



OFFICE OF THE CITY MANAGER

8140 Main Street • Dexter, Michigan 48130-1092 • (734) 426-8303 • Fax (734) 426-5614

Memorandum

To: Mayor Keough and City Council
From: Courtney Nicholls, City Manager
Re: SAW Grant Work Session
Date: December 5, 2019

Provided for Council's review are the final drafts of the reports completed as part of our SAW Grant. The City received the Stormwater, Asset Management, Wastewater (SAW) Grant in 2016 and had three years to spend the \$ 576,950 in grant proceeds, plus a required 10% match. Staff and OHM have been working on implementing the various portions of the grant which includes the following:

- Creation of a new utility map
 - o Though the grant only funded creating a map for stormwater and sewer infrastructure we also had OHM & Ritter GIS create a new map of water infrastructure at the same time
- Televising and condition assessment of stormwater and sewer system infrastructure
- Condition assessment of retention/detention basins and stormwater outfalls
- Purchase and implementation of LuCity asset management and work order software
- Updated rate study for the sewer system
 - o We also had the rate study updated for the water system
 - o To be conservative both rate studies do not show an increase in consumption; they also do not show tap fees beyond the projects are already anticipating.
 - o The rate studies use the estimated increases we have discussed – 7% for two more years in sewer, then 3% moving forward; and 3% each year in water
 - The cash balance in sewer does dip fairly low in the current model, so we will need to continue to monitor the fund and evaluate whether a higher increase will be needed, a project should be delayed, or whether revenue ends up exceeding expectations
- Creation of the following reports:
 - o Wastewater Asset Management Plan
 - o Stormwater Asset Management Plan
 - o Stormwater Management Plan

In attendance at the work session will be OHM representatives Patrick Droze and John Tanner and City financial advisor Tom Traciak. Mike Auerbach will be providing a demonstration of the LuCity software. Streets Foreman Kurt Augustine, Sewer Lead Operator Eric Hartman, and Water Lead Operator Tim Stewart will also be attending to provide information and answer questions.

CITY OF DEXTER (MICHIGAN) SEWER FUND

COMPARATIVE STATEMENT OF NET POSITION

	As of		
	6/30/2016	6/30/2017	6/30/2018
	(-----Per Audit-----)		
Assets			
Current assets:			
Cash and cash equivalents	\$610,334	\$718,179	\$404,126
Accounts receivable	240,436	245,479	249,629
Total current assets	<u>850,770</u>	<u>963,658</u>	<u>653,755</u>
Fixed assets:			
Land	219,469	219,469	219,469
Sewer system	18,474,572	18,570,663	19,130,822
Vehicles	70,843	85,560	85,560
Subtotal	<u>18,764,884</u>	<u>18,875,692</u>	<u>19,435,851</u>
Less: accumulated depreciation	<u>(9,745,563)</u>	<u>(10,350,165)</u>	<u>(10,960,683)</u>
Total property, plant and equipment	<u>9,019,321</u>	<u>8,525,527</u>	<u>8,475,168</u>
Total Assets	<u><u>\$9,870,091</u></u>	<u><u>\$9,489,185</u></u>	<u><u>\$9,128,923</u></u>
Liabilities			
Current liabilities:			
Accounts payable	\$35,809	\$40,030	\$31,222
Accrued liabilities	33,820	39,516	36,795
General obligation bonds payable	310,000	325,000	330,000
Total current liabilities	<u>379,629</u>	<u>404,546</u>	<u>398,017</u>
Noncurrent liabilities:			
General obligation bonds payable (net of current portion)	<u>5,955,290</u>	<u>5,630,290</u>	<u>5,300,290</u>
Total Liabilities	<u>6,334,919</u>	<u>6,034,836</u>	<u>5,698,307</u>
Net Position			
Net investment in capital assets	2,754,031	2,570,237	2,844,878
Unrestricted	<u>781,141</u>	<u>884,112</u>	<u>585,738</u>
Total Net Position	<u>3,535,172</u>	<u>3,454,349</u>	<u>3,430,616</u>
Total Liabilities and Net Position	<u><u>\$9,870,091</u></u>	<u><u>\$9,489,185</u></u>	<u><u>\$9,128,923</u></u>

CITY OF DEXTER (MICHIGAN) SEWER FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Fiscal Year Ended		
	<u>6/30/2016</u>	<u>6/30/2017</u>	<u>6/30/2018</u>
	(-----Per Audit-----)		
Operating Revenues			
Sewer billings	\$1,214,823	\$1,254,068	\$1,256,952
Miscellaneous	<u>20,637</u>	<u>38,362</u>	<u>21,230</u>
Total operating revenues	<u>1,235,460</u>	<u>1,292,430</u>	<u>1,278,182</u>
Operating Expenses			
Operations & maintenance	751,480	737,982	814,855
Depreciation	<u>592,878</u>	<u>604,602</u>	<u>610,518</u>
Total operating expenses	<u>1,344,358</u>	<u>1,342,584</u>	<u>1,425,373</u>
Net operating income (loss)	<u>(108,898)</u>	<u>(50,154)</u>	<u>(147,191)</u>
Nonoperating Revenues (Expenses)			
State grant	-	-	41,744
Interest income	1,537	700	2,810
Interest and fees	<u>(165,712)</u>	<u>(158,587)</u>	<u>(151,225)</u>
Total nonoperating revenues (expenses)	<u>(164,175)</u>	<u>(157,887)</u>	<u>(106,671)</u>
Income (loss) before contributions and transfers	(273,073)	(208,041)	(253,862)
Capital contributions	152,268	127,218	230,129
Net income (loss)	(120,805)	(80,823)	(23,733)
Net position - July 1	<u>3,655,977</u>	<u>3,535,172</u>	<u>3,454,349</u>
Net position - June 30	<u><u>\$3,535,172</u></u>	<u><u>\$3,454,349</u></u>	<u><u>\$3,430,616</u></u>

