Letter Report

CITY OF WEISER

SEWER USER RATE AND CONNECTION FEE STUDY

JULY 2026

PROJECT NO 209040-093

PREPARED BY:

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Sewer Assets Inventory
Historic and Forecast of Revenues and Expenses

DRAFT ***Letter Report***

TO: City of Weiser – Mayor Herb Haun

FROM: Keller Associates, Inc. – Andrew Kimmel, P.E.

DATE: July 29, 2026

SUBJECT: Sewer User Rate and Connection Fee Study

1. INTRODUCTION

This study develops recommended adjustments to the City of Weiser's monthly sewer enterprise fund user rates and connection fees. The recommendations are intended to more equitably allocate the costs of operating, maintaining, and replacing the sewer utility between existing and future customers. This report summarizes the evaluation of the monthly user rates and connection fees for the sewer system owned and operated by the City. It does not evaluate changing the current residential rate methodology, which is based on average monthly water usage. This evaluation is intended as an update to the City's current rates and builds on data provided by the city.

2. BACKGROUND

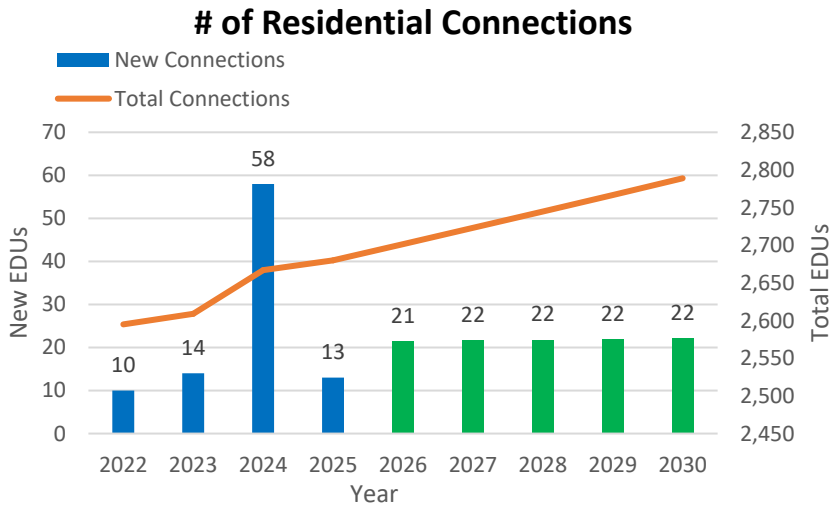
Operation, replacement, maintenance, and expansion of the sewer system is funded primarily by a combination of two major income sources: monthly user rates from existing customers and connection fees from new customers. Keller Associates recommends that monthly user rates be sufficient to cover the costs of operating, maintaining, and replacing existing system infrastructure, including administration and debt retirement costs. Connection fees should be sufficient to reflect the "equity buy-in" philosophy for new developments' use of the various components of the infrastructure systems.

The monthly user rate evaluation for the sewer system reflects an evaluation of the actual expenditures and income for fiscal years 2021 to 2025 (the last five years) as provided by City personnel. A forecast for future user rate charges based on estimated income and expenditure was developed for the next five years based on historical data and reasonable assumptions, which are hereafter documented. Monthly user rates are sensitive to interest rates, inflation, cost of materials, and other factors, and consequently should be reviewed each year with a comprehensive reevaluation at least every five years.

The proposed infrastructure replacement budgets are based on an asset inventory prepared using data provided by the City and recent wastewater facility planning documents. Costs were updated to reflect current replacement construction costs using the Engineering News-Record (ENR) index and engineering judgment.

The future revenue and operational cost projections are dependent on the number of future equivalent dwelling units (EDUs) that connect to the sewer system. Based on the 2024 Wastewater Collection System Master Plan, an average 0.8% annual growth rate was assumed for planning purposes. The City provided data showing approximately 2,691 EDUs are connected to the sewer system as of June 2026. Figure 1 depicts the historical number of residential EDUs connected to the system annually (depicted in blue), and the projected future number of residential EDUs connected to the system annually (depicted in green), with the accumulated total EDUs (orange line). It is noted that no significant increase in commercial and industrial development is assumed for this evaluation.

FIGURE 1 – HISTORICAL AND FUTURE RESIDENTIAL EDU PROJECTIONS



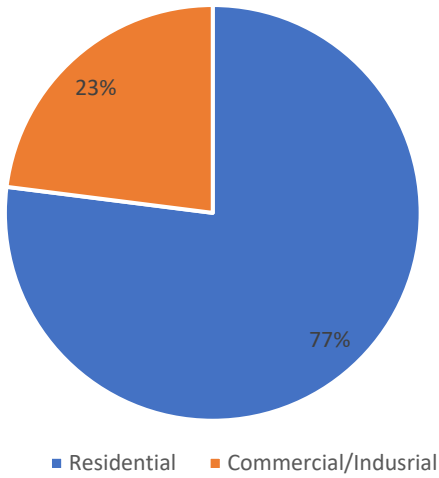
3. SEWER SYSTEM

The City owns and operates a municipal wastewater system that includes a collection system, sewer collection lines, three lift stations, and a wastewater treatment plant. An asset inventory of the wastewater system's collection and treatment components is provided in the Appendix. The asset inventory and replacement budget for the collection system components are documented in the 2024 Wastewater Collection Master Plan and was updated as part of this effort.

