



Bendzinski & Co.
MUNICIPAL FINANCE ADVISORS
A MICHIGAN FIRM, WORKING FOR MICHIGAN.



Charter Township of Georgetown

Water & Sewer Rate Study Report

August 12, 2025

2025

August 12, 2025

Charter Township of Georgetown
1515 Baldwin Street
Jenison, MI 49429

Subject: Charter Township of Georgetown (Michigan) Water & Sewer Fund – Rate Study

Dear Charter Township of Georgetown:

It has been a pleasure working with you on this analysis of your Water & Sewer Fund. A rate study is not a historical document, but rather it should be used as living reference for current and future budgeting and decision-making. Bendzinski & Co. is available to discuss the study at any point in the future.

This study is performed on the “cash basis” of ratemaking, as described in the American Water Works Association (“AWWA”) M1 Manual of Rate Making Practices. It is also performed with Michigan standards and case laws (specifically Bolt v. Lansing) in mind. The rates and charges must reflect the customer base being served, and much be “regulatory in nature” and not “revenue generating”. As such, the rate study found in these pages is unique to your community. The goal of every rate study we perform is to develop a rate structure and revenues that meet the needs of operations, maintenance, and capital improvements of the system, while also being economical and equitable to the customers.

By acceptance of this study, the Township Board understands and accepts the responsibility and liability for potential challenges to the rate structure and management of the funds. Rate studies, while often based on various methods, industry guidelines and case laws, do not follow a clear Michigan law. In addition, state law and case laws do not provide any comprehensive guidance regarding methodologies, required rate structures or management of fund balance requirements. Bendzinski & Co. is relying on Township officials, and other sources, who have access to relevant data to provide accurate information. The Township accepts that fund management and rate adjustment recommendations are inherently subject to estimations and projections and, as such, no assurance is provided regarding the actual performance of the funds over time. The Township is advised to seek legal counsel regarding the implementation of any recommendations as to the required legal processes, resolutions and/or ordinances needed.

Thank you very much for the opportunity to help with this endeavor. Do not hesitate to reach out if you would like to further discuss the analysis or findings.

Sincerely,



Andy Campbell, CPA
Registered Municipal Advisor

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Executive Summary – Water

1.1 Community Background

The Charter Township of Georgetown (the “Township”) is located in Ottawa County, Michigan. The Township is 34.1 square miles and has a population of approximately 54,091 (2020 Census). The Township is contracted with Ottawa County (the “County”) to purchase treated drinking water provided by the City of Wyoming’s Water Treatment Plant. The treatment plant collects water from Lake Michigan; the water undergoes a series of treatment processes and is then distributed to the Township and twelve neighboring communities for use.

1.2 Discussion and Analysis

Water Supplier – City of Wyoming

The Township purchases its water supply from the County. The cost charged by the County reflects only the expenses related the maintenance, repair, and replacement of the Water Treatment Plant and related infrastructure. The Township remains responsible for the maintenance, repair, and replacement of its own water distribution system. As a result, the Township’s water rates must cover both the cost of purchasing water and the expenses related to its own local system.

The City of Wyoming is currently developing a comprehensive capital improvement plan. A portion of these costs will be allocated to the County, with a share of that allocated to the Township. This is expected to significantly increase future water costs. A significant finding of this report, and a primary reason for the recommended user rate increases, is the additional capital improvement costs allocated to the Township from the City of Wyoming that will require the Township to implement significant increases.

Operating & Maintenance Expenses

The Township is not insulated from the inflationary pressures happening. Healthcare, various supplies and materials, and utility costs have risen significantly in the past few years. These increases to the budget are also a part of the reason for the needed user rate increases.

User Growth

The Township is estimating 100 new connections per year.

Current Debt Payments

The water system currently has no outstanding debt obligations.

Capital Improvements

The Township is anticipating \$26,409,750 of capital improvements by fiscal year 2030 for its own distribution system and assets the Township alone is responsible for. Currently, it is estimated that these improvements will be funded through the use of cash.

The City of Wyoming is anticipating \$174,214,063 of capital improvements by the 2030 fiscal year. Of this amount, the Township is currently expected to be apportioned \$43,881,114. To meet this obligation, the Township plans to utilize a combination of cash-funding and debt-funding, with the County issuing the debt and the Township responsible for repaying its share.

User Rates

With increasing expenses and necessary capital improvements, we are recommending a one-time increase of \$42.55/quarter to the typical homeowner with annual inflationary expenses of 6.0% to the ready-to-serve and consumption charges.

Information and Assumptions – Water

A significant effort has been made by the Township to gather needed background information related to current revenues and expenses, as well as helping with our forecast of future revenues and expenses. Also, the community has put significant effort in developing a capital improvement plan to maintain and improve the system. The rate study is a four-step process: 1) historical comparison with audits and budgets, 2) test year, or normalized budget year, along with inflation assumptions for purposes of forecasting, 3) proof of rate to revenue for reliance on customer data, and 4) cash flow forecast including revenues, operating expenses, capital improvements (cash and debt funded), and cash reserves. The analysis is a “cash basis” approach as described in the AWWA M1 Manual of Rate Making Practices.

Key Information Provided

- Audited comprehensive annual financial statements for FYE 2021, FYE 2022, and FYE 2023.
- Actual Revenue and Expenditure Report for FYE 2022, FYE 2023, and FYE 2024, provided by the Township.
- Budgeted Revenue and Expenditure Report for FYE 2025, provided by the Township.
- Water fund cash balance as of December 31, 2024, provided by the Township.
- Capital Improvement Plan (CIP), provided by the Township.
- Capital Improvement Plan (CIP), provided by Wyoming City.

Key Assumptions

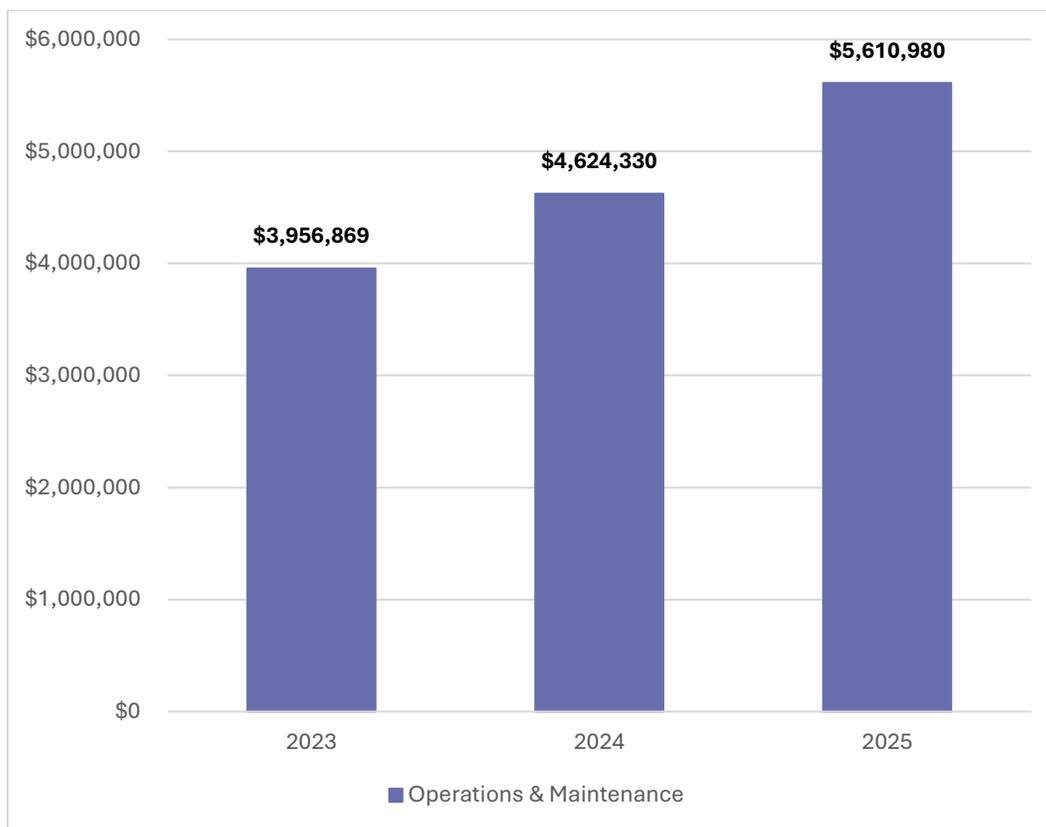
- User rates should not only cover operating expenses, but also support future system maintenance, capital improvements (both cash and debt funded), and debt service payments.
- The Township will follow AWWA guidelines.
- The budgeted amount for other revenue in FYE 2025 will be consistent in future years.
- The Township will conduct all capital improvement projects forecasted by the Township.
- The City of Wyoming (through the County) will conduct all capital improvement projects forecasted.
- A current conservative market rate is used for calculating proposed bond debt service.
- No new major customers will be connecting to the system.
- The Township is anticipating 100 new connections each year.

Operations & Maintenance Expenses – Water

2.1 Historical Operations & Maintenance (“O&M”) Expenses

Historical O&M expenses are examined to identify trends and any outlier expenses. Overall, operational costs continue to increase, and the cost of purchasing water has risen significantly as well. Aside from these changes, the current year’s O&M budget aligns with previous years. It is also forecasted that O&M expenses will rise year over year due to normal inflation and rising rates from the water supplier. The Township’s cash-funded capital improvements are also expected to increase significantly over the years. For a detailed breakdown of O&M expenses, please refer to Appendix H.

TABLE 2-1: EXPENSE HISTORY & CURRENT BUDGET



2.2 Test Year

A test year is a normalized year used as a baseline for forecasting future operations and maintenance expenses. Historical actuals are reviewed to identify trends, outliers, or one-time expenses. Concerns about specific line-item expenses are discussed with Township officials to establish what these costs would typically be in a normal year. Adjustments are then made to these line items to better reflect a normalized year, which is used as the basis for forecasting future years.

2.3 Inflation Assumptions

After establishing the test year, it is important to recognize that the test year is only a normalized year, and those normalized expense assumptions will change over time. The subsequent step involves adjusting the test year expenses to account for annual inflation. Given that expenses are unlikely to remain constant over the forecast period, this adjustment reflects anticipated cost increases over time. The table below outlines the inflationary assumptions applied in the report.

TABLE 2-3: INFLATION ASSUMPTIONS

Category	Inflation Assumption
Compensation	3.0%
Benefits	3.0%
Operating	3.0%
Ottawa County	6.0%
Utilities	4.0-5.0%
Contractual Services	3.0%

Capital Improvement Plan – Water

3.1 Capital Improvement Plan (CIP)

Capital improvements are larger, one-time expenses that are separate from ongoing operations and maintenance expenses. It is beneficial to plan for these potential costs in advance and develop a detailed capital improvement plan. The Township, County and Wyoming City have developed these plans.

The Township is responsible for funding its own capital improvements, as well as a portion of the County’s capital improvements. Currently, the County’s allocation is 43.0% of the City of Wyoming’s capital improvement costs, and of that, the Township is currently responsible for 41.24%.

Both the Township and the County’s projected capital improvement costs account for inflation and contingency factors. The Township provided a capital improvement plan through fiscal year end 2035 and currently plans to cash-fund these improvements. Wyoming City provided a capital improvement plan through fiscal year end 2043/44, in which the Township plans to cash-fund and debt-fund a portion of the improvements. Below are the lists of estimated capital improvement costs identified by year for both the Township and Wyoming City. Appendix A & B provide a detailed breakdown of the capital improvement plans.

TABLE 3-1A: GEORGETOWN TOWNSHIP CAPITAL IMPROVEMENT PLAN SUMMARY

Year	Georgetown Township Cash-Funded Capital Improvements
2025	\$3,450,000
2026	7,379,750
2027	12,549,000
2028	1,242,000
2029	907,000
2030	882,000
Total	\$26,409,750

TABLE 3-1B: GEORGETOWN TOWNSHIP’S PORTION OF WYOMING CITY’S CAPITAL IMPROVEMENT PLAN SUMMARY

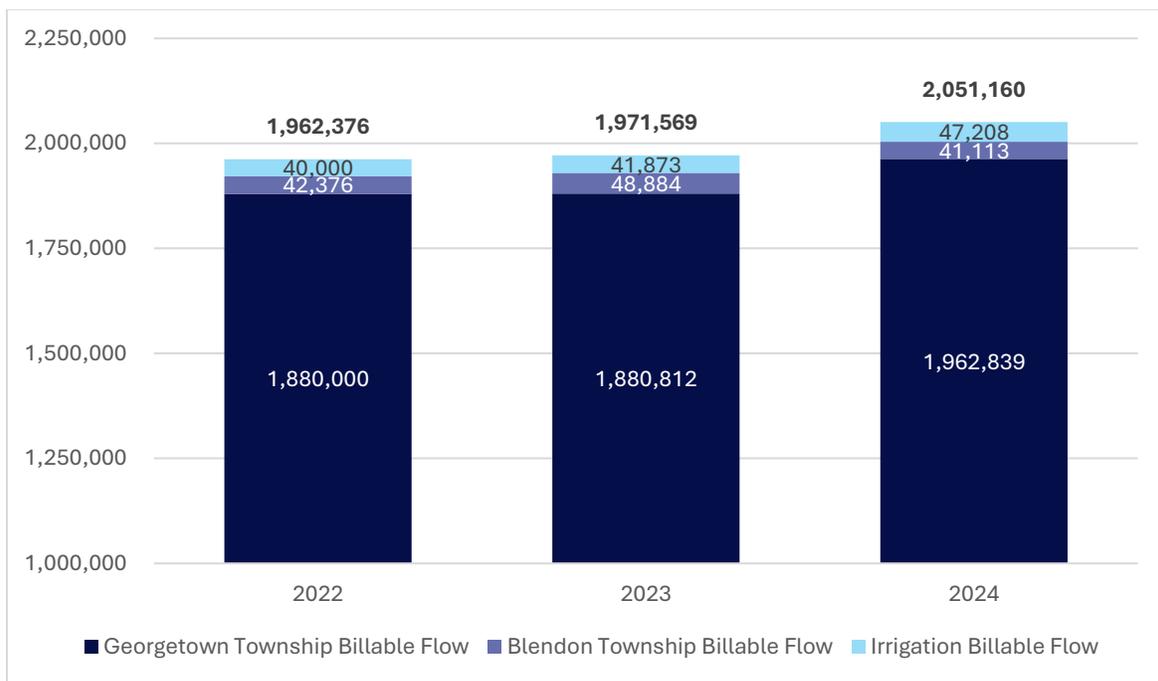
Year	Wyoming City Cash-Funded Capital Improvements	Wyoming City Debt-Funded Capital Improvements	Total
2025	-	\$20,719,213	\$20,719,213
2026	\$644,248	-	644,248
2027	1,720,162	-	1,720,162
2028	3,278,665	-	3,278,665
2029	1,575,360	14,215,181	15,790,540
2030	1,728,286	-	1,728,286
Total	\$8,946,721	\$34,934,393	\$43,881,114

Revenues & Cash Flow – Water

4.1 Usage & Customers

Over the last three years, the Township has experienced fairly steady usage levels, with a slight upward trend. This aligns with the steady pace of new connections each year. Looking ahead, the Township anticipates approximately 100 new water connections annually and therefore expects usage levels to continue increasing gradually. The graph below shows the total water billed usage for the system.