CITY OF DEXTER (MICHIGAN) SEWER FUND
COMPARATIVE DETAIL OF OPERATING EXPENSES

	Fiscal Year Ended				Test Year	Multiplier
	6/30/2017	6/30/2018	6/30/2019	6/30/2020		
	(-----Per Client-----)					
Operating Expenses						
Dept. 248 - Administration						
723.001	Other Post Employment Benefits	\$10,500	\$10,500	\$12,500	\$12,500	2.0%
802.001	Financial Audit	2,500	2,500	2,700	2,700	1.0%
811.000	Attorney Fees - Miscellaneous	4,200.00	10,400	1,400	1,000	1.0%
840.000	Bank Service Charges	500	300	600	500	1.0%
841.000	City Administrative Costs	71,400	74,300	76,200	75,000	1.0%
	Total Dept. 248 - Administration	89,100	98,000	93,400	91,700	
Dept. 548 - Sewer Utilities Department						
703.000	Salaries - Non Union	30,800	31,600	32,900	34,100	2.0%
704.000	Salaries - Union	161,800	198,000	204,300	205,700	2.0%
705.000	Salaries - Overtime	10,600	13,200	12,600	12,000	2.0%
705.001	Salaries - Call in Pay	4,500	5,100	5,500	5,200	2.0%
712.000	Vacation/Sick Time Cash Out	2,300	5,000	2,600	2,600	2.0%
720.000	Social Security & Medicare	15,800	19,100	18,800	19,000	2.0%
721.000	Health & Dental Insurance	40,600	55,800	60,100	61,000	2.0%
721.001	Retiree Health Insurance	14,900	14,800	14,800	15,600	2.0%
721.002	Pay in Lieu of Medical Insurance	5,200	4,500	-	-	2.0%
721.003	Health Care Savings Plan	700	2,100	2,100	2,100	2.0%
722.000	Life & Disability Insurance	1,400	1,700	1,700	1,500	2.0%
723.000	Defined Benefit Plan	26,800	27,900	27,900	27,900	2.0%
723.003	Defined Contribution Plan	4,400	8,900	9,100	9,000	2.0%
728.000	Postage	1,000	1,400	1,900	2,000	1.0%
740.000	Operating Supplies	7,100	6,500	4,900	5,300	1.0%
741.000	Road Repair Supplies	900	-	2,400	-	1.0%
742.000	Chemical Supplies - Plant	46,400	31,000	40,100	42,000	1.0%
743.000	Chemical Supplies - Lab	10,900	10,900	13,500	15,000	1.0%
745.000	Uniform Allowance	6,400	8,700	9,200	8,400	1.0%
751.000	Gasoline & Oil	11,600	10,800	12,500	12,000	1.0%
802.000	Professional Services	33,400	18,300	13,600	10,000	1.0%
803.003	Sludge Hauling	34,000	21,200	51,900	40,000	1.0%
803.004	Sewer Investigation & Repair	4,800	3,700	3,900	5,000	1.0%
803.005	Sewer Line Maintenance	19,100	22,800	24,700	25,000	1.0%
803.020	Software Maintenance Contract	-	-	1,500	2,000	1.0%
824.000	Testing & Analysis	300	1,000	2,500	4,500	1.0%
825.000	Industrial Pretreatment Testing	3,300	3,900	800	800	1.0%
861.000	Travel & Mileage	500	100	400	300	1.0%
901.000	Printing & Publishing	300	900	1,800	2,000	1.0%
910.000	Workers Compensation	4,200	5,000	5,800	4,400	2.0%
911.000	Liability Insurance	14,400	14,400	14,400	15,100	1.0%
920.000	Utilities	69,800	64,200	57,200	61,000	1.0%
920.001	Utilities - Telephones	4,900	5,300	3,900	3,900	1.0%
935.000	Building Maintenance & Repair	13,400	3,800	13,400	5,000	1.0%
937.000	Equipment Maintenance & Repair	23,100	16,400	13,300	6,000	1.0%
938.000	Lab Equipment Maintenance & Repair	8,000	7,900	2,000	1,000	1.0%
938.001	Scada Maintenance	5,700	7,500	9,300	7,500	1.0%
939.000	Vehicle Maintenance & Repairs	1,700	1,300	500	500	1.0%
955.000	Miscellaneous	1,100	100	-	-	1.0%
957.004	State License/Permit Fees	1,900	3,800	1,900	2,000	1.0%
958.000	Membership & Dues	300	300	200	1,000	1.0%
960.000	Education & Training	2,000	1,500	1,100	2,000	1.0%
977.000	Equipment	3,800	500	2,100	5,000	1.0%
	Total Dept. 548 - Sewer Utilities Department	654,100	660,900	703,100	684,400	
Dept. 598 - SAW Grant						
802.000	Professional Services	-	37,800	85,000	- [1]	1.0%
803.000	Contracted Services	-	4,800	67,500	- [1]	1.0%
	Total Dept. 598 - SAW Grant	-	42,600	152,500	-	
Dept. 850 - Long-Term Debt						
992.000	Bond Fees	-	100	600	- [2]	0.0%
995.005	SRF #1 (2009) Bond Principal	75,000	75,000	80,000	- [2]	0.0%
995.006	SRF #2 (2012) Bond Principal	135,000	140,000	140,000	- [2]	0.0%
995.007	2012 Sewer Bond Principal	100,000	110,000	110,000	- [2]	0.0%
995.013	2018 Headworks Project Bond Principal	-	-	25,000	- [2]	0.0%
996.005	SRF #1 (2009) Bond Interest	32,400	30,600	28,600	- [2]	0.0%
996.006	SRF #2 (2012) Bond Interest	74,300	70,900	67,400	- [2]	0.0%
996.007	2012 Sewer Bond Interest	51,800	49,800	47,700	- [2]	0.0%
996.013	2018 Headworks Project Bond Interest	-	-	118,000	- [2]	0.0%
	Total Dept. 850 - Long-Term Debt	468,500	476,400	617,300	-	
Dept. 890 - Contingencies						
955.000	Miscellaneous	-	-	-	15,000	1.0%
Dept. 901 - Capital Improvements						
970.008	Clarifier Drive Replacement	-	168,900	-	-	0.0%
970.009	Capital Improvements - Head Works	-	341,200	-	-	0.0%
974.000	CIP Capital Improvements	-	50,000	23,800	- [3]	0.0%
978.000	Capital Equipment	92,300	20,500	15,800	6,000	0.0%
981.000	Vehicles	14,700	-	17,600	22,000	0.0%
	Total Dept. 901 - Capital Improvements	107,000	580,600	57,200	28,000	
	Total Sewer Operating Expenses	\$1,318,700	\$1,858,500	\$1,623,500	\$819,100	

[1] SAW Grant items are removed from this section of the report. These items are discussed later in the report.
[2] Bond principal and interest expenses are removed from this section of the report. These items are discussed later in the report.
[3] CIP Capital Improvements is removed from this section of the report. This item is discussed later in the report.

