



TOWN OF RIVER BEND

1981

NORTH CAROLINA

Town of River Bend

Fiscal Year
2026-2027
Budget Workshop

Session III

May 11, 2026



This presentation and all of the previous presentations for the FY26-27 budget workshops are available on the Town's webpage at:

www.riverbendnc.org

Town of River Bend

Mayor and Town Council Priorities for Fiscal Year 2026-27 (approved 2-19-26)



Changes Since Last Meeting

Town of River Bend

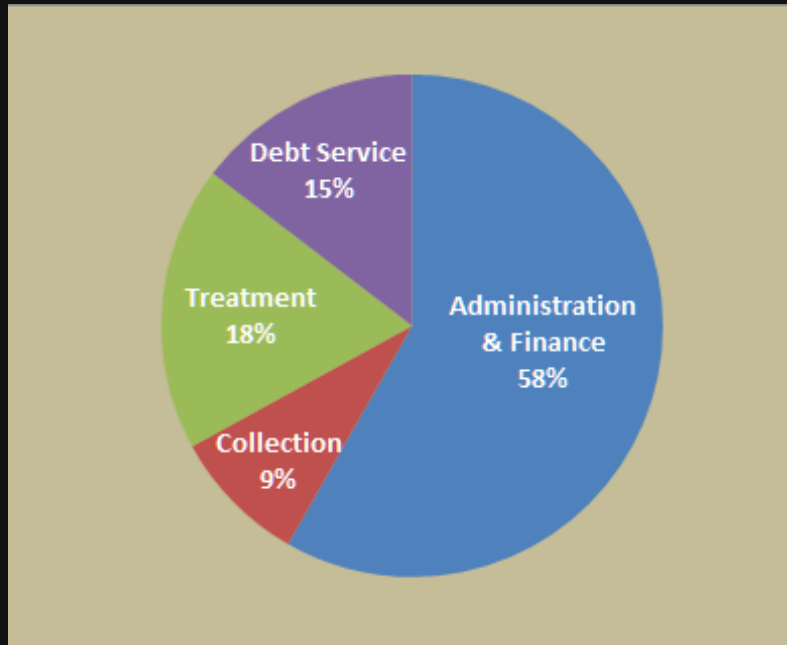
Fiscal Year 2026-2027 Budget Workshop

May 11, 2026

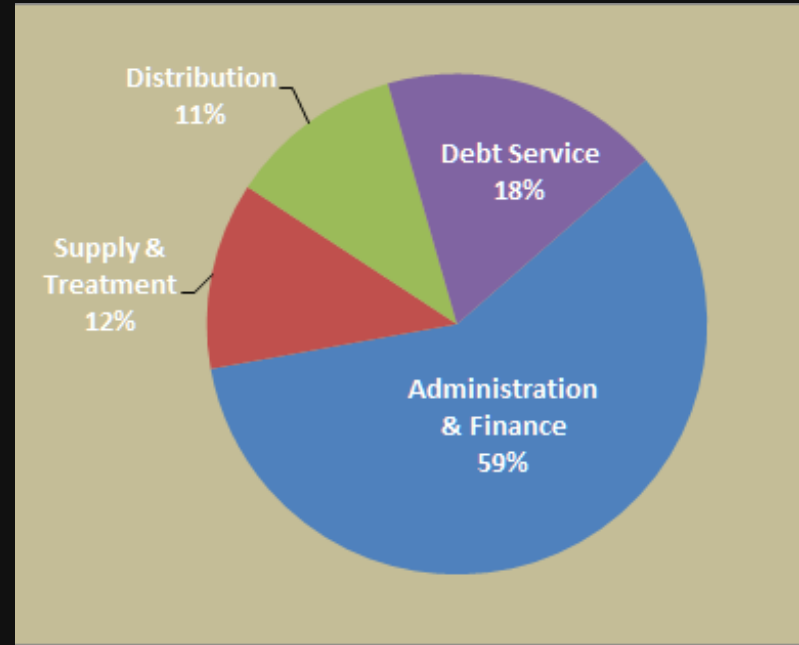
- 24. Water and Sewer Fund Cash Levels**
- 25. Water Fund Departments**
- 26. Sewer Fund Departments**
- 27. Utility Financial Model**
- 28. Water and Sewer Revenue/Expense**

Our Enterprise Funds are the Water & Sewer Funds each one is operated separately

SEWER



WATER



Each has 3 departments and each has debt service. These charts show the percentage of FY 26-27 spending that each area represents. No general fund revenues support these funds. Bond obligation debt service is paid from the Administration & Finance Department in each fund, but for illustrative purposes, debt service is shown separately in the charts.



