



# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Highlights

Overall changes from the Fiscal Year 2025 Operating Budget:

1. New Summary sheets for each Division:
  - Page 30, Administration
  - Page 47, Administration- Information Technology
  - Page 58, Fiscal-Billing
  - Page 67, Fiscal-Accounting
  - Page 78, Engineering-Administration
  - Page 79, Engineering-Water Quality
  - Page 80, Engineering-Project Management
  - Page 81, Engineering-Water Resource
  - Page 94, Operations-Source
  - Page 95, Operations-Purification
  - Page 96, Operations-Power & Pump
  - Page 97, Operations-Transmission & Distribution
2. Page 20. Operating Budget Proviso
  - Added language from County's Budget that will allow flexibility to DOW when experiencing attrition due to retirements or unanticipated vacancies. Currently, DOW is required to temporarily redescribe a vacant position to accommodate these vacancies. Approval of this language will allow DOW to use "ghost" numbers or position numbers created solely for these circumstances.
3. Page 21. FY2026 Fund Balance Projections
  - Estimated Fund Balance available, \$22M.
  - No Debt Proceeds under State Revolving Fund in FY2026. No Programmatic Finance Loan (ProFi), Lead & Copper Rule Revisions (LCRR) anticipated.
4. Page 22. Proposed Operating & Capital Budget – New Summary sheet.
  - Deficit of approximately \$14.2M
  - Fund Balance of \$14.2M needed to balance the budget.
5. Page 23.

**10-00-00-400-000.**

Water Sales projected \$32M. Projected revenues based on a 4-year historical trend, yet conservative due to transponder equipment (failed, awaiting replacement and expected to fail). 65% replaced as of March 31, 2025.



# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Highlights (Continued)

5. Page 23.

**10-00-00-401-000.**

Water Sales-Goodwill Credits projected (\$2.6M). Adjustments to remedy customer bills, due to bills on estimated usage.

**10-00-00-440-000.**

Capital Contributions-Cash Receipts. Not budgeted. In January 2025, the County refinanced the remaining BABs to General Obligation (GO) Bonds. Last subsidy payment received was \$599K in November 2024 (for August 2024 debt service payment).

	Principal + Interest	
BABs	\$ (43,158,341)	
Series 2024	39,589,543	
	\$ (3,898,798)	Savings due to refinance
	3,355,211	BABs Subsidy ~33%
Net Savings	\$ (543,587)	



# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Highlights (Continued)

6. Page 24. Overall Proposed Operating Budget for FY2026, decreased by \$988K as compared to FY2025.

		FY 2025 Budget	FY 2026 Proposed Budget	Change +/-
<b>OPERATING EXPENSES</b>				
<b>Water Utility Fund</b>		<b>\$ 35,266,535</b>	<b>\$ 34,278,911</b>	<b>\$ (987,625)</b>
510-010	Salaries & Wages (Regular & Compensated Leave)	8,277,145	8,730,232	453,087
510-020	Temporary Assignment	64,500	64,500	-
510-030	Overtime	645,000	850,000	205,000
510-040	Standby Pay	227,000	227,000	-
520-040	Vacation & Compensatory Time Pay out	100,000	100,000	-
530-010	FICA Taxes	704,844	755,187	50,343
530-020	Retirement Contributions	1,986,515	2,369,214	382,699
530-030	Life and Health Insurance	911,508	1,043,782	132,274
530-060	Post Employment Benefits (OPEB)	1,085,000	1,096,000	11,000
540-010	Professional Services - General	4,821,283	3,847,000	(974,283)
540-020	Professional Services - Accounting and Auditing	118,000	120,100	2,100
541-010	Other Services - General	60,000	65,400	5,400
541-020	Other Services - Billing Costs	197,652	240,330	42,678
542-010	Public Relations - General	84,600	93,600	9,000
542-020	Procurement Advertising	2,500	2,500	-
543-000	Communication Services	154,440	111,732	(42,708)
544-000	Freight and Postage Services	9,000	8,000	(1,000)
545-000	Rentals and Leases	117,250	107,425	(9,825)
546-000	Insurance	200,000	400,000	200,000
547-000	County Service Charge	2,228,447	2,228,447	-
550-000	Subscription Based Information Technology Arrangements (SBITAs)	799,180	742,180	(57,000)
551-000	Utility Services	3,564,839	3,554,631	(10,208)
560-000	Repairs and Maintenance - Water System	585,000	595,000	10,000
561-000	Repairs and Maintenance - Other than Water System	520,100	550,100	30,000
562-000	Office Supplies	-	-	-
563-000	Operating Supplies	957,160	958,728	1,568
563-010	Operating Supplies Inventory Stock	2,135,000	1,137,000	(998,000)
564-000	Fuel	192,500	160,000	(32,500)
565-000	Bulk Water Purchase	1,934,935	1,934,935	-
570-010	Books, Publications, Subscriptions, and Memberships	26,170	30,885	4,715
570-020	Books, Publications, Subscriptions, and Memberships - Board	600	600	-
571-010	Training and Development	67,250	65,500	(1,750)
572-010	Travel and Per Diem	173,350	200,000	26,650
572-020	Travel and Per Diem - Board	17,000	21,000	4,000
573-010	Meeting Expense	60,100	71,150	11,050
573-020	Meeting Expense - Board	9,950	7,500	(2,450)
582-000	Interest Expense	2,228,718	1,789,253	(439,465)
<b>Water Utility Fund - Bond and Loan Proceeds and Repayment</b>		<b>\$ 5,261,770</b>	<b>\$ 5,231,142</b>	<b>\$ (30,628)</b>
682-000	Debt Principal Repayment	5,261,770	5,231,142	(30,628)
<b>Water Utility Fund - Non Budgetary Operating Expenses</b>		<b>\$ 6,979,000</b>	<b>\$ 6,616,000</b>	<b>\$ (363,000)</b>
580-000	Depreciation	6,900,000	6,600,000	(300,000)
581-000	Amortization	106,000	68,000	(38,000)
582-000	Inflows/Outflows	(27,000)	(52,000)	(25,000)



# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Administration Division, Page 30

ADMINISTRATION DIVISION				
		FY 2025 Budget	FY 2026 Proposed Budget	Change +/-
	<b>Labor &amp; Related Fringe Expenses</b>			
510-010	Salaries and Wages (including Leaves & CTO)	\$ 907,329	\$ 1,586,588	\$ 679,259
510-020	Temporary Assignment	2,000	2,000	-
510-030	Overtime	20,000	80,000	60,000
520-040	Vacation Payout	100,000	100,000	-
530-010	FICA	71,094	127,647	56,553
530-020	Retirement Contributions	217,759	400,461	182,702
530-030	Life & Health Insurance	59,251	98,470	39,219
530-060	Other Post Employment Benefits (OPEB)	82,606	117,752	35,146
	<b>Total Labor &amp; Related Fringe Expenses</b>	<b>\$ 1,460,039</b>	<b>\$ 2,512,918</b>	<b>\$ 1,052,879</b>
	<b>Professional Services &amp; Other Expenses</b>			
540-010	Professional Services	\$ 454,500	\$ 449,500	\$ (5,000)
542-010	Public Relations - General	84,600	93,600	9,000
542-020	Procurement Advertising	2,500	2,500	-
544-000	Freight and Postage	6,000	5,000	(1,000)
545-000	Rentals and Leases	53,000	54,605	1,605
546-000	Insurance	200,000	400,000	200,000
	<b>Total Professional Services &amp; Other Expenses</b>	<b>\$ 800,600</b>	<b>\$ 1,005,205</b>	<b>\$ 204,605</b>
	<b>Utilities &amp; Fuel</b>			
551-000	Utility Services	\$ 161,400	\$ 22,560	\$ (138,840)
	<b>Total Utilities &amp; Materials</b>	<b>\$ 161,400</b>	<b>\$ 22,560</b>	<b>\$ (138,840)</b>
	<b>Office &amp; Operating Supplies</b>			
563-000	Operating Supplies	25,000	18,000	(7,000)
570-000	Books, Subscriptions, & Dues	21,170	27,880	6,710
570-000	Books, Subscriptions, & Dues- Board	600	600	-
	<b>Total Office &amp; Operating Supplies</b>	<b>\$ 46,770</b>	<b>\$ 46,480</b>	<b>\$ (290)</b>
	<b>Training, Travel, and Meeting Expense</b>			
571-010	Training and Development	\$ 8,250	\$ 6,500	\$ (1,750)
572-010	Travel and Per Diem	56,100	71,000	14,900
572-020	Travel and Per Diem - Board	17,000	21,000	4,000
573-010	Meeting Expense	42,000	47,200	5,200
573-020	Meeting Expense - Board	9,950	7,500	(2,450)
	<b>Total Training, Travel, and Meeting Expense</b>	<b>\$ 133,300</b>	<b>\$ 153,200</b>	<b>\$ 19,900</b>
	<b>Total Administration Operating Expenses</b>	<b>\$ 2,602,109</b>	<b>\$ 3,740,363</b>	<b>\$ 1,138,254</b>

**Notes:** Overall increase to Administration Division by \$1.1M, as compared to FY2025.

**510-010 Salaries and Wages.** Increase of \$679K in salaries, due to movement of four (4) positions no longer in Accounting and Engineering as currently proposed in the departmental reorganization plan. Of five (5) vacancies, three (3) positions are budgeted as proposed in the departmental reorganization plan.

**510-030 Overtime.** Increase of \$60K in overtime.

**530-010 Fringe Expenses.** FICA, Retirement (ERS), Life Insurance (EUTF), and OPEB. Reallocation of -to- anticipated and estimated expenses department-wide for FY2026.

**530-060**

**546-000 Insurance, page 37.** Increase of \$200K due Excess Workers Compensation liability, Excess Crime, and Property Insurance.