TABLE 4-1A: WATER GALLONS BILLED



The Township serves 15,432 customer accounts within its own Township limits and 329 in Blendon Township. The table below shows the breakout of customers by meter size.

TABLE 4-1B: METER COUNTS BY METER SIZE

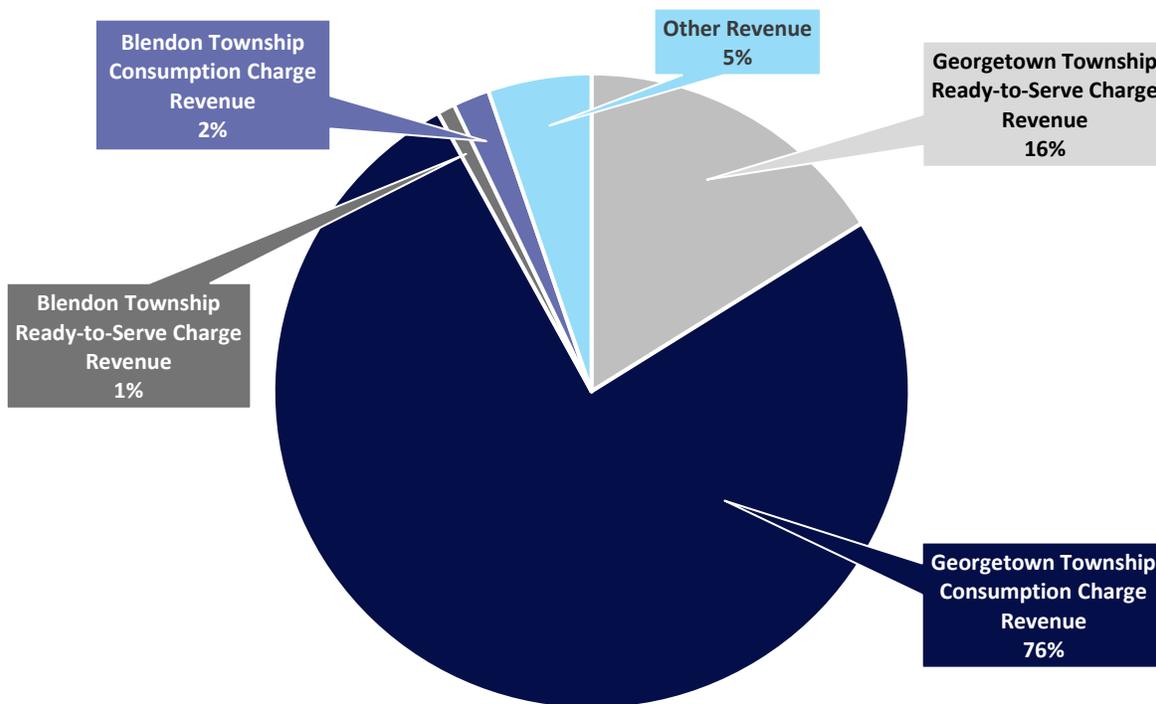
Meter Size	Georgetown Township Meter Count	Blendon Township Meter Count	Total Meter Count
5/8"	13,852	-	13,852
3/4"	603	288	891
1"	652	30	682
1 1/2"	207	-	207
2"	103	10	113
3"	11	-	11
4"	4	-	4
6"	-	1	1
Total Meter Count	15,432	329	15,761

4.2 Revenue

The Township charges user rates based on ready-to-serve and consumption charges. Consumption charges are based on usage and are typically seen as the most equitable way to allocate costs to customers. Since these charges are based on the number of gallons used by the customers, they can have more variation and risk to the system. Since there are still fixed costs the system needs to cover regardless of the number of gallons used, a ready-to-serve charge is billed. The quarterly fixed “ready-to-serve” charge is assessed to all customers ensuring revenue flow for ongoing costs and maintenance. The chart below demonstrates how much revenue is derived from each charge.

Along with the revenue from user rates, the Township is conservatively projecting about \$547,500 in other revenue in 2025, and about \$350,000 annually thereafter. This revenue is not generated from user rates and primarily comes from interest, late penalties, and connections. The forecast assumes these additional revenue sources will remain stable in the future. The chart below demonstrates how much revenue is derived from each charge.

TABLE 4-2: REVENUE BY USER RATE CATEGORY



4.3 Current Rates (January - June 2025)

The current rate structure adheres to common industry practices, consisting of a two-part rate structure that is comprised of a ready-to-serve charge based on meter size and a consumption-based rate calculated according to the total water usage during the billing period. The table below displays the current quarterly ready-to-serve charge for water customers based on the customer’s meter size, as well as the commodity charge (per 1,000 gallons) charged to all customers.

TABLE 4-3A: CURRENT QUARTERLY READY-TO-SERVE CHARGES

Meter Size	Meter Charge	Meter Ratio
5/8"	\$13.70	1.00
3/4"	13.70	1.00
1"	34.25	2.50
1 1/2"	68.50	5.00
2"	109.60	8.00
3"	239.75	17.50
4"	479.50	35.00

TABLE 4-3B: CURRENT QUARTERLY COMMODITY CHARGE

Metered	Charge
Consumption Charge (per 1,000 gal.)	\$3.15

4.4 Proposed Rates

The revenue needs to support operations and maintenance costs, current debt payments, and future capital improvements while maintaining an adequate cash reserve. It is determined that a one-time increase followed by consistent annual inflationary rate increases is the most effective approach for rate management. The initial increase is intended to address the system’s immediate needs as well as Wyoming City’s upcoming improvements.

Table 4-4A demonstrates a one-time increase beginning July 1, 2025, of \$16.30 to the Township’s ready-to-serve charge and an increase of \$1.75 to the consumption charge, with annual inflationary increases of 6.0% to each rate thereafter.

TABLE 4-4A: PROPOSED RATE CHANGES

Adjustment	July-Dec. 2025	Jan.-June 2026	July-Dec. 2026	Jan.-June 2027	July-Dec. 2027
Ready-to-Serve Charge (quarterly) [1]	\$30.00	\$30.00	\$31.80	\$31.80	\$33.71
Consumption Charge (per 1,000 gal.)	4.90	4.90	5.19	5.19	5.51

Adjustment	Jan.-June 2028	July-Dec. 2028	Jan.-June 2029	July-Dec. 2029	Jan.-June 2030	July-Dec. 2030
Ready-to-Serve Charge (quarterly) [1]	\$33.71	\$35.73	\$35.73	\$37.87	\$37.87	\$40.15
Consumption Charge (per 1,000 gal.)	5.51	5.84	5.84	6.19	6.19	6.56

[1] This table only reflects the 5/8" and 3/4" meter ready-to-serve charges. See Appendix D for the full schedule of water user rates.

The Township bills customers quarterly. With the above proposed rates, the table below outlines estimates of a typical homeowner’s quarterly bill based on 15,000 gallons of usage.

TABLE 4-4B: TYPICAL HOMEOWNER’S TOTAL QUARTERLY BILL

Homeowner Type	Jan.-June 2025	July-Dec. 2025	Jan.-June 2026	July-Dec. 2026	Jan.-June 2027	July-Dec. 2027
Metered [1]	\$60.95	\$103.50	\$103.50	\$109.71	\$109.71	\$116.29

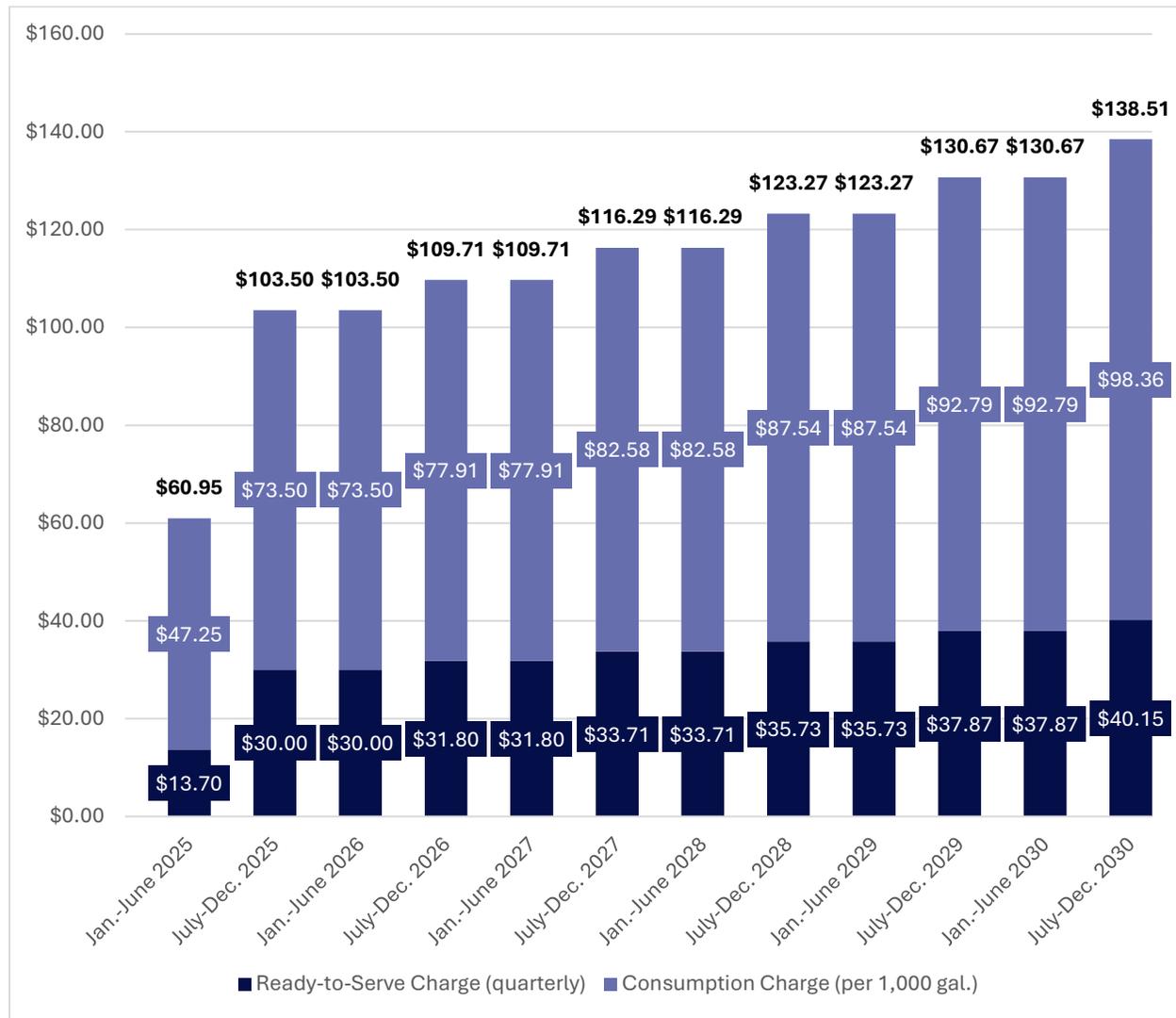
Homeowner Type	Jan.-June 2028	July-Dec. 2028	Jan.-June 2029	July-Dec. 2029	Jan.-June 2030	July-Dec. 2030
Metered [1]	\$116.29	\$123.27	\$123.27	\$130.67	\$130.67	\$138.51

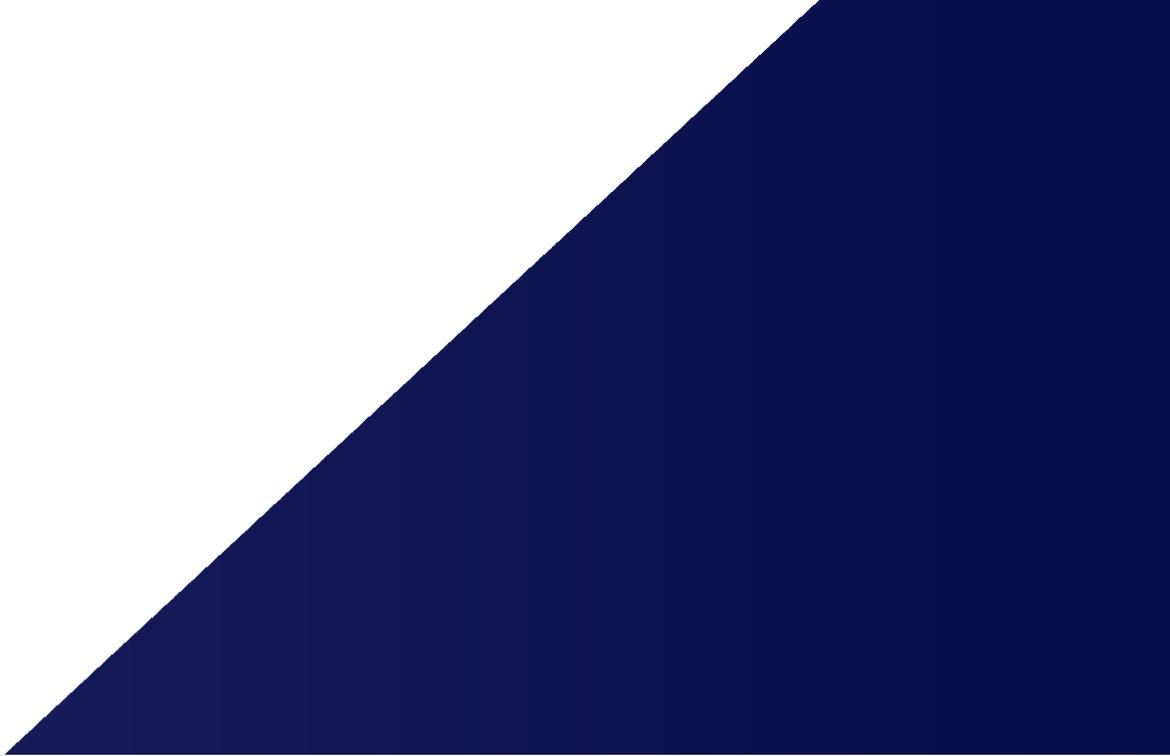
[1] Assumes 5/8" or 3/4" meter size & 15,000 gallons/quarter.

4.5 Rate Impact Summary

The proposed rate track results in an approximate increase of \$42.55 starting July 1, 2025; followed by additional increases on average of \$7.00 to a typical homeowner’s quarterly bill per year beginning July 1 of each year. Assumes a 5/8” meter size and 15,000 gallons of usage per quarter.