Drum roll, please....

Enterprise Fund Debt Service

| Payment Date | Debt Service on Series 2013 Refunding Bonds | | | | Debt Service Requirement | |
|--------------|---|--------------|----------|------------|--------------------------|-----------------|
| | Principal | Rate | Interest | Total | | |
| 6/1/2013 | | | 0.00% | 15,043 | \$ 15,043 | \$ 188,542.92 |
| 12/1/2013 | \$ 2,960,000 | | 0.00% | 34,275 | \$ 34,275 | 38,650.00 |
| 6/1/2014 | 25,000 | 2.00% | 34,275 | \$ 59,275 | | 238,650.00 |
| 12/1/2014 | \$ 2,935,000 | | 0.00% | 34,025 | \$ 34,025 | 34,025.00 |
| 6/1/2015 | 205,000 | 2.00% | 34,025 | \$ 239,025 | | 239,025.00 |
| 12/1/2015 | \$ 2,730,000 | | 0.00% | 31,975 | \$ 31,975 | 31,975.00 |
| 6/1/2016 | 205,000 | 2.00% | 31,975 | \$ 236,975 | | 236,975.00 |
| 12/1/2016 | \$ 2,525,000 | | 0.00% | 29,925 | \$ 29,925 | 29,925.00 |
| 6/1/2017 | 215,000 | 2.00% | 29,925 | \$ 244,925 | | 244,925.00 |
| 12/1/2017 | \$ 2,310,000 | | 0.00% | 27,775 | \$ 27,775 | 27,775.00 |
| 6/1/2018 | 15,000 | 2.00% | 27,775 | \$ 242,775 | | 242,775.00 |
| 12/1/2018 | \$ 2,095,000 | | 0.00% | 25,625 | \$ 25,625 | 25,625.00 |
| 6/1/2019 | 0 | 2.00% | 25,625 | \$ 245,625 | | 245,625.00 |
| 12/1/2019 | \$ 1,875,000 | | 0.00% | 23,425 | \$ 23,425 | 23,425.00 |
| 6/1/2020 | 200,000 | 2.00% | 23,425 | \$ 248,425 | | 248,425.00 |
| 12/1/2020 | \$ 1,650,000 | | 0.00% | 21,175 | \$ 21,175 | 21,175.00 |
| 6/1/2021 | 235,000 | 2.00% | 21,175 | \$ 256,175 | | 256,175.00 |
| 12/1/2021 | \$ 1,415,000 | | 0.00% | 18,825 | \$ 18,825 | 18,825.00 |
| 6/1/2022 | 240,000 | 0.00% | 18,825 | \$ 258,825 | | 258,825.00 |
| 12/1/2022 | \$ 1,175,000 | | 0.00% | 16,425 | \$ 16,425 | 16,425.00 |
| 6/1/2023 | 240,000 | 0.00% | 16,425 | \$ 256,425 | | 256,425.00 |
| 12/1/2023 | \$ 935,000 | | 0.00% | 14,025 | \$ 14,025 | 14,025.00 |
| 6/1/2024 | 235,000 | 3.00% | 14,025 | \$ 249,025 | | 249,025.00 |
| 12/1/2024 | \$ 700,000 | | 0.00% | 10,500 | \$ 10,500 | 10,500.00 |
| 6/1/2025 | 230,000 | 3.00% | 10,500 | \$ 240,500 | | 240,500.00 |
| 12/1/2025 | \$ 470,000 | | 0.00% | 7,050 | \$ 7,050 | 7,050.00 |
| 6/1/2026 | 235,000 | 3.00% | 7,050 | \$ 242,050 | | 242,050.00 |
| 12/1/2026 | \$ 235,000 | | 0.00% | 3,525 | \$ 3,525 | 3,525.00 |
| 6/1/2027 | 235,000 | 3.00% | 3,525 | \$ 238,525 | | 238,525.00 |
| Totals | \$ - | \$ 2,960,000 | | 612,143 | \$ 3,572,143 | \$ 3,929,392.92 |

