	4,925	190	-	5,115
2006-02	-	4,700	190	-	4,890
2006-03	-	-	300	-	300
2006-07	-	-	4,950	-	4,950
2006-09	-	-	-	455	455
2007-02	-	-	-	230	230
2007-06	-	-	-	230	230
2007-09	-	-	-	230	230
2007-21	-	-	-	230	230
2007-22	-	-	-	3,470	3,470
Total Greenbelt	\$ 33,370	\$ 4,746,315	\$ 3,292,912	\$ 1,855,831	\$ 9,928,428

Note 3 Park Projects

To maintain confidentiality, properties are assigned unique identification numbers during negotiations.

ID No.	FY 04/05	FY 05/06	FY 06/07	FY 07/08	TOTAL
Andres	\$ -	\$ 3,000	\$ 153,203	\$ 2,232	\$ 158,435
Bandemer	5,586	-	-	-	5,586
Brookside	-	150,000	-	-	150,000
Columbus Homes	-	18,017	15,312	12,946	46,275
Crary Trust	-	-	1,895	8,550	10,445
Dicken Woods	-	6,900	-	-	6,900
Dolph Nature-South Addition	1,244,267	694	-	-	1,244,962
Evergreen - Lot 108	39,300	-	-	-	39,300
Evergreen - Lot 118	57,247	-	-	-	57,247
Evergreen - Lot 120	49,668	-	-	-	49,668
Girl Scouts/Camp Hilltop	-	2,400	2,236,849	-	2,239,249
Narrow Gauge Way	-	6,600	-	1,834,388	1,840,988
Norfolk Southern	3,365	-	-	7,000	10,365
Onder	-	2,400	487,585	-	489,985
Traver	-	-	-	65,237	65,237
Ward Park	50	-	-	-	50
Zion Lutheran	-	2,960	12,472	582,232	597,664
2004-07	2,000	-	-	-	2,000
2005-01	-	2,900	-	-	2,900
2005-03	-	2,000	-	-	2,000
2005-04	-	2,000	-	-	2,000
2005-05	-	4,000	-	-	4,000
2005-09	-	500	-	-	500
2007-01	-	-	-	4,450	4,450
2007-02	-	-	-	4,760	4,760
2007-03	-	-	-	1,110	1,110
2007-08	-	-	-	2,155	2,155
Total Parks	\$ 1,401,484	\$ 204,370	\$ 2,907,316	\$ 2,525,060	\$ 7,038,230

Note 4 Conservation Fund Expenditures

The following activities shall be considered administration expenses that may be paid for from the millage revenues. **The administration expenditures are identified on the i statement as "Non-Transaction" in nature: (1) Staff or consultant time, including benefits, devoted directly to the acquisition process, (2) Staff or consultant time, including b devoted directly to program support, (3) Travel/vehicle cost incurred, (4) Administrative expenses directly attributable to program support or the acquisition process, (5) Monitori development rights and/or conservation easements, (6) Enforcement of acquired development rights and/or conservation easements, (7) Legal expenses directly related to the or leasing of property or property interests, including staff or outside counsel time.**

The actual cost of property or property interests, or the actual cost of lease or leasehold interests, plus charges for the items on the list to follow, can be paid from millage reven not considered administrative expenses and are not subject to the limits on the appropriation of administrative expenses. **The expenditures listed below are identified on th statement as "Transaction" in nature: (1) Title commitments, (2) Payment of property taxes on acquired or leased property, (3) Preparation of appraisals of property, (4) Pre surveys of property, (5) Preparation of Phase 1 Environmental Assessments of property, as well as subsequent Phases/baseline environmental studies and any related due car required, (6) Baseline documentation for development rights and/or conservation easements, and (7) Costs directly related to the sale of bonds supported by this millage.**

Note 5 The ending fund balance as of June 30,2007 does not match the City's audited financial statements by \$2,223,423 due to the timing of the purchase of the Camp Hilltop (Girl Scouts) property. The audit did not allow for the recognition of these expenditures as the escrow was not settled until after June 30th.

Fund 24 Administrative Limit Calculation

Limit on Administrative Expenditure	FY 04/05	FY 05/06	FY 06/07	FY 07/08
Cumulative Legal Limit *	\$ 4,120,400	\$ 4,002,183	\$ 3,709,583	\$ 3,559,723
Administrative Expenditure (from income statement)	<u>\$ 118,217</u>	<u>\$ 292,600</u>	<u>\$ 149,860</u>	<u>\$ 197,621</u>
Remainder	<u>\$ 4,002,183</u>	<u>\$ 3,709,583</u>	<u>\$ 3,559,723</u>	<u>\$ 3,362,102</u>

* Limit calculation (legal)

Six percent of bond principal	\$ 20,250,000	6%	\$ 1,215,000
Millage Revenue	\$ 84,400,000		
Debt Service	<u>\$ (35,976,660)</u>		
+ Six percent of excess millage after debt service	\$ 48,423,340	6%	<u>\$ 2,905,400</u>
= Maximum Administrative Expenditure over 30 years			<u>\$ 4,120,400</u>

Limit on Administrative Expenditure	FY 04/05	FY 05/06	FY 06/07	FY 07/08
Cumulative Operating Limit *	\$ 3,296,320	\$ 3,178,103	\$ 2,885,503	\$ 2,735,643
Administrative Expenditure (from income statement)	<u>\$ 118,217</u>	<u>\$ 292,600</u>	<u>\$ 149,860</u>	<u>\$ 197,621</u>
Remainder	<u>\$ 3,178,103</u>	<u>\$ 2,885,503</u>	<u>\$ 2,735,643</u>	<u>\$ 2,538,022</u>

* Limit calculation (operating)

4.8% percent of bond principal	\$ 20,250,000	4.8%	\$ 972,000
Millage Revenue	\$ 84,400,000		
Debt Service	<u>\$ (35,976,660)</u>		
+ 4.8% percent of excess millage after debt service	\$ 48,423,340	4.8%	<u>\$ 2,324,320</u>
= Maximum Administrative Expenditure over 30 years			<u>\$ 3,296,320</u>

Comparison of Administrative Expenditures to Total Expenditures	FY 04/05	FY 05/06	FY 06/07	FY 07/08
Total Expenditures (from income statement)	\$ 1,553,071	\$ 5,713,753	\$ 7,508,213	\$ 5,744,461
Total Administrative Expenditures (from income statement)	<u>\$ 118,217</u>	<u>\$ 292,600</u>	<u>\$ 149,860</u>	<u>\$ 197,621</u>
Percentage	8%	5%	2%	3%