

OPERATING BUDGET AND CAPITAL PLAN
PRESENTED NOVEMBER 19, 2025



Pictured: 2024 Employee Appreciation Event

Board of Commissioners:

Jeff Clarke, President
Mike Dixon, Vice-President
Mike Johnson, Secretary

Presented by:

Dave Barnes, General Manager
J.R. Erickson, Finance Manager
Rick Matthews, Operations &
Maintenance Manager
Andrea Swisstack, Engineering Manager

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November 19, 2025

Mukilteo Water and Wastewater District
Rate Payers and Board of Commissioners

Re: 2026 Operating Budget and Capital Plan

Dear Rate Payers and Board of Commissioners:

District staff are pleased to present the Mukilteo Water and Wastewater District 2026 Budget for consideration by the Board of Commissioners. As with previous budgets, the 2026 Budget continues to prioritize the delivery of clean, safe drinking water and the protection of our environment through high-quality wastewater treatment services, all in a cost-effective and responsible manner.

This budget was developed with full awareness of the challenges surrounding affordability, infrastructure maintenance, and long-term capital reinvestment. As always, the District strives to balance the need to control rates with the responsibility of maintaining reliable facilities that serve our customers today and for generations to come.

The 2026 Budget builds upon the successes of the past several years. Notable achievements and projects in 2025 include:

Water Distribution:

- Work began on the new Water System Comprehensive Plan with the plan anticipated to be completed in 2026.
- Completed the interior recoating of Reservoir #1 and exterior recoating of Reservoir #5.
- The construction 2025 Water System Improvements project is underway and anticipated to be completed in Spring 2026. The project replaces 3,200 lineal feet of 1960's-era cast-iron main with 8" restrained-joint ductile iron pipe and replaces a Pressure Reducing Valve (PRV) station.
- Replaced 14 2" meters and 6 3" meters as part of the large meter replacement program.

Wastewater Collection:

- Completed the construction of the Lift Station 8 Upgrades project. Upgrades included new pumps and piping, safety and site access improvements, an upgrade to the electrical control system, and replacement of 360 feet of 4" C900 force main with 4" lined restrained joint ductile iron pipe.
- Relined approximately 2,900 lineal feet of sewer main using ultraviolet cure in place technology and grouted 30 lateral connections as part of the 2025 Trenchless Pipe Rehabilitation Project. 11 lateral connections will be relined in late 2025 or early 2026 to complete the project.
- Design efforts began for the Lift Station 2 abandonment project. Construction is anticipated in 2026.
- Completed and closed out the construction of the Lift Station 10 Corrosion Improvements project.

Wastewater Treatment Facility (WWTF):

- Completed the construction of the WWTF Rock Trap project which prevents rocks and other debris from entering the plant.
- Completed the design and started construction of the WWTF Electrical Upgrades project. Construction is anticipated to continue through 2026.
- Completed a study on the WWTF digester blowers.

Administration:

- Completed exterior painting and concrete masonry sealing at the Administration Building.
- The District has procured Asset Management software and retained a consultant to guide the implementation. The system is expected to be fully operational in 2026.

2026 Budget

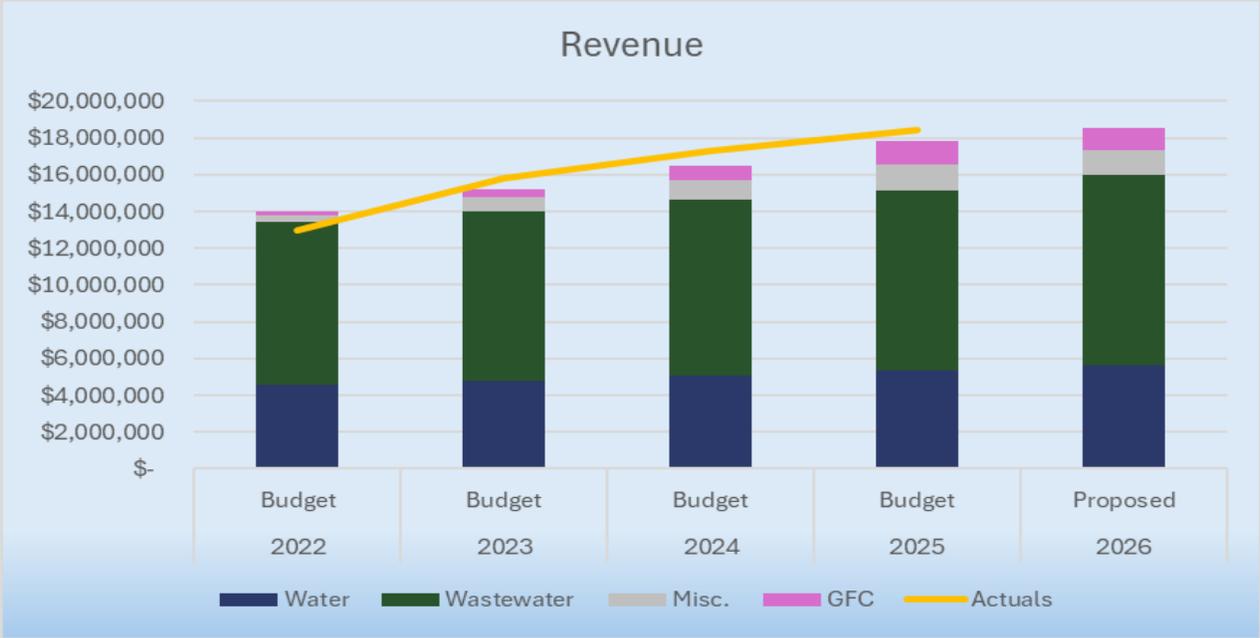
The following are highlights of the 2026 Budget. As with previous budgets, District staff have taken a measured and conservative approach to both revenues and expenses. Revenues are projected modestly at the lower end, while expenditures are estimated at the higher end to provide a prudent financial buffer. This approach ensures that the District remains prepared to address unanticipated costs or economic fluctuations without compromising service delivery or long-term financial stability. By maintaining this discipline, the District continues to uphold its commitment to fiscal responsibility and sustainable operations.

Revenues:

Projected service revenues in the 2026 Budget are based on rate increases and billing methodologies recommended in the 2022 water and wastewater rate study, performed by KLJ Financial Consulting. Overall, water rates are increasing approximately 6% and wastewater rates are increasing approximately 4%. Budgeted 2026 revenues are 3.8% higher than 2025 budgeted revenues.

Historical budgeted total water and wastewater revenue are as follows, including the 2025 projections:

	<i>2022 Budget</i>	<i>2023 Budget</i>	<i>2024 Budget</i>	<i>2025 Budget</i>	<i>2026 Budget</i>
<i>Water</i>	\$ 4,567,000	\$ 4,814,900	\$ 5,036,000	\$ 5,321,000	\$ 5,635,000
<i>Wastewater</i>	\$ 8,849,100	\$ 9,208,500	\$ 9,608,000	\$ 9,843,200	\$10,325,000
<i>Misc.</i>	\$ 379,200	\$ 777,300	\$ 1,087,100	\$ 1,378,300	\$ 1,379,500
<i>GFC</i>	<u>\$ 200,000</u>	<u>\$ 370,000</u>	<u>\$ 750,000</u>	<u>\$ 1,312,200</u>	<u>\$ 1,200,000</u>
<i>Total</i>	\$13,995,300	\$15,170,700	\$16,481,100	\$17,854,700	\$18,539,500

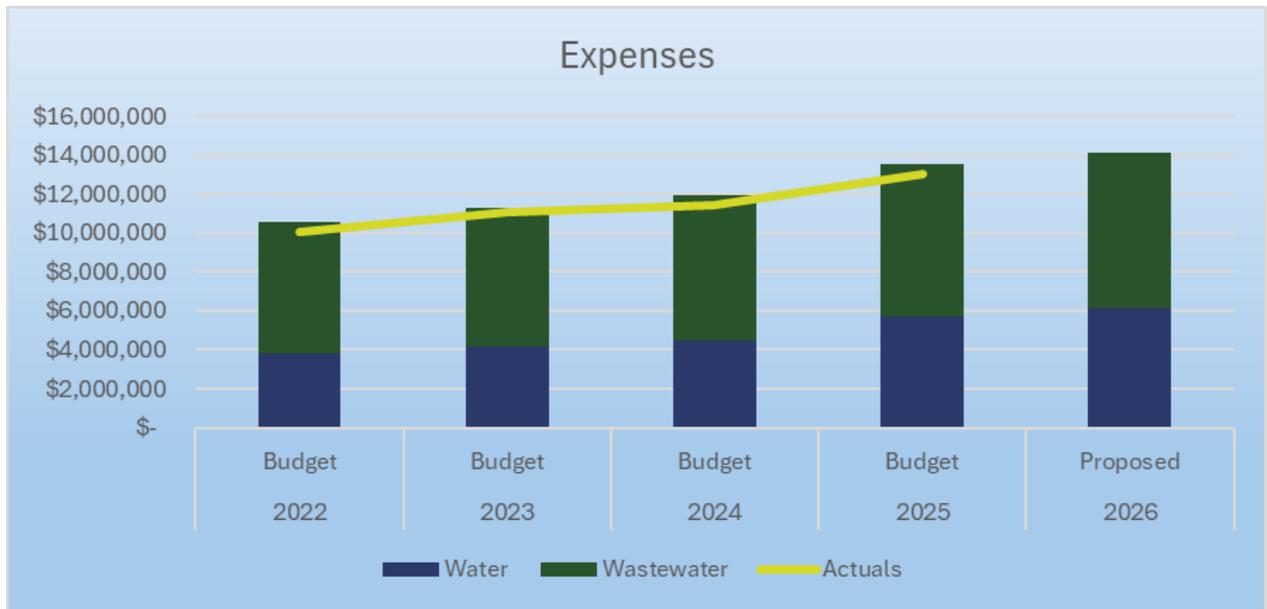


Expenses:

Beginning with the 2023 Budget, the District changed what is included in the expense budget. In previous years, depreciation expense was included as part of total expenses; however, starting in 2023, the District decided to remove depreciation expense and include debt service principal, as this gives a better picture of the cash expenses for the year. With these changes, the expense totals for previous year’s budgets will be different to how they were shown in previous budget documents.