TABLE 4-5: TYPICAL HOMEOWNER’S QUARTERLY WATER BILL BREAKDOWN





Appendix A:
**Schedule of Georgetown Township's Estimated
Capital Improvement Plan – Water**



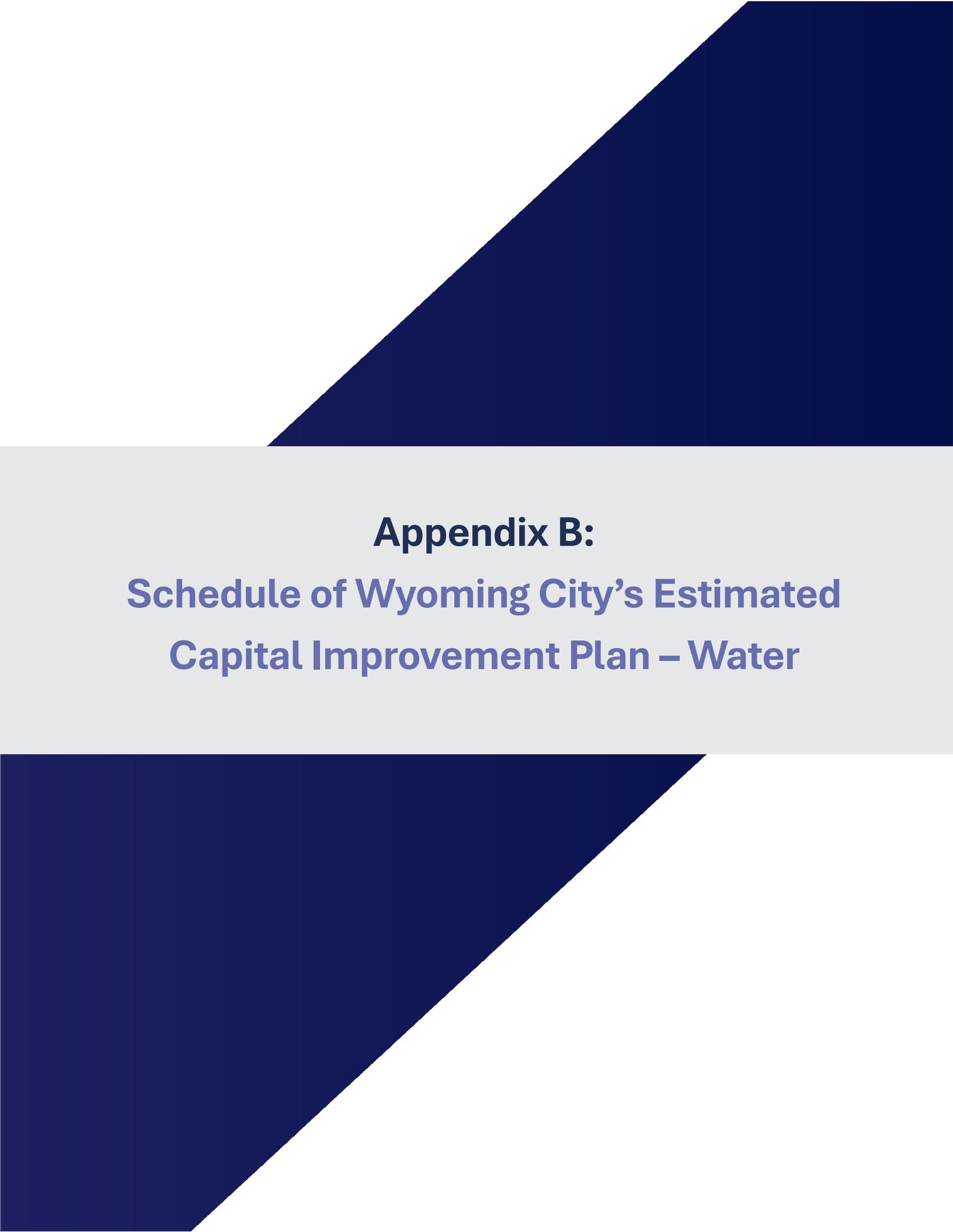
**CHARTER TOWNSHIP OF GEORGETOWN
COUNTY OF OTTAWA, STATE OF MICHIGAN**

Schedule of Estimated Capital Improvements - Water - Georgetown Assets

<u>Project</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035+</u>
Township-Wide Individual Water Meter Replacements	\$1,500,000	\$560,000	\$588,000	\$617,000	\$648,000	\$681,000					
Maintenance Building (50% Water)	1,950,000										
48th Ave 24" Transmission Main (Port Sheldon St to Baldwin St)		6,819,750									
Baldwin St 24" Transmission Main (48th Ave to East of 36th Ave)			10,900,000								
Kenowa Ave 12" Water Main (Barry to Jackson)			1,061,000								
View Point Street and Box Elder Drive Water Main Extension				439,000							
GT4 Sunningdale Booster Station Improvements				186,000							
GT8 5.0 MG Bauer Reservoir Painting (Exterior Overcoat, Wet Int. Metals, and Ext. Spall Repair)					259,000						
Cottonwood Drive and Taylor Street Interconnect with City of Grand Rapids						201,000					
GT7 Booster Station Improvements - 3rd Pump and Generator Improvements							\$181,000				
Painting							697,000				
GCT Cast Iron Water Main Replacement - Rosewood and Southwood Area								\$3,523,000			
Jackson Street and 4th Ave 12" WM									\$1,505,000		
GT6 1.0 MG Baldwin Reservoir Exterior Tank Painting										\$737,000	
GT6 5.0 MG Baldwin Reservoir Exterior Tank Painting										315,000	
GT9 Improvements and Storage										18,830,000	
Fillmore Street and 24th Avenue Innerconnect with the City of Grand Rapids											\$500,000 *
Fillmore Street and 24th Avenue Innerconnect with the City of Grand Rapids 24" Transmission Main											5,700,000 *
8th Avenue and I-196 - 20" and 12" AC Water Main Replacements											- *
South Baldwin new Westlane Ave - 6" and 8" Cast Iron Water Main Removal/Replacement											- *
GT6 0.5 MG Baldwin Reservoir Exterior Tank Painting										225,000	*
GT8 0.5 MG Bauer Reservoir Interior and Exterior Tank Painting										270,000	*
GT6 0.5 MG Baldwin Reservoir Exterior Tank Painting										225,000	*
GT1 Low Pressure Meter, Booster Station, and Generator Improvements										300,000	*
GT2 Low Pressure Meter Station Improvements										-	
GT3 High Pressure Meter Station Improvements										-	
GT7 High Pressure Booster Station and Generator Improvements										200,000	*
Sunningdale Drive and Lytham Drive/Hunters Drive and Hunting Court PRV R&R											-
Total Capital Improvements	\$3,450,000	\$7,379,750	\$12,549,000	\$1,242,000	\$907,000	\$882,000	\$878,000	\$3,523,000	\$1,505,000	\$19,882,000	\$7,420,000
Cash-Funded:	\$3,450,000	\$7,379,750	\$12,549,000	\$1,242,000	\$907,000	\$882,000	\$878,000	\$3,523,000	\$1,505,000	\$19,882,000	\$7,420,000

Note: Based on 2024 estimated costs with inflation, per Township.

*Estimated project costs for 2035+ are based on 2023 dollars and not inflation adjusted.



Appendix B:
**Schedule of Wyoming City's Estimated
Capital Improvement Plan – Water**

**CHARTER TOWNSHIP OF GEORGETOWN
COUNTY OF OTTAWA, STATE OF MICHIGAN**

Schedule of Estimated Capital Improvements - Water - All Wyoming Assets

<u>Project</u>	<u>Funding Source</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
Estimated Cash-Funded Wyoming Capital Improvements	Cash	[1]	\$644,248	\$1,720,162	\$3,278,665	\$1,575,360	\$1,728,286
Third TM Phase 1	Bond	\$12,758,495					
Surge Suppression System	Bond	2,681,260					
Additional Capacity Purchase	Installments	5,279,457 [2]					
Second Intake	Bond					14,215,181	
Total Capital Improvements		<u>\$20,719,213</u>	<u>\$644,248</u>	<u>\$1,720,162</u>	<u>\$3,278,665</u>	<u>\$15,790,540</u>	<u>\$1,728,286</u>
	Cash-Funded:		\$644,248	\$1,720,162	\$3,278,665	\$1,575,360	\$1,728,286
	Bond-Funded:	\$15,439,755				\$14,215,181	
	Installments-Funded:	\$5,279,457					

<u>Project</u>	<u>Funding Source</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035+</u>
Estimated Cash-Funded Wyoming Capital Improvements	Cash	\$464,464	\$2,207,575	\$992,698	\$406,178	\$1,015,444
Replace TM#2	Bond			11,778,292		
Third TM Phase 2	Bond					17,464,365
WTP Addition (2040 estimate)	Bond					48,737,762 [3]
Third TM Phase 3 (2042 estimate)	Bond					17,261,291 [4]
Second Low Service PS (2045 estimate)	Bond					10,153,700 [5]
Total Capital Improvements		<u>\$464,464</u>	<u>\$2,207,575</u>	<u>\$12,770,990</u>	<u>\$406,178</u>	<u>\$94,632,562</u>
	Cash-Funded:	\$464,464	\$2,207,575	\$992,698	\$406,178	\$1,015,444
	Bond-Funded:			\$11,778,292		\$93,617,118

Note: Project estimates are from the Wyoming City's Capital Improvement Plan.

Note: Wyoming City is assuming an annual inflation rate of 4.00%.

Note: The assumptions are based on Ottawa County's allocation being 43.00% of the Wyoming project costs, with Georgetown Township accounting for 41.24% of Ottawa County's allocation for 2025 projects. Assumptions are increased for Ottawa County to 49.24% for all projects after 2025.

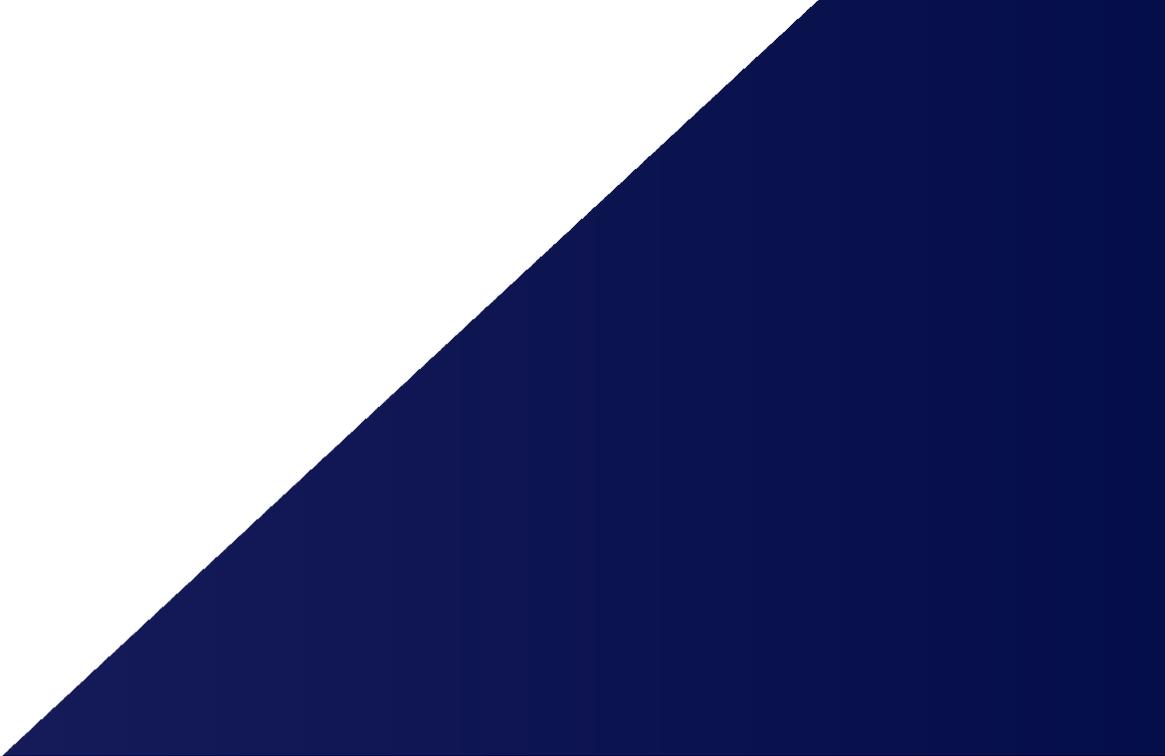
[1] Included in the Water Purchased from Ottawa County budget item in the Comparative Detail of Operating Expenses.

[2] Payments will be amortized over 20 years at 4.00%, per Ottawa County.

[3] Estimated completion of construction in 2040.

[4] Estimated completion of construction in 2042.

[5] Estimated completion of construction in 2045.