This chart shows our bond debt service amounts for FY 27 (highlighted)



Enterprise Funds – Debt Service – Refunded Debt

Bond Issue

This General Obligation Bond is used to finance the purchase of the Water and Sewer systems from Carolina Water Service.

| AMOUNT | PERCENT | FUND |
|-----------|-----------|----------------|
| 1,588,384 | 53.6616% | Water |
| 1,371,616 | 46.3384% | Sanitary Sewer |
| 2,960,000 | 100.0000% | |



| Fiscal Year 2026-27 Debt Obligations Summary | | | | | | | | | | |
|--|--------------------------|-------------------------|---------------|---------------------|------------------------------|---------------------|--------------------|-------------------|---------------|----------------------|
| Year Issued | Project | Loan Type | Amount Issued | Fiscal Year Retired | Interest Rate | Debt as of 7/1/2026 | FY 26-27 Principal | FY 26-27 Interest | Total Payment | Debt as of 6/30/2027 |
| Water Fund | | | | | | | | | | |
| 2013* | Purchase of Water System | General Obligation Bond | 1,588,384 | 2027 | 2 -3 % ** | 126,105 | 126,105 | 3,783 | 129,888 | - |
| Remaining Water Debt at end of Fiscal Year | | | - | | | | | | | |
| Sewer Fund | | | | | | | | | | |
| 2013* | Purchase of Sewer System | General Obligation Bond | 1,371,616 | 2027 | 2 -3 % ** | 108,895 | 108,895 | 3,267 | 112,162 | - |
| | | | | | | TOTAL | 235,000 | | | \$ - |
| Remaining Sewer Debt at end of Fiscal Year | | | - | | | | | | | |
| | | | | | ** Rate changes per schedule | | | | | |
| * 1997 and 2000 USDA debt refinanced with bonds in FY2005; savings of \$2.4 million. Series 2004 bonds refunded in FY2013 - savings of \$300,000. | | | | | | | | | | |

Enterprise Fund Debt



For every dollar proposed to be spent in the Enterprise Fund, about 17¢ goes toward retirement of bond debt for the purchase of the water and sewer systems. In addition to the bond debt, the water fund also has \$5,750 in debt service for the 0% loan associated with the water meter replacement project. This will be year 4 of 20 for that debt.

Debt as a Percentage of Total Expense in FY 26-27

Water = 19% (\$129,888)

Sewer = 15% (\$112,162)

TOTAL \$242,050

Both mature in 2027

Enterprise Fund Summary

(after the same variables as discussed in the General Fund are applied)

- Represents an overall 3.05% increase in spending over last year (+\$45,850)
- No fee or rate increase but replaces hydrant fee with availability fee. This is a terminology only change with no change in fee charged
- Maintains all current programs and services
- Funds all employee compensation costs as discussed in General Fund
- Provides funding for \$242,050 for bond debt service
- Includes \$30,961 for water tank maintenance contract
- Includes \$143,700 of appropriated fund balance in water (+28% vs. budgeted in FY26)
- Includes \$14,000 funding for equipment purchase
- Includes \$121,700 of appropriated fund balance in Sewer Fund (+28% vs. budgeted in FY26)
- Includes \$42,000 in CIP funding for water line extension and manhole lining

Quick Comparison of FY26 vs. FY27 Combined Water and Sewer Funds

| These figures include transfers to capital reserves | | | | | | |
|---|-------------|-------------|----------|-----------|-------------------|--|
| | Current | Proposed | Change % | Change \$ | Bond Debt Service | |
| Water | \$712,800 | \$744,500 | 4.45% | \$31,700 | \$129,888 | |
| Sewer | \$788,550 | \$802,700 | 1.79% | \$14,150 | \$112,162 | |
| Total | \$1,501,350 | \$1,547,200 | 3.05% | \$45,850 | \$242,050 | |