CITY OF DEXTER (MICHIGAN) SEWER FUND

**SCHEDULE OF AMORTIZATION OF \$1,185,290 PRINCIPAL AMOUNT OUTSTANDING
OF 2009 STATE REVOLVING FUND BONDS**

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Fiscal Year Total
			Principal	Interest	Total	
			-----In Dollars-----			
10/01/18	\$1,185,290	2.500	\$80,000	\$14,816.13	\$94,816.13	
04/01/19	1,105,290			13,816.13	13,816.13	\$108,632.26
10/01/19	1,105,290	2.500	80,000	13,816.13	93,816.13	
04/01/20	1,025,290			12,816.13	12,816.13	106,632.26
10/01/20	1,025,290	2.500	80,000	12,816.13	92,816.13	
04/01/21	945,290			11,816.13	11,816.13	104,632.26
10/01/21	945,290	2.500	85,000	11,816.13	96,816.13	
04/01/22	860,290			10,753.63	10,753.63	107,569.76
10/01/22	860,290	2.500	85,000	10,753.63	95,753.63	
04/01/23	775,290			9,691.13	9,691.13	105,444.76
10/01/23	775,290	2.500	90,000	9,691.13	99,691.13	
04/01/24	685,290			8,566.13	8,566.13	108,257.26
10/01/24	685,290	2.500	90,000	8,566.13	98,566.13	
04/01/25	595,290			7,441.13	7,441.13	106,007.26
10/01/25	595,290	2.500	95,000	7,441.13	102,441.13	
04/01/26	500,290			6,253.63	6,253.63	108,694.76
10/01/26	500,290	2.500	95,000	6,253.63	101,253.63	
04/01/27	405,290			5,066.13	5,066.13	106,319.76
10/01/27	405,290	2.500	100,000	5,066.13	105,066.13	
04/01/28	305,290			3,816.13	3,816.13	108,882.26
10/01/28	305,290	2.500	100,000	3,816.13	103,816.13	
04/01/29	205,290			2,566.13	2,566.13	106,382.26
10/01/29	205,290	2.500	100,000	2,566.13	102,566.13	
04/01/30	105,290			1,316.13	1,316.13	103,882.26
10/01/30	105,290	2.500	105,290	1,316.13	106,606.13	106,606.13
	Totals		<u>\$1,185,290</u>	<u>\$202,653.25</u>	<u>\$1,387,943.25</u>	<u>\$1,387,943.25</u>

CITY OF DEXTER (MICHIGAN) SEWER FUND

**SCHEDULE OF AMORTIZATION OF \$2,765,000 PRINCIPAL AMOUNT OUTSTANDING
OF 2012 STATE REVOLVING FUND BONDS**

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Fiscal Year Total
			Principal	Interest	Total	
			-----In Dollars-----			
10/01/18	\$2,765,000	2.500	\$140,000	\$34,562.50	\$174,562.50	
04/01/19	2,625,000			32,812.50	32,812.50	\$207,375.00
10/01/19	2,625,000	2.500	145,000	32,812.50	177,812.50	
04/01/20	2,480,000			31,000.00	31,000.00	208,812.50
10/01/20	2,480,000	2.500	150,000	31,000.00	181,000.00	
04/01/21	2,330,000			29,125.00	29,125.00	210,125.00
10/01/21	2,330,000	2.500	155,000	29,125.00	184,125.00	
04/01/22	2,175,000			27,187.50	27,187.50	211,312.50
10/01/22	2,175,000	2.500	160,000	27,187.50	187,187.50	
04/01/23	2,015,000			25,187.50	25,187.50	212,375.00
10/01/23	2,015,000	2.500	160,000	25,187.50	185,187.50	
04/01/24	1,855,000			23,187.50	23,187.50	208,375.00
10/01/24	1,855,000	2.500	165,000	23,187.50	188,187.50	
04/01/25	1,690,000			21,125.00	21,125.00	209,312.50
10/01/25	1,690,000	2.500	170,000	21,125.00	191,125.00	
04/01/26	1,520,000			19,000.00	19,000.00	210,125.00
10/01/26	1,520,000	2.500	175,000	19,000.00	194,000.00	
04/01/27	1,345,000			16,812.50	16,812.50	210,812.50
10/01/27	1,345,000	2.500	180,000	16,812.50	196,812.50	
04/01/28	1,165,000			14,562.50	14,562.50	211,375.00
10/01/28	1,165,000	2.500	185,000	14,562.50	199,562.50	
04/01/29	980,000			12,250.00	12,250.00	211,812.50
10/01/29	980,000	2.500	190,000	12,250.00	202,250.00	
04/01/30	790,000			9,875.00	9,875.00	212,125.00
10/01/30	790,000	2.500	190,000	9,875.00	199,875.00	
04/01/31	600,000			7,500.00	7,500.00	207,375.00
10/01/31	600,000	2.500	195,000	7,500.00	202,500.00	
04/01/32	405,000			5,062.50	5,062.50	207,562.50
10/01/32	405,000	2.500	200,000	5,062.50	205,062.50	
04/01/33	205,000			2,562.50	2,562.50	207,625.00
10/01/33	205,000	2.500	205,000	2,562.50	207,562.50	207,562.50
Totals			<u>\$2,765,000</u>	<u>\$589,062.50</u>	<u>\$3,354,062.50</u>	<u>\$3,354,062.50</u>

CITY OF DEXTER (MICHIGAN) SEWER FUND

**SCHEDULE OF AMORTIZATION OF \$1,680,000 PRINCIPAL AMOUNT OUTSTANDING
OF 2012 SEWER GENERAL OBLIGATION REFUNDING BONDS**

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Fiscal Year Total
			Principal	Interest	Total	
-----In Dollars-----						
10/01/18	\$1,680,000	1.900	\$55,000	\$24,092.50	\$79,092.50	
04/01/19	1,625,000	1.900	55,000	23,570.00	78,570.00	\$157,662.50
10/01/19	1,570,000	1.900	55,000	23,047.50	78,047.50	
04/01/20	1,515,000	2.500	55,000	22,525.00	77,525.00	155,572.50
10/01/20	1,460,000	2.500	55,000	21,837.50	76,837.50	
04/01/21	1,405,000	2.500	55,000	21,150.00	76,150.00	152,987.50
10/01/21	1,350,000	2.500	55,000	20,462.50	75,462.50	
04/01/22	1,295,000	2.500	55,000	19,775.00	74,775.00	150,237.50
10/01/22	1,240,000	2.500	55,000	19,087.50	74,087.50	
04/01/23	1,185,000	3.000	55,000	18,400.00	73,400.00	147,487.50
10/01/23	1,130,000	3.000	55,000	17,575.00	72,575.00	
04/01/24	1,075,000	3.000	60,000	16,750.00	76,750.00	149,325.00
10/01/24	1,015,000	3.000	60,000	15,850.00	75,850.00	
04/01/25	955,000	3.000	65,000	14,950.00	79,950.00	155,800.00
10/01/25	890,000	3.000	65,000	13,975.00	78,975.00	
04/01/26	825,000	3.000	65,000	13,000.00	78,000.00	156,975.00
10/01/26	760,000	3.000	65,000	12,025.00	77,025.00	
04/01/27	695,000	3.000	65,000	11,050.00	76,050.00	153,075.00
10/01/27	630,000	3.000	65,000	10,075.00	75,075.00	
04/01/28	565,000	3.125	65,000	9,100.00	74,100.00	149,175.00
10/01/28	500,000	3.125	65,000	8,084.38	73,084.38	
04/01/29	435,000	3.250	65,000	7,068.75	72,068.75	145,153.13
10/01/29	370,000	3.250	75,000	6,012.50	81,012.50	
04/01/30	295,000	3.250	75,000	4,793.75	79,793.75	160,806.25
10/01/30	220,000	3.250	75,000	3,575.00	78,575.00	
04/01/31	145,000	3.250	75,000	2,356.25	77,356.25	155,931.25
10/01/31	70,000	3.250	70,000	1,137.50	71,137.50	71,137.50
	Totals		<u>\$1,680,000</u>	<u>\$381,325.63</u>	<u>\$2,061,325.63</u>	<u>\$2,061,325.63</u>