3.1. EXISTING MONTHLY SEWER FLOWS AND USER RATES

The historical sewer usage patterns within the City are documented in the 2024 Wastewater Collection Master Plan, and are based on water usage. Residential connections accounted for just over 77% of the City's sewer flows from 2019-2024. Commercial and industrial connections accounted for 23% of the sewer flows respectively as illustrated in Figure 2. It should be noted the largest sewer producer is Fry Foods, which accounts for approximately 10% of the flows in the system.

FIGURE 2 – 2019-2024 SEWER FLOWS BREAKDOWN



3.2. EXISTING USER RATES AND UTILITY FINANCIAL ASSESSMENT

The City's current sewer rate structure includes a base rate and a consumptive rate based on per 100 gallons of water usage. The rate depends on meter size and type of user. Approximately 95% of the existing customers in the City have ¾" meters. The current base rate for a residential ¾" meter is $29.00 per month plus $1.45 per 100 cubic feet (748 gallons) of water used during the winter months. The average amount of water used per residential home is 4,668 gallons, which equates to $38.05 per month. When we accounted for all users on the system (residential, commercial and industrial) the average water used is 6,062 gallons per equivalent dwelling unit which equates to $41 per month, the $41 per month average was used as this is consistent with the revenue that is collected throughout the year. It should be noted that the base rate has not changed since 2013. As noted above, the ideal monthly user revenue should be sufficient to cover operation, maintenance, and replacement costs plus debt retirement. The City of Weiser has a debt obligation for the sewer utility. Operating revenue versus system operating expenditures including depreciation over the last five years is illustrated in Figure 3, which was obtained from the City's audit reports. Figure 4 provides further breakdown of these components. A more detailed table can be found in the Appendix.

TABLE 1 – HISTORICAL SEWER FINANCIAL SUMMARY

	Historic 2021	Historic 2022	Historic 2023	Historic 2024	Historic 2025
# of Equivalent Dwelling Units (EDUs)	**2,585**	**2,595**	**2,609**	**2,667**	**2,680**
Avergae Monthly Bill (residential and commercial EDU	**$41.00**	**$41.00**	**$41.00**	**$41.00**	**$41.00**
Revenues					
Charges for Services[2]	$ 1,284,000	$ 1,323,700	$ 1,302,700	$ 1,321,100	$ 1,284,700
Investment Return	$ 1,679	$ 745	$ 21,226	$ 43,661	$ 45,731
Miscellaneous[3]	$ 3,800	$ 2,300	$ 11,500	$ 48,600	$ 1,600
TOTAL REVENUE	**$ 1,289,500**	**$ 1,326,700**	**$ 1,335,400**	**$ 1,413,400**	**$ 1,332,031**
Expenditures					
Personnel [4]	$ 429,100	$ 428,100	$ 529,100	$ 445,700	$ 451,300
Goods and Services [4]	$ 243,900	$ 229,000	$ 301,900	$ 274,600	$ 370,200
Interest Expense [5]	$ 91,700	$ 91,200	$ 90,700	$ 87,600	$ 82,400
Pension Expense	$ 6,100	$ 85,800	$ 92,800	$ 81,700	$ 59,600
Depreciation[6]	$ 341,000	$ 337,600	$ 337,800	$ 347,600	$ 324,200
TOTAL EXPENDITURES	**$ 1,111,800**	**$ 1,171,700**	**$ 1,352,300**	**$ 1,237,200**	**$ 1,287,700**
Income (Loss) Before Transfers	$ 177,700	$ 155,000	$ (16,900)	$ 176,200	$ 44,300
Transfers In/Out (Expense)		**$ (60,000)**	**$ (60,000)**	**$ (110,279)**	**$ (67,920)**
Change in Fund Balance	**$ 177,700**	**$ 95,000**	**$ (76,900)**	**$ 65,921**	**$ (23,620)**

Notes:

1) *Based on avergae usage of 6,062 gals per EDU per month (Base Rate of $29 +$12 for usage)*
2) *Includes both monthly user fee revenue and hookup/connection fee revenue for sewer; Future projections include growth and rate increase*
3) *Includes interest, property tax, and other miscellaneous revenue. Future projections uses average of previous years*
4) *Expenses inflated by average inflation over the last 5 audits*
5) *Includes interest, and miscellaneous expenses. Future projections uses average of previous years*
6) *Depreciation is an accounting adjustment; does not represent an actual transfer of money out of the utility*
7) *Based on recent project costs and engineering judgement*
8) *All dollars rounded to nearest hundred*
9) *RecommendedReplacement Expenditures does not account for the Existing $5 Million in city reserves*