Water Capital Improvement Plan (CIP)

| CAPITAL IMPROVEMENT PLAN Water Fund | | Prior Year | Upcoming Year | Future Years | | | | |
|---|--------------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| | | 2025-2026 | 2026-2027 | 2027-2028 | 2028-2029 | 2029-2030 | 2030-2031 | 2032-2037 |
| Appropriation: Annual | | 15,000 | 20,000 | 20,000 | 25,000 | 30,000 | 25,000 | 150,000 |
| Appropriation: Grant/Loan/Other Funds | | 2,000,000 | | | | | | |
| Appropriation: For Vehicles (50/50 with sewer) | | 5,500 | 5,500 | 6,000 | 6,500 | 6,500 | 7,000 | 52,500 |
| FY Appropriation: | | \$ 2,020,500 | \$ 25,500 | \$ 26,000 | \$ 31,500 | \$ 36,500 | \$ 32,000 | \$ 202,500 |
| Previous Year Ending Balance | | \$ 22,260 | | | | | | |
| Capital Projects | Prior Project yr. | | | | | | | |
| <i>Administration:</i> | | | | | | | | |
| Vehicle Replacement (split Water/Sewer) | Per schedule | | | | 24,500 | 20,500 | | 22,000 |
| Backhoe (split with water and general) | 21-22 | | | | | | | 60,000 |
| <i>Treatment</i> | | | | | | | | |
| Well #1 Replacement | | 1,000,000 | | | | | | |
| Well #2 Replacement | | 1,000,000 | | | | | | |
| Treatment House Corrosion Prevention | 20-21 | | | | | | | |
| Filter Media Rehab | 24-25 (all 3) | | | | | | | |
| Well #1 Pump Replacement | 13-14 | | | | | | | |
| Water Treatment Plant Improvements | 24-25 | | | | | | | |
| Sampling Station Replacement | 23-24 | | | | | 10,000 | | |
| <i>Distribution</i> | | | | | | | | |
| Line Extension (2 on Old Pollockville Rd.) | | 25,000 | 25,000 | | | | | |
| Howell Center and Riverstone Backflow | 11-12 | | | | | | | |
| Industrial Meter Replacement | | | | | 6,000 | | | |
| Elevated Tank Projects | | | | | | 30,000 | | |
| | FY Expenditures: | 2,025,000 | 25,000 | | 30,500 | 60,500 | | 82,000 |
| Any reserves shown in ending balance line are accounted for in fund balance | | 2025-2026 | 2026-2027 | 2027-2028 | 2028-2029 | 2029-2030 | 2030-2031 | 2032-2037 |
| Ending Balance | | \$ 17,760 | \$ 18,260 | \$ 44,260 | \$ 45,260 | \$ 21,260 | \$ 53,260 | \$ 173,760 |

Approved 4-9-26

Sewer Capital Improvement Plan (CIP)

| CAPITAL IMPROVEMENT PLAN Sewer Fund | | Prior Year | Upcoming Year | Future Years | | | | |
|---|--|--------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | 2025-2026 | 2026-2027 | 2027-2028 | 2028-2029 | 2029-2030 | 2030-2031 | 2032-2037 |
| Appropriation: Annual | | 20,000 | 30,000 | 30,000 | 35,000 | 35,000 | 36,000 | 216,000 |
| Appropriation: Grant Funds, Loans | | 10,000,000 | 3,900,000 | | | | | |
| Appropriation: Vehicles (50/50 with water) | | 5,500 | 5,500 | 6,000 | 6,500 | 6,500 | 7,000 | 52,500 |
| FY Appropriations: | | \$ 10,025,500 | \$ 3,935,500 | \$ 36,000 | \$ 41,500 | \$ 41,500 | \$ 43,000 | \$ 268,500 |
| Previous Year Ending Balance | | \$ 26,163 | | | | | | |
| Capital Projects | | Prior Project yr. | | | | | | |
| <i>Administration:</i> | | | | | | | | |
| Vehicle Replacement (split Water/Sewer) | | Per schedule | | | | 24,500 | 20,500 | 22,000 |
| Backhoe (split with water and general) | | 21-22 | | | | | | 60,000 |
| <i>Collection:</i> | | | | | | | | |
| Rehabilitate Lift Station #1 | | | 735,000 | | | | | |
| Rehabilitate Lift Station #2 | | | | 771,000 | | | | |
| Rehabilitate Lift Station #3 | | | | | 810,000 | | | |
| Rehabilitate Lift Station #6 | | | | | | | 884,000 | 35,000 |
| Lining Sewer Manholes | | 13-14 | 25,000 | 17,000 | | 19,000 | | 40,000 |
| Backup Generator | | | | | | | | 50,000 |
| Second Sewer Force Main Under Canal | | | | | | 700,000 | | |
| <i>Treatment:</i> | | | | | | | | |
| WWTP Enhancements Phase I | | 24-25 | | | | | | |
| WWTP Enhancements Phase II | | 14-15 | 10,000,000 | | | | | |
| Backup Generator | | | | | | | | 60,000 |
| Sewer Jetter | | | | | 55,000 | | | |
| FY Expenditures: | | 10,025,000 | 752,000 | 771,000 | 889,500 | 739,500 | 884,000 | 267,000 |
| Any reserves shown in ending balance line are accounted for in fund balance | | 2025-2026 | 2026-2027 | 2027-2028 | 2028-2029 | 2029-2030 | 2030-2031 | 2032-2037 |
| | | Ending Balance | \$ 26,663 | \$ 3,210,163 | \$ 2,475,163 | \$ 1,627,163 | \$ 929,163 | \$ 88,163 |