CITY OF DEXTER (MICHIGAN) SEWER FUND

**SCHEDULE OF AMORTIZATION OF \$5,500,000 PRINCIPAL AMOUNT OUTSTANDING
OF 2018 SEWER HEADWORKS BONDS**

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Fiscal Year Total
			Principal	Interest	Total	
-----In Dollars-----						
11/01/18	\$5,500,000			\$30,591.75	\$30,591.75	
05/01/19	5,500,000	3.000	\$25,000	87,405.00	112,405.00	\$142,996.75
11/01/19	5,475,000			87,030.00	87,030.00	
05/01/20	5,475,000	3.000	165,000	87,030.00	252,030.00	339,060.00
11/01/20	5,310,000			84,555.00	84,555.00	
05/01/21	5,310,000	3.000	225,000	84,555.00	309,555.00	394,110.00
11/01/21	5,085,000			81,180.00	81,180.00	
05/01/22	5,085,000	3.000	230,000	81,180.00	311,180.00	392,360.00
11/01/22	4,855,000			77,730.00	77,730.00	
05/01/23	4,855,000	3.000	240,000	77,730.00	317,730.00	395,460.00
11/01/23	4,615,000			74,130.00	74,130.00	
05/01/24	4,615,000	3.000	245,000	74,130.00	319,130.00	393,260.00
11/01/24	4,370,000			70,455.00	70,455.00	
05/01/25	4,370,000	3.000	250,000	70,455.00	320,455.00	390,910.00
11/01/25	4,120,000			66,705.00	66,705.00	
05/01/26	4,120,000	3.000	260,000	66,705.00	326,705.00	393,410.00
11/01/26	3,860,000			62,805.00	62,805.00	
05/01/27	3,860,000	3.000	265,000	62,805.00	327,805.00	390,610.00
11/01/27	3,595,000			58,830.00	58,830.00	
05/01/28	3,595,000	3.000	275,000	58,830.00	333,830.00	392,660.00
11/01/28	3,320,000			54,705.00	54,705.00	
05/01/29	3,320,000	3.050	285,000	54,705.00	339,705.00	394,410.00
11/01/29	3,035,000			50,358.75	50,358.75	
05/01/30	3,035,000	3.100	290,000	50,358.75	340,358.75	390,717.50
11/01/30	2,745,000			45,863.75	45,863.75	
05/01/31	2,745,000	3.150	300,000	45,863.75	345,863.75	391,727.50
11/01/31	2,445,000			41,138.75	41,138.75	
05/01/32	2,445,000	3.200	310,000	41,138.75	351,138.75	392,277.50
11/01/32	2,135,000			36,178.75	36,178.75	
05/01/33	2,135,000	3.250	325,000	36,178.75	361,178.75	397,357.50
11/01/33	1,810,000			30,897.50	30,897.50	
05/01/34	1,810,000	3.300	335,000	30,897.50	365,897.50	396,795.00
11/01/34	1,475,000			25,370.00	25,370.00	
05/01/35	1,475,000	3.350	350,000	25,370.00	375,370.00	400,740.00
11/01/35	1,125,000			19,507.50	19,507.50	
05/01/36	1,125,000	3.400	360,000	19,507.50	379,507.50	399,015.00
11/01/36	765,000			13,387.50	13,387.50	
05/01/37	765,000	3.500	375,000	13,387.50	388,387.50	401,775.00
11/01/37	390,000			6,825.00	6,825.00	
05/01/38	390,000	3.500	390,000	6,825.00	396,825.00	403,650.00
Totals			<u>\$5,500,000</u>	<u>\$2,093,301.75</u>	<u>\$7,593,301.75</u>	<u>\$7,593,301.75</u>

CITY OF DEXTER (MICHIGAN) SEWER FUND

SCHEDULE OF COMBINED DEBT SERVICE

<u>Fiscal Year</u>	<u>2009 SRF Bonds</u>	<u>2012 SRF Bonds</u>	<u>2012 GO Ref Bonds</u>	<u>2018 Bonds</u>	<u>Total</u>
2018/19	\$108,632.26	\$207,375.00	\$157,662.50	\$142,996.75	\$616,666.51
2019/20	106,632.26	208,812.50	155,572.50	339,060.00	810,077.26
2020/21	104,632.26	210,125.00	152,987.50	394,110.00	861,854.76
2021/22	107,569.76	211,312.50	150,237.50	392,360.00	861,479.76
2022/23	105,444.76	212,375.00	147,487.50	395,460.00	860,767.26
2023/24	108,257.26	208,375.00	149,325.00	393,260.00	859,217.26
2024/25	106,007.26	209,312.50	155,800.00	390,910.00	862,029.76
2025/26	108,694.76	210,125.00	156,975.00	393,410.00	869,204.76 *
2026/27	106,319.76	210,812.50	153,075.00	390,610.00	860,817.26
2027/28	108,882.26	211,375.00	149,175.00	392,660.00	862,092.26
2028/29	106,382.26	211,812.50	145,153.13	394,410.00	857,757.89
2029/30	103,882.26	212,125.00	160,806.25	390,717.50	867,531.01
2030/31	106,606.13	207,375.00	155,931.25	391,727.50	861,639.88
2031/32		207,562.50	71,137.50	392,277.50	670,977.50
2032/33		207,625.00		397,357.50	604,982.50
2033/34		207,562.50		396,795.00	604,357.50
2034/35				400,740.00	400,740.00
2035/36				399,015.00	399,015.00
2036/37				401,775.00	401,775.00
2037/38				403,650.00	403,650.00
Totals	<u>\$1,387,943.25</u>	<u>\$3,354,062.50</u>	<u>\$2,061,325.63</u>	<u>\$7,593,301.75</u>	<u>\$14,396,633.13</u>

* Maximum annual combined debt service

CITY OF DEXTER (MICHIGAN) SEWER FUND

PROOF OF RATES TO REVENUE

Ready-to-serve Charge

Customer count	1,678
Ready-to-serve charge	\$8.65
Times: 12 months	12
Ready-to-serve charge revenue	<u>\$174,176</u>