FIGURE 3 - CITY OF WEISER HISTORICAL SEWER OPERATING FUND FINANCES

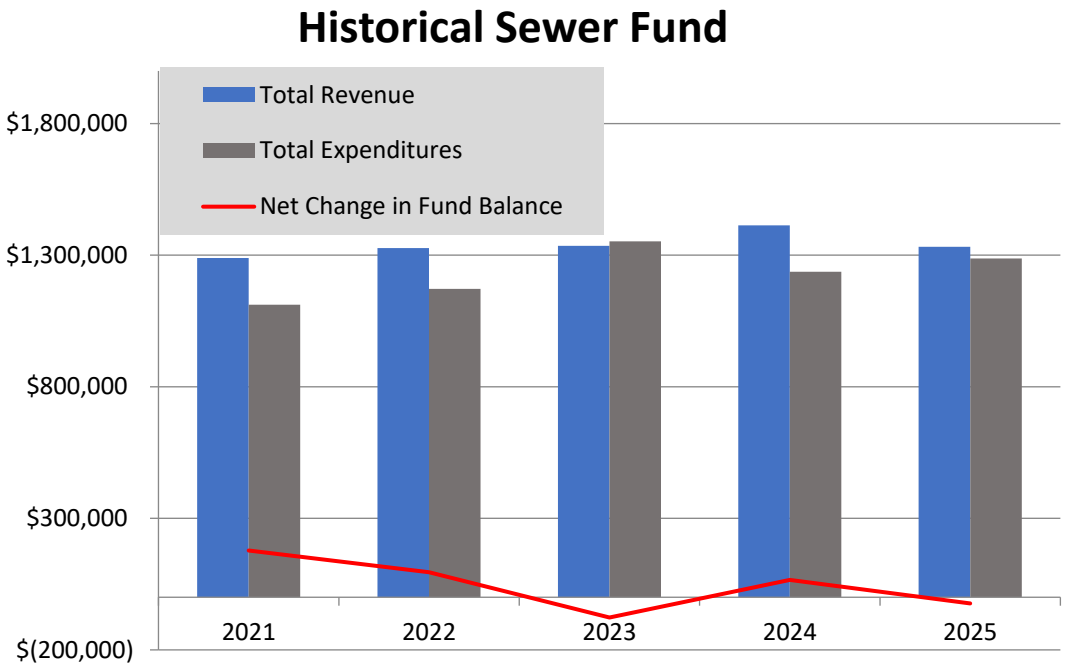
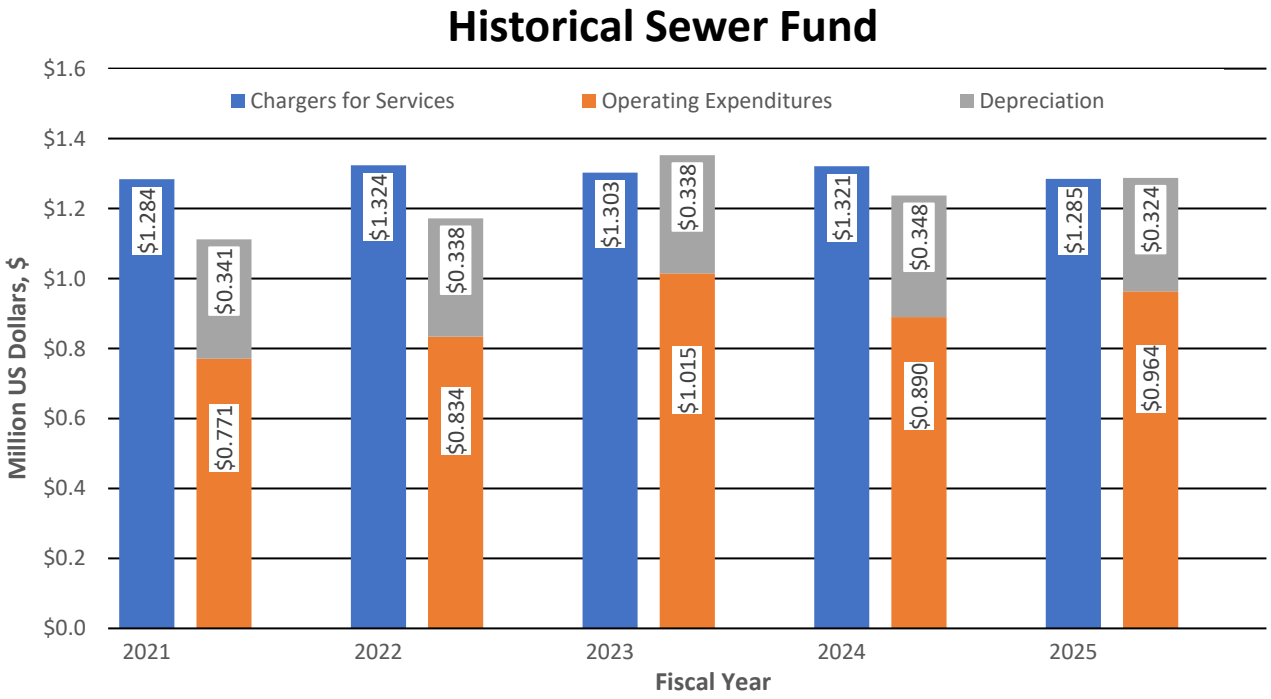


FIGURE 4 – SEWER SYSTEM EXPENDITURES VERSUS USER CHARGES FOR SERVICES



The annual financial audits/records for fiscal years 2021 through 2025 provided by the City were used to develop the figures above.

Key observations include:

- There is a consistent increase in annual operating expenses (with the exception of 2023 which was abnormally high due to a change in personnel) over 2021-2025 of 4.0% with a further breakdown of 1.3% and 12.9% annual increase in "Personnel" and "Goods and Services" respectively. The City has experienced unusually high inflation in goods and services costs predominant throughout the country.
- Revenue peaked in 2024 but has since gradually declined to approximately 2022 levels. The revenue increase from 2022 to 2024 may have been due, in part, to growth. The reason for the 2025 revenue decrease is unclear. Over the five-year period, the average monthly sewer bill remained unchanged because no adjustments were made to the rate structure.
- More discussion regarding depreciation and replacement budgets are below, but it is noted that some depreciation has been budgeted, but this amount does not cover an ideal replacement budget.
- Using the Fiscal Year 2026-27 City financials, expenses were categorized between fixed and usage-based costs. Fixed costs are costs independent of how much wastewater is collected and treated Usage costs are variable depending on how much sewer is received. While these categories are not always concrete, in general the City's fixed costs make up about 90-95% of the overall expenses, and the remaining 5-10% were usage-based costs. Comparatively, the base (fixed) fee of the City's current sewer rate structure makes up about 71% of the revenue while the consumptive rate makes up the remainder. This situation makes the city vulnerable to revenue shortfalls in the event of reduction in customer water usage.