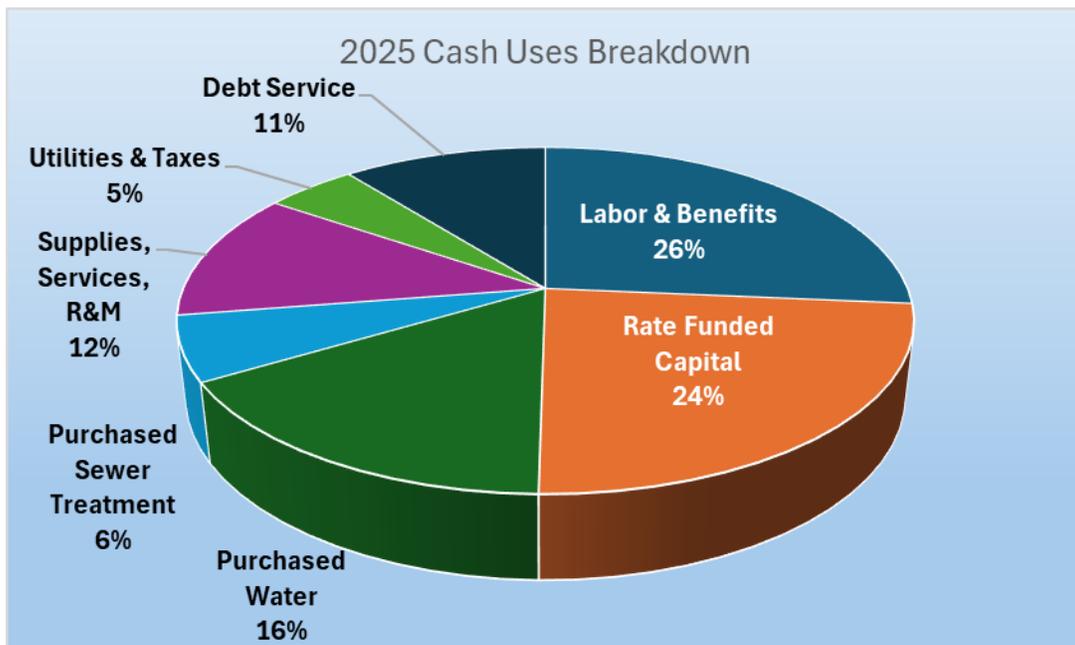
Budgeted 2026 operating, maintenance, and administrative expenses are 3.7% higher than 2025 budgeted expenses. Historical and adopted 2025 operating, maintenance, and administrative budgets for the Utilities are as follows:

	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget
<i>Water</i>	\$ 3,814,900	\$ 4,186,400	\$ 4,495,800	\$ 5,703,400	\$ 6,069,500
<u><i>Wastewater</i></u>	<u>\$ 6,781,065</u>	<u>\$ 7,133,100</u>	<u>\$ 7,462,500</u>	<u>\$ 7,849,100</u>	<u>\$ 7,986,550</u>
<i>Total</i>	\$10,595,965	\$11,319,500	\$11,958,300	\$13,552,500	\$14,056,050



The five highest budget expenses, representing approximately 93% of the overall 2026 Budget, historically are and continue to be:

1. Personnel (Labor & Benefits)
2. Debt Service
3. Purchased Water
4. Supplies, Services, Repairs & Maintenance
5. Purchased Sewer Treatment



*This chart includes Rate Funded Capital which is not an expense but pays for capital projects.

Personnel (Labor & Benefits): Personnel costs including direct labor, social security taxes, and benefits represent approximately 35% of the District's overall operating and maintenance costs. Total labor and benefit costs in the 2026 Budget are \$4,896,100 which is a 6.7% increase from 2025.

- **Direct Labor Costs:** In 2025, the District engaged a consultant to conduct a comprehensive salary and benefits study, which determined that the District's salary matrix was approximately 3% below the market average. To maintain competitiveness and support employee retention, the 2026 Budget includes a 3% adjustment to the salary matrix. In addition, a 2.7% Cost of Living Adjustment (COLA) has been applied for 2026, based on June 2024 to June 2025 Consumer Price Index (CPI).
- **Benefit Costs:** Benefit costs include FICA/Medicare, Public Employees Retirement System (PERS) Employer Contributions, Worker's Comp, Employment Security, Health Care, Clothing Allowance, a 2% deferred compensation match program, and Training/Education. Overall, benefit costs are budgeted to increase by 7.9%; this is mostly due to increases in medical costs and increases driven by the COLA including social security taxes, deferred compensation, and pension expenses. The budget also assumes the GIS-Asset Management Coordinator position is filled for all of 2026, whereas the 2025 budget included the position for just 6 months.

Purchased Water: The 2026 Budget includes \$3,010,000 for the purchase of water, which represents 49% of the Water Utility Budget or 21% of the overall Operating Budget. The District purchases water from the City of Everett, either directly or through Alderwood Water and Wastewater District. The 2025 budget for purchased water was amended in 2025 due to larger than expected increases from the City of Everett and Alderwood Water & Wastewater District. These increases are still under negotiation between the City of Everett and the Alderwood Water and Wastewater District and may be adjusted at a later date; whatever rate is settled upon could necessitate a budget adjustment.

The 2026 Budget is 7.1% higher than the amended 2025 Budget. The budgeted volume of purchased water is estimated by using the average of the last five years and recent consumption trends. The District also assumes the allocation of water between the Alderwood Water & Wastewater District (AWWD) (78%) and the City of Everett (COE) (22%) remains consistent. Cost of water from the COE is budgeted at \$6.97 per thousand gallons (Kgal), up 8% from the amended 2025 budget. Cost from AWWD is estimated to be \$3.28 per Kgal, which is a 10% increase from the amended 2025 budget.

Purchased Sewer Treatment: Wastewater from customers east of Paine Field (former Eastside Service Area) flows to Everett's Water Pollution Control Facility. The 2026 Budget includes \$1,120,000 for this sewage disposal, representing 14% of the Wastewater Utility budget or 8% of the overall Operating Budget. Everett's sewage disposal cost is based on Equivalent Residential Units (ERUs). The District estimates a 7% increase to Everett's current treatment rate.

Debt and Capital Plan:

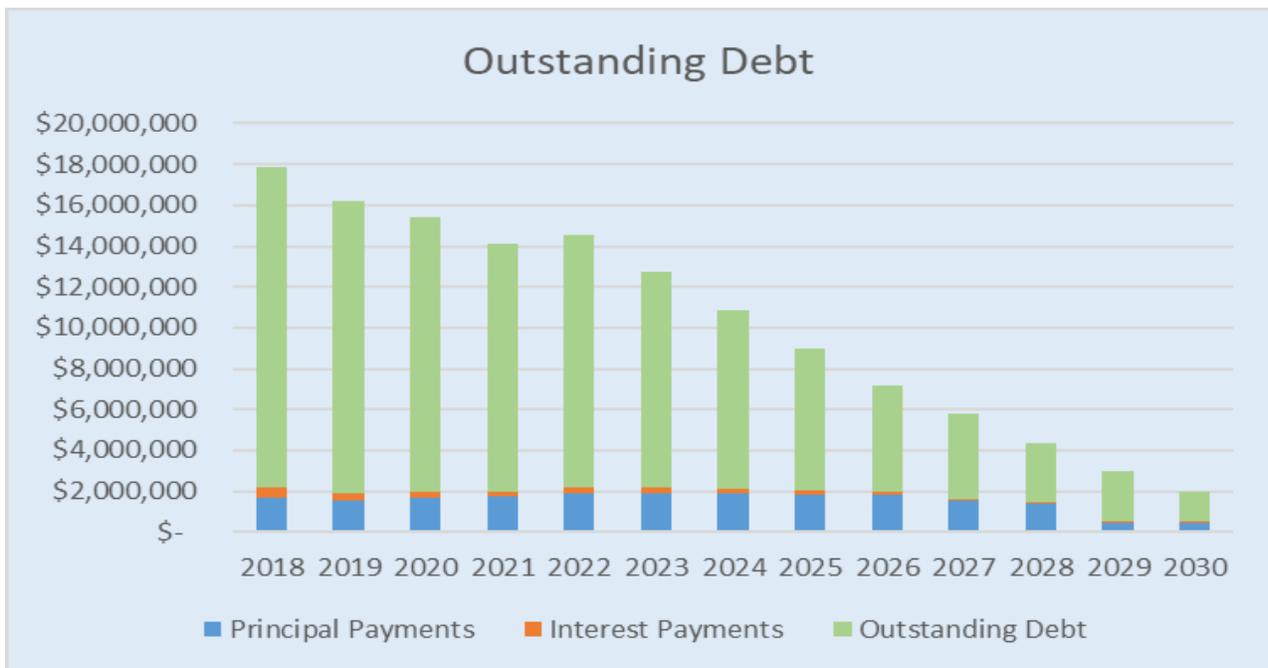
Funds to pay for capital projects come from service revenues, General Facility Charges (GFCs), available cash, and issuing of debt. GFC revenue in 2026 is estimated to be \$1,200,000 (\$450,000 in water and \$750,000 in wastewater). GFC revenue can fluctuate drastically year-to-year depending on development within the District.