**551-000 Utility Services, page 38.** Decrease of \$139K; budget moved to Operations, page 101.



# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Administration Division-Information Technology, Page 47

ADMINISTRATION DIVISION - INFORMATION TECHNOLOGY (IT)				
		FY 2025 Budget	FY 2026 Proposed Budget	Change +/-
	<b>Labor &amp; Related Fringe Expenses</b>			
510-010	Salaries and Wages (including Leaves & CTO)	\$ 339,339	\$ 352,096	\$ 12,757
510-020	Temporary Assignment	500	500	-
510-030	Overtime	30,000	20,000	(10,000)
530-010	FICA	28,293	28,504	211
530-020	Retirement Contributions	81,441	89,423	7,982
530-030	Life & Health Insurance	18,231	29,541	11,310
530-060	Other Post Employment Benefits (OPEB)	25,417	36,231	10,814
	<b>Total Labor &amp; Related Fringe Expenses</b>	<b>\$ 523,221</b>	<b>\$ 556,295</b>	<b>\$ 33,074</b>
	<b>Professional Services &amp; Other Expenses</b>			
540-010	Professional Services	\$ 971,582	\$ 610,000	\$ (361,582)
543-000	Communication Services	102,440	109,332	6,892
543-000	Communication Services - Power & Pump	52,000	2,400	(49,600)
545-000	Rentals and Leases	34,250	22,820	(11,430)
550-000	Subscription Based IT Arrangements (SBITAs)	704,180	742,180	38,000
	<b>Total Professional Services &amp; Other Expenses</b>	<b>\$ 1,864,452</b>	<b>\$ 1,486,732</b>	<b>\$ (377,720)</b>
	<b>Repair &amp; Maintenance Expenses</b>			
561-000	Repair & Maintenance-Non-Water System	\$ 306,700	\$ 306,700	\$ -
	<b>Total Repair &amp; Maintenance expenses</b>	<b>\$ 306,700</b>	<b>\$ 306,700</b>	<b>\$ -</b>
	<b>Office &amp; Operating Supplies</b>			
563-000	Operating Supplies	\$ 185,000	\$ 185,000	\$ -
	<b>Total Office &amp; Operating Supplies</b>	<b>\$ 185,000</b>	<b>\$ 185,000</b>	<b>\$ -</b>
	<b>Total Administration-IT Operating Expenses</b>	<b>\$ 2,879,373</b>	<b>\$ 2,534,727</b>	<b>\$ (344,646)</b>

**Notes:** Overall decrease to Administration-Information Technology by \$345K, as compared to FY2025.

**510-010 Salaries and Wages.** Increase of \$13K, due to recent hiring of the IT Manager. One (1) vacancy on loan to Fiscal for 89-day hire; position budgeted at anticipated SR level.

**510-030 Overtime.** Decrease of \$10K in overtime anticipated.

**530-010 Fringe Expenses.** FICA, Retirement (ERS), Life Insurance (EUTF), and OPEB. Reallocation of -to- anticipated and estimated expenses department-wide for FY2026.

**530-060**

**540-010 Professional Services, page 49.** Decrease of \$362K for as needed technical support and website development costs.

**543-000 Communication Services-Power&Pump, page 51.** Decrease of \$50K; budget is consolidated with account Communication Services, page 50.

**545-000 Rentals and Leases, page 52.** Decrease of \$11K in copier leases due to consolidation to one vendor, Xerox.

**550-000 SBITA, page 53.** Increase of \$38K due to budget movement from Fiscal for Laserfiche license and software implementation costs.





# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Fiscal Division-Billing, Page 58

FISCAL DIVISION -BILLING				
		FY 2025 Budget	FY 2026 Proposed Budget	Change +/-
	<b>Labor &amp; Related Fringe Expenses</b>			
510-010	Salaries and Wages (including Leaves & CTO)	\$ 542,316	\$ 543,084	\$ 768
510-020	Temporary Assignment	5,000	5,000	-
510-030	Overtime	65,000	75,000	10,000
530-010	FICA	46,842	47,666	824
530-020	Retirement Contributions	130,156	149,540	19,384
530-030	Life & Health Insurance	94,075	98,470	4,395
530-060	Other Post Employment Benefits (OPEB)	107,960	90,579	(17,381)
	<b>Total Labor &amp; Related Fringe Expenses</b>	<b>\$ 991,349</b>	<b>\$ 1,009,339</b>	<b>\$ 17,990</b>
	<b>Professional Services &amp; Other Expenses</b>			
540-010	Professional Services	\$ 1	\$ 5,000	\$ 4,999
541-010	Other Services	33,000	34,400	1,400
541-020	Other Services -Billing Costs	197,652	240,330	42,678
	<b>Total Professional Services &amp; Other Expenses</b>	<b>\$ 230,653</b>	<b>\$ 279,730</b>	<b>\$ 49,077</b>
	<b>Office &amp; Operating Supplies</b>			
563-000	Operating Supplies	\$ 3,000	\$ 3,000	\$ -
	<b>Total Office &amp; Operating Supplies</b>	<b>\$ 3,000</b>	<b>\$ 3,000</b>	<b>\$ -</b>
	<b>Training, Travel, and Meeting Expense</b>			
571-010	Training and Development	\$ 3,000	\$ 3,000	\$ -
572-010	Travel and Per Diem	1,000	3,000	2,000
573-010	Meeting Expense	600	1,000	400
	<b>Total Training, Travel, and Meeting Expense</b>	<b>\$ 4,600</b>	<b>\$ 7,000</b>	<b>\$ 2,400</b>
	<b>Total Fiscal Division-Billing Operating Expenses</b>	<b>\$ 1,229,602</b>	<b>\$ 1,299,069</b>	<b>\$ 69,467</b>

**Notes:** Overall increase to Fiscal Division-Billing by \$69K, as compared to FY2025

**510-030 Overtime.** Increase of \$10K in overtime, primarily due to Meter Reader vacancy (COB 2/28/2025).

Currently working to hire an 89-day to assist with meter reads; may need to meter read on the weekends.