3.3. DEPRECIATION AND REPLACEMENT BUDGET

As noted earlier in the report, a fully sustainable user rate fee should be sufficient to fund both the operating expenses and replacement of existing infrastructure. Replacement funding is often used interchangeably with funded depreciation; however, actual replacement costs are typically higher than funded depreciation. As part of this effort, Keller Associates developed the ideal replacement budget for the City's existing sewer system assets. To estimate the replacement budget for the City's sewer system, Keller Associates conducted a high-level inventory of the sewer system infrastructure and assets using available information in the 2024 Wastewater Collection Master Plan, recent similar project costs, and engineering judgement. Replacement costs, as applicable, can be found in Appendix E of the Wastewater Collection Master Plan. The ideal annual replacement budget for the sewer system amounts to $2,865,200 for FY 2026-2027 which represents the amount of money the City would need to set aside annually to replace the sewer system infrastructure once it has reached the end of its useful design life. It should be noted that very few communities are able to fully fund the ideal annual replacement/depreciation budget. Most communities elect to gradually increase their funding of replacement budgets over an extended period of 5+ years and often focus on anticipated replacement needs within a 20-year planning period.

3.4. WINTER RATE STRUCTURE

The City currently bills sewer customers based on each month's water usage. Since most residential drinking water is returned as wastewater, using the water meter can be an accurate way to measure residential wastewater flows. However, using monthly water rates can be inaccurate for customers with seasonal water demands such as irrigation that are not discharged into the sewer system. This study did not evaluate a sewer rate that was based on average winter water usage only.

Items to consider should a winter-based rate be evaluated in the future.

- Winter usage is typically considered from November through February.
- The base rate may need to increase to recoup lost revenue in a winter rate scenario. The base rate increase would not account for increases to address normal inflation.

- The overall average sewer rate is not likely to change by implementing this rate change. Rather, the sewer bill for individual customers will change depending on their water usage. Customers that have historically had high water usage during the summer months will see a drop in their sewer bill during the summer and likely an increase in the winter months. Customers that have historically had lower water usage throughout the year will see an increase in their sewer bill year-round.

3.5. SEWER RATE 5-YEAR PROJECTION

Table 2 illustrates a five-year sewer user rate projection that partially funds the operation, maintenance, and replacement costs for the City's sewer system. It results in an initial increase of approximately 10% in year one and then 5% for the next four years to keep up with inflation. It is noted that this assumes the same sewer rate structure with a base rate plus consumptive rate. However, this rate study only recommends the increase in the average monthly sewer bill and does not dictate how to achieve that increase (i.e. increase to base rate versus consumption rate), although suggestions and guidance are outlined below. Additionally, these rates assume proportional increases across all user classes.

- The revenue forecast was developed using the 2025 "Charges for Services" plus increased revenue from growth and increasing the rate as noted.
- Personnel expenditure was projected using the average annual inflation rate from the previous five audits (1.3%). Goods and Services expenditures were projected using the corresponding five-year average annual inflation rate (12.9%). Miscellaneous expenditure was projected based on the average of the previous five audits. Depreciation was excluded from the expenditure forecast because it is addressed separately under the Additional Recommended Replacement Expenditures described earlier in this report.
- Ideally, the "Connection Fee" revenue included in the Charges for Services would be kept separately and used to fund system expansion projects.
- This evaluation assumes that the commercial, industrial, and residential connections monthly sewer bills will be increased by the same percentage.
- For residential EDUs, it is noted that a larger increase in the base rate will produce a more reliable and predictable increase in revenue but reduces the incentive for customers to reduce water usage. It will also create a bigger financial burden on fixed income users such as seniors. A larger increase in the usage rate will be subject to fluctuations in revenue depending on conservation and will increase the disparity between fixed and variable costs as described in Section 3.2.
- For commercial and industrial connections, a nominal increase in the base rate would generate very little revenue since a large majority of the monthly sewer bill for commercial and industrial customers is the usage fee component. Consequently, increases in commercial/industrial connections can be accomplished by either a significant increase in the base rate and/or more moderate increases in the usage rate charge. Increases in the base rate would create more reliable and predictable revenue increases but discourage conservation. Increases in usage rate charges would encourage more conservation but be less predictable.
- In the following scenario, after the 2026 total rate increase of $4.10 (10% base rate plus 10% consumption charge) the user rates would need to be continually increased at about 5% per year to keep up with historical inflation for the next five years.

    - Example Base rate increased from $29.00 to $31.90 for ¾-inch service
    - Consumption charge increases from $0.0145/cu.ft to $0.016/ cu.ft.
    - Please note that all connection size base rates would have to increase not just the ¾" service size.