Appendix C:
Cash Flow – Water

**CHARTER TOWNSHIP OF GEORGETOWN
COUNTY OF OTTAWA, STATE OF MICHIGAN**

Cash Flow - Water

Rates:	2025				Inflationary Increases [1]	2026		2027		2028		2029		2030	
	Jan.-Jun.	One-Time Increase	Jul.-Dec.			Jan.-Jun.	Jul.-Dec.	Jan.-Jun.	Jul.-Dec.	Jan.-Jun.	Jul.-Dec.	Jan.-Jun.	Jul.-Dec.	Jan.-Jun.	Jul.-Dec.
Georgetown Township															
Meter Equivalents [2]	17,244		18,277			18,377	18,377	18,477	18,477	18,577	18,577	18,677	18,677	18,777	18,777
Ready-to-Serve Rate (quarterly)	\$13.70	\$16.30	\$30.00	6.00%	\$30.00	\$31.80	\$31.80	\$33.71	\$33.71	\$33.71	\$35.73	\$35.73	\$37.87	\$37.87	\$40.15
Billable Flow (1,000 gal.) [2]	1,005,024		1,005,024		1,011,024	1,011,024	1,017,024	1,017,024	1,023,024	1,023,024	1,029,024	1,029,024	1,035,024	1,035,024	1,035,024
Consumption Charge (per 1,000 gal.)	\$3.15	\$1.75	\$4.90	6.00%	\$4.90	\$5.19	\$5.19	\$5.51	\$5.51	\$5.51	\$5.84	\$5.84	\$6.19	\$6.19	\$6.56
Blendon Township															
Meter Equivalents	471		513		513	513	513	513	513	513	513	513	513	513	513
Ready-to-Serve Rate (quarterly)	\$27.40		\$60.00		\$60.00	\$63.60	\$63.60	\$67.42	\$67.42	\$71.46	\$71.46	\$75.75	\$75.75	\$80.29	\$80.29
Billable Flow (1,000 gal.)	20,557		20,557		20,557	20,557	20,557	20,557	20,557	20,557	20,557	20,557	20,557	20,557	20,557
Consumption Charge (per 1,000 gal.)	\$3.76		\$5.88		\$5.88	\$6.23	\$6.23	\$6.61	\$6.61	\$7.00	\$7.00	\$7.42	\$7.42	\$7.87	\$7.87
Typical Georgetown homeowner's quarterly water bill (assumes 15,000 gallons/quarter)	\$60.95		\$103.50		\$103.50	\$109.71	\$109.71	\$116.29	\$116.29	\$123.27	\$123.27	\$130.67	\$130.67	\$138.51	\$138.51
Revenues:															
Georgetown Township															
Ready-to-Serve Charge	\$472,497		\$1,096,590		\$1,102,590	\$1,168,745	\$1,175,105	\$1,245,612	\$1,252,353	\$1,327,495	\$1,334,641	\$1,414,719	\$1,422,294	\$1,507,632	\$1,507,632
Consumption Charge	3,165,824		4,924,615		4,954,015	5,251,256	5,282,420	5,599,365	5,632,399	5,970,343	6,005,359	6,365,680	6,402,797	6,786,965	6,786,965
Blendon Township															
Ready-to-Serve Charge	25,818		61,560		61,560	65,254	65,254	69,169	69,169	73,319	73,319	77,718	77,718	82,381	82,381
Consumption Charge	77,292		120,872		120,872	128,125	128,125	135,812	135,812	143,961	143,961	152,598	152,598	161,754	161,754
Miscellaneous	273,750		273,750		273,750	273,750	273,750	273,750	273,750	273,750	273,750	273,750	273,750	273,750	273,750
Total Revenues	4,015,182		6,477,387		6,414,037	6,788,380	6,825,904	7,224,958	7,264,733	7,690,117	7,732,279	8,185,716	8,230,408	8,713,732	8,713,732
Less: Total Operating Expenditures	(2,805,490)		(2,805,490)		(2,690,804)	(2,690,804)	(2,833,670)	(2,833,670)	(2,984,521)	(2,984,521)	(3,143,820)	(3,143,820)	(3,312,052)	(3,312,052)	(3,312,052)
Net Operating Revenue	1,209,692		3,671,897		3,723,233	4,097,576	3,992,234	4,391,288	4,280,212	4,705,596	4,588,460	5,041,896	4,918,355	5,401,680	5,401,680
Less: Estimated Georgetown Cash-Funded Capital Imprc	(1,725,000)		(1,725,000)		(3,689,875)	(3,689,875)	(6,274,500)	(6,274,500)	(621,000)	(621,000)	(453,500)	(453,500)	(441,000)	(441,000)	(441,000)
Estimated Wyoming Cash-Funded Capital Improve	-		- [3]		(322,124)	(322,124)	(860,081)	(860,081)	(1,639,333)	(1,639,333)	(787,680)	(787,680)	(864,143)	(864,143)	(864,143)
Estimated Debt Service #2 - Wyoming Capacity Pui	-		-		(190,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)
Estimated Debt Service #3 - Wyoming 3rd TM & Su	-		-		(650,000)	(650,000)	(650,000)	(650,000)	(650,000)	(650,000)	(650,000)	(650,000)	(650,000)	(650,000)	(650,000)
Estimated Debt Service #4 - Wyoming Second Intal	-		-		-	-	-	-	-	-	-	-	(550,000)	(550,000)	(550,000)
Net Cash Flow	(\$515,308)		\$1,946,897		(\$1,128,766)	(\$754,424)	(\$3,982,347)	(\$3,583,293)	\$1,179,879	\$1,605,263	\$2,507,280	\$2,960,716	\$2,223,213	\$2,706,537	\$2,706,537

[1] Inflationary increases implemented every July 1.

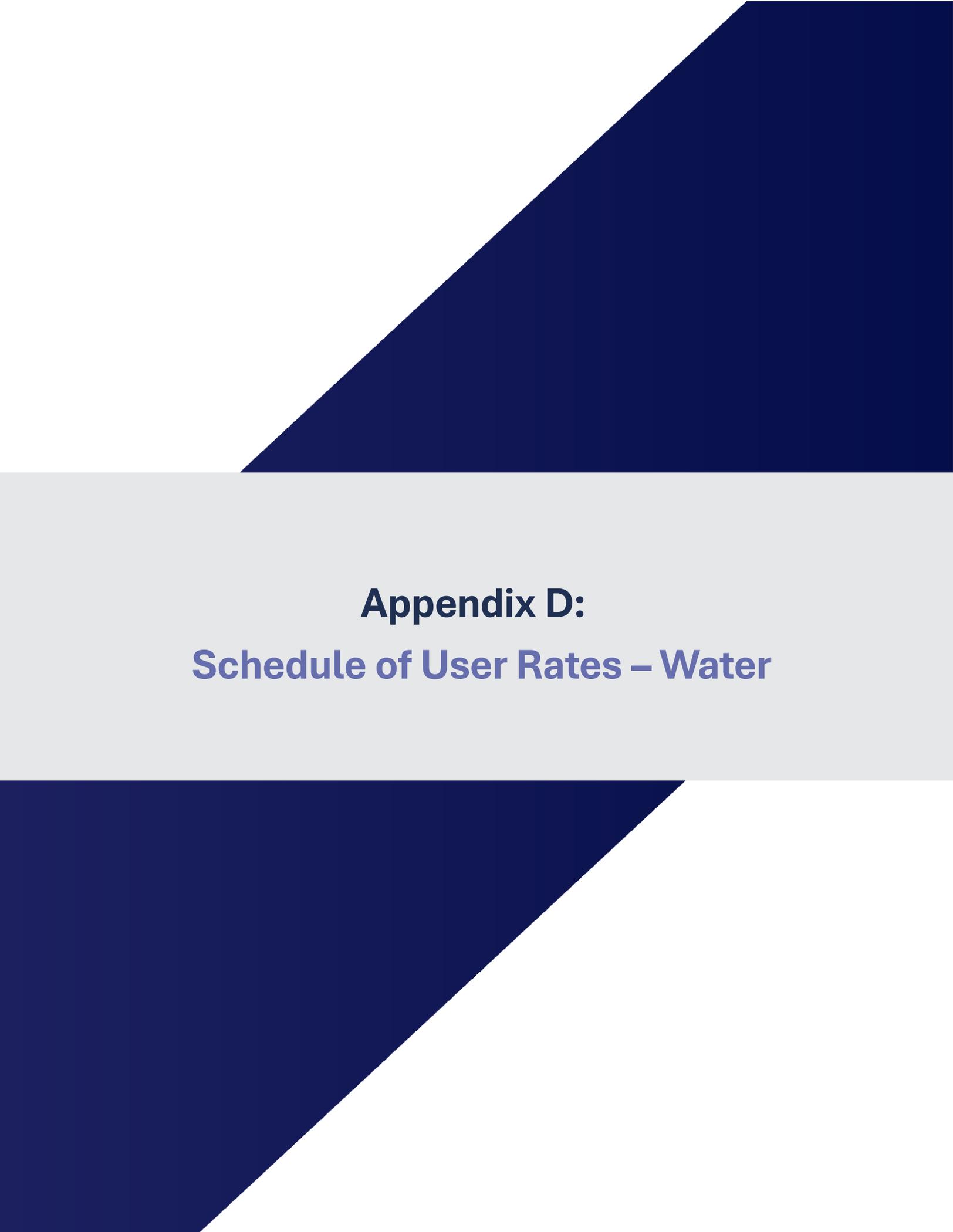
[2] Assuming an increase of 100 new connections with associated flow per year due to expected growth.

[3] Included in the Water Purchased from Ottawa County budget item in the Comparative Detail of Operating Expenses.

[4] Estimated debt service payments based on \$5,279,457 20-year installment plan at an estimated interest rate (4.00%). Total Ottawa County additional capacity purchase assumed to be \$12,801,788 with Georgetown Township's assumed project allocation of 41.24%.

[5] Estimated debt service payments based on \$17,682,281 20-year open market bond issue at an estimated interest rate (4.00%). Total Wyoming City projects assumed to be \$87,066,944 with Ottawa County's assumed allocation of 43.00% and Georgetown Township accounting for 41.24% of Ottawa County.

[6] Estimated debt service payments based on \$14,220,000 20-year open market bond issue at an estimated interest rate (4.50%). Total Wyoming City project assumed to be \$70,000,000 with Ottawa County's assumed allocation of 49.24% and Georgetown Township accounting for 41.24% of Ottawa County.



Appendix D:
Schedule of User Rates – Water

**CHARTER TOWNSHIP OF GEORGETOWN
COUNTY OF OTTAWA, STATE OF MICHIGAN**

User Rates - Water

Georgetown Township

Meter Size	July-Dec. 2025	Jan.-June 2026	July-Dec. 2026	Jan.-June 2027	July-Dec. 2027	Jan.-June 2028	July-Dec. 2028	Jan.-June 2029	July-Dec. 2029	Jan.-June 2030	July-Dec. 2030
5/8"	\$30.00	\$30.00	\$31.80	\$31.80	\$33.71	\$33.71	\$35.73	\$35.73	\$37.87	\$37.87	\$40.15
3/4"	30.00	30.00	31.80	31.80	33.71	33.71	35.73	35.73	37.87	37.87	40.15
1"	75.00	75.00	79.50	79.50	84.27	84.27	89.33	89.33	94.69	94.69	100.37
1 1/2"	150.00	150.00	159.00	159.00	168.54	168.54	178.65	178.65	189.37	189.37	200.73
2"	240.00	240.00	254.40	254.40	269.66	269.66	285.84	285.84	302.99	302.99	321.17
3"	525.00	525.00	556.50	556.50	589.89	589.89	625.28	625.28	662.80	662.80	702.57
4"	1,050.00	1,050.00	1,113.00	1,113.00	1,179.78	1,179.78	1,250.57	1,250.57	1,325.60	1,325.60	1,405.14

Metered	July-Dec. 2025	Jan.-June 2026	July-Dec. 2026	Jan.-June 2027	July-Dec. 2027	Jan.-June 2028	July-Dec. 2028	Jan.-June 2029	July-Dec. 2029	Jan.-June 2030	July-Dec. 2030
Consumption Charge (per 1,000 gal.)	\$4.90	\$4.90	\$5.19	\$5.19	\$5.51	\$5.51	\$5.84	\$5.84	\$6.19	\$6.19	\$6.56

Blendon Township

Meter Size	July-Dec. 2025	Jan.-June 2026	July-Dec. 2026	Jan.-June 2027	July-Dec. 2027	Jan.-June 2028	July-Dec. 2028	Jan.-June 2029	July-Dec. 2029	Jan.-June 2030	July-Dec. 2030
3/4"	\$60.00	\$60.00	\$63.60	\$63.60	\$67.42	\$67.42	\$71.46	\$71.46	\$75.75	\$75.75	\$80.29
1"	150.00	150.00	159.00	159.00	168.54	168.54	178.65	178.65	189.37	189.37	200.73
2"	480.00	480.00	508.80	508.80	539.33	539.33	571.69	571.69	605.99	605.99	642.35
6"	4,200.00	4,200.00	4,452.00	4,452.00	4,719.12	4,719.12	5,002.27	5,002.27	5,302.40	5,302.40	5,620.55

Metered	July-Dec. 2025	Jan.-June 2026	July-Dec. 2026	Jan.-June 2027	July-Dec. 2027	Jan.-June 2028	July-Dec. 2028	Jan.-June 2029	July-Dec. 2029	Jan.-June 2030	July-Dec. 2030
Consumption Charge (per 1,000 gal.)	\$5.88	\$5.88	\$6.23	\$6.23	\$6.61	\$6.61	\$7.00	\$7.00	\$7.42	\$7.42	\$7.87



**Water & Sewer Fund:
Sewer Section**

Executive Summary – Sewer

5.1 Community Background

The Charter Township of Georgetown (the “Township”) is located in Ottawa County, Michigan. The Township is 34.1 square miles and has a population of approximately 54,091 (2020 Census). The Township’s wastewater flows by gravity to the Grandville Clean Water Plant through a system of underground trunk sanitary sewers. The wastewater is then pumped into the treatment plant, flows through the plant by gravity, while undergoing various treatment processes, and is discharged roughly 20 hours later into the Grand River.

Source: City of Grandville

5.2 Discussion and Analysis

Wastewater – City of Grandville

The Township of Georgetown sends its wastewater to the City of Grandville (the “City”). The cost charged by the City reflects only the expenses related the maintenance, repair, and replacement of the Clean Water Plant and related infrastructure. The Township remains responsible for the maintenance, repair, and replacement of its own sewer system. As a result, the Township’s sewer rates must cover both the cost of purchasing wastewater treatment and the expenses related to its own local system.

Operating & Maintenance Expenses

The Township is not insulated from the inflationary pressures happening. Healthcare, various supplies and materials, and utility costs have risen significantly in the past few years. These increases to the budget are also part of the reason for the needed user rate increases.

User Growth

The Township is estimating 100 new connections per year.

Current Debt Payments

The sewer system currently has no outstanding debt obligations.

Capital Improvements

The Township is anticipating \$6,004,600 of capital improvements by fiscal year 2030 for its own collection system and assets the Township alone is responsible for. Currently, it is estimated that these improvements will be funded through the use of cash.

There are currently no major capital improvement projects expected at this time for the City of Grandville that are expected to result in a deviation from the currently projected flow rate increases. It is currently estimated from the City of Grandville that the flow rate projections include all capital improvements needed.

User Rates

With increasing expenses and necessary capital improvements, we are recommending a one-time increase of \$17.25/quarter to the typical homeowner with annual inflationary expenses of 6.0% to the ready-to-serve and consumption charges.

Information and Assumptions – Sewer

A significant effort has been made by the Township to gather needed background information related to current revenues and expenses, as well as helping with our forecast of future revenues and expenses. Also, the community has put significant effort in developing a capital improvement plan to maintain and improve the system. The rate study is a four-step process: 1) historical comparison with audits and budgets, 2) test year, or normalized budget year, along with inflation assumptions for purposes of forecasting, 3) proof of rate to revenue for reliance on customer data, and 4) cash flow forecast including revenues, operating expenses, capital improvements (cash and debt funded), and cash reserves. The analysis is a “cash basis” approach as described in the AWWA M1 Manual of Rate Making Practices.

Key Information Provided

- Audited comprehensive annual financial statements for FYE 2021, FYE 2022, and FYE 2023.
- Actual Revenue and Expenditure Report for FYE 2022, FYE 2023, and FYE 2024, provided by the Township.
- Budgeted Revenue and Expenditure Report for FYE 2025, provided by the Township.
- Sewer fund cash balance as of December 31, 2024, provided by the Township.
- Capital Improvement Plan (CIP), provided by the Township.