The District made the final debt service payment for outstanding water related loans in 2024. Water service rates are projected to pay all expenses in 2026 and provide rate funded capital of approximately \$234,000. Projected rate funded capital is lower than previous years but the District has sufficient funds to pay for planned capital projects.

Wastewater service rates will cover expenses and debt principal in 2026 of \$1,846,400 and fund approximately \$2,985,000 in rate funded capital which is equal to annual depreciation. The District forecasts funding all capital projects with cash for at least the next five years.

The District projects to have a bond coverage ratio of 7.03 (1.25 required) and a coverage ratio of total debt of 2.90.

The 2026 Capital Plan lists the projects currently in progress or recommended for design and/or construction. The Capital Plan also includes a multi-year capital funding plan which outlines anticipated capital projects over the next three years. The District will be updating both the water and sewer comprehensive plans in 2026 and 2027 respectively, so this plan focuses on the next three years with the expectation that it could change when the updated comprehensive plans are completed. These projects are expected to be paid for without any need to borrow funds. The District continues to pay down its outstanding debt as illustrated in the chart below.



Conclusion:

The District's financial position remains strong due to prudent long-term planning and sound fiscal management by both staff and the Board. Reserves are maintained at levels that meet or exceed established policy targets, ensuring financial stability and the ability to respond to emergencies or unplanned capital needs.

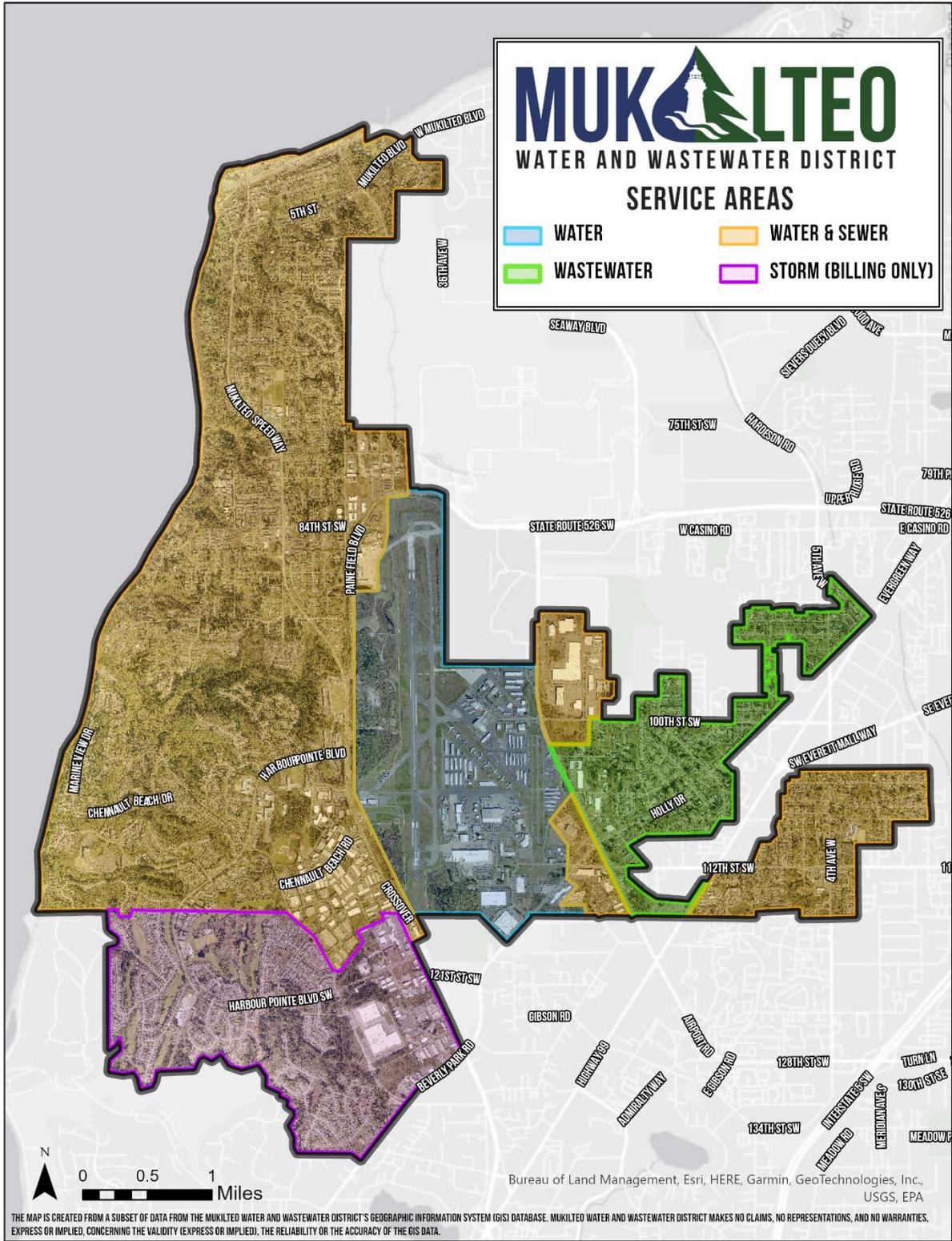
The 2026 Budget incorporates modest rate adjustments that are necessary to meet increasing costs associated with regulatory requirements, inflation, and infrastructure renewal. These adjustments are designed to ensure that the District continues to meet its core mission while preserving affordability for our customers.

The preparation of the 2026 Budget represents a collaborative effort by District staff under the guidance and policy direction of the Board of Commissioners. We appreciate the Board's continued leadership and commitment to responsible financial stewardship, as well as the community's trust and engagement in maintaining a sustainable and reliable water and wastewater system.

Sincerely,

Dave Barnes
General Manager

District Map



MUKILTEO WATER AND WASTEWATER DISTRICT

MISSION STATEMENT

The District is dedicated to providing fiscally responsible water and wastewater services to our ratepayers by ensuring our services meet or exceed regulatory standards; our infrastructure is continually maintained for the long term, and our actions are conducted in an environmentally responsive manner.

Introduction

Service Area

Mukilteo Water and Wastewater District is a municipal corporation organized under the laws of the State of Washington, and was created for the purpose of constructing, maintaining, and operating a water and wastewater system within its boundaries. The District's infrastructure includes approximately 95 miles of water distribution mains, four reservoirs, three booster stations, 83 miles of sewer collection mains, 8.4 miles of sewer force mains, 12 lift stations, and a wastewater treatment facility.

The District's water system began operating in 1920 and is the oldest active water district in the State of Washington. The current District is a merger of the Mukilteo Water District and Olympus Terrace Sewer District, providing service to the greater Mukilteo area, a portion of Snohomish County including Paine Field, and a portion of South Everett. The District currently budgets for two separate utilities: the water utility, and the wastewater utility, revenues and expenditures for each are accounted for separately.

Financial Policies

The District has adopted Financial Management Policies to promote the financial integrity and stability of our water and wastewater systems and to provide guidance and consistency in decision making for the District's management. These policies cover the following:

- Bank Accounts/Funds
- Revenue Sufficiency
- Sustainability of Infrastructure
- Debt Management
- Reserves
- Fraud
- Accounting – Other

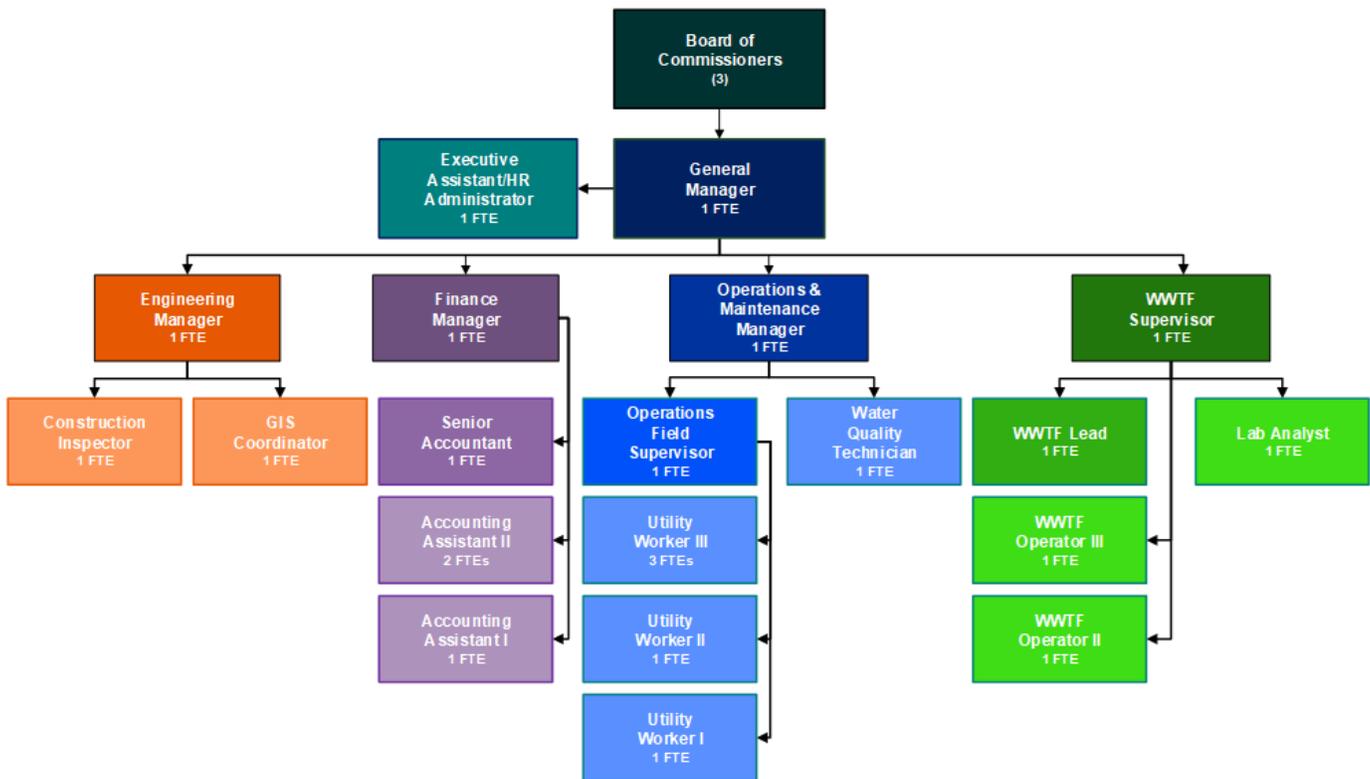
The following Financial Policies outline a general framework of budgetary goals concerning reporting policies, the operating budget, capital budget, reserves and debt management.