Commodity Charge

Billable flow (mgal)	118,849
Commodity charge (mgal)	\$10.64
Commodity charge revenue	<u>\$1,264,553</u>

Total Rate Revenue \$1,438,730

Total revenue per above	\$1,438,730
Total revenue per 2017/18 audit	<u>\$1,256,952</u>
Difference	<u>\$181,778</u>

Total revenue per above	\$1,438,730
Total revenue per 2019 budget	<u>\$1,420,000</u>
Difference	<u>\$18,730</u>

CITY OF DEXTER (MICHIGAN) SEWER FUND

CASH FLOW ANALYSIS

	2019/20		2020/21	2021/22		2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
		Increase			Increase									
Assumptions														
Ready-to-serve customer count	1,678		1,683	1,688		1,693	1,698	1,703	1,708	1,713	1,718	1,723	1,728	1,733
Ready-to-serve charge (monthly)	\$8.65	7.00%	\$9.26	\$9.90	3.00%	\$10.20	\$10.51	\$10.82	\$11.15	\$11.48	\$11.83	\$12.18	\$12.55	\$12.92
Billable flow	118,849		118,849	118,849		118,849	118,849	118,849	118,849	118,849	118,849	118,849	118,849	118,849
Commodity charge	\$10.64	7.00%	\$11.38	\$12.18	3.00%	\$12.55	\$12.92	\$13.31	\$13.71	\$14.12	\$14.55	\$14.98	\$15.43	\$15.89
Revenues														
Ready-to-serve charge	\$174,176		\$186,924	\$200,603		\$207,233	\$214,080	\$221,152	\$228,456	\$235,998	\$243,787	\$251,832	\$260,140	\$268,719
Commodity charge	1,264,553		1,353,072	1,447,787		1,491,221	1,535,957	1,582,036	1,629,497	1,678,382	1,728,734	1,780,596	1,834,013	1,889,034
Tap-in fees	68,390		156,090	113,890		111,390	-	-	-	-	-	-	-	-
Total revenues	1,507,120		1,696,086	1,762,280		1,809,844	1,750,038	1,803,188	1,857,953	1,914,380	1,972,521	2,032,427	2,094,153	2,157,753
Total expenditures	819,100		831,137	843,377		855,823	868,480	881,351	894,440	907,751	921,288	935,055	949,057	963,297
Net operating revenue	688,020		864,949	918,903		954,020	881,558	921,837	963,513	1,006,629	1,051,233	1,097,372	1,145,096	1,194,456
Less: Current debt service payments	810,077		861,855	861,480		860,767	859,217	862,030	869,205	860,817	862,092	857,758	867,531	861,640
Estimated cash-funded capital improvements			139,814	139,259		143,984	137,748	138,924	138,462	115,107	93,770	93,770	93,770	93,770
Net cash flow	(\$122,058)		(\$136,720)	(\$81,836)		(\$50,731)	(\$115,408)	(\$79,117)	(\$44,154)	\$30,705	\$95,371	\$145,845	\$183,795	\$239,046
Cash & investments	\$738,032	\$615,975	\$479,255	\$397,419		\$346,689	\$231,281	\$152,165	\$108,011	\$138,715	\$234,086	\$379,931	\$563,726	\$802,773

CITY OF DEXTER (MICHIGAN) WATER FUND

COMPARATIVE STATEMENT OF NET POSITION

	As of		
	<u>6/30/2016</u>	<u>6/30/2017</u>	<u>6/30/2018</u>
	(-----Per Audit-----)		
Assets			
Current assets:			
Cash and cash equivalents	\$391,794	\$387,245	\$426,398
Accounts receivable	162,290	159,257	150,635
Total current assets	<u>554,084</u>	<u>546,502</u>	<u>577,033</u>
Fixed assets:			
Land	261,577	261,577	261,577
Water system	10,924,043	11,038,808	11,188,451
Vehicles	39,190	53,907	53,907
Subtotal	<u>11,224,810</u>	<u>11,354,292</u>	<u>11,503,935</u>
Less: accumulated depreciation	<u>(5,278,154)</u>	<u>(5,642,910)</u>	<u>(6,006,213)</u>
Total property, plant and equipment	<u>5,946,656</u>	<u>5,711,382</u>	<u>5,497,722</u>
 Total Assets	 <u>\$6,500,740</u>	 <u>\$6,257,884</u>	 <u>\$6,074,755</u>
Liabilities			
Current liabilities:			
Accounts payable	\$48,090	\$12,494	\$6,729
Accrued liabilities	33,820	39,516	40,945
General obligation bonds payable	175,000	175,000	175,000
Total current liabilities	<u>256,910</u>	<u>227,010</u>	<u>222,674</u>
Noncurrent liabilities:			
General obligation bonds payable (net of current portion)	<u>3,037,861</u>	<u>2,862,861</u>	<u>2,687,861</u>
 Total Liabilities	 <u>3,294,771</u>	 <u>3,089,871</u>	 <u>2,910,535</u>
Net Position			
Net investment in capital assets	2,733,795	2,673,521	2,634,861
Unrestricted	<u>472,174</u>	<u>494,492</u>	<u>529,359</u>
 Total Net Position	 <u>3,205,969</u>	 <u>3,168,013</u>	 <u>3,164,220</u>
 Total Liabilities and Net Position	 <u>\$6,500,740</u>	 <u>\$6,257,884</u>	 <u>\$6,074,755</u>

CITY OF DEXTER (MICHIGAN) WATER FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Fiscal Year Ended		
	<u>6/30/2016</u>	<u>6/30/2017</u>	<u>6/30/2018</u>
	(-----Per Audit-----)		
Operating Revenues			
Water billings	\$743,913	\$799,481	\$830,725
Miscellaneous	<u>15,726</u>	<u>16,061</u>	<u>14,316</u>
Total operating revenues	<u>759,639</u>	<u>815,542</u>	<u>845,041</u>
Operating Expenses			
Operations & maintenance	486,916	486,092	542,912
Depreciation	<u>363,665</u>	<u>364,756</u>	<u>363,303</u>
Total operating expenses	<u>850,581</u>	<u>850,848</u>	<u>906,215</u>
Net operating income (loss)	<u>(90,942)</u>	<u>(35,306)</u>	<u>(61,174)</u>
Nonoperating Revenues (Expenses)			
Interest income	252	311	2,139
Interest and fees	<u>(86,749)</u>	<u>(82,836)</u>	<u>(82,836)</u>
Total nonoperating revenues (expenses)	<u>(86,497)</u>	<u>(82,525)</u>	<u>(80,697)</u>
Income (loss) before contributions and transfers	(177,439)	(117,831)	(141,871)
Capital contributions	90,686	79,875	138,078
Net income (loss)	(86,753)	(37,956)	(3,793)
Net position - July 1	<u>3,292,722</u>	<u>3,205,969</u>	<u>3,168,013</u>
Net position - June 30	<u><u>\$3,205,969</u></u>	<u><u>\$3,168,013</u></u>	<u><u>\$3,164,220</u></u>