Key Assumptions

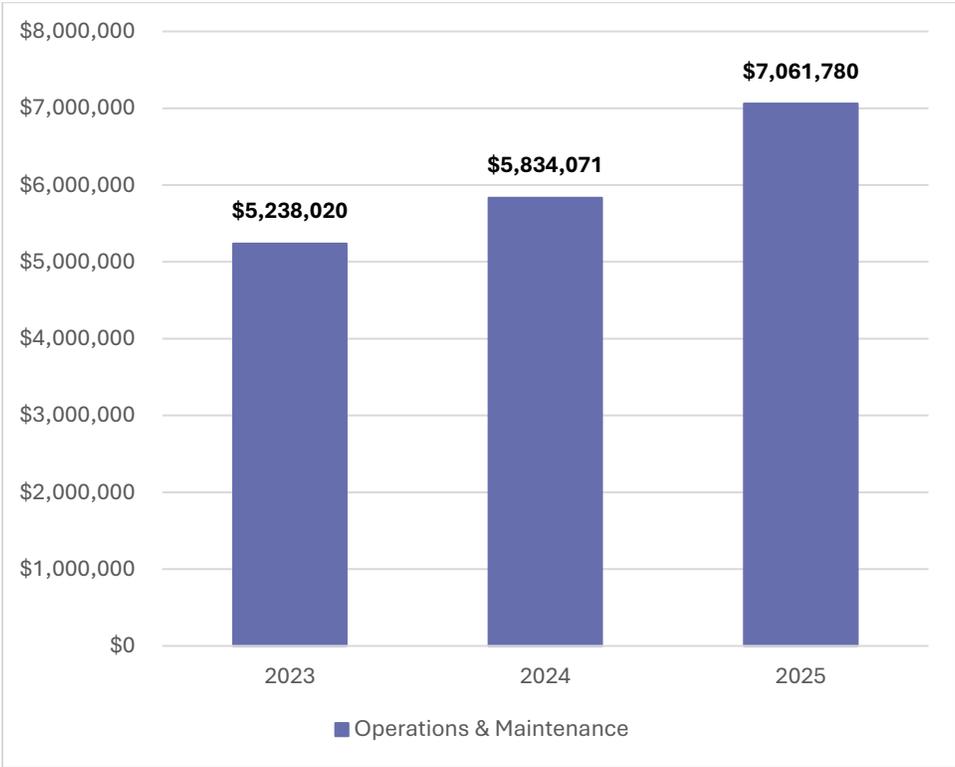
- User rates should not only cover operating expenses, but also support future system maintenance, capital improvements (both cash and debt funded), and debt service payments.
- The Township will follow AWWA guidelines.
- The budgeted amount for other revenue in FYE 2025 will be consistent in future years.
- The Township will conduct all capital improvement projects forecasted by the Township.
- No new major customers will be connecting to the system.
- The Township is anticipating 100 new connections each year.

Operations & Maintenance Expenses – Sewer

6.1 Historical Operations & Maintenance (“O&M”) Expenses

Historical O&M expenses are examined to identify trends and any outlier expenses. Overall, operational costs continue to increase. Aside from these changes, the current year’s O&M budget aligns with previous years. It is also forecasted that O&M expenses will rise year after year due to normal inflation and rising rates from the Clean Water Plant. The Township’s cash-funded capital improvements are also expected to increase significantly over the years. For a detailed breakdown of O&M expenses, please refer to Appendix H.

TABLE 6-1: EXPENSE HISTORY & CURRENT BUDGET



6.2 Test Year

A test year is a normalized year used as a baseline for forecasting future operations and maintenance expenses. Historical actuals are reviewed to identify trends, outliers, or one-time expenses. Concerns about specific line-item expenses are discussed with Township officials to establish what these costs would typically be in a normal year. Adjustments are then made to these line items to better reflect a normalized year, which is used as the basis for forecasting future years.

6.3 Inflation Assumptions

After establishing the test year, it is important to recognize that the test year is only a normalized year, and those normalized expense assumptions will change over time. The subsequent step involves adjusting the test year expenses to account for annual inflation. Given that expenses are unlikely to remain constant over the forecast period, this adjustment reflects anticipated cost increases over time. The table below outlines the inflationary assumptions applied in the report.

TABLE 6-3: INFLATION ASSUMPTIONS

Category	Inflation Assumption
Compensation	3.0%
Benefits	3.0%
Operating	3.0%
Wastewater Treatment	6.0%
Utilities	4.00-5.00%
Contractual Services	3.0%

Capital Improvement Plan – Sewer

7.1 Capital Improvement Plan (CIP)

Capital improvements are larger, one-time expenses that are separate from ongoing operations and maintenance expenses. It is beneficial to plan for these potential costs in advance and develop a detailed capital improvement plan. The Township has developed these plans.

The Township’s projected capital improvement costs account for inflation and contingency factors. The Township provided a capital improvement plan through fiscal year end 2035 and currently plans to cash-fund these improvements. Appendix E provides a detailed breakdown of the capital improvement plans.

TABLE 7-1: GEORGETOWN TOWNSHIP CAPITAL IMPROVEMENT PLAN SUMMARY

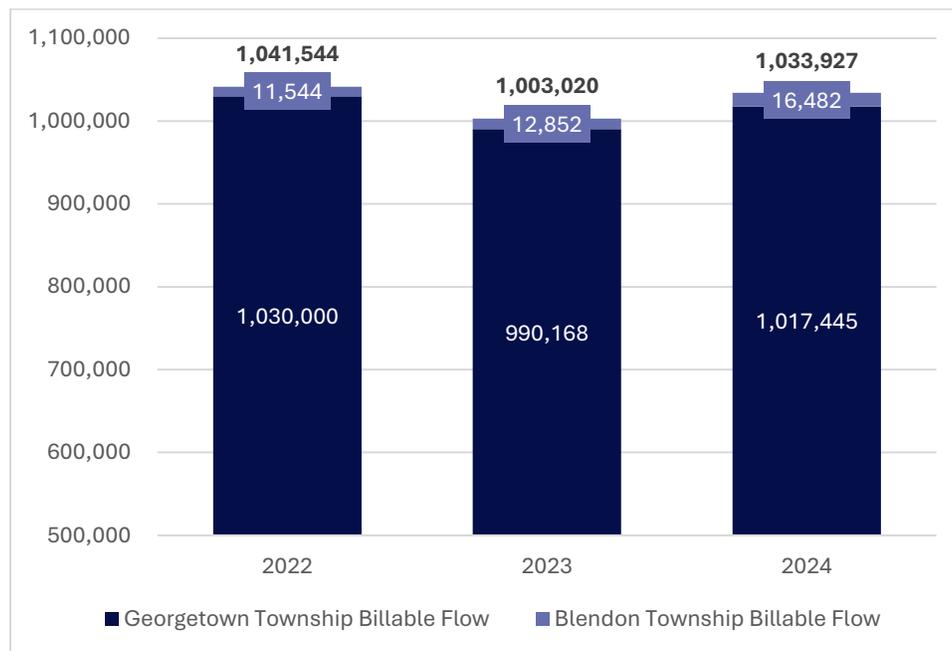
Year	Georgetown Township Cash-Funded Capital Improvements
2025	\$2,060,000
2026	255,000
2027	628,600
2028	1,767,000
2029	959,000
2030	335,000
Total	\$6,004,600

Revenues & Cash Flow – Sewer

8.1 Usage & Customers

Over the last three years, the Township has experienced fairly steady usage levels, with a slight upward trend. This aligns with the steady pace of new connections each year. Looking ahead, the Township anticipates approximately 100 new sewer connections annually and therefore expects usage levels to continue increasing gradually. The graph below shows the total sewer billed usage for the system.

TABLE 8-1A: WASTEWATER GALLONS BILLED



The Township serves 14,014 customer accounts within its own Township limits and 137 in Blendon Township. The table below shows the breakout of customers by meter size.

TABLE 8-1B: METER COUNTS BY METER SIZE

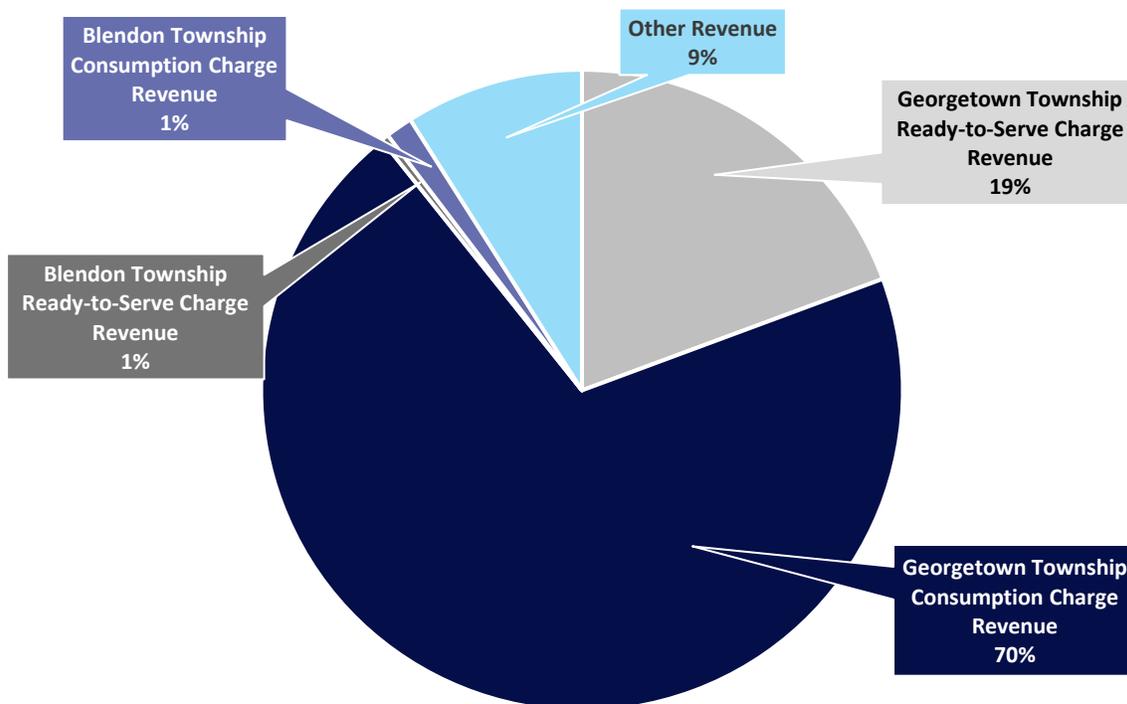
Meter Size	Georgetown Township Meter Count	Blendon Township Meter Count	Total Meter Count
5/8"	12,594	-	12,594
3/4"	532	101	633
1"	600	26	626
1 1/2"	192	-	192
2"	84	9	93
3"	8	-	8
4"	4	-	4
6"	-	1	1
Total Meter Count	14,014	137	14,151

8.2 Revenue

The Township charges user rates based on ready-to-serve and consumption charges. Consumption charges are based on usage and are typically seen as the most equitable way to allocate costs to customers. Since these charges are based on the number of gallons used by the customers, they can have more variation and risk to the system. Since there are still fixed costs the system needs to cover regardless of the number of gallons used, a ready-to-serve charge is billed. The quarterly fixed “ready-to-serve” charge is assessed to all customers ensuring revenue flow for ongoing costs and maintenance. The chart below demonstrates how much revenue is derived from each charge.

Along with the revenue from user rates, the Township is conservatively projecting about \$657,500 in other revenue in 2025, and about \$425,000 annually thereafter. This revenue is not generated from user rates and primarily comes from interest, late penalties, and connections. The forecast assumes these additional revenue sources will remain stable in the future. The chart below demonstrates how much revenue is derived from each charge.

TABLE 8-2: REVENUE BY USER RATE CATEGORY



8.3 Current Rates (January - June 2025)

The current rate structure adheres to common industry practices, consisting of a two-part rate structure that is comprised of a ready-to-serve charge based on meter size and a consumption-based rate calculated according to the total sewer usage during the billing period. The table below displays the current quarterly ready-to-serve charge for sewer customers based on the customer’s meter size, as well as the commodity charge (per 1,000 gallons) charged to all customers.

TABLE 8-3A: CURRENT QUARTERLY READY-TO-SERVE CHARGES

Meter Size	Meter Charge	Meter Ratio
5/8"	\$13.50	1.00
3/4"	13.50	1.00
1"	33.75	2.50
1 1/2"	67.50	5.00
2"	108.00	8.00
3"	236.25	17.50
4"	472.50	35.00

TABLE 8-3B: CURRENT QUARTERLY COMMODITY CHARGE

Metered	Charge
Consumption Charge (per 1,000 gal.)	\$5.00

8.4 Proposed Rates

The revenue needs to support operations and maintenance costs, current debt payments, and future capital improvements while maintaining an adequate cash reserve. It is determined that a one-time increase followed by consistent annual inflationary rate increases is the most effective approach for rate management. The initial increase is intended to address the system’s immediate needs.

Table 8-4A demonstrates a one-time increase beginning July 1, 2025, of \$16.50 to the Township’s ready-to-serve charge and an increase of \$0.05 to the consumption charge, with annual inflationary increases of 6.0% to each rate thereafter.

TABLE 8-4A: PROPOSED RATE CHANGES

Adjustment	July-Dec. 2025	Jan.-June 2026	July-Dec. 2026	Jan.-June 2027	July-Dec. 2027
Ready-to-Serve Charge (quarterly) [1]	\$30.00	\$30.00	\$31.80	\$31.80	\$33.71
Consumption Charge (per 1,000 gal.)	5.05	5.05	5.35	5.35	5.67

Adjustment	Jan.-June 2028	July-Dec. 2028	Jan.-June 2029	July-Dec. 2029	Jan.-June 2030	July-Dec. 2030
Ready-to-Serve Charge (quarterly) [1]	\$33.71	\$35.73	\$35.73	\$37.87	\$37.87	\$40.15
Consumption Charge (per 1,000 gal.)	5.67	6.01	6.01	6.38	6.38	6.76

[1] This table only reflects the 5/8" and 3/4" meter ready-to-serve charges. See Appendix G for the full schedule of sewer user rates.

The Township bills customers quarterly. With the above proposed rates, the table below outlines estimates of a typical homeowner’s quarterly bill based on 15,000 gallons of usage.

