



Commission

2027 DRAFT

Budget Workshop

September 23, 2026



Changes to 2027 Budget from August 26, 2026, Presentation

Total Net increase \$132K

- Net increases in O&M expenses of \$13K
- Net increase in Annual Capital of \$140K
 - GBF: Misc. Pumping and HSW Improvements \$700K
 - Data Center Servers \$20K
 - AHU Replacement North Plant Mechanical Buildings (\$500K)
 - DPF: Replace Roof – Sludge Control Tank Building (\$80K)
- Net decrease in Debt Service of (\$22K)
- Increase Use of Plant Capital Replacement Reserve \$100K



Proposed 2027 Budget

2027 Revenue

Budget Categories	2026 Budget	2027 Budget	% Change
Municipal User Fees	\$ 48,995,574	\$ 52,320,307	6.8%
Mill User Fees and Direct Charges	\$ 3,060,228	\$ 3,172,106	3.7%
Mill Capital Charges	\$ 2,417,903	\$ 2,520,770	4.3%
Other Revenues	\$ 1,287,017	\$ 1,480,130	15.0%
ICR and Debt Reserve Transfers	\$ 1,221,069	\$ 1,201,825	-1.6%
Contribution (TO)/FROM Capital Res	\$ 600,000	\$ 2,800,000	366.7%
Total Revenues	\$ 57,581,792	\$ 63,495,139	10.3%

Municipal User Fees are 83% of Total Revenues

Municipal Rate Comparison

Capital Charge included in Parameter Rate (Fully loaded rates)

Parameter	2026 Budget	2027 Budget	% Change
Volume (1,000 gals)	\$ 1.44635	\$ 1.54660	6.9%
Biochemical Oxygen Demand (lbs)	\$ 0.61064	\$ 0.62582	2.5%
Suspended Solids (lbs)	\$ 0.61737	\$ 0.64139	3.9%
Phosphorus (lbs)	\$ 2.93279	\$ 3.17719	8.3%
Total Kjeldahl Nitrogen (lbs)	\$ 1.13171	\$ 1.17875	4.2%

Capital Charge NOT included in Parameter Rate (Billed rates)

Parameter	2026 Budget	2027 Budget	% Change
Volume (1,000 gals)	\$ 0.79624	\$ 0.83935	5.4%
Biochemical Oxygen Demand (lbs)	\$ 0.30662	\$ 0.30948	0.9%
Suspended Solids (lbs)	\$ 0.32105	\$ 0.32924	2.5%
Phosphorus (lbs)	\$ 1.41383	\$ 1.49654	5.9%
Total Kjeldahl Nitrogen (lbs)	\$ 0.52316	\$ 0.53474	2.2%

Capital Charge	\$ 21,292,745	\$ 25,572,369	20.10%
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Parameter rates billed to customers do not include capital charge; that is billed separately