CITY OF DEXTER (MICHIGAN) WATER FUND

COMPARATIVE DETAIL OF OPERATING EXPENSES

	Fiscal Year Ended				Test Year	Multiplier	
	6/30/2017	6/30/2018	6/30/2019	6/30/2020			
	(-----Per Client-----)						
Operating Expenses							
Dept. 248 - Administration							
723.001	Other Post Employment Benefits	\$6,100	\$6,100	\$7,200	\$7,200	\$7,200	2.0%
802.001	Financial Audit	1,500	1,500	1,600	1,600	1,600	1.0%
811.000	Attorney Fees - Miscellaneous	1,700.00	3,300	-	-	-	1.0%
840.000	Bank Service Charges	200	200	100	300	300	1.0%
841.000	City Administrative Costs	71,400	74,300	73,900	75,000	75,000	1.0%
	Total Dept. 248 - Administration	80,900	85,400	82,800	84,100	84,100	
Dept. 556 - Water Utilities Department							
703.000	Salaries - Non Union	22,000	22,600	23,500	24,300	24,300	2.0%
703.001	Salaries - Part Time	-	-	-	5,000	5,000	2.0%
704.000	Salaries - Union	137,600	121,500	121,200	145,000	145,000	2.0%
705.000	Salaries - Overtime	8,700	11,100	10,700	10,000	10,000	2.0%
705.001	Salaries - Call in Pay	3,300	4,000	3,200	5,200	5,200	2.0%
712.000	Vacation/Sick Time Cash Out	-	-	1,100	1,000	1,000	2.0%
720.000	Social Security & Medicare	12,500	11,400	11,300	11,800	11,800	2.0%
721.000	Health & Dental Insurance	30,100	35,200	38,400	39,000	39,000	2.0%
721.001	Retiree Health Insurance	7,100	7,100	7,000	7,400	7,400	2.0%
721.002	Pay in Lieu of Medical Insurance	1,700	-	-	-	-	2.0%
721.003	Health Care Savings Plan	500	1,300	1,200	1,300	1,300	2.0%
722.000	Life & Disability Insurance	1,000	1,100	1,100	1,200	1,200	2.0%
723.000	Defined Benefit Plan	14,200	14,700	14,700	14,800	14,800	2.0%
723.003	Defined Contribution Plan	4,000	5,000	4,300	4,800	4,800	2.0%
728.000	Postage	2,000	900	1,300	2,000	2,000	1.0%
740.000	Operating Supplies	7,200	8,500	9,000	10,000	10,000	1.0%
741.000	Road Repair Supplies	2,600	7,700	400	5,000	5,000	1.0%
743.000	Chemical Supplies - Lab	15,800	17,400	16,700	18,000	18,000	1.0%
745.000	Uniform Allowance	6,900	7,100	9,200	7,300	7,300	1.0%
751.000	Gasoline & Oil	8,200	9,000	10,900	10,000	10,000	1.0%
802.000	Professional Services	19,300	33,800	24,400	10,000	10,000	1.0%
803.020	Software Maintenance Contract	-	-	2,300	5,500	5,500	1.0%
824.000	Testing & Analysis	4,600	2,100	7,900	5,000	5,000	1.0%
861.000	Travel & Mileage	500	500	900	1,000	1,000	1.0%
901.000	Printing & Publishing	400	1,100	2,200	2,000	2,000	1.0%
910.000	Workers Compensation	1,700	1,800	2,400	2,000	2,000	1.0%
911.000	Liability Insurance	4,900	4,900	4,900	5,200	5,200	1.0%
920.000	Utilities	45,400	52,300	53,100	52,000	52,000	1.0%
920.001	Utilities - Telephones	2,000	2,200	2,800	3,000	3,000	1.0%
935.000	Building Maintenance & Repair	400	6,200	3,300	6,000	6,000	1.0%
937.000	Equipment Maintenance & Repair	14,700	22,300	9,700	23,000	23,000	1.0%
938.000	Lab Equipment Maintenance & Repair	600	-	2,600	2,500	2,500	1.0%
938.001	SCADA Maintenance	-	-	1,400	2,000	2,000	1.0%
939.000	Vehicle Maintenance & Repairs	800	100	700	1,000	1,000	1.0%
957.004	State License/Permit Fees	4,000	1,700	1,500	1,500	1,500	1.0%
958.000	Membership & Dues	1,100	1,200	1,400	1,400	1,400	1.0%
960.000	Education & Training	2,600	800	1,900	2,000	2,000	1.0%
973.000	Water Meters - New	11,900	14,200	22,600	15,000	15,000	1.0%
973.001	Water Meters - Replacement	-	2,100	-	10,000	10,000	1.0%
977.000	Equipment	27,900	26,000	17,200	2,000	2,000	1.0%
	Total Dept. 556 - Water Utilities Department	428,200	458,900	448,400	475,200	475,200	
Dept. 850 - Long-Term Debt							
992.000	Bond Fees	-	100	100	- [1]	-	0.0%
995.008	DWRF #1 (2010) Bond Principal	55,000	55,000	55,000	- [1]	-	0.0%
995.009	DWRF #2 (2011) Bond Principal	40,000	40,000	40,000	- [1]	-	0.0%
995.010	2012 Water Bond Principal	80,000	80,000	80,000	- [1]	-	0.0%
996.008	DWRF #1 (2010) Bond Interest	23,500	22,200	20,800	- [1]	-	0.0%
996.009	DWRF #2 (2011) Bond Interest	18,600	17,600	16,600	- [1]	-	0.0%
996.010	2012 Water Bond Interest	40,700	39,100	37,600	- [1]	-	0.0%
	Total Dept. 850 - Long-Term Debt	257,800	254,000	250,100	-	-	
Dept. 890 - Contingencies							
955.000	Miscellaneous	-	-	-	15,000	15,000	1.0%
Dept. 901 - Capital Improvements							
974.000	CIP Capital Improvements	90,700	115,000	160,600	- [2]	-	1.0%
974.001	Other Capital Improvements	-	6,100.00	30,400	10,000	10,000	1.0%
978.000	Capital Equipment	-	34,600.00	-	6,000	6,000	1.0%
981.000	Vehicles	14,700	-	17,600	22,000	22,000	1.0%
	Total Dept. 901 - Capital Improvements	105,400	155,700	208,600	38,000	38,000	
	Total Sewer Operating Expenses	\$872,300	\$954,000	\$989,900	\$612,300	\$612,300	

[1] Bond principal and interest expenses are removed from this section of the report. These items are discussed later in the report.

[2] CIP Capital Improvements is removed from this section of the report. This item is discussed later in the report.