**530-010 Fringe Expenses.** FICA, Retirement (ERS), Life Insurance (EUTF), and OPEB. Reallocation of -to- anticipated and estimated expenses department-wide for FY2026.

**530-060**

**541-020 Other Services-Billing Costs, page 62.** Increase of \$43K due to postage for billing statements, Badger Meter monthly subscription fees for 23K+ customer meters, and Badger Meter annual service agreement.



# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Fiscal Division-Accounting, Page 67

FISCAL DIVISION -ACCOUNTING				
		FY 2025 Budget	FY 2026 Proposed Budget	Change +/-
	<b>Labor &amp; Related Fringe Expenses</b>			
510-010	Salaries and Wages (including Leaves & CTO)	\$ 727,356	\$ 619,320	\$ (108,036)
510-020	Temporary Assignment	5,000	5,000	-
510-030	Overtime	70,000	80,000	10,000
530-010	FICA	61,380	53,880	(7,500)
530-020	Retirement Contributions	174,565	169,037	(5,528)
530-030	Life & Health Insurance	84,668	78,776	(5,892)
530-060	Other Post Employment Benefits (OPEB)	97,165	72,463	(24,702)
	<b>Total Labor &amp; Related Fringe Expenses</b>	<b>\$ 1,220,134</b>	<b>\$ 1,078,476</b>	<b>\$ (141,658)</b>
	<b>Professional Services &amp; Other Expenses</b>			
540-010	Professional Services	\$ 50,200	\$ 52,500	\$ 2,300
541-010	Other Services	25,000	28,000	3,000
550-000	Subscription Based IT Arrangements (SBITAs)	95,000	-	(95,000)
	<b>Total Professional Services &amp; Other Expenses</b>	<b>\$ 170,200</b>	<b>\$ 80,500</b>	<b>\$ (89,700)</b>
	<b>Office &amp; Operating Supplies</b>			
563-000	Operating Supplies	4,000	4,000	-
570-000	Books, Subscriptions, & Dues	1,000	1,000	-
	<b>Total Office &amp; Operating Supplies</b>	<b>\$ 5,000</b>	<b>\$ 5,005</b>	<b>\$ -</b>
	<b>Training, Travel, and Meeting Expense</b>			
571-010	Training and Development	\$ 1,000	\$ 1,000	\$ -
572-010	Travel and Per Diem	6,000	10,000	4,000
573-010	Meeting Expense	1,500	3,000	1,500
	<b>Total Training, Travel, and Meeting Expense</b>	<b>\$ 8,500</b>	<b>\$ 14,000</b>	<b>\$ 5,500</b>
	<b>Total Fiscal Division-Accounting Operating Expenses</b>	<b>\$ 1,403,834</b>	<b>\$ 1,177,981</b>	<b>\$ (225,858)</b>

**Notes:** Overall decrease to Fiscal Division-Accounting by \$226K, as compared to FY2025

**510-010 Salaries and Wages.** Decrease of \$108K in salaries, due to movement of three (3) positions no longer in Accounting as approved in a prior and proposed departmental plan.

**510-030 Overtime.** Increase of \$10K in overtime, primarily due to demanding projects: Laserfiche, Rate Study, and Enterprise Resource Planning (ERP) that will replace existing financial software, Great plains and WorkPlace (Purchase Orders).

**530-010 Fringe Expenses.** FICA, Retirement (ERS), Life Insurance (EUTF), and OPEB. Reallocation of -to- anticipated and estimated expenses department-wide for FY2026.

**530-060**

**550-000 SBITA, page 72.** Decrease of \$95K. FY2026 budget of \$28K moved to Administration Division Information Technology, page 53.



# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Engineering Division-Administration, Page 78