TABLE 2 – 5-YEAR SEWER RATE PROJECTION

	Forecast 2026	Forecast 2027	Forecast 2029	Forecast 2028	Forecast 2030
# of Equivalent Dwelling Units (EDUs)	**2,701**	**2,723**	**2,745**	**2,767**	**2,789**
Avergae Monthly Bill (residential and commercial EDU)	**$45.10**	**$47.36**	**$49.72**	**$52.21**	**$54.82**
Revenues					
Charges for Services[2]	$ 1,428,159	$ 1,513,541	$ 1,603,909	$ 1,699,555	$ 1,800,787
Grant Revenue					
Miscellaneous[3]	$ 13,600	$ 13,600	$ 13,600	$ 13,600	$ 13,600
TOTAL REVENUE	**$ 1,441,759**	**$ 1,527,141**	**$ 1,617,509**	**$ 1,713,155**	**$ 1,814,387**
Expenditures					
Personnel[4]	$ 457,100	$ 463,000	$ 469,000	$ 475,100	$ 481,200
Goods and Services[4]	$ 418,100	$ 472,200	$ 533,300	$ 602,300	$ 680,300
Miscellaneous[5]	$ 88,700	$ 88,700	$ 88,700	$ 88,700	$ 88,700
Pension Expense	$ 65,200	$ 65,200	$ 65,200	$ 65,200	$ 65,200
Depreciation[6]		$ -	$ -	$ -	$ -
SubTotal Expenditures	**$ 1,029,100**	**$ 1,089,100**	**$ 1,156,200**	**$ 1,231,300**	**$ 1,315,400**
Additional Recommended Replacement Expenditures					
Wastewater System Replacement Budget[79]	$ 286,520	$ 323,600	$ 365,500	$ 412,800	$ 466,200
SubTotal Additional Replacement	**$ 286,520**	**$ 323,600**	**$ 365,500**	**$ 412,800**	**$ 466,200**
TOTAL EXPENDITURES	**$ 1,315,600**	**$ 1,412,700**	**$ 1,521,700**	**$ 1,644,100**	**$ 1,781,600**
User Rate % Annual Increase	**10.0%**	**5.0%**	**5.0%**	**5.0%**	**5.0%**
Income (Loss) Before Transfers	$ 126,200	$ 114,400	$ 95,800	$ 69,100	$ 32,800
Transfers In/Out (Expense)					
Change in Fund Balance	**$ 126,200**	**$ 114,400**	**$ 95,800**	**$ 69,100**	**$ 32,800**

Notes:

1) *Based on avergae usage of 6,062 gals per EDU per month (Base Rate of $29 +$12 for usage)*
2) *Includes both monthly user fee revenue and hookup/connection fee revenue for sewer; Future projections include growth and rate increase*
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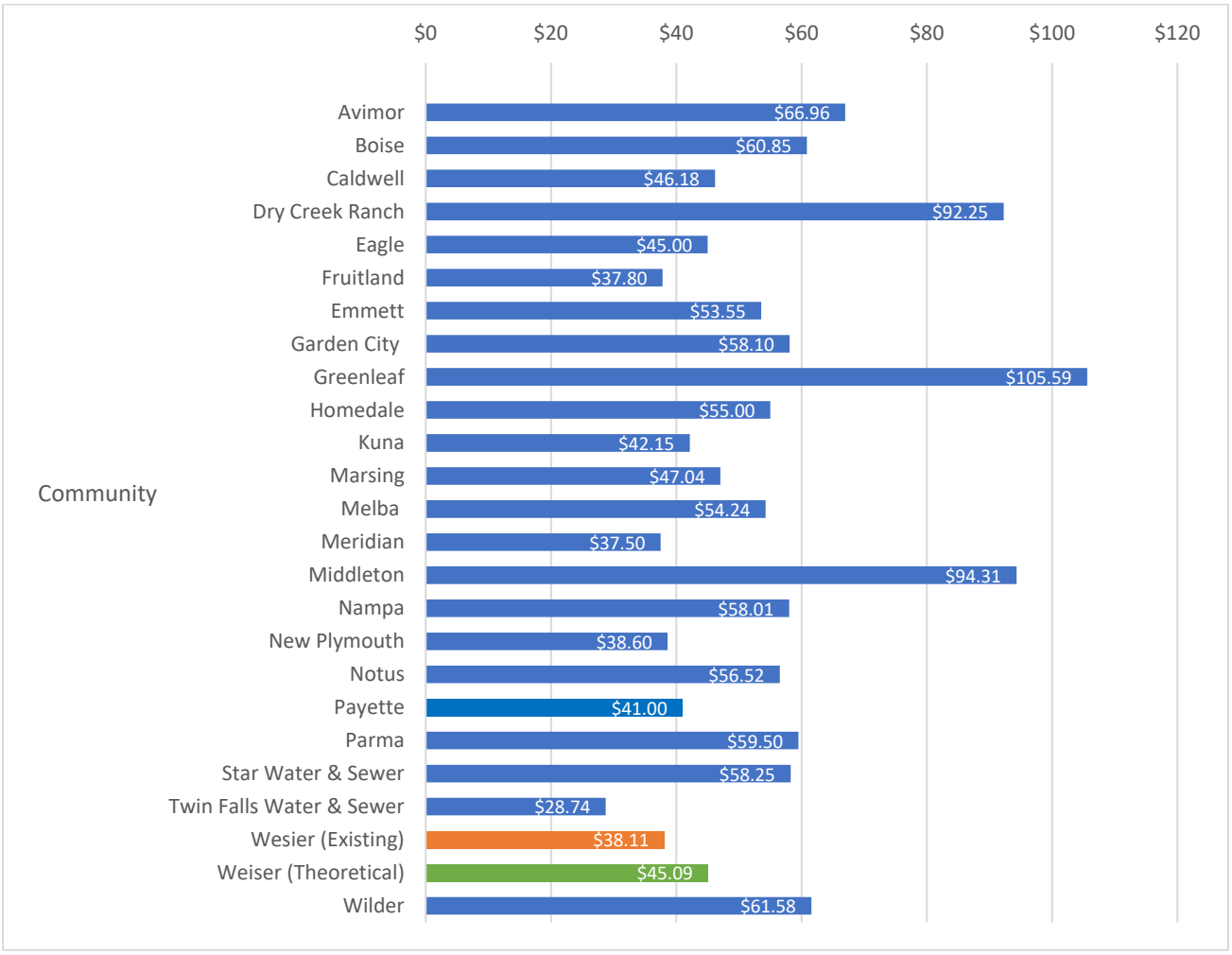
Percent Replacement Budget Funding