TABLE 8-4B: TYPICAL HOMEOWNER’S TOTAL QUARTERLY BILL

Homeowner Type	Jan.-June 2025	July-Dec. 2025	Jan.-June 2026	July-Dec. 2026	Jan.-June 2027	July-Dec. 2027
Metered [1]	\$88.50	\$105.75	\$105.75	\$112.10	\$112.10	\$118.82

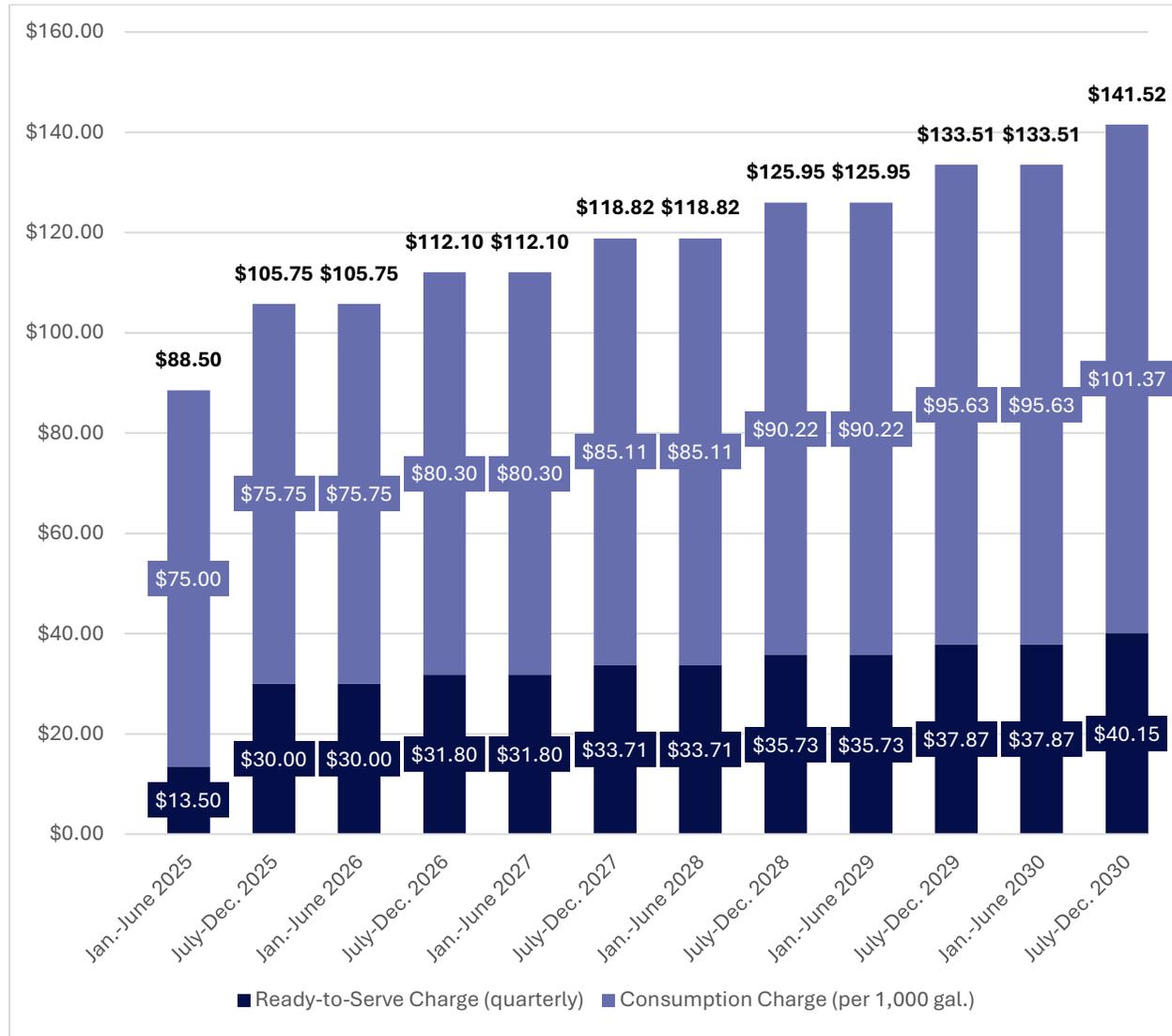
Homeowner Type	Jan.-June 2028	July-Dec. 2028	Jan.-June 2029	July-Dec. 2029	Jan.-June 2030	July-Dec. 2030
Metered [1]	\$118.82	\$125.95	\$125.95	\$133.51	\$133.51	\$141.52

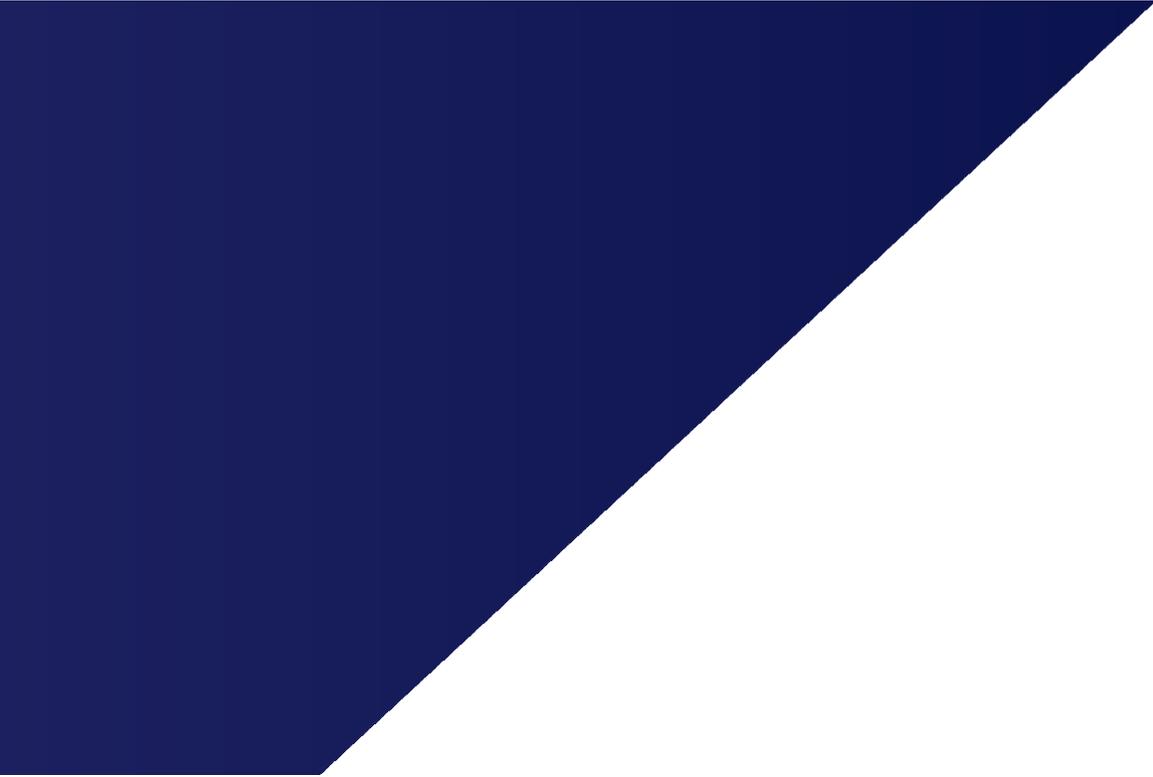
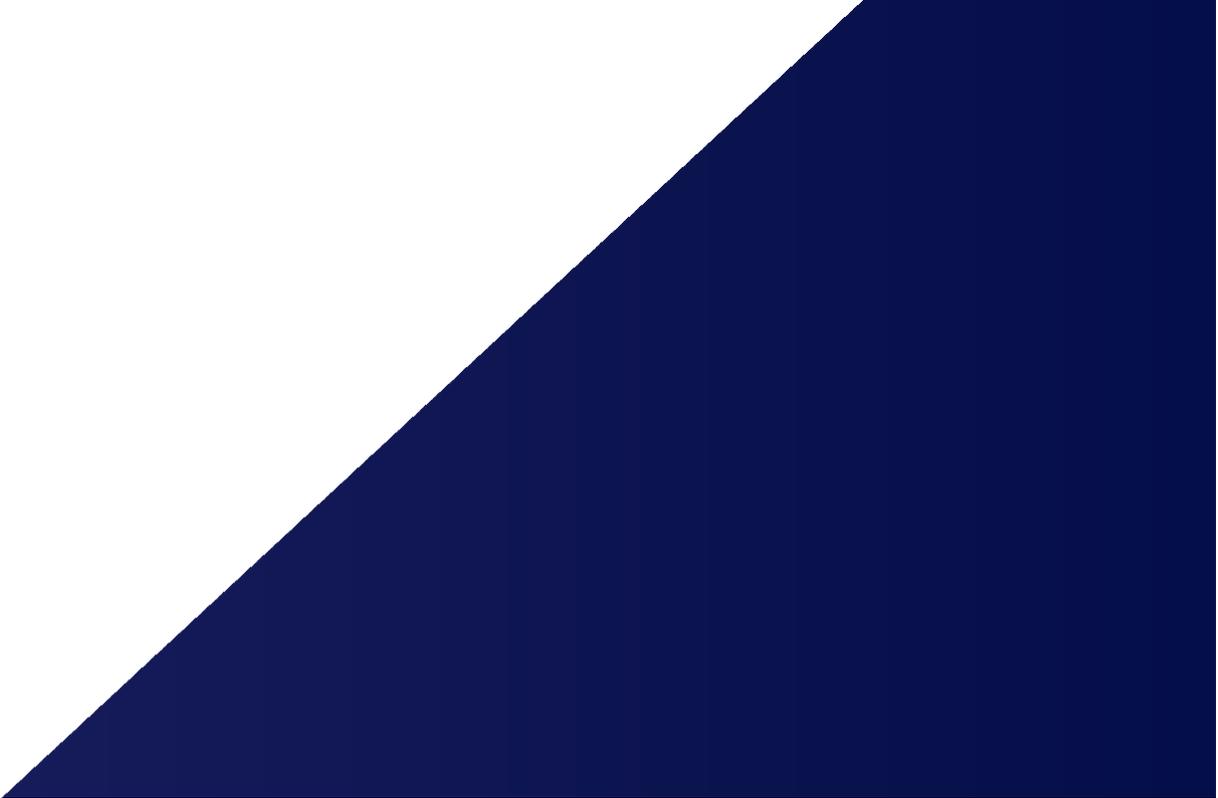
[1] Assumes 5/8" or 3/4" meter size & 15,000 gallons/quarter.

8.5 Rate Impact Summary

The proposed rate track results in an approximate increase of \$17.25 starting July 1, 2025; followed by additional increases on average of \$7.15 to a typical homeowner’s quarterly bill per year beginning July 1. Assumes a 5/8” meter size and 15,000 gallons of usage per quarter.

TABLE 8-5: TYPICAL HOMEOWNER’S QUARTERLY SEWER BILL BREAKDOWN





Appendix E:
Schedule of Estimated
Capital Improvement Plan – Sewer

**CHARTER TOWNSHIP OF GEORGETOWN
COUNTY OF OTTAWA, STATE OF MICHIGAN**

Schedule of Estimated Capital Improvements - Sewer

Project	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Sanitary Sewer System Televising	\$110,000	\$116,000	\$119,000	\$124,000	\$129,000	\$134,000	\$139,000	\$145,000	\$151,000	\$157,000
Maintenance Building (50% Sewer)	1,950,000									
Fairway Pump Station Improvements		29,000								
48th Ave 24" Transmission Main (Port Sheldon Ct to Baldwin St)		110,000								
Monza Pump Station Improvements			3,600							
15"-27" Trunk Sewer Cleaning			506,000							
Maplewood Lake Easement Sanitary Lining from 2023 Lined Location to Ronson Ave				713,000						
28th Ave Pump Station Improvements				930,000						
Newcastle Drive Sewer Lining from Ronson Ave to Greenridge Dr					669,000					
Chicago Dr Pump Station Improvements					161,000	201,000				
Crystal Pump Station Improvements								580,000		
Pleasant View Pump Station Improvements								72,000		
Port Sheldon Pump Station Improvements									90,000	
Bauer Pump Station Improvements									1,260,000	
Total Capital Improvements	\$2,060,000	\$255,000	\$628,600	\$1,767,000	\$959,000	\$335,000	\$139,000	\$797,000	\$1,501,000	\$157,000
Cash-Funded:	\$2,060,000	\$255,000	\$628,600	\$1,767,000	\$959,000	\$335,000	\$139,000	\$797,000	\$1,501,000	\$157,000

Note: Based on 2024 estimated costs with inflation, per Township.

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Appendix F:
Cash Flow – Sewer