Reporting Policies

1. The accounting and reporting policies of the District are maintained in accordance with methods prescribed by the State Auditor under the authority of RCW Chapter 43.09. The District uses the Uniform System of Accounts for Class A-Water and Wastewater Utilities.

2. Financial reporting will present fairly and with full disclosure the financial operations of the District in conformity with Generally Accepted Accounting Principles (GAAP).
3. The Washington State Auditor’s Office (SAO) examines the affairs of the District on an annual basis. The examination includes, among other things: the financial condition and resources of the District; whether the District is complying with the laws and constitution of the State; and the methods and accuracy of the accounts and reports of the District. The most recently completed audit of the District covers the period of January 1, 2022, through December 31, 2023. No significant discrepancies or irregularities were found. SAO is scheduled to audit the year ending December 31, 2024, in October of 2025.

MUKILTEO WATER & WASTEWATER DISTRICT STAFF ORGANIZATIONAL CHART



The Budget Process

Budget Policies

Overall, the budget should be a reflection of the District's mission statement. The budget, as an operating plan, should be balanced so that revenues are sufficient to meet expenditures and debt service requirements for each fund (water and wastewater). Expenses should be identified appropriately in order to provide the functions of each department. Critical issues will be addressed in a prompt manner.

Budget Preparation

Budget preparation begins with a series of meetings between the General Manager and department managers. Goals and objectives are identified, and the General Manager provides guidance to staff. Staff then start developing the budget for the upcoming year. Department managers present their budget to the General Manager. Those budgets are reviewed, and decisions made for recommendations to the Board for consideration.

Budget Review

Budget review is provided first by the General Manager. Upon approval by the General Manager, the budget is presented to the Board of Commissioners at a regularly scheduled board meeting, in the fall. The Board reviews the proposed budget and makes appropriate changes. The public may provide input regarding the proposed budget.

Budget Approval

Typically, the Board of Commissioners considers the proposed Budget and adopts it in late fall early winter.

Budget Amendment

Once approved, the Operation and Maintenance budget is not amended. Staff is required to remain within budget as a whole. Upon demonstration of need, additional expenditures may be approved by the Board without formally amending the budget.

The Capital Plan is an estimate of the capital spending for the current year. The Board approves contracts and any needed change orders for capital projects which sets the budget for that specific project. Approving these items may increase the budget of a project or additional capital projects/purchases may be approved by the Board without requiring an update to this document.

Budget Overview

The majority of the District’s service area lies within the Mukilteo City limits with a smaller portion within non-incorporated Snohomish County and sewer only accounts within the Everett City limits. The District budgets conservatively when it comes to development and growth within the District and uses current connections and trends to forecast water demand. 2026 operating costs are comparable with 2025 costs with the adjustment of increased purchased water and sewer rates as well as inflation.

Rates

The 2026 budget fits within the rates adopted by Resolution No. 591-22, a multi-year rate plan setting rates for 2023-2026 based on cost and revenue projections. On average, overall water rates are increasing by 6% and wastewater rates are increasing by 4%.

Water Rates

Meter Size	Bi-Monthly Base Rates		
	Single-Family	Multi-Family	Commercial & Irrigation
5/8 x 3/4"	\$ 40.38	\$ 49.80	\$ 49.08
1"	\$ 101.16	\$ 124.70	\$ 122.96
1 1/2"	\$ 196.26	\$ 242.00	\$ 238.58
2"	\$ 307.98	\$ 379.76	\$ 374.40
3"		\$ 763.88	\$ 753.10
4"		\$ 1,173.76	\$ 1,157.22
Volume Charge	\$ 4.65	\$ 4.19	\$ 5.45

Volume Charge is per 1,000 gallons

Wastewater Rates

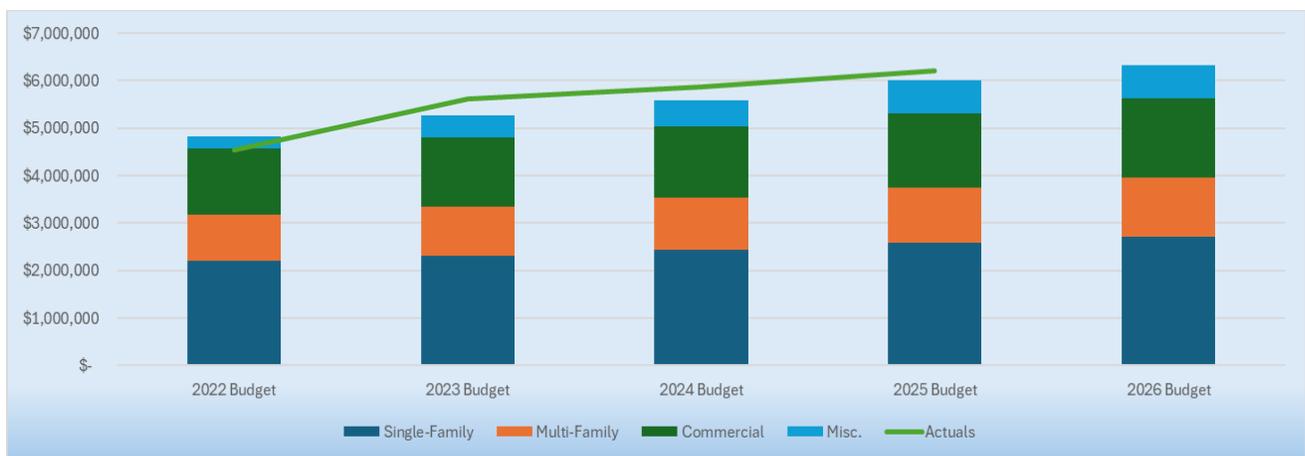
Meter Size	Bi-Monthly Base Rates		
	Single-Family	Multi-Family Per Unit	Commercial & Irrigation
5/8 x 3/4"	\$ 151.80	\$ 121.58	\$ 99.82
1"			\$ 249.50
1 1/2"			\$ 499.04
2"			\$ 798.42
3"			\$ 1,585.70
4"			\$ 2,495.08

Volume Charge (per 1,000 gallons)			
	Single-Family	Multi-Family	Commercial & Irrigation
Class I	N/A	N/A	\$ 10.73
Class II	N/A	N/A	\$ 16.04
Class III	N/A	N/A	\$ 30.73

Revenue

Water Revenue

	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget	% Change vs 2025 Budget
<i>Single-Family</i>	2,201,000	2,310,000	2,445,700	2,576,000	2,721,000	5.6%
<i>Multi-Family</i>	978,000	1,003,700	1,084,200	1,167,000	1,247,000	6.9%
<i>Commercial</i>	1,388,000	1,471,200	1,506,100	1,578,000	1,667,000	5.6%
<i>Misc.</i>	<u>261,400</u>	<u>449,300</u>	<u>558,800</u>	<u>688,900</u>	<u>700,900</u>	<u>1.7%</u>
<i>Total</i>	4,828,400	5,264,200	5,594,800	6,009,900	6,335,900	5.4%



Significant variances or notable changes

Water Consumption

The District averages approximately 0.25% annual growth in number of water connections (15-20 per year) but with continued water conservation efforts and energy-efficient appliances, the District has seen a general reduction in overall water use over the past decade. Consumption in 2022 was approximately 4.5% below the average since 2012 while consumption in 2023 was within 1% of average and 2024 was 6% below average. Through September 2025 consumption has been 1.6% below average. The District takes lower consumption levels into account for both rate modeling and budgeting.

Miscellaneous:

Miscellaneous revenue is projected to increase in 2026. The District anticipates a decline in interest rates during the year. A significant portion of the District's funds are invested in the Local Government Investment Pool (LGIP), which leverages the State Treasurer's resources to securely invest local government funds. The current LGIP rate is approximately 4.3%, while the District has budgeted for an interest rate of 3.5% in 2026.

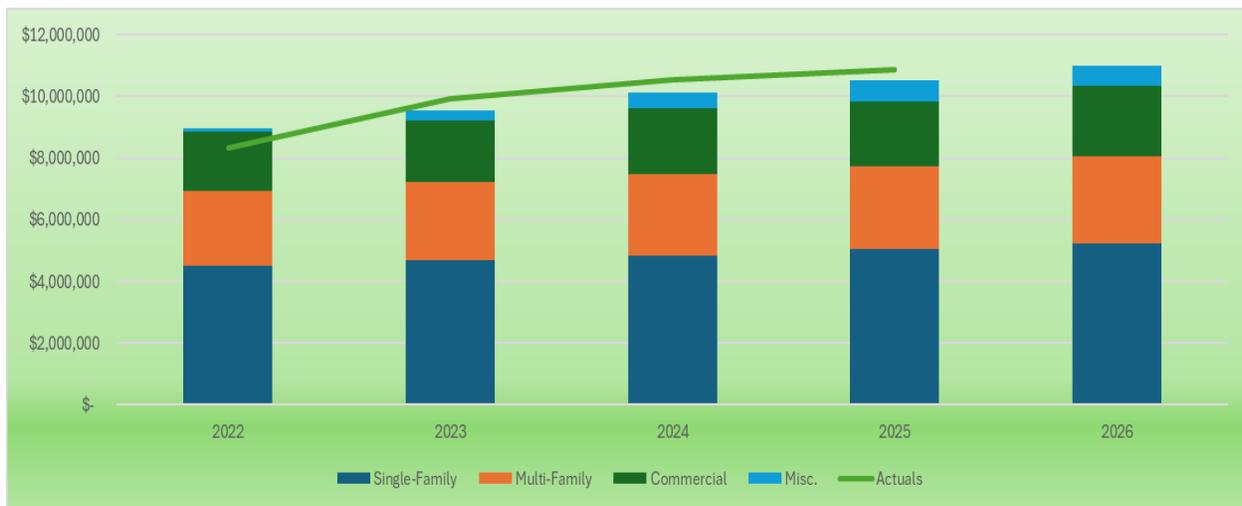
The table below presents historical budget and actual figures, current-year projections, and the 2026 budgeted interest income for the water utility.