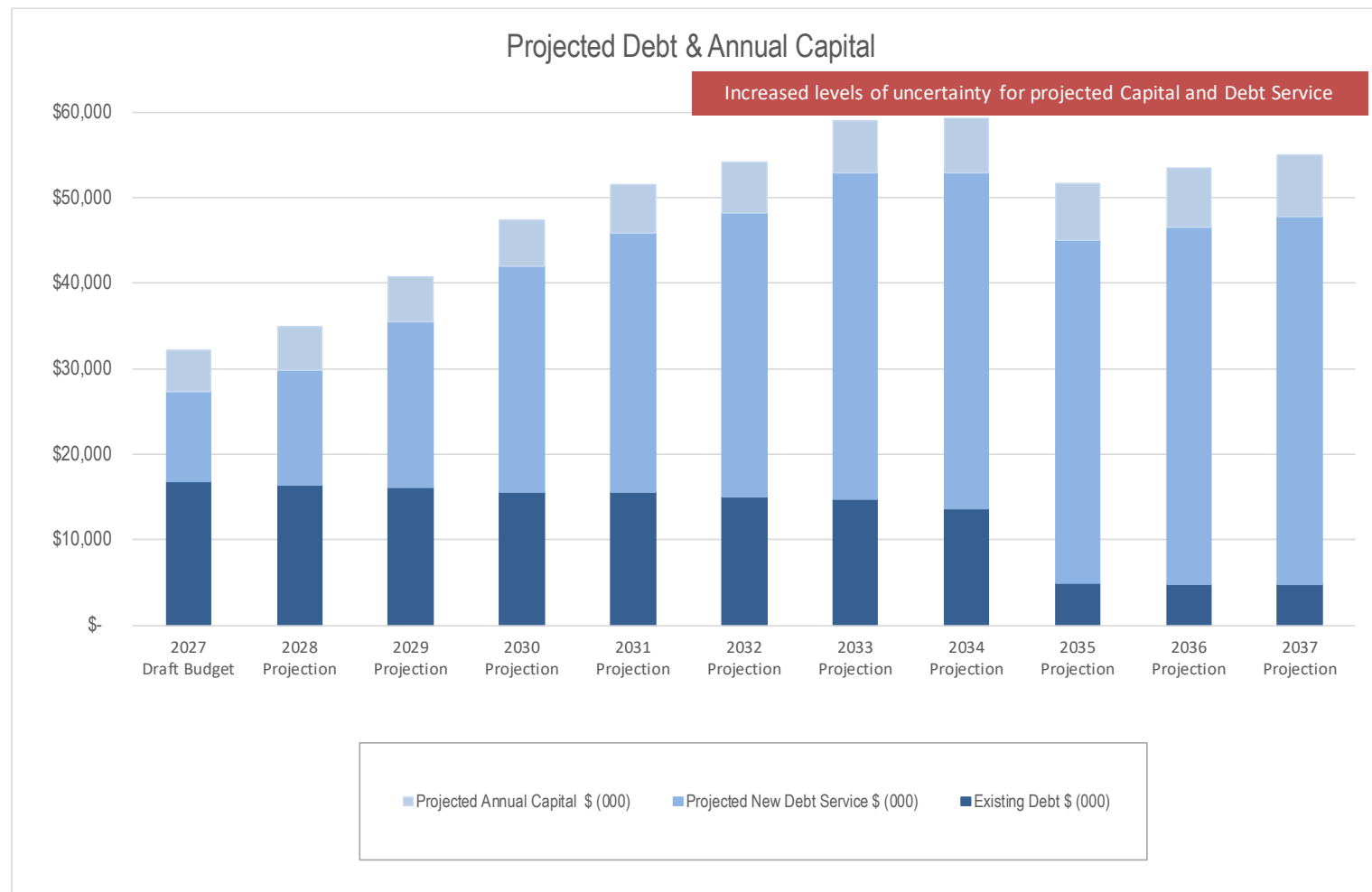
2027 DRAFT Budget Summary

2027 DRAFT Budget Compared to 2026 Budget	Percentage
TOTAL Expenses Increased	10.3%*
Capital Expenses Increased	16.1%
O&M Expenses Increased	4.8%
Municipal User Fees Increased	6.8%
Note: A portion of the Interceptor Debt Service was offset through the use of ICR Reserves.	
*\$2.8M use of Plant Capital Replacement Reserves to stabilize rates between 5.5%-7%	