Approved 4-9-26

Water Operations

Water – System “Snapshot”

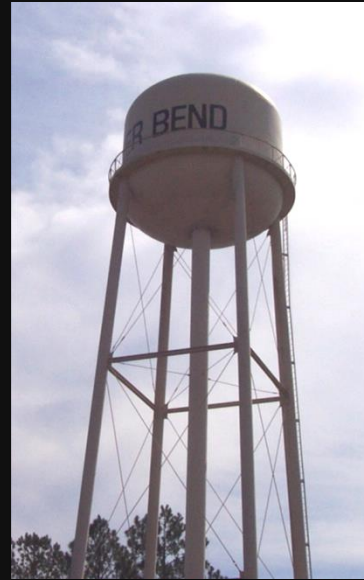
Three groundwater wells with a combined capacity of 925,000 gallons per day.

Two elevated storage tanks with a combined capacity of 400,000 gallons.

In FY 2025 we treated 118,103,000 gallons of water (average of 323,373 gallons per day).

Water is transmitted to 1,492 current users (meters) through 19 miles of pipe ranging in size from 2 to 8 inches in diameter.

There are 109 hydrants located throughout the system in order to give the fire department ample access to water for their work.



| Water Admin & Finance | | 23-24 | | 24-25 | | 25-26 | | 26-27 | |
|-----------------------|------------------------------|------------------|--------------------|------------------|--------------------|-------------------------------|------------------------------|-----------------------|--------------------|
| | | YR End Budget | Actual Year-End | YR End Budget | Actual Year-End | Current Budget 04/09/26 | Expend. as of 02/28/26 | Projected Year-End | Proposed Budget |
| Page 1 of 2 | | | | | | | | | |
| 60-7125 | | | | | | | | | |
| 121 | Wages & Salaries | 124,813 | 120,365 | 130,715 | 131,020 | 131,369 | 86,073 | 132,873 | 139,520 |
| 122 | Overtime | 1,000 | 1,746 | 1,000 | 1,062 | 1,000 | 1,317 | 1,317 | 1,000 |
| 134 | 401(k) Retirement | 5,820 | 6,123 | 6,150 | 6,532 | 6,383 | 4,329 | 6,709 | 6,763 |
| 181 | FICA | 9,229 | 9,337 | 9,333 | 9,971 | 9,766 | 6,686 | 10,266 | 10,348 |
| 182 | Loc Govt Emp Retirement | 15,534 | 24,094 | 17,347 | 27,732 | 18,990 | 12,423 | 19,256 | 21,155 |
| 183 | Group Insurance | 16,172 | 13,074 | 17,807 | 15,959 | 18,837 | 10,366 | 19,128 | 21,277 |
| 185 | Unemployment Comp. | 0 | 18 | 0 | 0 | 0 | 0 | 0 | 0 |
| 186 | Workers' Compensation Ins. | 3,663 | 3,444 | 3,837 | 2,129 | 2,315 | 1,842 | 1,842 | 2,160 |
| 310 | Travel & Subsistence | 500 | 165 | 900 | 132 | 800 | 225 | 300 | 800 |
| 395 | Training | 600 | 919 | 2,250 | 2,440 | 2,000 | 1,798 | 2,000 | 1,200 |
| 191 | Auditing Service | 8,000 | 7,667 | 8,000 | 6,667 | 8,000 | 6,667 | 6,667 | 8,667 |
| 192 | Professional Service - Legal | 1,000 | 3,185 | 1,000 | 3,311 | 3,500 | 1,469 | 2,469 | 3,500 |
| 193 | Engineering Services | 2,000 | 0 | 2,000 | 208 | 2,000 | 633 | 633 | 2,000 |
| 381 | Other IT Services | 2,168 | 2,505 | 1,624 | 1,564 | 1,624 | 1,063 | 1,523 | 1,598 |
| 382 | Banking Services | 1,482 | 1,469 | 1,482 | 1,651 | 1,634 | 1,188 | 1,788 | 1,710 |
| 393 | Temporary Help Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 399 | Contracted Services | 10,537 | 10,051 | 10,627 | 7,231 | 6,124 | 1,324 | 6,124 | 6,651 |
| 440 | VC3 IT Service & Maint. | 22,454 | 20,768 | 23,706 | 22,139 | 25,404 | 16,268 | 24,616 | 26,845 |