ENGINEERING DIVISION - ADMINISTRATION				
		FY 2025 Budget	FY 2026 Proposed Budget	Change +/-
	<b>Labor &amp; Related Fringe Expenses</b>			
510-010	Salaries and Wages (including Leaves & CTO)	\$ 440,875	\$ 313,477	\$ (127,398)
510-030	Overtime	50,000	50,000	-
530-010	FICA	37,552	27,806	(9,746)
530-020	Retirement Contributions	105,810	87,234	(18,576)
530-030	Life & Health Insurance	44,097	59,082	14,985
530-060	Other Post Employment Benefits (OPEB)	61,464	63,405	1,941
	<b>Total Labor &amp; Related Fringe Expenses</b>	<b>\$ 739,798</b>	<b>\$ 601,004</b>	<b>\$ (138,794)</b>
	<b>Professional Services &amp; Other Expenses</b>			
540-010	Professional Services	\$ 3,345,000	\$ 2,730,000	\$ (615,000)
544-000	Freight and Postage	3,000	3,000	-
	<b>Total Professional Services &amp; Other Expenses</b>	<b>\$ 3,348,000</b>	<b>\$ 2,733,000</b>	<b>\$ (615,000)</b>
	<b>Repair &amp; Maintenance Expenses</b>			
560-000	Repair & Maintenance-Water System	\$ 205,000	\$ 205,000	\$ -
561-000	Repair & Maintenance-Non-Water System	10,000	10,000	-
	<b>Total Repair &amp; Maintenance expenses</b>	<b>\$ 215,000</b>	<b>\$ 215,000</b>	<b>\$ -</b>
	<b>Office &amp; Operating Supplies</b>			
563-000	Operating Supplies	\$ 35,000	\$ 35,000	\$ -
570-000	Books, Subscriptions, & Dues	4,000	2,000	(2,000)
	<b>Total Office &amp; Operating Supplies</b>	<b>\$ 39,000</b>	<b>\$ 37,000</b>	<b>\$ (2,000)</b>
	<b>Training, Travel, and Meeting Expense</b>			
571-010	Training and Development	\$ 10,000	\$ 10,000	\$ -
572-010	Travel and Per Diem	65,250	71,000	5,750
573-010	Meeting Expense	16,000	19,950	3,950
	<b>Total Training, Travel, and Meeting Expense</b>	<b>\$ 91,250</b>	<b>\$ 100,950</b>	<b>\$ 9,700</b>
	<b>Total Engineering-Administration Operating Expenses</b>	<b>\$ 4,433,048</b>	<b>\$ 3,686,954</b>	<b>\$ (746,094)</b>

**Notes:** Overall decrease to Engineering Division-Administration by \$746K, as compared to FY2025.

**510-010 Salaries and Wages.** Decrease of \$127K in salaries, due to movement of four (4) positions between Administration Division and Engineering Division-Water Resource as currently proposed in the departmental reorganization plan. One (1) vacant position, dollar-funded.

**530-010 Fringe Expenses.** FICA, Retirement (ERS), Life Insurance (EUTF), and OPEB. Reallocation of -to- anticipated and estimated expenses department-wide for FY2026.

**530-060**

**540-010 Professional Services, page 83.** Decrease of \$615K. Originally submitted budget of \$6.4M, reduced technical design by \$3.2M; reduced as needed project management by \$300K, reduced specialty technical services by \$100K.





# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Engineering Division-Water Quality, Page 79

ENGINEERING DIVISION - WATER QUALITY				
		FY 2025 Budget	FY 2026 Proposed Budget	Change +/-
	<b>Labor &amp; Related Fringe Expenses</b>			
510-010	Salaries and Wages (including Leaves & CTO)	\$ 316,979	\$ 284,808	\$ (32,171)
510-020	Temporary Assignment	5,000	5,000	-
510-030	Overtime	25,000	15,000	(10,000)
530-010	FICA	26,544	23,318	(3,226)
530-020	Retirement Contributions	76,075	73,154	(2,921)
530-030	Life & Health Insurance	29,398	29,541	143
530-060	Other Post Employment Benefits (OPEB)	40,976	36,231	(4,745)
	<b>Total Labor &amp; Related Fringe Expenses</b>	<b>\$ 519,972</b>	<b>\$ 467,052</b>	<b>\$ (52,920)</b>
	<b>Total Engineering-Water Quality Operating Expenses</b>	<b>\$ 519,972</b>	<b>\$ 467,052</b>	<b>\$ (52,920)</b>

**Notes:** Overall decrease to Engineering Division-Water Quality by \$53K, as compared to FY2025.

**510-010 Salaries and Wages.** Decrease of \$32K in salaries, primarily due retirement and realignment of budget. Two (2) vacancies are budgeted at existing SR levels in line with anticipated onboarding date.

**510-030 Overtime.** Decrease of \$10K in overtime.

**530-010 Fringe Expenses.** FICA, Retirement (ERS), Life Insurance (EUTF), and OPEB. Reallocation of -to- anticipated and estimated expenses department-wide for FY2026.



# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Engineering Division-Project Management, Page 80

ENGINEERING DIVISION - PROJECT MANAGEMENT				
		FY 2025 Budget	FY 2026 Proposed Budget	Change +/-
	<b>Labor &amp; Related Fringe Expenses</b>			
510-010	Salaries and Wages (including Leaves & CTO)	\$ 621,648	\$ 659,775	\$ 38,127
510-020	Temporary Assignment	-	-	-
510-030	Overtime	30,000	60,000	30,000
530-010	FICA	49,851	55,063	5,212
530-020	Retirement Contributions	149,196	172,746	23,550
530-030	Life & Health Insurance	66,145	59,082	(7,063)
530-060	Other Post Employment Benefits (OPEB)	92,195	90,579	(1,616)
	<b>Total Labor &amp; Related Fringe Expenses</b>	<b>\$ 1,009,035</b>	<b>\$ 1,097,245</b>	<b>\$ 88,210</b>
	<b>Total Engineering-Project Management Operating Expenses</b>	<b>\$ 1,009,035</b>	<b>\$ 1,097,245</b>	<b>\$ 88,210</b>

**Notes:** Overall increase to Engineering Division-Project Management by \$88K, as compared to FY2025.

**510-010 Salaries and Wages.** Increase of \$38K in salaries; three (3) vacancies budgeted in line with anticipated onboarding date.