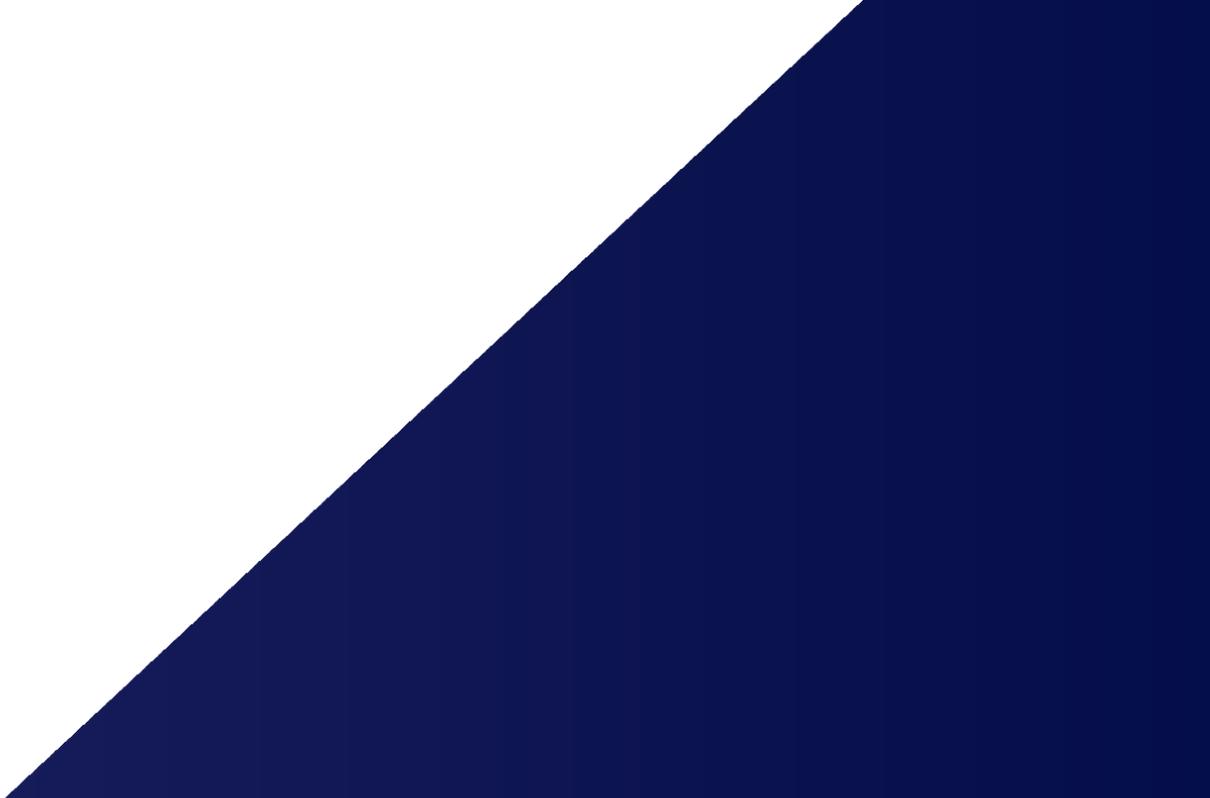
**CHARTER TOWNSHIP OF GEORGETOWN
COUNTY OF OTTAWA, STATE OF MICHIGAN**

Cash Flow - Sewer

Rates:	2025				2026		2027		2028		2029		2030	
	Jan.-Jun.	One-Time Increase	Jul.-Dec.	Inflationary Increases	Jan.-Jun.	Jul.-Dec.								
Georgetown Township														
Meter Equivalents	15,653		16,538		16,638	16,638	16,738	16,738	16,838	16,838	16,938	16,938	17,038	17,038
Ready-to-Serve Rate (quarterly)	\$13.50	\$16.50	\$30.00	6.00%	\$30.00	\$31.80	\$31.80	\$33.71	\$33.71	\$35.73	\$35.73	\$37.87	\$37.87	\$40.15
Billable Flow (1,000 gal.)	508,722		508,722		514,722	514,722	520,722	520,722	526,722	526,722	532,722	532,722	538,722	538,722
Consumption Charge (per 1,000 gal.)	\$5.00	\$0.05	\$5.05	6.00%	\$5.05	\$5.35	\$5.35	\$5.67	\$5.67	\$6.01	\$6.01	\$6.38	\$6.38	\$6.76
Blendon Township														
Meter Equivalents	272		272		308	308	308	308	308	308	308	308	308	308
Ready-to-Serve Rate (quarterly)	\$16.20		\$36.00		\$36.00	\$38.16	\$38.16	\$40.45	\$40.45	\$42.88	\$42.88	\$45.45	\$45.45	\$48.18
Billable Flow (1,000 gal.)	8,241		8,241		8,241	8,241	8,241	8,241	8,241	8,241	8,241	8,241	8,241	8,241
Consumption Charge (per 1,000 gal.)	\$6.00		\$6.06		\$6.06	\$6.42	\$6.42	\$6.81	\$6.81	\$7.22	\$7.22	\$7.65	\$7.65	\$8.11
<i>Typical Georgetown homeowner's quarterly sewer bill (assumes 15,000 gallons/quarter)</i>	\$88.50		\$105.75		\$105.75	\$112.10	\$112.10	\$118.82	\$118.82	\$125.95	\$125.95	\$133.51	\$133.51	\$141.52
Revenues:														
Georgetown Township														
Ready-to-Serve Charge	\$422,642		\$992,280		\$998,280	\$1,058,177	\$1,064,537	\$1,128,409	\$1,135,151	\$1,203,260	\$1,210,406	\$1,283,030	\$1,290,605	\$1,368,041
Consumption Charge	2,543,611		2,569,047		2,599,347	2,755,308	2,787,426	2,954,672	2,988,717	3,168,040	3,204,128	3,396,375	3,434,629	3,640,706
Blendon Township														
Ready-to-Serve Charge	8,828		19,619		22,176	23,507	23,507	24,917	24,917	26,412	26,412	27,997	27,997	29,676
Consumption Charge	49,446		49,941		49,941	52,937	52,937	56,113	56,113	59,480	59,480	63,049	63,049	66,832
Miscellaneous	164,375		493,125		212,500	212,500	212,500	212,500	212,500	212,500	212,500	212,500	212,500	212,500
Total Revenues	3,188,903		4,124,012		3,882,244	4,102,429	4,140,907	4,376,611	4,417,398	4,669,692	4,712,926	4,982,951	5,028,779	5,317,756
Less: Total Operating Expenditures	(3,530,890)		(3,530,890)		(3,708,976)	(3,708,976)	(3,896,683)	(3,896,683)	(4,094,556)	(4,094,556)	(4,303,169)	(4,303,169)	(4,523,130)	(4,523,130)
Net Operating Revenue	(341,987)		593,122		173,268	393,453	244,223	479,928	322,842	575,136	409,757	679,782	505,649	794,626
Less: Estimated Georgetown Cash-Funded Capital Impr	(1,030,000)		(1,030,000)		(127,500)	(127,500)	(314,300)	(314,300)	(883,500)	(883,500)	(479,500)	(479,500)	(167,500)	(167,500)
Net Cash Flow	(\$1,371,987)		(\$436,878)		\$45,768	\$265,953	(\$70,077)	\$165,628	(\$560,658)	(\$308,364)	(\$69,743)	\$200,282	\$338,149	\$627,126

[1] Inflationary increases implemented every July 1.

[2] Assuming an increase of 100 new connections with associated flow per year due to expected growth.



Appendix G:
Schedule of User Rates – Sewer

**CHARTER TOWNSHIP OF GEORGETOWN
COUNTY OF OTTAWA, STATE OF MICHIGAN**

User Rates - Sewer

Georgetown Township

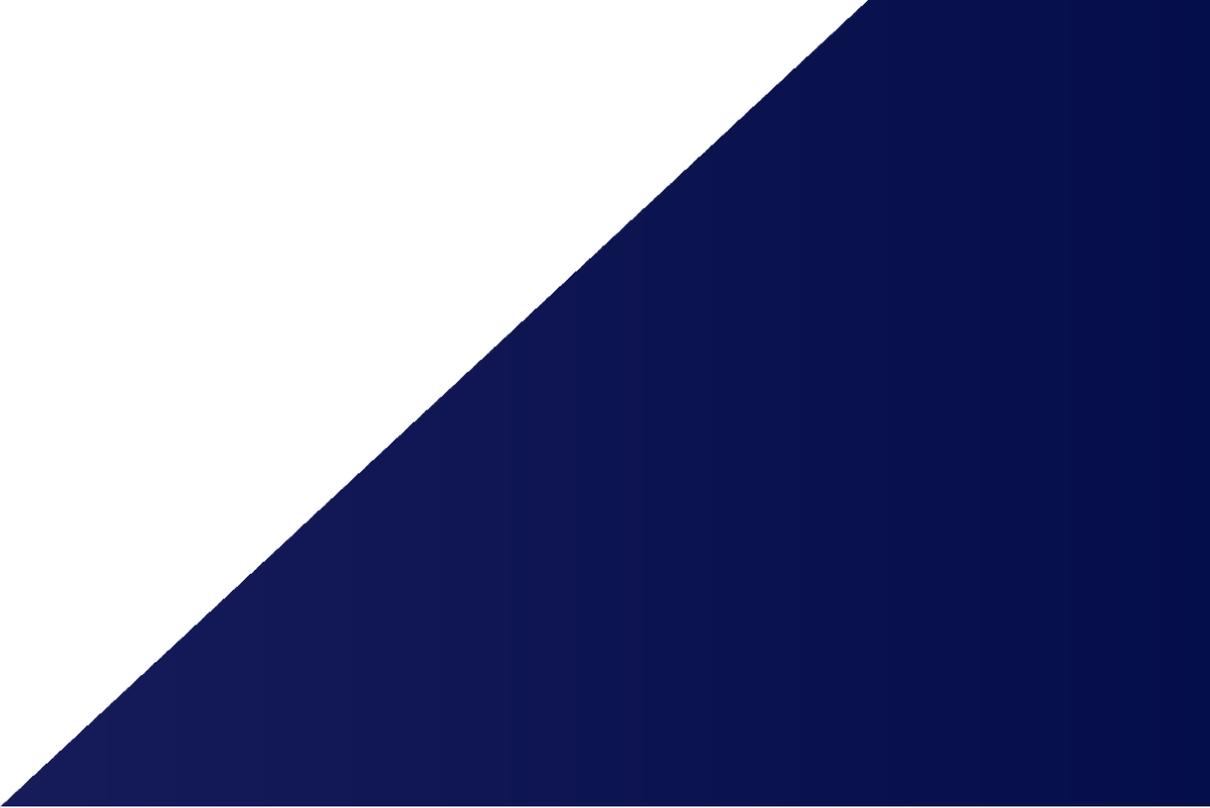
Meter Size	July-Dec. 2025	Jan.-June 2026	July-Dec. 2026	Jan.-June 2027	July-Dec. 2027	Jan.-June 2028	July-Dec. 2028	Jan.-June 2029	July-Dec. 2029	Jan.-June 2030	July-Dec. 2030
5/8"	\$30.00	\$30.00	\$31.80	\$31.80	\$33.71	\$33.71	\$35.73	\$35.73	\$37.87	\$37.87	\$40.15
3/4"	30.00	30.00	31.80	31.80	33.71	33.71	35.73	35.73	37.87	37.87	40.15
1"	75.00	75.00	79.50	79.50	84.27	84.27	89.33	89.33	94.69	94.69	100.37
1 1/2"	150.00	150.00	159.00	159.00	168.54	168.54	178.65	178.65	189.37	189.37	200.73
2"	240.00	240.00	254.40	254.40	269.66	269.66	285.84	285.84	302.99	302.99	321.17
3"	525.00	525.00	556.50	556.50	589.89	589.89	625.28	625.28	662.80	662.80	702.57
4"	1,050.00	1,050.00	1,113.00	1,113.00	1,179.78	1,179.78	1,250.57	1,250.57	1,325.60	1,325.60	1,405.14

Metered	July-Dec. 2025	Jan.-June 2026	July-Dec. 2026	Jan.-June 2027	July-Dec. 2027	Jan.-June 2028	July-Dec. 2028	Jan.-June 2029	July-Dec. 2029	Jan.-June 2030	July-Dec. 2030
Consumption Charge (per 1,000 gal.)	\$5.05	\$5.05	\$5.35	\$5.35	\$5.67	\$5.67	\$6.01	\$6.01	\$6.38	\$6.38	\$6.76

Blendon Township

Meter Size	July-Dec. 2025	Jan.-June 2026	July-Dec. 2026	Jan.-June 2027	July-Dec. 2027	Jan.-June 2028	July-Dec. 2028	Jan.-June 2029	July-Dec. 2029	Jan.-June 2030	July-Dec. 2030
3/4"	\$36.00	\$36.00	\$38.16	\$38.16	\$40.45	\$40.45	\$42.88	\$42.88	\$45.45	\$45.45	\$48.18
1"	90.00	90.00	95.40	95.40	101.12	101.12	107.19	107.19	113.62	113.62	120.44
2"	288.00	288.00	305.28	305.28	323.60	323.60	343.01	343.01	363.59	363.59	385.41
6"	2,520.00	2,520.00	2,671.20	2,671.20	2,831.47	2,831.47	3,001.36	3,001.36	3,181.44	3,181.44	3,372.33

Metered	July-Dec. 2025	Jan.-June 2026	July-Dec. 2026	Jan.-June 2027	July-Dec. 2027	Jan.-June 2028	July-Dec. 2028	Jan.-June 2029	July-Dec. 2029	Jan.-June 2030	July-Dec. 2030
Consumption Charge (per 1,000 gal.)	\$6.06	\$6.06	\$6.42	\$6.42	\$6.81	\$6.81	\$7.22	\$7.22	\$7.65	\$7.65	\$8.11

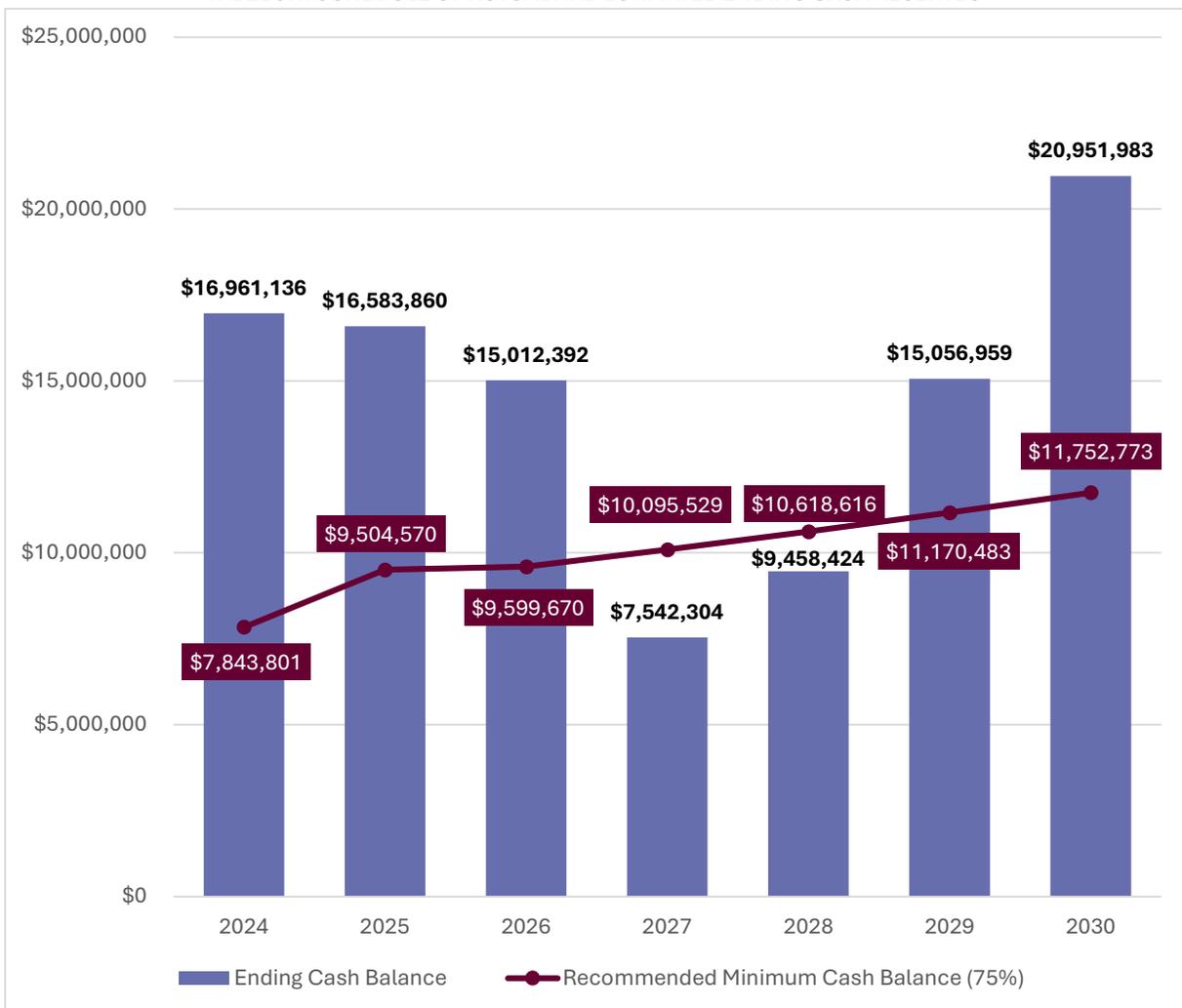


**Water & Sewer:
Combined Section**

9.1 Cash Position Summary

The cash reserves for the Township are currently around 15 months of cash operations and maintenance expenses (net of depreciation). This is above our recommended minimum balance of 9 months of cash operations and maintenance expenses for the fund. It is not a recommendation to spend down the cash reserves to the minimum. The minimum target is provided as a guardrail for the Township to ensure proper cash reserves. Over the forecast period, the cash reserves fluctuate as the Township anticipates cash and debt funding \$32,414,350 in Township water and sewer capital improvement projects and \$43,881,114 in supplier capital improvement projects. The forecast estimates the ending cash reserves to be 16 months' worth of cash operating expenses. The ending cash reserves are not excessive for the fund as additional capital improvement projects are anticipated. Appendix I provides a complete water and sewer cash flow analysis breakdown.