	2023	2024	2025	2026
<i>Budget</i>	\$ 176,900	\$ 309,100	\$ 425,000	\$ 371,000
<i>Actual/Projected</i>	\$ 475,977	\$ 522,989	\$ 459,493	

In addition, the District’s 2026 budget includes revenue and expense impacts from a large development project expected to occur during the year. This development is projected to require approximately 120 new meters, which will increase retail sales but also result in higher costs due to meter purchase. The District also anticipates an increase in Developer Extension Revenues associated with this and other ongoing projects within the service area.

Wastewater Revenue

	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget	% Change vs 2023 Budget
<i>Single-Family</i>	4,496,100	4,676,000	4,827,800	5,038,200	5,241,000	4.0%
<i>Multi-Family</i>	2,441,000	2,546,000	2,631,000	2,720,000	2,805,000	3.8%
<i>Commercial</i>	1,912,000	1,986,500	2,149,000	2,103,000	2,279,000	8.4%
<i>Misc.</i>	<u>117,800</u>	<u>328,000</u>	<u>528,300</u>	<u>689,400</u>	<u>678,600</u>	<u>-1.6%</u>
<i>Total</i>	8,966,900	9,536,500	10,136,300	10,532,600	11,003,600	4.5%



Significant variances or notable changes

Service Revenue:

The District does not project major changes in service revenue other than the 4% rate increase. Commercial consumption is still below pre-pandemic levels but through September, 2025 is 6% higher than 2025.

Misc.:

Miscellaneous wastewater revenue is budgeted to be slightly lower in 2026 due to decreasing interest rates. The table below shows the historical budget and actuals as well as current year projections and 2026 budgeted interest income for wastewater.

Wastewater Interest Income				
	2023	2023	2024	2025
<i>Budget</i>	\$ 207,800	\$ 413,200	\$ 561,000	\$ 540,000
<i>Actual/Projected</i>	\$ 649,078	\$ 773,307	\$ 699,229	

Capital Revenue

The District charges General Facility Charges (GFC) for new or expanded development in the District. GFCs are a one-time charge that recovers a proportionate share of previous capital projects and future capacity related capital projects. GFC revenue can fluctuate drastically year-to-year based on development within the District. The District estimates GFC revenue conservatively, unless there is a known, large development project. GFC revenue in 2026 is estimated to be \$1,200,000 (\$450,000 in water and \$750,000 in wastewater).

Expenses

The 2026 operating expenses for water are budgeted at \$6,069,500 and \$7,986,550 for wastewater. Overall, this is a 3.7% increase from 2025.

	2022	2023	2024	2025		2026	% Change
	Budget	Budget	Budget	Budget	Projected	Budget	
Labor & Benefits	\$ 3,689,600	\$ 3,998,300	\$ 4,225,900	\$ 4,588,900	\$ 4,293,502	\$ 4,896,100	6.7%
Purchased Water	\$ 1,600,000	\$ 1,728,000	\$ 1,840,200	\$ 2,810,000	\$ 2,730,577	\$ 3,010,000	7.1%
Purchased Sewer Treatment	\$ 950,700	\$ 964,000	\$ 1,016,000	\$ 1,116,000	\$ 1,041,307	\$ 1,120,000	0.4%
Supplies & Services	\$ 1,147,100	\$ 1,387,800	\$ 1,623,300	\$ 1,832,700	\$ 1,689,592	\$ 1,781,600	-2.8%
Repairs & Maintenance	\$ 288,200	\$ 288,400	\$ 329,800	\$ 356,300	\$ 483,011	\$ 382,400	7.3%
Utilities	\$ 327,800	\$ 351,100	\$ 342,200	\$ 347,300	\$ 314,232	\$ 345,150	-0.6%
Taxes	\$ 440,000	\$ 462,700	\$ 481,900	\$ 513,900	\$ 488,746	\$ 540,100	5.1%
Debt Service	\$ 2,152,565	\$ 2,139,200	\$ 2,099,000	\$ 1,987,400	\$ 1,987,210	\$ 1,980,700	-0.3%
Total	\$ 10,595,965	\$ 11,319,500	\$ 11,958,300	\$ 13,552,500	\$ 13,028,176	\$ 14,056,050	3.7%

Significant variances or notable changes

Labor and Benefits

- Overall increase of 6.7%. This includes the 3% market adjustment to the salary matrix based on the 2025 Salary and Benefits Study conducted by Gallagher and a 2.7% COLA based on the June 2024 – June 2025 Consumer Price Index for the Seattle, Tacoma, Bellevue area.
- The budget assumes the GIS-Asset Management Coordinator position for the entire year; the 2025 budget included the position for only the second half of 2025.
- Medical insurance costs are budgeted to increase by \$49,600 due rate increases and the GIS-Asset Management Coordinator position.

Purchased Water

- The District purchases its water from the City of Everett either directly (22%) or through the Alderwood Water & Wastewater District (78%). The City of Everett rates are projected to increase 8% on January 1st and Alderwood's expected increase is 10% on April 1st. The overall increase is budgeted to be 7.1%.

Supplies and Services

- The budget for Supplies and Services in 2026 is \$1,781,600, which is \$51,100 (2.8%) lower than 2025. Supplies and Services include the District's liability insurance, credit card fees, computer software and hardware, IT services, legal services, tools, etc. The increase in budget is made up of a combination of a \$124,200 reduction in Contractual Services and Liability Insurance as well as general inflationary increases to Supplies and Services.
- The budget for Repairs & Maintenance in 2026 is \$382,400, which is \$26,100 (7.3%) higher than 2025. This includes \$41,000 to purchase meters for the Carrick Court development, which will see a corresponding increase in Retail Sales when the meters are purchased.

Utilities

- The District continues to implement power saving procedures whenever possible, especially at the Wastewater Treatment Facility, which has helped utilities' costs remain fairly flat even with rate increases. The utilities budget for 2026 is \$2,150 (2%) lower than 2025.

Water/Wastewater Breakdown

2026 Adopted Budget - Expenses

Water	2024 Budget	2025 Budget	2025 Projected	2026 Budget	Increase / Decrease
Labor & Benefits	\$ 1,582,300	\$ 1,724,000	\$ 1,608,963	\$ 1,856,000	7.7%
Purchased Water	\$ 1,840,200	\$ 2,810,000	\$ 2,730,577	\$ 3,010,000	7.1%
Supplies & Services	\$ 555,300	\$ 657,500	\$ 611,897	\$ 636,600	-3.2%
Repairs & Maintenance	\$ 155,500	\$ 160,300	\$ 242,352	\$ 194,400	21.3%
Utilities	\$ 60,100	\$ 62,800	\$ 61,074	\$ 66,800	6.4%
Taxes	\$ 269,200	\$ 288,800	\$ 283,049	\$ 305,700	5.9%
Debt Service	\$ 33,200	\$ -	\$ -	\$ -	0.0%
Total	\$ 4,495,800	\$ 5,703,400	\$ 5,537,911	\$ 6,069,500	6.4%

Sewer Collection	2024 Budget	2025 Budget	2025 Projected	2026 Budget	Increase / Decrease
Labor & Benefits	\$ 2,030,600	\$ 2,200,900	\$ 2,043,038	\$ 2,357,300	7.1%
Purchased Sewer Treatment	\$ 1,016,000	\$ 1,116,000	\$ 1,041,307	\$ 1,120,000	0.4%
Supplies & Services	\$ 739,500	\$ 859,500	\$ 787,385	\$ 824,400	-4.1%
Repairs & Maintenance	\$ 98,700	\$ 109,300	\$ 155,480	\$ 122,300	11.9%
Utilities	\$ 110,400	\$ 114,100	\$ 115,250	\$ 120,150	5.3%
Taxes	\$ 212,700	\$ 225,100	\$ 205,697	\$ 234,400	4.1%
Debt Service	\$ 2,065,800	\$ 1,987,400	\$ 1,987,210	\$ 1,980,700	-0.3%
Total	\$ 6,273,700	\$ 6,612,300	\$ 6,335,366	\$ 6,759,250	2.2%

Treatment Plant	2024 Budget	2025 Budget	2025 Projected	2026 Budget	Increase / Decrease
Labor	\$ 613,000	\$ 664,000	\$ 641,501	\$ 682,800	2.8%
Supplies & Services	\$ 328,500	\$ 315,700	\$ 290,311	\$ 320,600	1.6%
Repairs & Maintenance	\$ 75,600	\$ 86,700	\$ 85,179	\$ 65,700	-24.2%
Utilities	\$ 171,700	\$ 170,400	\$ 137,908	\$ 158,200	-7.2%
Total	\$ 1,188,800	\$ 1,236,800	\$ 1,154,899	\$ 1,227,300	-0.8%

Sewer Total	\$ 7,462,500	\$ 7,849,100	\$ 7,490,265	\$ 7,986,550	1.8%
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Overall	\$ 11,958,300	\$ 13,552,500	\$ 13,028,176	\$ 14,056,050	3.7%
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Water/Wastewater Rate Funded Capital

The District creates capital plans for future capital projects. Capital projects are paid for from different sources including General Facility Charges, Rate Funded Capital, available cash, and Debt Financing. Rate Funded Capital equals annual revenue less than the expenses used to run the day-to-day operations of the District. Rate Funded Capital may go towards current year projects in high capital spending years or future projects in lower spending years.