CITY OF DEXTER (MICHIGAN) WATER FUND

**SCHEDULE OF AMORTIZATION OF \$859,226 PRINCIPAL AMOUNT OUTSTANDING
OF 2010 DRINKING WATER REVOLVING FUND BONDS**

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Fiscal Year Total
			Principal	Interest	Total	
			-----In Dollars-----			
10/01/18	\$859,226	2.500	\$55,000	\$10,740.33	\$65,740.33	
04/01/19	804,226			10,052.83	10,052.83	\$75,793.16
10/01/19	804,226	2.500	60,000	10,052.83	70,052.83	
04/01/20	744,226			9,302.83	9,302.83	79,355.66
10/01/20	744,226	2.500	60,000	9,302.83	69,302.83	
04/01/21	684,226			8,552.83	8,552.83	77,855.66
10/01/21	684,226	2.500	60,000	8,552.83	68,552.83	
04/01/22	624,226			7,802.83	7,802.83	76,355.66
10/01/22	624,226	2.500	65,000	7,802.83	72,802.83	
04/01/23	559,226			6,990.33	6,990.33	79,793.16
10/01/23	559,226	2.500	65,000	6,990.33	71,990.33	
04/01/24	494,226			6,177.83	6,177.83	78,168.16
10/01/24	494,226	2.500	65,000	6,177.83	71,177.83	
04/01/25	429,226			5,365.33	5,365.33	76,543.16
10/01/25	429,226	2.500	65,000	5,365.33	70,365.33	
04/01/26	364,226			4,552.83	4,552.83	74,918.16
10/01/26	364,226	2.500	70,000	4,552.83	74,552.83	
04/01/27	294,226			3,677.83	3,677.83	78,230.66
10/01/27	294,226	2.500	70,000	3,677.83	73,677.83	
04/01/28	224,226			2,802.83	2,802.83	76,480.66
10/01/28	224,226	2.500	70,000	2,802.83	72,802.83	
04/01/29	154,226			1,927.83	1,927.83	74,730.66
10/01/29	154,226	2.500	75,000	1,927.83	76,927.83	
04/01/30	79,226			990.33	990.33	77,918.16
10/01/30	79,226	2.500	79,226	990.33	80,216.33	80,216.33
	Totals		<u>\$859,226</u>	<u>\$147,133.25</u>	<u>\$1,006,359.25</u>	<u>\$1,006,359.25</u>

CITY OF DEXTER (MICHIGAN) WATER FUND

**SCHEDULE OF AMORTIZATION OF \$683,635 PRINCIPAL AMOUNT OUTSTANDING
OF 2011 DRINKING WATER REVOLVING FUND BONDS**

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Fiscal Year Total
			Principal	Interest	Total	
-----In Dollars-----						
10/01/18	\$683,635	2.500	\$40,000	\$8,545.44	\$48,545.44	
04/01/19	643,635			8,045.44	8,045.44	\$56,590.88
10/01/19	643,635	2.500	40,000	8,045.44	48,045.44	
04/01/20	603,635			7,545.44	7,545.44	55,590.88
10/01/20	603,635	2.500	45,000	7,545.44	52,545.44	
04/01/21	558,635			6,982.94	6,982.94	59,528.38
10/01/21	558,635	2.500	45,000	6,982.94	51,982.94	
04/01/22	513,635			6,420.44	6,420.44	58,403.38
10/01/22	513,635	2.500	45,000	6,420.44	51,420.44	
04/01/23	468,635			5,857.94	5,857.94	57,278.38
10/01/23	468,635	2.500	45,000	5,857.94	50,857.94	
04/01/24	423,635			5,295.44	5,295.44	56,153.38
10/01/24	423,635	2.500	50,000	5,295.44	55,295.44	
04/01/25	373,635			4,670.44	4,670.44	59,965.88
10/01/25	373,635	2.500	50,000	4,670.44	54,670.44	
04/01/26	323,635			4,045.44	4,045.44	58,715.88
10/01/26	323,635	2.500	50,000	4,045.44	54,045.44	
04/01/27	273,635			3,420.44	3,420.44	57,465.88
10/01/27	273,635	2.500	50,000	3,420.44	53,420.44	
04/01/28	223,635			2,795.44	2,795.44	56,215.88
10/01/28	223,635	2.500	55,000	2,795.44	57,795.44	
04/01/29	168,635			2,107.94	2,107.94	59,903.38
10/01/29	168,635	2.500	55,000	2,107.94	57,107.94	
04/01/30	113,635			1,420.44	1,420.44	58,528.38
10/01/30	113,635	2.500	55,000	1,420.44	56,420.44	
04/01/31	58,635			732.94	732.94	57,153.38
10/01/31	58,635	2.500	58,635	732.94	59,367.94	59,367.94
Totals			<u>\$683,635</u>	<u>\$127,226.88</u>	<u>\$810,861.88</u>	<u>\$810,861.88</u>

CITY OF DEXTER (MICHIGAN) WATER FUND

**SCHEDULE OF AMORTIZATION OF \$1,320,000 PRINCIPAL AMOUNT OUTSTANDING
OF 2012 WATER GENERAL OBLIGATION REFUNDING BONDS**

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Fiscal Year Total
			Principal	Interest	Total	
-----In Dollars-----						
10/01/18	\$1,320,000	1.900	\$40,000	\$18,971.25	\$58,971.25	
04/01/19	1,280,000	1.900	40,000	18,591.25	58,591.25	\$117,562.50
10/01/19	1,240,000	1.900	40,000	18,211.25	58,211.25	
04/01/20	1,200,000	2.500	40,000	17,831.25	57,831.25	116,042.50
10/01/20	1,160,000	2.500	45,000	17,331.25	62,331.25	
04/01/21	1,115,000	2.500	45,000	16,768.75	61,768.75	124,100.00
10/01/21	1,070,000	2.500	45,000	16,206.25	61,206.25	
04/01/22	1,025,000	2.500	45,000	15,643.75	60,643.75	121,850.00
10/01/22	980,000	2.500	45,000	15,081.25	60,081.25	
04/01/23	935,000	3.000	45,000	14,518.75	59,518.75	119,600.00
10/01/23	890,000	3.000	45,000	13,843.75	58,843.75	
04/01/24	845,000	3.000	45,000	13,168.75	58,168.75	117,012.50
10/01/24	800,000	3.000	50,000	12,493.75	62,493.75	
04/01/25	750,000	3.000	50,000	11,743.75	61,743.75	124,237.50
10/01/25	700,000	3.000	50,000	10,993.75	60,993.75	
04/01/26	650,000	3.000	50,000	10,243.75	60,243.75	121,237.50
10/01/26	600,000	3.000	50,000	9,493.75	59,493.75	
04/01/27	550,000	3.000	50,000	8,743.75	58,743.75	118,237.50
10/01/27	500,000	3.000	50,000	7,993.75	57,993.75	
04/01/28	450,000	3.125	55,000	7,243.75	62,243.75	120,237.50
10/01/28	395,000	3.125	55,000	6,384.38	61,384.38	
04/01/29	340,000	3.250	55,000	5,525.00	60,525.00	121,909.38
10/01/29	285,000	3.250	55,000	4,631.25	59,631.25	
04/01/30	230,000	3.250	55,000	3,737.50	58,737.50	118,368.75
10/01/30	175,000	3.250	55,000	2,843.75	57,843.75	
04/01/31	120,000	3.250	60,000	1,950.00	61,950.00	119,793.75
10/01/31	60,000	3.250	60,000	975.00	60,975.00	60,975.00
	Totals		<u>\$1,320,000</u>	<u>\$301,164.38</u>	<u>\$1,621,164.38</u>	<u>\$1,621,164.38</u>

