

EXHIBIT A
Gary Sanitary District

Chapter	Page	No.	Description	FY2010 Impact	FY2011 Impact	FY2012 Impact	FY2013 Impact	Four-year impact	Agree with PFM	If no, please provide an offsetting solution
GSD	14	SD01	Transition to a user fee revenue structure	\$0	\$0	\$0	\$0	\$0	Yes	Anticipate increase in user fees in 2011, except for the debt service fund, will need property tax levy through 2012. In addition, GSD will still need property tax levy for sewer fund and solid waste fund in 2011 until user fees are fully implemented. (1)
GSD	15	SD02	Dedicate a portion of the temporary loan repayment to equipment and capital costs	\$750,000	\$750,000	\$0	\$0	\$1,500,000	Yes	Legally, as the City repays GSD its interfund loans, the repayments must go to the funds in which they were borrowed from. As of 3/31/10, \$7,997,127 was due to GSD's Equipment Replacement Fund. So a portion of the interfund loans will go towards GSD's Equipment Fund.
GSD	15	SD03	Align GSD salaries and benefits with City of Gary initiatives	N/A	N/A	N/A	N/A	N/A	No	See GSD's proposal below to save in excess of \$4 million by terminating its operating contract with United Water Company. (2)
GSD	16	SD04	Align GSD expenditures with City initiatives for elected and appointed officials	\$74,000	\$74,000	\$74,000	\$74,000	\$296,000	No	See GSD's proposal below to save in excess of \$4 million by terminating its operating contract with United Water Company. (2)
GSD	16	SD05	Restructure GSD costs for City support; review GSD staffing	\$0	\$0	\$0	\$0	\$0	No	See GSD's proposal below to save in excess of \$4 million by terminating its operating contract with United Water Company. (2)
GSD	17	SD06	Eliminate hourly staff	\$38,000	\$38,000	\$38,000	\$38,000	\$152,000	No	See GSD's proposal below to save in excess of \$4 million by terminating its operating contract with United Water Company. (2)
GSD	17	SD07	Eliminate annual community contribution	\$0	\$200,000	\$200,000	\$200,000	\$600,000	Yes	This will be done in conjunction with terminating United Water Company's contact.
GSD	18	SD08	Rebid biosolids/residuals services	N/A	N/A	N/A	N/A	N/A	Yes	This will be done once the current contracts expire.
Building	178	BU04	Implement a landlord registration program	N/A	N/A	N/A	N/A	N/A	Yes	
General Service	197	GS06	Complete trash collection privatization	\$0	\$22,000	\$0	\$0	\$22,000	Yes	
Recycling	204	RC02	Reduce expenditures to the level supported by external revenues	N/A	N/A	N/A	N/A	N/A	No	This is a City initiative. GSD does not have funds to cover recycling costs.
Redevelopment	250	RD04	Monitor and manage utility services	N/A	N/A	N/A	N/A	N/A	Yes	

(1) GSD is agreeable to limiting its property tax levies in total to \$6,500,000 for 2010 as follows:

Sewer Fund	\$ 300,000
Debt Service Fund	2,200,000
Solid Waste Fund	<u>4,000,000</u>
	<u>\$ 6,500,000</u>

Due to the on-going crisis with Sewer cave-ins, GSD has very limited funds to fix even the worst sewer cave-ins at this time and requests the \$300,000 to assist with these sewer cave-ins

Due to the on-going litigation on the solid waste contact and garbage fees, GSD has not been able to collect the estimated amount due from its customers for garbage fees.

The \$4,000,000 is the minimum amount of tax levy it needs to repay its tax anticipation warrants and outstanding interfund loans in 2010. This levy doesn't provide for any additional funds to pay for solid waste services.

(2) On March 25, 2010, GSD Board of Commissioners terminated its wastewater treatment operating contract with United Water Company, to be effective within 90 days, date not certain at this time
GSD's analysis as presented to the Distressed Unit Appeals Board staff an analysis that estimates at least a \$4,000,000 savings in operating the wastewater treatment and collection systems on an annual basis