10%

3.6. AVERAGE MONTHLY SEWER BILL COMPARISONS TO OTHER COMMUNITIES

A comparison of the average monthly sewer bills for communities in the Treasure Valley is presented in Figure 5. The average monthly sewer bill for residential users for all communities in the chart below is approximately $55 based on 4,700 gallons of monthly water usage.

FIGURE 5 - AVERAGE RESIDENTIAL MONTHLY SEWER BILL FOR LOCAL COMMUNITIES



Note: Reflects fees for residential EDU with an average water usage of 4,700 gallons per month and a 3/4 -inch meter, Spring 2026.

3.7. CONNECTION FEE

The City's current residential (3/4-inch meter) connection fee is $1,850. Previously the City had a connection fee of $3,700. As stated above, the connection fee should be sufficient to cover the cost of a new connection's percentage of infrastructure capacity cost. The connection fee fund should be allocated exclusively to the sewer system and maintained separately from general utility funds. This study aimed to determine the maximum allowable residential connection fee (EDU) by updating replacement values to reflect current construction costs, accounting for non-funded depreciation and the current capital reserve fund, and dividing the adjusted amount by the system's capacity in EDUs. The current outstanding debt for the sewer system at the time of this report is $4,662,181 and was considered in the evaluation of the system's financial position.

The Appendix reflects the current sewer system infrastructure inventory and the 2026 replacement cost for each major component of the sewer system. Information from the 2024 Wastewater Collection System Master Plan was updated to establish the remaining life of the sewer system components. Table 3 presents the existing

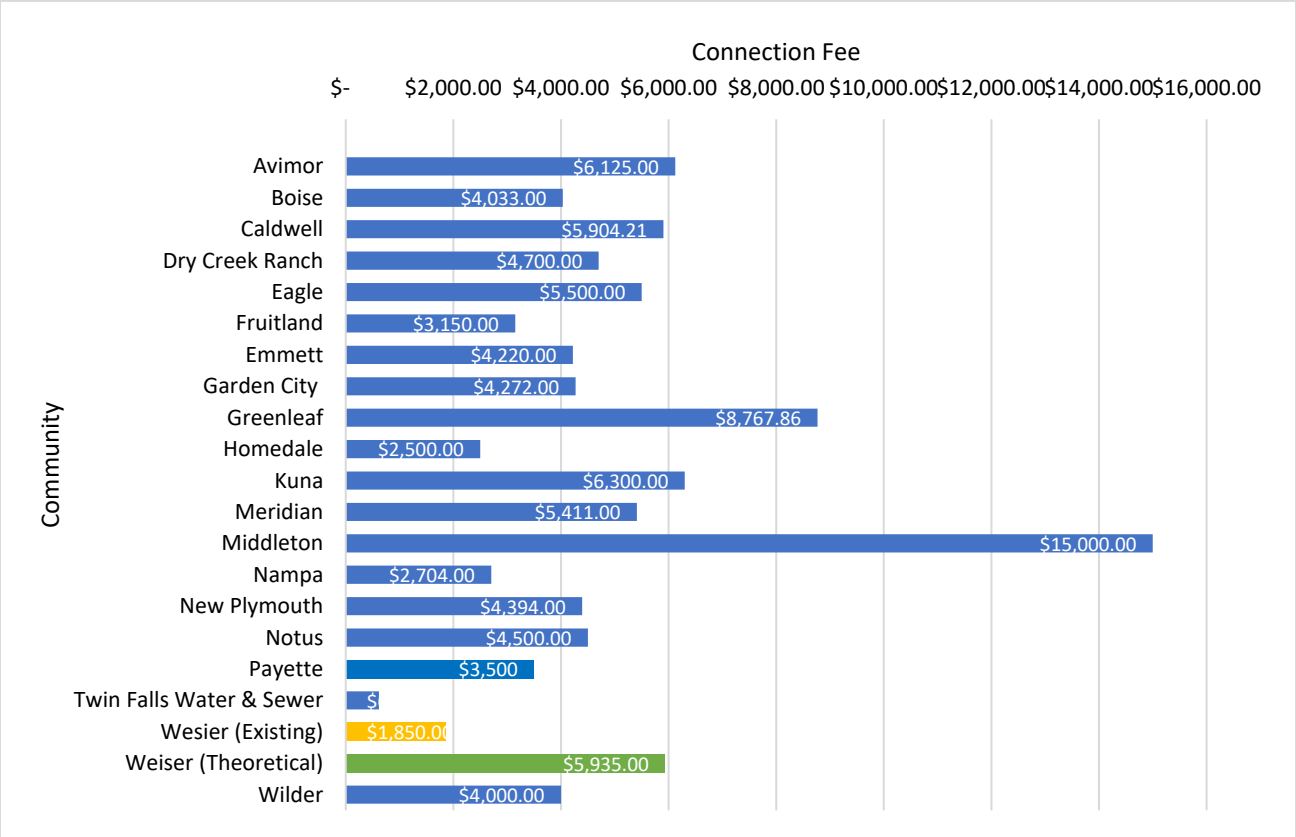
and calculated maximum allowable residential (EDU) connection fee. It is noted that this report was not scoped to evaluate connection fees for non-residential connections.