**510-030 Overtime.** Increase of \$30K in overtime.

**530-010 Fringe Expenses.** FICA, Retirement (ERS), Life Insurance (EUTF), and OPEB. Reallocation of -to- anticipated and estimated expenses department-wide for FY2026.

**530-060**



# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Engineering Division-Water Resource, Page 81

ENGINEERING DIVISION - WATER RESOURCE				
		FY 2025 Budget	FY 2026 Proposed Budget	Change +/-
	<b>Labor &amp; Related Fringe Expenses</b>			
510-010	Salaries and Wages (including Leaves & CTO)	\$ 423,982	\$ 356,980	\$ (67,002)
510-020	Temporary Assignment	15,000	15,000	-
510-030	Overtime	50,000	60,000	10,000
530-010	FICA	37,407	33,046	(4,361)
530-020	Retirement Contributions	101,756	103,675	1,919
530-030	Life & Health Insurance	36,747	49,235	12,488
530-060	Other Post Employment Benefits (OPEB)	51,220	45,289	(5,931)
	<b>Total Labor &amp; Related Fringe Expenses</b>	<b>\$ 716,112</b>	<b>\$ 663,225</b>	<b>\$ (52,887)</b>
	<b>Total Engineering-Water Resource Operating Expenses</b>	<b>\$ 716,112</b>	<b>\$ 663,225</b>	<b>\$ (52,887)</b>

**Notes:** Overall decrease to Engineering Division-Water Resource by \$53K, as compared to FY2025.

**510-010 Salaries and Wages.** Decrease of \$67K in salaries; movement of one (1) position to Engineering Division-Administration as currently proposed in the departmental reorganization plan.

**510-030 Overtime.** Increase of \$10K in overtime.

**530-010 Fringe Expenses.** FICA, Retirement (ERS), Life Insurance (EUTF), and OPEB. Reallocation of -to- anticipated and estimated expenses department-wide for FY2026.

**530-060**



# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Operations Division-Source, Page 94

OPERATIONS DIVISION - SOURCE				
		FY 2025 Budget	FY 2026 Proposed Budget	Change +/-
	<b>Labor &amp; Related Fringe Expenses</b>			
510-010	Salaries and Wages (including Leaves & CTO)	\$ 474,576	\$ 488,952	\$ 14,376
510-020	Temporary Assignment	2,000	2,000	-
510-030	Overtime	10,000	10,000	-
510-040	Standby	7,000	7,000	-
530-010	FICA	37,759	38,858	1,099
530-020	Retirement Contributions	113,898	121,908	8,010
530-030	Life & Health Insurance	56,818	59,082	2,264
530-060	Other Post Employment Benefits (OPEB)	62,406	54,347	(8,059)
	<b>Total Labor &amp; Related Fringe Expenses</b>	<b>\$ 764,457</b>	<b>\$ 782,147</b>	<b>\$ 17,690</b>
	<b>Bulk Water Purchase</b>			
565-000	Bulk Water Purchase	\$ 1,934,935	\$ 1,934,935	\$ -
	<b>Total Bulk Water Purchase</b>	<b>\$ 1,934,935</b>	<b>\$ 1,934,935</b>	<b>\$ -</b>
	<b>Office &amp; Operating Supplies</b>			
563-000	Operating Supplies	\$ 80,000	\$ 80,000	\$ -
	<b>Total Office &amp; Operating Supplies</b>	<b>\$ 80,000</b>	<b>\$ 80,000</b>	<b>\$ -</b>
	<b>Total Operations-Source Operating Expenses</b>	<b>\$ 2,779,392</b>	<b>\$ 2,797,082</b>	<b>\$ 17,690</b>

**Notes:** Overall increase to Operations Division-Source by \$18K, as compared to FY2025.

**510-010 Salaries and Wages.** Increase of \$14K in salaries; added one (1) position from Administration Division and moved one (1) position to Operations Division-Transmission & Distribution as currently proposed in the departmental reorganization plan.

**530-010 Fringe Expenses.** FICA, Retirement (ERS), Life Insurance (EUTF), and OPEB. Reallocation of -to- anticipated and estimated expenses department-wide for FY2026.

**530-060**



# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Operations Division-Purification, Page 95

OPERATIONS DIVISION - PURIFICATION				
		FY 2025 Budget	FY 2026 Proposed Budget	Change +/-
	<b>Labor &amp; Related Fringe Expenses</b>			
510-010	Salaries and Wages (including Leaves & CTO)	\$ 190,188	\$ 279,936	\$ 89,748
510-020	Temporary Assignment	2,000	2,000	-
510-030	Overtime	30,000	30,000	-
530-040	Standby	10,000	10,000	-
530-010	FICA	17,762	24,628	6,866
530-020	Retirement Contributions	45,645	77,265	31,620
530-030	Life & Health Insurance	24,351	39,388	15,037
530-060	Other Post Employment Benefits (OPEB)	26,746	36,231	9,485
	<b>Total Labor &amp; Related Fringe Expenses</b>	<b>\$ 346,692</b>	<b>\$ 499,448</b>	<b>\$ 152,756</b>
	<b>Office &amp; Operating Supplies</b>			
563-000	Operating Supplies	\$ 181,360	\$ 189,928	\$ 8,568
	<b>Total Office &amp; Operating Supplies</b>	<b>\$ 181,360</b>	<b>\$ 189,928</b>	<b>\$ 8,568</b>
	<b>Total Operations-Purification Operating Expenses</b>	<b>\$ 528,052</b>	<b>\$ 689,376</b>	<b>\$ 161,324</b>

**Notes:** Overall increase to Operations Division-Purification by \$161K, as compared to FY2025.

**510-010 Salaries and Wages.** Increase of \$90K in salaries; FY2025 budget included 3 FTE; FY2026 includes 4 FTE

**530-010 Fringe Expenses.** FICA, Retirement (ERS), Life Insurance (EUTF), and OPEB. Reallocation of -to- anticipated and estimated expenses department-wide for FY2026.