Revenue	Water	Wastewater
Single-Family	\$ 2,721,000	\$ 5,241,000
Multi-Family	\$ 1,247,000	\$ 2,805,000
Commercial	\$ 1,667,000	\$ 2,279,000
Misc.	\$ 700,900	\$ 678,600
Total Revenue	\$ 6,335,900	\$ 11,003,600

Expenses	Water	Wastewater
Labor & Benefits	\$ 1,856,000	\$ 3,040,100
Purchased Water	\$ 3,010,000	
Purchased Sewer Treatment		\$ 1,120,000
Supplies & Services	\$ 636,600	\$ 1,145,000
Repairs & Maintenance	\$ 194,400	\$ 188,000
Utilities	\$ 66,800	\$ 278,350
Taxes	\$ 305,700	\$ 234,400
Debt Service	\$ -	\$ 1,980,700
Total Expenses	\$ 6,069,500	\$ 7,986,550

Rate Funded Capital	\$ 266,400	\$ 3,017,050
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Operating and Debt Service Fund Balances

The District categorizes cash balances into five classes: water operating, water capital, wastewater operating, wastewater capital, and debt service. The operating accounts fund the day-to-day operations of the District, the capital accounts fund capital purchases and projects, and the debt service account funds the debt service payments (cash is transferred monthly from the operating account to the debt service account to fund the annual debt service payments). The table below shows the estimated fund balances for the operating accounts and debt service account (capital fund projections can be found on pages 28 and 29). The District maintains an operating reserve to fund 120 days of operating expenses (the balances may fall below this level at times throughout the year due to timing of revenues and expenses). The District also has reserve requirements on outstanding bonds and some loans.

	Operating Funds		
	Water	Wastewater	Debt Service
Projected Beginning Fund Balance	\$ 2,100,000	\$ 2,660,000	\$ 1,793,000
Revenue	\$ 6,335,900	\$ 11,003,600	\$ -
Expenses	\$ (6,069,500)	\$ (6,005,850)	\$ (1,980,700)
Transfer to Capital	\$ (266,400)	\$ (3,017,050)	\$ -
Transfer to Debt Service Account	\$ -	\$ (1,980,700)	\$ 1,980,700
Ending Fund Balance	\$ 2,100,000	\$ 2,660,000	\$ 1,793,000
Reserve Requirement	\$ 2,023,167	\$ 2,001,950	\$ 895,000

2026 Mukilteo Water and Wastewater District Capital Plan

Introduction:

The Mukilteo Water and Wastewater District management staff recommends the following Projects, Equipment, and Studies as priorities for the District's 2026 Capital Plan. Projects recommended in this plan were identified in the District's 2016 Comprehensive Water System Plan, 2018 Wastewater Comprehensive Plan Amendment, the District's contractual agreement for wastewater treatment improvements with the City of Everett, the 2021 Capital Improvement Plan update, the 2023 Wastewater Treatment Facility Capital Improvement Plan, and staff recommendations. All projects will be funded through GFC Revenue, current year rates, and existing available capital cash (funded through rates).

The 2026 Capital Plan is formatted differently from previous years. The 2026 Plan includes estimated total project costs and includes the amount spent as of September 30, 2025, and the amount expected to be spent in 2026. The District feels this is a better way to show the Capital Plan as projects often are not completed in just one year.

A multi-year capital project funding schedule showing projects identified in the various plans and studies over the next three years is included. The capital plan is reviewed annually which means projects can change in scope or timing, be cancelled, and new projects may be added as needs change. The District will be updating the Water and Sewer Comprehensive Plans in 2026 and 2027, so projects listed in this document for future years are likely to change.

Following are the recommended 2026 Capital Projects:

Water Capital Projects

2025 Water System Improvement - 92nd/62nd Pl W, 63rd Pl W to 62nd (Including PRV Replacement (Construction)): This project replaces approximately 3,200 lineal feet of 1964 and 1968, 6" CI water main, that is approaching its end of useful life, with 8" restraint joint DI water main. The project starts at the intersection of 92nd St W and Sunset Lane, runs west on 92nd Place W to 63rd Place W then south along 63rd Place W to the intersection at 95th Place SW. The Pressure Reducing Valve located on 92nd Street SW near 61st Ave W is at its end of useful life and will be replaced as part of this project. The project is expected to be largely completed in 2025 with punch list items, paving, and project completion in 2026.

Total Estimated Project Cost: \$2,184,000
Spent as of September 30, 2025: \$1,092,002
Estimated to be spent 4th Quarter of 2025 and 2026: \$1,091,998

Meter Testing/Replacement Program: The District plans to review 2” and larger meters that have reached their end of useful life and put them on an annual replacement schedule. This project is budgeted for annually.

Estimated to be spent in 2026: \$25,000

Casino Road Source Meter Communication Upgrade: The District plans to install new telemetry equipment at the Casino Road Source Meter located at SR 526 and 40th Ave W. The new equipment will upgrade, and bring to code, the existing Remote Telemetry Unit (RTU), which will also allow the District to install a redundant communication source.

Estimated Project Cost: \$50,000

Reservoir 4 Internal Inspection: The District plans to hire a consultant to inspect the interior of Reservoir 4 by using a Remotely Operated Vehicle (ROV) and provide a condition assessment document.

Estimated Project Cost: \$25,000

Water System Comprehensive Plan Update: The District is required to update its Water System Comprehensive Plan every ten years in accordance with the Department of Health, with the next update due in 2026. The District hired a consultant and began this project in 2025 with it being completed in 2026.

Total Estimated Project Cost: \$130,000
Spent as of September 30, 2025: \$63,240
Estimated to be spent 4th Quarter of 2025 and 2026: \$66,760

Wastewater Capital Projects

Trenchless Pipe Rehabilitation (CIPP): This project includes various annual Trenchless Pipe Rehabilitation projects as identified through the District’s Closed-Circuit Television (CCTV) inspection program. The 2025 project will reline approximately 2,900 lineal feet of existing pipe with Ultraviolet Cured-in-Place Pipe. The District expects this project to be completed in 2025 but may have minor costs that carryover to 2026.

Total Estimated Project Cost: \$550,000
Spent as of September 30, 2025: \$4,895
Estimated to be spent in 2026: \$0

Lift Station 2 Abandonment: This project will abandon Lift Station 2 by directionally drilling a new gravity sewer main to route flows to the recently upgraded Lift Station 5. The elimination of the lift station will

increase reliability and reduce the operating and maintenance costs of the collections system. Design for this project will be completed in 2025 with construction anticipated for 2026.

Estimated Project Cost (Design & Construction): \$1,350,000
Spent as of September 30, 2025 (Design): \$102,652
Estimated to be spent in 2025 (Construction): \$1,200,000

Lift Station 5 Power Upgrades: The District plans to install additional electrical equipment that will further protect the downstream Lift Station Motor Control Centers (MCC) and surge protection devices (SPD) from utility power disruptions and imbalances.

Estimated Project Cost: \$50,000

Closed-Circuit Television (CCTV) Survey: The District plans to hire a consultant to inspect, geolocate, and rate the District's entire wastewater collection system. The results of this survey will help the District identify future CIPP projects and provide information for the Asset Management system

Estimated Project Cost: \$750,000

Manhole Rehabilitation - Construction: Through its manhole inspection program, the District identifies manholes in need of rehabilitation. The District plans to repair manholes that exhibit inflow, infiltration or have structural deficiencies. The inspection and repair program will be on-going with annual projects.

Estimated to be spent in 2026: \$35,000

Wastewater System Comprehensive Plan Update: The District last updated its Wastewater System Comprehensive Plan in 2017. The District plans to begin work on an updated Wastewater System Comprehensive Plan in 2026 with an estimated completion in 2027. This updated Wastewater System Comprehensive Plan will assist in identifying and prioritizing the Wastewater Capital Plan.

Estimated Project Cost: \$300,000

Wastewater Treatment Capital Projects

Electrical Upgrades: In the Capital Facility Plan prepared by BHC, they recommend a multi-year project to upgrade the electrical system at the District's Wastewater Treatment Facility (WWTF), including upgrades to the electrical pathways, conduit replacement, motor control centers (MCC), and generator replacement. These upgrades will bring the District's WWTF up to current electrical code and increase reliability. Design and planning began in 2024 with construction beginning in 2025 and finishing in 2027.

Estimated Project Cost: \$3,798,000
Spent as of September 30, 2025: \$435,300
Estimated to be spent in 4th Quarter of 2025 and 2026: \$3,362,700

WWTF Capital Equipment: WWTF staff plans to replace the autoclave for the lab and a Vogelsang Pump, that have reached their end of useful life, and purchase replacement parts for Blower #3. The total cost of these three purchases is expected to be \$54,000.

Estimated Cost: \$54,000

City of Everett Water Pollution Control Facility (WPCF) Projects: Based on the District’s Sewer Agreement with the City of Everett, the District is obligated by contract to pay four percent (4%) of capital improvement costs at the Everett Water Pollution Control Facility (WPCF). Based on information provided by the City of Everett, the District is estimating its share of Everett’s projects for 2026 to be \$210,000.