| 441 | Edmunds Service & Maint. | 3,534 | 3,549 | 3,727 | 3,717 | 3,893 | 3,903 | 3,903 | 4,088 |
| 482 | Indirect Cost- Labor | 116,394 | 116,394 | 124,369 | 124,369 | 136,920 | 91,280 | 136,920 | 146,057 |
| 481 | Labor Allocation | -47,544 | -47,544 | -45,712 | -45,711 | -47,448 | -31,632 | -47,448 | -51,136 |
| 212 | Uniforms | 3,300 | 3,611 | 3,300 | 5,292 | 5,800 | 2,670 | 4,588 | 4,600 |
| 251 | Motor Fuel | 3,494 | 2,926 | 4,111 | 3,049 | 3,640 | 1,535 | 2,535 | 3,640 |
| 260 | Office Supplies | 2,300 | 2,781 | 2,300 | 4,637 | 2,300 | 1,971 | 2,300 | 2,300 |
| 320 | Telephone & Postage | 6,572 | 6,579 | 7,046 | 6,949 | 7,456 | 4,887 | 7,343 | 7,622 |
| 340 | Printing | 0 | 0 | 0 | 0 | 0 | 83 | 83 | 0 |
| 353 | Vehicle Maint. & Repair | 856 | 1,146 | 856 | 519 | 1,200 | 1,211 | 1,861 | 1,200 |
| 370 | Advertising | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 391 | Legal Advertising | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 430 | Bldg & Equip Rental | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | 6,000 | 9,000 | 9,000 |
| 450 | Insurance: Prop/Liab | 18,884 | 18,238 | 21,562 | 21,511 | 25,162 | 24,932 | 24,932 | 28,925 |
| 491 | Dues & Subscriptions | 1,500 | 1,396 | 1,560 | 1,489 | 1,655 | 1,561 | 1,621 | 1,675 |

Water Administration and Finance Continued

| Water Admin & Finance Page 2 of 2 60-7125 | | 23-24 | | 24-25 | | 25-26 | | 26-27 | |
|---|----------------------------|------------------|--------------------|------------------|--------------------|-------------------------------|------------------------------|-----------------------|--------------------|
| | | YR End Budget | Actual Year-End | YR End Budget | Actual Year-End | Current Budget 04/09/26 | Expend. as of 02/28/26 | Projected Year-End | Proposed Budget |
| 520 | Capital Outlay - Comp. Eq. | 469 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 540 | Capital Outlay - Mot Veh | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 550 | Capital Outlay- Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 580 | Capital Outlay- Buildings | 0 | 0 | 0 | 0 | | 0 | 0 | |
| 710 | Bond Principal Payment | 126,105 | 126,105 | 123,422 | 123,422 | 126,105 | 0 | 126,105 | 126,105 |
| 720 | Bond Interest Payment | 15,052 | 15,052 | 11,269 | 11,269 | 7,566 | 3,783 | 7,566 | 3,783 |
| 730 | Loan Payment-water meters | 6,516 | 5,750 | 5,750 | 5,750 | 5,750 | 0 | 5,750 | 5,750 |
| 499 | Miscellaneous | 400 | 195 | 610 | 0 | 1,255 | 0 | 1,255 | 1,272 |
| 500 | Sales Tax | 0 | 0 | 0 | 0 | 625 | 382 | 625 | 625 |
| | TOTAL | 491,804 | 490,108 | 510,948 | 515,009 | 530,625 | 266,233 | 526,446 | 550,700 |
| | | | | | | 530,000 | | | 20,075 |

