

CHARTER TOWNSHIP OF BRIGHTON (MICHIGAN) SEWER FUND

CASH FLOW ANALYSIS - SCENARIO 3 - ADJUSTED FIXED CONTRACT SERVICES

	2020/21	2021/22	Increases Per Year	2022/23	2023/24	2024/25	2025/26	2026/27	Increases Per Year	2027/28	2028/29	
Assumptions		Increase										
User charge - residential equivalent units [1]	2,186	10	10	2,206	2,216	2,226	2,236	2,246	10	2,256	2,266	
User charge (quarterly)	\$106.00	25.00%	\$132.50	3.00%	\$136.48	\$140.57	\$144.79	\$149.13	\$153.60	0.00%	\$153.60	\$153.60
Capital charge - current residential equivalent units [2]	378		352		333	322	311	291		170	61	
Capital charge (quarterly)	\$80.50	0.00%	\$80.50	0.00%	\$80.50	\$80.50	\$80.50	\$80.50	\$80.50	0.00%	\$80.50	\$80.50
Capital charge - expected additional REUs [1] [2]	0	10	10	10	20	30	40	50	10	70	80	
Capital charge (quarterly)	\$80.50	0.00%	\$80.50	0.00%	\$80.50	\$80.50	\$80.50	\$80.50	\$80.50	0.00%	\$80.50	\$80.50
Revenues												
User charge revenue	\$926,864	\$1,163,880		\$1,204,255	\$1,246,006	\$1,289,177	\$1,333,818	\$1,379,977		\$1,386,121	\$1,392,265	
Capital charge revenue	117,478	109,665		105,303	102,213	97,018	73,581	56,790		41,267	17,619	
Capital charge revenue - expected additional REUs	-	3,220		6,440	9,660	12,880	16,100	19,320		22,540	25,760	
Special assessment surplus revenue	19,274	41,476		34,251	32,501	30,751	-	-		-	-	
Total revenues	1,063,615	1,318,241		1,350,250	1,390,380	1,429,826	1,423,499	1,456,086		1,449,928	1,435,644	
Less: Total operating expenditures	(748,350)	(759,174)		(770,173)	(781,351)	(792,710)	(804,255)	(815,988)		(827,914)	(840,034)	
Net operating revenue	315,265	559,067		580,077	609,030	637,116	619,244	640,098		622,015	595,610	
Less Estimated cash-funded capital improvements - grinder pumps	(380,000)	-		(264,000)	(264,000)	(264,000)	-	-		-	-	
Estimated cash-funded capital improvements	(169,000)	(830,000)		(557,000)	(718,000)	(492,000)	(639,000)	(457,000)		(220,000)	-	
Net cash flow	(\$233,735)	(\$270,933)		(\$240,923)	(\$372,970)	(\$118,884)	(\$19,756)	\$183,098		\$402,015	\$595,610	
<i>Cash & investments [3]</i>	<i>\$1,837,185</i>	<i>\$1,603,450</i>		<i>\$1,091,594</i>	<i>\$718,624</i>	<i>\$599,740</i>	<i>\$579,984</i>	<i>\$763,082</i>		<i>\$1,165,097</i>	<i>\$1,760,707</i>	

[1] Includes anticipated REU growth estimates of ten per year.

[2] Assumes capital charge cap is reached after ~11 years of payments (~\$3,459)

[3] Includes surplus special assessment cash from 2015 Bonds

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(Continued)

CASH FLOW ANALYSIS - SCENARIO 3 - ADJUSTED FIXED CONTRACT SERVICES

	Increases Per Year	2029/30	2030/31	2031/32	Increases Per Year	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40
Assumptions													
User charge - residential equivalent units [1]	10	2,276	2,286	2,296	10	2,306	2,316	2,326	2,336	2,346	2,356	2,366	2,376
User charge (quarterly)	0.00%	\$153.60	\$153.60	\$153.60	0.00%	\$153.60	\$153.60	\$153.60	\$153.60	\$153.60	\$153.60	\$153.60	\$153.60
Capital charge - current residential equivalent units [2]		47	22	-		-	-	-	-	-	-	-	-
Capital charge (quarterly)	0.00%	\$80.50	\$80.50	\$80.50	0.00%	\$80.50	\$80.50	\$80.50	\$80.50	\$80.50	\$80.50	\$80.50	\$80.50
Capital charge - expected additional REUs [1] [2]	10	90	100	110	0	110	110	110	110	110	110	110	110
Capital charge (quarterly)	0.00%	\$80.50	\$80.50	\$80.50	0.00%	\$80.50	\$80.50	\$80.50	\$80.50	\$80.50	\$80.50	\$80.50	\$80.50
Revenues													
User charge revenue		\$1,398,409	\$1,404,553	\$1,410,697		\$1,416,842	\$1,422,986	\$1,429,130	\$1,435,274	\$1,441,418	\$1,447,562	\$1,453,707	\$1,459,851
Capital charge revenue		10,831	1,552	-		-	-	-	-	-	-	-	-
Capital charge revenue - expected additional REUs		28,980	32,200	35,420		35,420	35,420	35,420	35,420	35,420	35,420	35,420	35,420
Special assessment surplus revenue		-	-	-		-	-	-	-	-	-	-	-
Total revenues		1,438,220	1,438,306	1,446,117		1,452,262	1,458,406	1,464,550	1,470,694	1,476,838	1,482,982	1,489,127	1,495,271
Less: Total operating expenditures		(852,353)	(864,874)	(877,600)		(890,536)	(903,686)	(917,052)	(930,639)	(944,451)	(958,492)	(972,766)	(987,277)
Net operating revenue		585,867	573,432	568,517		561,725	554,720	547,498	540,055	532,387	524,490	516,361	507,994
Less Estimated cash-funded capital improvements - grinder pumps		-	-	-		-	-	-	-	-	-	-	-
Estimated cash-funded capital improvements		-	(1,739,000)	(317,000)		(1,506,000)	(295,000)	(192,000)	-	(657,000)	-	(315,000)	-
Net cash flow		\$585,867	(\$1,165,568)	\$251,517		(\$944,275)	\$259,720	\$355,498	\$540,055	(\$124,613)	\$524,490	\$201,361	\$507,994
<i>Cash & investments [3]</i>		<i>\$2,346,574</i>	<i>\$1,181,006</i>	<i>\$1,432,523</i>		<i>\$488,248</i>	<i>\$747,968</i>	<i>\$1,103,466</i>	<i>\$1,643,521</i>	<i>\$1,518,908</i>	<i>\$2,043,398</i>	<i>\$2,244,759</i>	<i>\$2,752,753</i>

[1] Includes anticipated REU growth estimates of ten per year.

[2] Assumes capital charge cap is reached after ~11 years of payments (~\$3,459)

[3] Includes surplus special assessment cash from 2015 Bonds