Total Estimated Project Cost: \$210,000

Projects Shared with Both Utilities

These projects are not specific to just one utility and the cost is split between water and wastewater (47%/53%) respectively, based on the number of services for each utility. Some projects may have a different split if the item has a clear cost differential between water and wastewater.

Mukilteo Speedway and Harbour Pointe Blvd Iron Raising: The District intends to partner with the Washington State Department of Transportation (WSDOT) and the City of Mukilteo to bring to current standards the water valve and sewer manhole lids for two paving projects planned for 2026. WSDOT plans to pave Mukilteo Speedway from Paine Field Boulevard to 2nd Street and the City of Mukilteo plans to pave Harbour Pointe Blvd from Mukilteo Speedway (near Walgreens) to St. Andrews Drive.

Cost split:	Water	\$ 76,000
	Wastewater	<u>65,000</u>
	Total Estimated Cost:	\$141,000

Vehicle Replacement: The District plans to replace a 2014 Dodge 1500 with a similar vehicle that has reached its end of useful life.

Cost split:	Water	\$ 35,250
	Wastewater	<u>39,750</u>
	Total Estimated Equipment Cost:	\$75,000

Rate and General Facilities Charge Study: The District last completed a rate study in 2022 which recommended rates for 2023-2026. The District plans to use its on-call Financial Services consultant, FCS Group, to complete a rate and General Facilities Charge Study to recommend rates for 2027-2030.

Estimated Study Cost: \$100,000

Asset Management Software Upgrade: The District issued a Request for Proposals for asset management software in 2024 and selected City Works with implantation support from Timmons Group. The District began the implementation process in 2025 and plans to go live in mid-2026. This budget item also includes purchasing hardware for use in the field.

Estimated Project Cost: \$425,000
Spent as of September 30, 2025: \$97,100
Estimated to be spent in 4th Quarter of 2025 and 2026: \$327,900

Administration Building Improvements: The District plans to refurbish/replace the existing HVAC system which is over 20 years old, and has reached its end of useful life. This project has been budgeted for the last three budget cycles but has been delayed due to available resources. The District also plans to continue general annual improvements to the Admin Building such as interior paint, carpet replacement, Audio/Visual upgrades, and security upgrades.

Cost split:	Water	\$254,975
	Wastewater	<u>287,525</u>
	Total Estimated Cost:	\$542,500

Mukilteo Water & Wastewater District

Expected 2026 Capital Spending

Project Name	Water	Wastewater	Total
Water			
2025 Water System Improvement	\$ 1,091,998		\$ 1,091,998
Meter Testing/Replacement Program	\$ 25,000		\$ 25,000
Telemetry Upgrade (Casino)	\$ 50,000		\$ 50,000
Reservoir 4 Inspection (Internal)	\$ 25,000		\$ 25,000
Water System Plan	\$ 66,760		\$ 66,760
Wastewater - Collection			
Trenchless Pipe Rehabilitation		\$ -	\$ -
Lift Station 2 Abandonment		\$ 1,200,000	\$ 1,200,000
Lift Station 5 Power Upgrades		\$ 50,000	\$ 50,000
CCTV Sewer Collection System		\$ 750,000	\$ 750,000
Manhole Rehabilitation		\$ 35,000	\$ 35,000
Wastewater Comp Plan		\$ 300,000	\$ 300,000
Wastewater - Treatment			
Electrical Upgrades		\$ 3,362,700	\$ 3,362,700
Equipment Replacement		\$ 54,000	\$ 54,000
Wastewater -City of Everett Projects		\$ 210,000	\$ 210,000
Shared Projects			
Speedway Iron Raising (WSDOT/City)	\$ 76,000	\$ 65,000	\$ 141,000
Vehicle Replacement	\$ 35,250	\$ 39,750	\$ 75,000
Rate/GFC Study	\$ 47,000	\$ 53,000	\$ 100,000
Asset Management Software and Hardware	\$ 154,113	\$ 173,787	\$ 327,900
Admin Building Upgrades	\$ 254,975	\$ 287,525	\$ 542,500
Total 2026 Capital Spending	\$ 1,826,096	\$ 6,580,762	\$ 8,406,858

Projected Water Capital Cash Flow

	2026	2027	2028
Capital Beginning Balance	\$ 9,500,000	\$ 8,590,304	\$ 9,280,704
Interest Income	\$ 200,000	\$ 200,000	\$ 175,000
GFC's	\$ 450,000	\$ 450,000	\$ 450,000
Trans from Operating Fund- Rate Funded Cap	\$ 266,400	\$ 366,400	\$ 1,000,000
Total Funds Available	<u>\$ 10,416,400</u>	<u>\$ 9,606,704</u>	<u>\$ 10,905,704</u>

Capital Projects

2025 Water System Improvement	\$ 1,091,998	\$ -	\$ -
Speedway Iron Raising (WSDOT/City)	\$ 76,000	\$ 78,000	\$ 11,000
Meter Testing/Replacement Program	\$ 25,000	\$ 26,000	\$ 27,000
Telemetry Upgrade (Casino)	\$ 50,000	\$ -	\$ -
Reservoir 4 Inspection (Internal)	\$ 25,000	\$ -	\$ -
Water System Plan	\$ 66,760	\$ -	\$ -
Distribution System Project	\$ -	\$ 156,000	\$ 2,163,000
Reservoir 2 Exterior Recoating	\$ -	\$ -	\$ -

Shared Capital Projects

Vehicle Replacement	\$ 35,250	\$ 66,000	\$ 463,000
Rate/GFC Study	\$ 47,000	\$ -	\$ -
Asset Management Software and Hardware	\$ 154,113	\$ -	\$ -
Admin Building HVAC	\$ 211,500	\$ -	\$ -
Admin Building Upgrades	\$ 43,475	\$ -	\$ -

Total Water Capital Projects

\$ 1,826,096	\$ 326,000	\$ 2,664,000
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Ending Balance

\$ 8,590,304	\$ 9,280,704	\$ 8,241,704
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Projected Wastewater Capital Cash Flow

	2026	2027	2028
Capital Beginning Balance	\$ 12,130,000	\$ 9,316,288	\$ 10,712,288
GFC's	\$ 750,000	\$ 750,000	\$ 75,000
Trans from Operating Fund- Rate Funded Capital	\$ 3,017,050	\$ 2,800,000	\$ 2,900,000
Total Funds Available	\$ 15,897,050	\$ 12,866,288	\$ 13,687,288

Capital Projects

Lift Station Projects

Lift Station 2 Abandonment	\$ 1,200,000	\$ -	\$ -
Lift Station 13 Upgrade	\$ -	\$ 156,000	\$ 1,082,000
Lift Station 5 Power Upgrades	\$ 50,000	\$ -	\$ -

Force Main/Gravity Main Projects

CCTV Sewer Collection System	\$ 750,000	\$ -	\$ -
Manhole Rehabilitation	\$ 35,000	\$ 42,000	\$ 49,000
Speedway Iron Raising (WSDOT/City)	\$ 65,000	\$ 26,000	\$ 11,000
Trenchless Pipe Rehabilitation	\$ -	\$ 598,000	\$ 649,000

Treatment Projects

Electrical Upgrades	\$ 3,362,700	\$ -	\$ -
Equipment Replacement	\$ 54,000	\$ -	\$ -
Clarifier 1 Upgrades	\$ -	\$ 166,000	\$ 946,000
Outfall Inspection	\$ -	\$ -	\$ 25,000

Other Agency Participation Projects

City of Everett WPCF Projects	\$ 210,000	\$ 1,092,000	\$ 1,244,000
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Non-Construction Items

Wastewater Comp Plan	\$ 300,000	\$ -	\$ -
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Shared Projects

Vehicle Replacement	\$ 39,750	\$ 74,000	\$ 522,000
Rate/GFC Study	\$ 53,000	\$ -	\$ -
Asset Management Software and Hardware	\$ 173,787	\$ -	\$ -
Admin Building HVAC	\$ 238,500	\$ -	\$ -
Admin Building Upgrades	\$ 49,025	\$ -	\$ -

Total Capital Projects	\$ 6,580,762	\$ 2,154,000	\$ 4,528,000
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Ending Balance	\$ 9,316,288	\$ 10,712,288	\$ 9,159,288
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Outstanding Debt

Mukilteo Water and Wastewater District

2026 Debt Service and Outstanding Debt

Description	Maturity Date	Original Issue	Outstanding 12/31/2025	2026		Total 2026 Payments
				Principal Payments	Interest Payments	
2012 Revenue Bonds (Headworks, LS 10 Property Acquisition, Outfall, and SCADA)						
	2031	\$ 3,420,000	\$ 1,225,000	\$ 185,000	\$ 47,150	\$ 232,150
2015 Refunding Bonds						
	2028	\$ 4,885,000	\$ 1,635,000	\$ 525,000	\$ 65,400	\$ 590,400
SRF Loans:						
Big Gulch (L0600016)						
	2028	\$ 1,145,247	\$ 165,169	\$ 65,326	\$ 2,240	\$ 67,566
PWTF Loans:						
Big Gulch (PW-06-962-033)						
	2026	\$ 7,000,000	\$ 371,875	\$ 371,875	\$ 1,859	\$ 373,734
Big Gulch (PW-07-962-PRE-116)						
	2027	\$ 1,000,000	\$ 106,725	\$ 53,363	\$ 534	\$ 53,897
Big Gulch (PW-07-962-PRE-121)						
	2027	\$ 1,000,000	\$ 106,725	\$ 53,363	\$ 534	\$ 53,896
Big Gulch (PW-08-951-032)						
	2028	\$ 6,739,575	\$ 1,056,596	\$ 352,199	\$ 5,283	\$ 357,482
Everett WPCF (PC13-961-004)						
	2032	\$ 1,412,457	\$ 619,467	\$ 88,495	\$ 3,044	\$ 91,539
Outfall (PC13-961-019)						
	2032	\$ 691,061	\$ 264,904	\$ 37,843	\$ 662	\$ 38,506
Lift Station 5 Construction (PR20-96103-047)						
	2039	\$ 2,037,658	\$ 1,592,823	\$ 113,773	\$ 17,202	\$ 130,975
Total						
		\$ 29,330,998	\$ 7,144,284	\$ 1,846,237	\$ 143,909	\$ 1,990,146