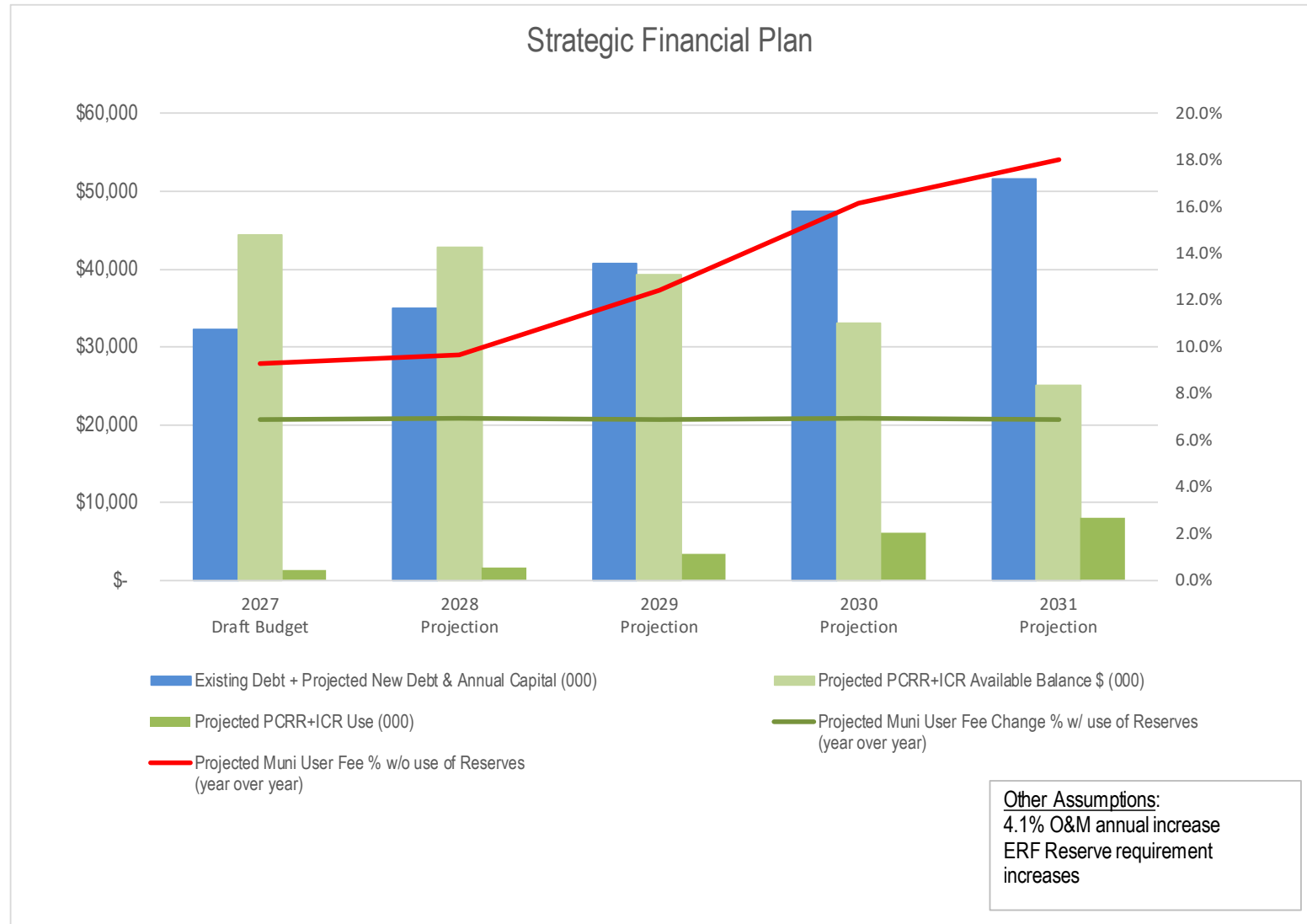


Strategic Financial Planning

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Cost Effectiveness

NEW Water ensures operational efficiencies through continuous improvement, asset management, capital improvement planning, and risk management.

As we strive to be a utility of the future, we will incorporate principles of sustainability into our approach to financial and environmental stewardship, as we continue to provide an essential service to protect public health for the community we serve.



Next Steps

- Email to customers explaining rates
- Third budget workshop on October 28
- Customer meeting(s)
- Budget hearing and adoption on December 2
- Customer notification