**530-060**





# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Operations Division-Power & Pump, Page 96

OPERATIONS DIVISION - POWER & PUMP (P & P)				
		FY 2025 Budget	FY 2026 Proposed Budget	Change +/-
	<b>Labor &amp; Related Fringe Expenses</b>			
510-010	Salaries and Wages (including Leaves & CTO)	\$ 202,428	\$ 230,760	\$ 28,332
510-020	Temporary Assignment	3,000	3,000	-
510-030	Overtime	15,000	20,000	5,000
530-040	Standby	10,000	10,000	-
530-010	FICA	17,628	20,178	2,550
530-020	Retirement Contributions	48,583	63,302	14,719
530-030	Life & Health Insurance	24,351	29,541	5,190
530-060	Other Post Employment Benefits (OPEB)	26,746	27,174	428
	<b>Total Labor &amp; Related Fringe Expenses</b>	<b>\$ 347,736</b>	<b>\$ 403,955</b>	<b>\$ 56,219</b>
	<b>Utilities &amp; Fuel</b>			
551-000	Utilities	\$ 3,403,439	\$ 3,532,071	\$ 128,632
	<b>Total Utilities Expense</b>	<b>\$ 3,403,439</b>	<b>\$ 3,532,071</b>	<b>\$ 128,632</b>
	<b>Repair &amp; Maintenance Expenses</b>			
560-000	Repair & Maintenance-Water System	\$ 40,000	\$ 250,000	\$ 210,000
	<b>Total Repair &amp; Maintenance expenses</b>	<b>\$ 40,000</b>	<b>\$ 250,000</b>	<b>\$ 210,000</b>
	<b>Office &amp; Operating Supplies</b>			
563-000	Operating Supplies	\$ 75,000	\$ 75,000	\$ -
563-010	Inventory Stock	40,000	40,000	-
	<b>Total Office &amp; Operating Supplies</b>	<b>\$ 115,000</b>	<b>\$ 115,000</b>	<b>\$ -</b>
	<b>Total Operations-P &amp; P Operating Expenses</b>	<b>\$ 3,906,175</b>	<b>\$ 4,301,026</b>	<b>\$ 266,219</b>

**Notes:** Overall increase to Operations Division-Power & Pump by \$266K, as compared to FY2025.

**510-010 Salaries and Wages.** Increase of \$28K in salaries; increase due to transfer hire from COK at higher rate of pay.

**530-010 Fringe Expenses.** FICA, Retirement (ERS), Life Insurance (EUTF), and OPEB. Reallocation of -to- anticipated and estimated expenses department-wide for FY2026.

**530-060**

**551-000 Utility Services, page 101.** Increase of \$129K; budget moved from Administration.



# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Operations Division-Transmission & Distribution, Page 97

OPERATIONS DIVISION - TRANSMISSION & DISTRIBUTION (T & D)				
		FY 2025 Budget	FY 2026 Proposed Budget	Change +/-
	<b>Labor &amp; Related Fringe Expenses</b>			
510-010	Salaries and Wages (including Leaves & CTO)	\$ 3,090,129	\$ 3,014,456	\$ (75,673)
510-020	Temporary Assignment	25,000	25,000	-
510-030	Overtime	250,000	350,000	100,000
530-040	Standby	200,000	200,000	-
530-010	FICA	272,732	274,593	1,861
530-020	Retirement Contributions	741,631	861,469	119,838
530-030	Life & Health Insurance	373,376	413,574	40,198
530-060	Other Post Employment Benefits (OPEB)	410,099	425,719	15,620
	<b>Total Labor &amp; Related Fringe Expenses</b>	<b>\$ 5,362,967</b>	<b>\$ 5,564,811</b>	<b>\$ 201,844</b>
	<b>Professional Services &amp; Other Expenses</b>			
541-010	Other Services	\$ 2,000	\$ 3,000	\$ 1,000
545-000	Rentals and Leases	30,000	30,000	-
	<b>Total Professional Services &amp; Other Expenses</b>	<b>\$ 32,000</b>	<b>\$ 33,000</b>	<b>\$ 1,000</b>
	<b>Repair &amp; Maintenance Expenses</b>			
560-000	Repair & Maintenance-Water System	\$ 340,000	\$ 140,000	\$ (200,000)
561-000	Repair & Maintenance-Non-Water System	203,400	233,400	30,000
	<b>Total Repair &amp; Maintenance expenses</b>	<b>\$ 543,400</b>	<b>\$ 373,400</b>	<b>\$ (170,000)</b>
	<b>Utilities &amp; Fuel</b>			
564-000	Fuel	\$ 192,500	\$ 160,000	\$ (32,500)
	<b>Total Utilities Expense</b>	<b>\$ 192,500</b>	<b>\$ 160,000</b>	<b>\$ (32,500)</b>
	<b>Office &amp; Operating Supplies</b>			
563-000	Operating Supplies	\$ 368,800	\$ 368,800	\$ -
563-010	Inventory Stock	2,095,000	1,097,000	(998,000)
	<b>Total Office &amp; Operating Supplies</b>	<b>\$ 2,463,800</b>	<b>\$ 1,465,800</b>	<b>\$ (998,000)</b>
	<b>Training, Travel, and Meeting Expense</b>			
571-010	Training and Development	\$ 45,000	\$ 45,000	\$ -
572-010	Travel and Per Diem	45,000	45,000	-
	<b>Total Training, Travel, and Meeting Expense</b>	<b>\$ 90,000</b>	<b>\$ 90,000</b>	<b>\$ -</b>
	<b>Total Operations-T &amp; D Operating Expenses</b>	<b>\$ 8,684,667</b>	<b>\$ 7,687,011</b>	<b>\$ (997,656)</b>