TABLE 3 - SEWER CONNECTION FEE ANALYSIS

Sewer System	($/EDU)
Existing 3/4" Residential Connection Fee	$1,850
Maximum Allowable Residential (EDU) Connection Fee	$5,935

A comparison of sewer connection fees for other communities in the area is included below in Figure 6. The connection fee for all communities is $4,923.

FIGURE 6 – SEWER CONNECTION FEES OF LOCAL COMMUNITIES



Note: Compiled July 2026

APPENDIX

City of Weiser 2026 Rate Study
Sewer Assets Inventory

Short-Lived Assets	Typical Useful Life (yrs)	Replacement Cost (2012,0$)	Replacement Cost (2026,$)	Annualized Replacement Cost (based on design life) (2026 $/yr)[1]	Year of Install / Most Recent Replacement	Remaining Life (2026, yrs)	Annualized Replacement Cost (based on remaining life) (2026 $/yr)[1]	Value of Depreciation Experienced to Date	Depreciated Value (2026, $)
Pumps and Electrical									
Main LS pumps and motors	20	100,000	$153,200	$11,100	2011	5	$34,300	$114,900	$38,300
Main LS generator and electrical	20	115,000	$176,200	$12,800	2004	0	$12,800	$176,200	$0
Galloway LS pumps and motors	20	20,000	$30,700	$2,300	2002	0	$2,300	$30,700	$0
Galloway LS generator and electrical	20	15,000	$23,000	$1,700	2023	17	$1,900	$3,450	$19,550
Commercial LS pumps and motors	20	20,000	$30,700	$2,300	2002	0	$2,300	$30,700	$0
Commercial LS electrical	20	15,000	$23,000	$1,700	2004	0	$1,700	$23,000	$0
Miscellaneous									
Vehicles (5 vehicles)	10	50,000	$76,600	$9,400	2021	5	$17,200	$38,300	$38,300
Service Trucks (1 vehicle)	10	30,000	$46,000	$5,700	2021	5	$10,300	$23,000	$23,000
Hydro-Vac Truck (1 vehicle)	10	350,000	$650,000	$79,400	2026	10	$79,400	$0	$650,000
SHORT-LIVED ASSETS REPLACEMENT COST			$1,209,400	$126,400			$162,200	$440,250	$769,150
Long-Lived Assets	**Typical Useful Life (yrs)**	**Replacement Cost (2012,$)**	**Replacement Cost (2026,$)**	**Annualized Replacement Cost (based on design life) (2026 $/yr)[1]**	**Year of Install / Most Recent Replacement**	**Remaining Life (2026, yrs)**	**Annualized Replacement Cost (based on remaining life) (2026 $/yr)[1]**	**Value of Depreciation Experienced to Date**	**Depreciated Value (2024, $)**
Pipes[2]									
≤6" Force Main	70	362,000	$831,800	$34,200	1963	7	$137,600	$748,620	$83,180
16" Force Main	70	851,000	$1,955,300	$80,200	1963	7	$323,400	$1,759,770	$195,530
≤8" Gavity Sewer	70	851,000	$1,955,300	$80,200	1976	20	$141,400	$1,396,643	$558,657
10" Gravity Sewer	70	5,091,000	$11,697,100	$479,800	1987	31	$648,600	$6,516,956	$5,180,144
12" Gravity Sewer	70	1,871,000	$4,298,900	$176,400	1987	31	$238,400	$2,395,101	$1,903,799
15" Gravity Sewer	70	605,000	$1,390,100	$57,100	1993	37	$70,600	$655,333	$734,767
16" Gravity Sewer	70	398,000	$914,500	$37,600	1970	14	$85,500	$731,600	$182,900
20" Gravity Sewer	70	107,000	$245,900	$10,100	1963	7	$40,700	$221,310	$24,590
24" Gravity Sewer	70	526,000	$1,208,600	$49,600	1986	30	$68,300	$690,629	$517,971
Pipe Annual Replacement Cost			**$24,497,500**	**$1,005,200**			**$1,754,500**	**$15,115,961**	**$9,381,539**
Manholes, Wet Wells, and Dry Wells									
Manholes	30	1,351,518	$2,070,200	$76,300	1993	0	$76,300	$2,070,200	$0
Main Lift Station Wet Well and Dry Well	30	861,891	$1,980,300	$111,800	1990	0	$111,800	$1,980,300	$0
Galloway Lift Station Wet and Dry Well	30	287,297	$660,100	$37,300	1993	0	$37,300	$660,100	$0
Commercial Lift Station Wet Well	30	750,000	$1,723,200	$97,300	1993	0	$97,300	$1,723,200	$0
Wet Wells, Dry Wells, and MHs Replacement Cost			**$6,433,800**	**$322,700**			**$322,700**	**$6,433,800**	**$0**
Wastewater Treatment Plant									
Wastewater Treatment Plant (replacement set aside funds)	30	25,000,000	31,216,900	$1,410,900	2015	19	$3,315,620	$11,446,197	$19,770,703
LONG-LIVED ASSETS REPLACEMENT COST			$62,148,200	$2,738,800			$5,392,820	$32,995,958	$29,152,242
Total Asett Value									
City Reserve Funds[3]	30	($5,034,103)	($5,034,103)	($284,000)	2026	30	($667,400)	$0	($5,034,103)
NET TOTAL			**$58,323,497**	**$2,581,200**			**$4,887,620**	**$33,436,208**	**$24,887,289**

Notes

1. Assumes a discount rate of 3.8% for a 5-year timeframe from: https://www.whitehouse.gov/wp-content/uploads/2023/12/CircularA-94AppendixC.pdf
2. Pipe replacement costs include excavation, backfill, surface repair, pipe, service connections, contingency and engineering.
3. City Reserve funds as of September 30, 2025 minus 2025 Revenue
4. The wastewater treamtnet plant value is reduced by the City's outstanding debt.