CITY OF DEXTER (MICHIGAN) WATER FUND

SCHEDULE OF COMBINED DEBT SERVICE

<u>Fiscal Year</u>	<u>2010 DWRF Bonds</u>	<u>2011 DWRF Bonds</u>	<u>2012 GO Ref Bonds</u>	<u>Total</u>
2018/19	\$75,793.16	\$56,590.88	\$117,562.50	\$249,946.54
2019/20	79,355.66	55,590.88	116,042.50	250,989.04
2020/21	77,855.66	59,528.38	124,100.00	261,484.04 *
2021/22	76,355.66	58,403.38	121,850.00	256,609.04
2022/23	79,793.16	57,278.38	119,600.00	256,671.54
2023/24	78,168.16	56,153.38	117,012.50	251,334.04
2024/25	76,543.16	59,965.88	124,237.50	260,746.54
2025/26	74,918.16	58,715.88	121,237.50	254,871.54
2026/27	78,230.66	57,465.88	118,237.50	253,934.04
2027/28	76,480.66	56,215.88	120,237.50	252,934.04
2028/29	74,730.66	59,903.38	121,909.38	256,543.42
2029/30	77,918.16	58,528.38	118,368.75	254,815.29
2030/31	80,216.33	57,153.38	119,793.75	257,163.46
2031/32		59,367.94	60,975.00	120,342.94
Totals	<u>\$1,006,359.25</u>	<u>\$810,861.88</u>	<u>\$1,621,164.38</u>	<u>\$3,438,385.51</u>

* Maximum annual combined debt service

CITY OF DEXTER (MICHIGAN) WATER FUND

PROOF OF RATES TO REVENUE

Ready-to-serve Charge

Customer count	2,348
Ready-to-serve charge	\$8.59
Times: 12 months	<u>12</u>
Ready-to-serve charge revenue	<u>\$242,032</u>

Commodity Charge - First Meter

Billable flow (mgal)	125,804
Commodity charge (mgal)	<u>\$3.87</u>
Commodity charge revenue	<u>\$486,861</u>

Commodity Charge - Second Meter

Billable flow (mgal)	33,588
Commodity charge (mgal)	<u>\$5.23</u>
Commodity charge revenue	<u>\$175,665</u>

Total Rate Revenue	<u><u>\$904,559</u></u>
--------------------	-------------------------

Total revenue per above	\$904,559
Total revenue per 2017/18 audit	<u>\$830,725</u>
Difference	<u><u>\$73,834</u></u>

Total revenue per above	\$904,559
Total revenue per 2018 budget	<u>\$848,000</u>
Difference	<u><u>\$56,559</u></u>

CITY OF DEXTER (MICHIGAN) WATER FUND

CASH FLOW ANALYSIS

	<u>2019/20</u>	<u>Increase</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>	<u>2030/31</u>
Assumptions													
Ready-to-serve customer count	2,348		2,353	2,358	2,363	2,368	2,373	2,378	2,383	2,388	2,393	2,398	2,403
Ready-to-serve charge	\$8.59	3.00%	\$8.85	\$9.11	\$9.39	\$9.67	\$9.96	\$10.26	\$10.56	\$10.88	\$11.21	\$11.54	\$11.89
Billable flow - first meter	125,804		125,804	125,804	125,804	125,804	125,804	125,804	125,804	125,804	125,804	125,804	125,804
Commodity charge - first meter	\$3.87	3.00%	\$3.99	\$4.11	\$4.23	\$4.36	\$4.49	\$4.62	\$4.76	\$4.90	\$5.05	\$5.20	\$5.36
Billable flow - second meter	33,588		33,588	33,588	33,588	33,588	33,588	33,588	33,588	33,588	33,588	33,588	33,588
Commodity charge - second meter	\$5.23	3.00%	\$5.39	\$5.55	\$5.71	\$5.89	\$6.06	\$6.24	\$6.43	\$6.63	\$6.82	\$7.03	\$7.24
Revenues													
Ready-to-serve charge	\$242,032		\$249,824	\$257,865	\$266,164	\$274,729	\$283,569	\$292,691	\$302,106	\$311,822	\$321,849	\$332,197	\$342,876
Commodity charge - first meter	486,861		501,467	516,511	532,007	547,967	564,406	581,338	598,778	616,742	635,244	654,301	673,930
Commodity charge - second meter	175,665		180,935	186,363	191,954	197,713	203,644	209,753	216,046	222,527	229,203	236,079	243,162
Tap-in fees	41,034		93,654	68,334	66,834								
Total revenues	945,593		1,025,880	1,029,074	1,056,959	1,020,409	1,051,619	1,083,783	1,116,930	1,151,091	1,186,296	1,222,578	1,259,968
Total expenditures	612,300		621,203	630,251	639,445	648,790	658,287	667,939	677,749	687,720	697,855	708,156	718,626
Net operating revenue	333,293		404,677	398,823	417,514	371,619	393,332	415,843	439,181	463,371	488,441	514,422	541,342
Less: Current debt service payments	250,989		261,484	256,609	256,672	251,334	260,747	254,872	253,934	252,934	256,543	254,815	257,163
Estimated cash-funded capital improvements	-		-	400,000	-	90,000	-	-	280,000	-	-	-	-
Net cash flow	\$82,304		\$143,193	(\$257,786)	\$160,842	\$30,285	\$132,585	\$160,972	(\$94,753)	\$210,437	\$231,898	\$259,607	\$284,179
<i>Cash & investments</i>	<i>\$471,548</i>	<i>\$553,852</i>	<i>\$697,045</i>	<i>\$439,259</i>	<i>\$600,101</i>	<i>\$630,386</i>	<i>\$762,971</i>	<i>\$923,943</i>	<i>\$829,189</i>	<i>\$1,039,626</i>	<i>\$1,271,524</i>	<i>\$1,531,130</i>	<i>\$1,815,309</i>