**Notes:** Overall decrease to Operations Division-Transmission and Distribution by \$998K, as compared to FY2025.

**510-010 Salaries and Wages.** Decrease of \$76K in salaries; nine (9) vacant positions, two (2) dollar-funded, seven (7) positions budgeted in line with anticipated onboarding date.

**510-030 Overtime.** Increase of \$100K in overtime.

**530-010 Fringe Expenses.** FICA, Retirement (ERS), Life Insurance (EUTF), and OPEB. Reallocation of -to- anticipated and estimated expenses department-wide for FY2026.

**530-060**

**560-000 Repair & Maintenance, page 103.** Decrease of \$200K; defer tank cleaning.

**564-000 Fuel, page 111.** Decrease of \$32K; reduction in diesel and gasoline, offset by increase in non-ethanol fuel

**563-010 Inventory Stock, page 110.** Decrease of \$998K; reduction in meters \$1.3M, offset by \$400K in warehouse parts and materials.



# FY2026 DRAFT OPERATING AND CAPITAL BUDGET

## Proposed Capital Budget, Page 117

		FY 2026 Proposed Budget
<b>Capital Budget (New Appropriations)</b>		<b>9,929,277</b>
<b>Water Utility Fund (Capital - Rehabilitation &amp; Replacement)</b>		<b>2,680,000</b>
10-20-00-604-136	WU-Eng H-05 Weke, Anae, Mahimahi and Hee Roads 6" and 8" Main Replacement	300,000
10-20-00-604-148	WU-Eng PLH-27 Kūhiō Highway (Hardy-Oxford) 16' Main Replacement	400,000
10-20-00-604-116	WU-Eng WK-08-Kapaa Homesteads 2-0.5MG Tanks	300,000
10-20-00-604-138	WU-Eng HE-03a Hanapēpē Town Well MCC, Chlorination Facilities	100,000
10-20-00-604-157	WU-Eng WK-03 Kilauea Wells MCC Rehab	200,000
10-20-00-604-175	WU-Eng Phase I-Demo Admin Building/Relocate Electrical Conduit/add ATS to Microlab	50,000
10-40-00-604-999	WU-Ops-RandR Capital Purchases	1,330,000
<b>Water Utility Fund (Capital - Expansion)</b>		<b>4,849,277</b>
10-02-00-605-999	WU-IT-Expansion Capital Purchases--	920,001
10-20-00-605-999	WU-Eng-Expansion Capital Purchases--	10,000
10-20-00-605-116	WU-Eng WK-08-Kapaa Homesteads 2-0.5MG Tanks	400,000
10-20-00-605-118	WU-Eng WK-39, Kapaa Homesteads Well No. 4 Pump and Controls	2,400,000
10-40-00-605-999	WU-Ops-Expansion Capital Purchases	1,119,276
<b>Grant Fund (Capital - Expansion)</b>		<b>2,400,000</b>
40-20-00-605-118	SA-Eng WK-39, Kapaa Homesteads Well No. 4 Pump and Controls	2,400,000

**Notes: Water Utility Fund.** Capital Budget proposed for FY2026 is \$7.5M.

**Rehabilitation & Replacement. \$2.68M** Initial Budget totaled \$6.85M, deferred and cut:

- \$400K Demolition of Old Admin building, **page 115**
- \$200K Replacement of 2011 dump truck, **page 115**
- \$70K Replacement track loader mower deck, **page 115**
- \$3.1M PLH-27 Kūhiō Highway (Hardy-Oxford) 16' Main Replacement, **page 119**
- \$400K Reallocate Electrical Conduit, add ATS to Microlab, **page 119**

**Expansion. \$4.85M** Initial Budget totaled \$5.8M, deferred and cut:

- \$200K Kilohana on-site generation, **page 116**
- \$300K Security and hardening facility improvements, **page 116**
- \$150K Haena 0.2MG Tank, **page 120**
- \$150K WKK-15 Kilauea 1.0 MG Tank, **page 120**
- \$150K K-01 Kalāheo Water System Improvements, **page 120**