CITY OF WEISER
Sewer User Rate Study
Historic and Forecast of Revenues and Expenses

	Historic	Historic	Historic	Historic	Historic	Forecast	Forecast	Forecast	Forecast	Forecast
	2021	2022	2023	2024	2025	2026	2027	2029	2028	2030
# of Equivalent Dwelling Units (EDUs)	**2,585**	**2,595**	**2,609**	**2,667**	**2,680**	**2,701**	**2,723**	**2,745**	**2,767**	**2,789**
Avergae Monthly Bill (residential and commercial EDU) [1]	**$41.00**	**$41.00**	**$41.00**	**$41.00**	**$41.00**	**$45.10**	**$47.36**	**$49.72**	**$52.21**	**$54.82**
Revenues										
Charges for Services[2]	$ 1,284,000	$ 1,323,700	$ 1,302,700	$ 1,321,100	$ 1,284,700	$ 1,428,159	$ 1,513,541	$ 1,603,909	$ 1,699,555	$ 1,800,787
Grant Revenue	$ 1,679	$ 745	$ 21,226	$ 43,661	$ 45,731					
Miscellaneous[3]	$ 3,800	$ 2,300	$ 11,500	$ 48,600	$ 1,600	$ 13,600	$ 13,600	$ 13,600	$ 13,600	$ 13,600
TOTAL REVENUE	**$ 1,289,500**	**$ 1,326,700**	**$ 1,335,400**	**$ 1,413,400**	**$ 1,332,031**	**$ 1,441,759**	**$ 1,527,141**	**$ 1,617,509**	**$ 1,713,155**	**$ 1,814,387**
Expenditures										
Personnel [4]	$ 429,100	$ 428,100	$ 529,100	$ 445,700	$ 451,300	$ 457,100	$ 463,000	$ 469,000	$ 475,100	$ 481,200
Goods and Services [4]	$ 243,900	$ 229,000	$ 301,900	$ 274,600	$ 370,200	$ 418,100	$ 472,200	$ 533,300	$ 602,300	$ 680,300
Miscellaneous[5]	$ 91,738	$ 91,208	$ 90,743	$ 87,600	$ 82,400	$ 88,700	$ 88,700	$ 88,700	$ 88,700	$ 88,700
Pension Expense	$ 6,132	$ 85,799	$ 92,817	$ 81,700	$ 59,600	$ 65,200	$ 65,200	$ 65,200	$ 65,200	$ 65,200
Depreciation[6]	$ 341,000	$ 337,600	$ 337,800	$ 347,600	$ 324,200		$ -	$ -	$ -	$ -
SubTotal Expenditures	**$ 1,111,900**	**$ 1,171,700**	**$ 1,352,400**	**$ 1,237,200**	**$ 1,287,700**	**$ 1,029,100**	**$ 1,089,100**	**$ 1,156,200**	**$ 1,231,300**	**$ 1,315,400**
Additional Recommended Replacement Expenditures										
Wastewater System Replacement Budget [79]						$ 286,520	$ 323,600	$ 365,500	$ 412,800	$ 466,200
SubTotal Additional Replacement	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 286,520**	**$ 323,600**	**$ 365,500**	**$ 412,800**	**$ 466,200**
TOTAL EXPENDITURES	**$ 1,111,900**	**$ 1,171,700**	**$ 1,352,400**	**$ 1,237,200**	**$ 1,287,700**	**$ 1,315,600**	**$ 1,412,700**	**$ 1,521,700**	**$ 1,644,100**	**$ 1,781,600**
User Rate % Annual Increase	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**10.0%**	**5.0%**	**5.0%**	**5.0%**	**5.0%**
Income (Loss) Before Transfers	$ 177,600	$ 155,000	$ (17,000)	$ 176,200	$ 44,300	$ 126,200	$ 114,400	$ 95,800	$ 69,100	$ 32,800
Transfers In/Out (Expense)		**$ (60,000)**	**$ (60,000)**	**$ (110,279)**	**$ (67,920)**					
Change in Fund Balance	**$ 177,600**	**$ 95,000**	**$ (77,000)**	**$ 65,921**	**$ (23,620)**	**$ 126,200**	**$ 114,400**	**$ 95,800**	**$ 69,100**	**$ 32,800**

Notes:

1) Based on avergae usage of 6,062 gals per EDU per month (Base Rate of $29 +$12 for usage)

2) Includes both monthly user fee revenue and hookup/connection fee revenue for sewer; Future projections include growth and rate increase

3) Includes interest, property tax, and other miscellaneous revenue. Future projections uses average of previous years

4) Expenses inflated by average inflation over the last 5 audits

5) Includes interest, and miscellaneous expenses. Future projections uses average of previous years

6) Depreciation is an accounting adjustment; does not represent an actual transfer of money out of the utility

7) Based on recent project costs and engineering judgement

8) All dollars rounded to nearest hundred

9) RecommendedReplacement Expenditures does not account for the Existing $5 Million in city reserves

Percent Replacement Budget Funding
10%



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