Budget Detail

	2026 Adopted			2025	vs.	% Increase/	Notes
	Water	Wastewater	Total	Budget	2025	Decrease	
Operating Revenue							
Service Revenue	\$ 5,635,000	\$ 10,325,000	\$ 15,960,000	\$ 15,164,200	\$ 795,800	5.2%	Increase due to annual rate increases
Other Revenue	\$ 700,900	\$ 678,600	\$ 1,379,500	\$ 1,378,300	\$ 1,200	0.1%	
Total Operating Revenue	\$ 6,335,900	\$ 11,003,600	\$ 17,339,500	\$ 16,542,500	\$ 797,000	4.8%	
Expenses							
Operations							
Supplies & Services	\$ 73,200	\$ 90,000	\$ 163,200	\$ 149,400	\$ 13,800	9.2%	Increased usage and cost of Bioxide for odor and erosion control
Repairs & Maintenance	\$ 155,600	\$ 75,800	\$ 231,400	\$ 202,300	\$ 29,100	14.4%	Includes \$41k for meters for Carrick Court project and reduction in other areas
Utilities	\$ 23,400	\$ 68,550	\$ 91,950	\$ 85,400	\$ 6,550	7.7%	Rate increases and LS 8 upgrade complete so power costs for entire year
Total - Operations	\$ 252,200	\$ 234,350	\$ 486,550	\$ 437,100	\$ 49,450	11.3%	
Treatment							
Supplies & Services		\$ 320,600	\$ 320,600	\$ 315,700	\$ 4,900	1.6%	
Repairs & Maintenance		\$ 65,700	\$ 65,700	\$ 86,700	\$ (21,000)	-24.2%	2025 included projects that are not ongoing/annual projects
Utilities		\$ 158,200	\$ 158,200	\$ 170,400	\$ (12,200)	-7.2%	General power reduction due to operational improvements
Total - Treatment	\$ -	\$ 544,500	\$ 544,500	\$ 572,800	\$ (28,300)	-4.9%	
Administration							
Labor & Benefits	\$ 1,856,000	\$ 3,040,100	\$ 4,896,100	\$ 4,588,900	\$ 307,200	6.7%	Salary Matrix adjustment, COLA, rate increases in medical benefits
Purchased Water	\$ 3,010,000	\$ -	\$ 3,010,000	\$ 2,810,000	\$ 200,000	7.1%	Rate increases from COE and AWWD
Purchased Sewer Treatment	\$ -	\$ 1,120,000	\$ 1,120,000	\$ 1,116,000	\$ 4,000	0.4%	
Supplies & Services	\$ 563,400	\$ 734,400	\$ 1,297,800	\$ 1,367,600	\$ (69,800)	-5.1%	
Repairs & Maintenance	\$ 38,800	\$ 46,500	\$ 85,300	\$ 67,300	\$ 18,000	26.7%	Transportation R&M was increased by \$17k based on higher expenses in 2025
Utilities	\$ 43,400	\$ 51,600	\$ 95,000	\$ 91,500	\$ 3,500	3.8%	
Taxes	\$ 305,700	\$ 234,400	\$ 540,100	\$ 513,900	\$ 26,200	5.1%	Increased revenues raise excise tax expenses
Debt Service	\$ -	\$ 1,980,700	\$ 1,980,700	\$ 1,987,400	\$ (6,700)	-0.3%	
Total - Administration	\$ 5,817,300	\$ 7,207,700	\$ 13,025,000	\$ 12,542,600	\$ 482,400	3.8%	
Total Expenses	\$ 6,069,500	\$ 7,986,550	\$ 14,056,050	\$ 13,552,500	\$ 503,550	3.7%	
Net Income/Rate Funded Capital	\$ 266,400	\$ 3,017,050	\$ 3,283,450	\$ 2,990,000			

Historical Water Budget and Actuals/Projected

Revenue	2023	2023	2024	2024	2025	2025	2026
	Budget	Actual	Budget	Actual	Budget	Projected	Budget
Single-Family	\$ 2,310,000	\$ 2,337,894	\$ 2,445,700	\$ 2,388,031	\$ 2,576,000	\$ 2,576,000	\$ 2,721,000
Multi-Family	\$ 1,471,200	\$ 1,460,090	\$ 1,506,100	\$ 1,492,561	\$ 1,578,000	\$ 1,701,910	\$ 1,667,000
Commercial	\$ 1,033,700	\$ 1,057,298	\$ 1,084,200	\$ 1,111,482	\$ 1,167,000	\$ 1,158,536	\$ 1,247,000
Misc.	\$ 449,300	\$ 768,118	\$ 558,800	\$ 880,939	\$ 688,900	\$ 769,489	\$ 700,900
GFC Revenue	\$ 70,000	\$ 70,375	\$ 200,000	\$ 95,710	\$ 400,000	\$ 318,116	\$ 450,000
Water Total	\$ 5,334,200	\$ 5,693,774	\$ 5,794,800	\$ 5,968,724	\$ 6,409,900	\$ 6,524,051	\$ 6,785,900
Expenses	2023	2023	2024	2024	2025	2025	2026
	Budget	Actual	Budget	Actual	Budget	Projected	Budget
Labor & Benefits	\$ 1,493,000	\$ 1,360,822	\$ 1,582,300	\$ 1,471,640	\$ 1,724,000	\$ 1,608,963	\$ 1,856,000
Purchased Water	\$ 1,728,000	\$ 1,839,440	\$ 1,840,200	\$ 1,555,702	\$ 2,810,000	\$ 2,730,577	\$ 3,010,000
Supplies & Services	\$ 491,600	\$ 457,874	\$ 555,300	\$ 538,411	\$ 657,500	\$ 611,897	\$ 636,600
Repairs & Maintenance	\$ 127,000	\$ 103,115	\$ 155,500	\$ 243,525	\$ 160,300	\$ 242,352	\$ 194,400
Utilities	\$ 56,200	\$ 55,519	\$ 60,100	\$ 53,722	\$ 62,800	\$ 61,074	\$ 66,800
Taxes	\$ 256,900	\$ 222,195	\$ 269,200	\$ 251,160	\$ 288,800	\$ 283,049	\$ 305,700
Debt Service	\$ 33,700	\$ 33,661	\$ 33,200	\$ 33,169	\$ -	\$ -	\$ -
Total	\$ 4,186,400	\$ 4,072,625	\$ 4,495,800	\$ 4,147,329	\$ 5,703,400	\$ 5,537,911	\$ 6,069,500

Historical Wastewater Budget and Actuals/Projected

Revenue	2023	2023	2024	2024	2025	2025	2026
	Budget	Actual	Budget	Actual	Budget	Projected	Budget
Single-Family	\$ 4,676,000	\$ 4,647,817	\$ 4,827,800	\$ 4,860,725	\$ 5,038,200	\$ 5,055,293	\$ 5,241,000
Multi-Family	\$ 2,546,000	\$ 2,491,814	\$ 2,631,000	\$ 2,666,180	\$ 2,702,000	\$ 2,720,590	\$ 2,805,000
Commercial	\$ 1,986,500	\$ 2,007,705	\$ 2,149,200	\$ 2,051,585	\$ 2,103,000	\$ 2,234,810	\$ 2,279,000
Misc.	\$ 328,000	\$ 789,818	\$ 528,300	\$ 965,638	\$ 689,400	\$ 852,722	\$ 678,600
GFC Revenue	\$ 300,000	\$ 207,910	\$ 550,000	\$ 813,295	\$ 912,200	\$ 1,044,666	\$ 750,000
Wastewater Total	\$ 9,836,500	\$ 10,145,064	\$ 10,686,300	\$ 11,357,422	\$ 11,444,800	\$ 11,908,081	\$ 11,753,600
Expenses	2023	2023	2024	2024	2025	2025	2026
	Budget	Actual	Budget	Actual	Budget	Projected	Budget
Labor & Benefits	\$ 2,505,300	\$ 2,337,691	\$ 2,643,600	\$ 2,529,138	\$ 2,864,900	\$ 2,684,539	\$ 3,040,100
Purchased Sewer Treatment	\$ 964,000	\$ 1,020,985	\$ 1,016,000	\$ 1,041,433	\$ 1,116,000	\$ 1,041,307	\$ 1,120,000
Supplies & Services	\$ 896,200	\$ 906,885	\$ 1,068,000	\$ 1,002,193	\$ 1,175,200	\$ 1,077,696	\$ 1,145,000
Repairs & Maintenance	\$ 161,400	\$ 241,657	\$ 174,300	\$ 133,560	\$ 196,000	\$ 240,659	\$ 188,000
Utilities	\$ 294,900	\$ 245,627	\$ 282,100	\$ 280,994	\$ 284,500	\$ 253,158	\$ 278,350
Taxes	\$ 205,800	\$ 166,727	\$ 212,700	\$ 228,780	\$ 225,100	\$ 205,697	\$ 234,400
Debt Service	\$ 2,105,500	\$ 2,096,515	\$ 2,065,800	\$ 2,065,678	\$ 1,987,400	\$ 1,987,210	\$ 1,980,700
Wastewater Total	\$ 7,133,100	\$ 7,016,087	\$ 7,462,500	\$ 7,281,775	\$ 7,849,100	\$ 7,490,265	\$ 7,986,550