TABLE 9.1: SCHEDULE OF ACTUAL AND ESTIMATED ENDING CASH RESERVES



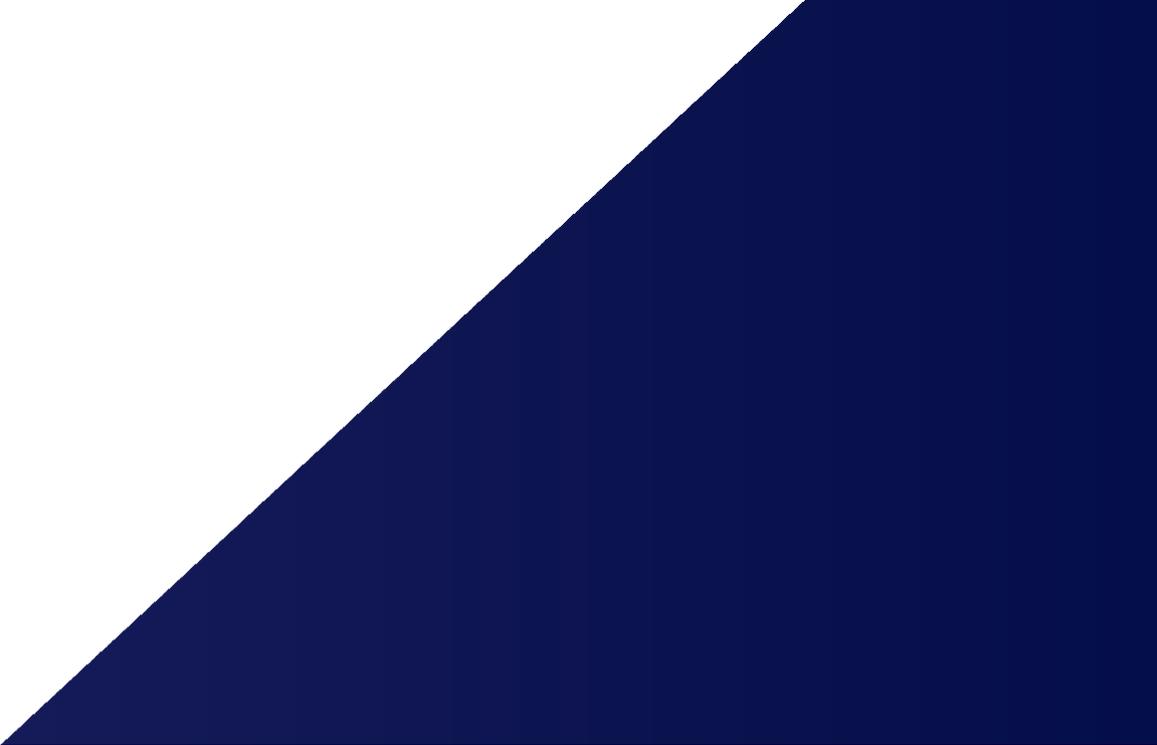


Appendix H:
Water & Sewer Combined Comparative
Detail of Operating Expenses

CHARTER TOWNSHIP OF GEORGETOWN
COUNTY OF OTTAWA, STATE OF MICHIGAN
Comparative Detail of Operating Expenses - Water & Sewer Fund

	Fiscal Year Ended				Forecasted		Test Year Fund Allocations			
	12/31/2022	12/31/2023	12/31/2024	12/31/2025	Test Year	Inflationary Increases	Water		Sewer	
	Actuals	Actuals	Actuals	Budget			Allocation %	\$ Allocation	Allocation %	\$ Allocation
	(------Per Client-----)									
Department 536: Water/Sewer Dept.										
702.009 Salaries and Wages	\$662,566	\$788,634	\$989,513	\$903,000	\$903,000	3.00%	35.00%	\$316,050	65.00%	\$586,950
702.609 Longevity Pay	7,736	8,759	9,356	12,000	12,000	3.00%	35.00%	4,200	65.00%	7,800
702.809 Overtime	26,220	31,999	44,695	45,000	45,000	3.00%	35.00%	15,750	65.00%	29,250
715.000 Social Security	50,900	60,268	75,407	71,000	71,000	3.00%	35.00%	24,850	65.00%	46,150
716.001 Retirement Benefits	56,851	63,149	90,152	81,000	81,000	3.00%	35.00%	28,350	65.00%	52,650
718.000 Health Insurance	-	2,525	8,580	3,000	3,000	3.00%	35.00%	1,050	65.00%	1,950
718.001 Hospitalization	126,382	141,332	172,059	171,000	171,000	3.00%	35.00%	59,850	65.00%	111,150
719.000 Life Insurance	1,654	1,842	1,736	2,200	2,200	3.00%	35.00%	770	65.00%	1,430
726.009 Supplies	208,328	231,173	152,144	275,000	275,000	4.00%	35.00%	96,250	65.00%	178,750
726.109 Meters	-	-	-	-	- [1]	0.00%	0.00%	-	0.00%	-
727.009 Postage	29,766	41,649	46,006	40,000	40,000	3.00%	35.00%	14,000	65.00%	26,000
741.009 Uniforms	2,576	4,199	5,341	6,000	6,000	3.00%	35.00%	2,100	65.00%	3,900
801.009 Legal	2,264	13,575	18,518	20,000	20,000	3.00%	35.00%	7,000	65.00%	13,000
801.209 State Annual Fee	12,366	13,147	10,509	25,000	25,000	3.00%	35.00%	8,750	65.00%	16,250
802.009 Engineering	217,420	55,258	200,198	250,000	250,000	3.00%	35.00%	87,500	65.00%	162,500
803.009 Independent Audit	8,550	9,745	9,433	15,000	15,000	3.00%	35.00%	5,250	65.00%	9,750
806.009 Computer	40,620	134,801	166,613	175,000	175,000	3.00%	35.00%	61,250	65.00%	113,750
810.009 Water Purchased-Ottawa County	2,524,494	2,825,031	3,282,797	4,100,000	3,600,000 [2]	6.00% [3]	100.00%	3,600,000	0.00%	-
810.209 Water Purchased-Wyoming	131,232	116,158	128,597	196,560	196,560 [2]	6.00% [3]	100.00%	196,560	0.00%	-
811.009 Sewage Treatment	3,210,273	3,330,682	3,553,498	4,600,000	4,600,000	6.00%	0.00%	-	100.00%	4,600,000
812.009 Service Connect Install	125,683	38,839	81,037	75,000	75,000	3.00%	35.00%	26,250	65.00%	48,750
820.009 Classes & Training	2,827	9,796	8,764	10,000	10,000	3.00%	35.00%	3,500	65.00%	6,500
828.009 Dues & Memberships	399	3,499	6,563	10,000	10,000	3.00%	35.00%	3,500	65.00%	6,500
837.009 Insurance & Bonds	134,648	179,462	204,014	250,000	250,000	4.00%	35.00%	87,500	65.00%	162,500
850.000 Communications	-	58	-	10,000	10,000	3.00%	35.00%	3,500	65.00%	6,500
853.009 Telephone	34,750	24,296	13,435	45,000	45,000	4.00%	35.00%	15,750	65.00%	29,250
860.009 Transportation	26,317	21,912	26,329	25,000	25,000	3.00%	35.00%	8,750	65.00%	16,250
900.009 Printing & Publishing	2,434	4,653	5,372	5,000	5,000	3.00%	35.00%	1,750	65.00%	3,250
920.009 Natural Gas	15,579	14,227	12,313	25,000	25,000	5.00%	35.00%	8,750	65.00%	16,250
921.009 Electric	159,332	168,066	177,524	175,000	175,000	5.00%	35.00%	61,250	65.00%	113,750
923.009 Trash Removal	606	1,431	610	2,000	2,000	4.00%	35.00%	700	65.00%	1,300
925.009 Easement Agreement	-	-	-	25,000	25,000	3.00%	35.00%	8,750	65.00%	16,250
930.009 Repairs & Maintenance	695,273	757,596	882,586	900,000	900,000	3.00%	35.00%	315,000	65.00%	585,000
930.200 Rush Creek Lift Station	25,690	25,272	33,586	30,000	30,000	3.00%	0.00%	-	100.00%	30,000
940.009 Hydrant Rental-Ottawa County	4,157	2,259	3,020	5,000	5,000	3.00%	100.00%	5,000	0.00%	-
956.009 Miscellaneous Expense	11,678	69,599	38,100	90,000	90,000	3.00%	35.00%	31,500	65.00%	58,500
968.009 Depreciation & Depletion	-	-	-	-	- [4]	0.00%	0.00%	-	0.00%	-
970.009 Capital Outlay	-	-	-	-	- [5]	0.00%	0.00%	-	0.00%	-
Total Water & Sewer Operating Expenses	\$8,559,571	\$9,194,890	\$10,458,401	\$12,672,760	\$12,172,760			\$5,110,980		\$7,061,780

[1] Water meters expenses are removed from this section as these expenses are included in the capital improvement plan addressed later in the report.
[2] Test Year amount includes only the expected operations and maintenance for the supplier costs. The capital improvements related to supplier system are addressed later in the report.
[3] Average annual increase based on Wyoming's projected wholesale rates.
[4] Depreciation & Depletion is removed from this report as it is performed on the cash basis.
[5] Capital Outlay is removed from this section as these expenses are included in the capital improvement plan addressed later in the report.



Appendix I:
Water & Sewer Combined Cash Flow Analysis

**CHARTER TOWNSHIP OF GEORGETOWN
COUNTY OF OTTAWA, STATE OF MICHIGAN**
Cash Flow - Water & Sewer Fund

	2025		2026		2027		2028		2029		2030		
	Jan.-Jun.	Jul.-Dec.	Jan.-Jun.	Jul.-Dec.	Jan.-Jun.	Jul.-Dec.	Jan.-Jun.	Jul.-Dec.	Jan.-Jun.	Jul.-Dec.	Jan.-Jun.	Jul.-Dec.	
<i>Typical Georgetown homeowner's quarterly bill</i>													
<i>Water Portion</i>	\$60.95	\$103.50	\$103.50	\$109.71	\$109.71	\$116.29	\$116.29	\$123.27	\$123.27	\$130.67	\$130.67	\$138.51	
<i>Sewer Portion</i>	88.50	105.75	105.75	112.10	112.10	118.82	118.82	125.95	125.95	133.51	133.51	141.52	
<i>Total typical homeowner's quarterly water & sewer bill (assumes 15,000 gallons/quarter)</i>	\$149.45	\$209.25	\$209.25	\$221.81	\$221.81	\$235.11	\$235.11	\$249.22	\$249.22	\$264.17	\$264.17	\$280.02	
Revenues:													
Water Fund	\$4,015,182	\$6,477,387	\$6,414,037	\$6,788,380	\$6,825,904	\$7,224,958	\$7,264,733	\$7,690,117	\$7,732,279	\$8,185,716	\$8,230,408	\$8,713,732	
Sewer Fund	3,188,903	4,124,012	3,882,244	4,102,429	4,140,907	4,376,611	4,417,398	4,669,692	4,712,926	4,982,951	5,028,779	5,317,756	
Total Revenues	7,204,085	10,601,399	10,296,282	10,890,808	10,966,810	11,601,569	11,682,131	12,359,809	12,445,205	13,168,667	13,259,187	14,031,488	
Less: Total Operating Expenditures	(6,336,380)	(6,336,380)	(6,399,780)	(6,399,780)	(6,730,353)	(6,730,353)	(7,079,077)	(7,079,077)	(7,446,989)	(7,446,989)	(7,835,182)	(7,835,182)	
Net Operating Revenue	867,705	4,265,019	3,896,502	4,491,029	4,236,458	4,871,216	4,603,054	5,280,732	4,998,216	5,721,678	5,424,005	6,196,306	
Less: Estimated Georgetown Cash-Funded Capital Improvements	(2,755,000)	(2,755,000)	(3,817,375)	(3,817,375)	(6,588,800)	(6,588,800)	(1,504,500)	(1,504,500)	(933,000)	(933,000)	(608,500)	(608,500)	
Estimated Wyoming Cash-Funded Capital Improvements	-	-	(322,124)	(322,124)	(860,081)	(860,081)	(1,639,333)	(1,639,333)	(787,680)	(787,680)	(864,143)	(864,143)	
Estimated Debt Service #2 - Wyoming Capacity Purchase [1]	-	-	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)	
Estimated Debt Service #3 - Wyoming 3rd TM & Surge Supp. Sys. [2]	-	-	(650,000)	(650,000)	(650,000)	(650,000)	(650,000)	(650,000)	(650,000)	(650,000)	(650,000)	(650,000)	
Estimated Debt Service #4 - Wyoming Second Intake [3]	-	-	-	-	-	-	-	-	-	-	(550,000)	(550,000)	
Net Cash Flow	(\$1,887,295)	\$1,510,019	(\$1,082,997)	(\$488,471)	(\$4,052,423)	(\$3,417,665)	\$619,221	\$1,296,899	\$2,437,536	\$3,160,999	\$2,561,362	\$3,333,663	
<i>Cash & Investments</i>	<i>\$16,961,136</i>	<i>\$15,073,841</i>	<i>\$16,583,860</i>	<i>\$15,500,863</i>	<i>\$15,012,392</i>	<i>\$10,959,969</i>	<i>\$7,542,304</i>	<i>\$8,161,525</i>	<i>\$9,458,424</i>	<i>\$11,895,960</i>	<i>\$15,056,959</i>	<i>\$17,618,320</i>	<i>\$20,951,983</i>

[1] Estimated debt service payments based on \$5,279,457 20-year installment plan at an estimated interest rate (4.00%). Total Ottawa County additional capacity purchase assumed to be \$12,801,788 with Georgetown Township's assumed project allocation of 41.24%.

[2] Estimated debt service payments based on \$17,682,281 20-year open market bond issue at an estimated interest rate (4.00%). Total Wyoming City projects assumed to be \$87,066,944 with Ottawa County's assumed allocation of 43.00% and Georgetown Township accounting for 41.24% of Ottawa County's allocation.

[3] Estimated debt service payments based on \$14,220,000 20-year open market bond issue at an estimated interest rate (4.50%). Total Wyoming City project assumed to be \$70,000,000 with Ottawa County's assumed allocation of 49.24% and Georgetown Township accounting for 41.24% of Ottawa County's allocation.