Water – Administration & Finance

121 – Wages & Salaries – Wages & Benefits per allocation table discussed in the first budget workshop (40% utility operators, 50% finance asst., PW Director)

310/395 – Training and travel - \$2,000

193 – Engineering Services – \$2,000

399 – Contracted Services –

| | | |
|--------------------------|--------------|--|
| Reverse 911 (Blackboard) | 449 | (\$1,797 total, 50% gen, 25% water, 25% sewer) |
| Locate Plus | 425 | (\$850 total, 50% water, 50% sewer) |
| Neptune Support | 4,585 | (\$7,054 total, 65% water, 35% sewer) |
| Formax Stuffer/sealer | 192 | (\$480 total, 40% gen 25%,water, 25% sewer) |
| Misc. Services | <u>1,000</u> | |
| | \$6,651 | |

440 – IT Services – VC3 Services (\$89,483 total, 40% General Fund, 30% water, 30% sewer)

Water – Administration & Finance

441 – Edmunds– Software maintenance (\$13,625 total, 40% general, 30%water, 30% sewer)

251 – Vehicle Fuel – Fuel for vehicles – based upon an estimate of \$3.50 per gallon

260 – Office Supplies – \$2,300

430 – Building and Equipment Rental – The rental of office space from the general fund (\$750 per month/ per utility). \$18,000 per year total, \$9,000 water, \$9,000 sewer.

550 Capital Outlay- none

| Water Supply and Treatment 60-7132 | | 23-24 | | 24-25 | | 25-26 | | 26-27 | |
|--|------------------------------|------------------|--------------------|------------------|--------------------|-------------------------------|------------------------------|-----------------------|--------------------|
| | | YR End Budget | Actual Year-End | YR End Budget | Actual Year-End | Current Budget 04/09/26 | Expend. as of 02/28/26 | Projected Year-End | Proposed Budget |
| 398 | Testing | 9,200 | 9,830 | 9,200 | 15,683 | 18,500 | 18,777 | 23,777 | 11,000 |
| 399 | Contracted Services | 5,500 | 5,044 | 6,550 | 2,483 | 13,005 | 10,041 | 12,041 | 6,505 |
| 298 | Chemicals | 13,132 | 11,951 | 13,132 | 11,560 | 24,132 | 20,037 | 40,037 | 13,132 |
| 299 | Supplies & Materials | 15,800 | 2,568 | 15,800 | 7,502 | 15,800 | 8,435 | 15,800 | 15,800 |
| 330 | Utilities | 10,500 | 11,557 | 11,000 | 13,243 | 14,000 | 7,766 | 11,650 | 14,000 |
| 351 | Maint & Repair- Bldg | 2,500 | 1,894 | 5,288 | 3,231 | 5,000 | 0 | 500 | 2,500 |
| 352 | Maint & Repair- Equip | 4,600 | 108 | 4,600 | 3,074 | 4,600 | 1,003 | 2,000 | 3,600 |
| 430 | Bldg & Equip Rental | 0 | 0 | 0 | 433 | 0 | 0 | 0 | 0 |
| 496 | Permit Fees | 1,800 | 2,240 | 2,240 | 2,240 | 2,240 | 2,365 | 2,365 | 2,365 |
| 499 | Miscellaneous | 768 | 3,800 | 1,478 | 0 | 1,723 | 0 | 0 | 1,598 |
| 500 | Sales Tax | 0 | 0 | 0 | 0 | 2,500 | 2,105 | 4,105 | 2,500 |
| 550 | Capital Outlay- Equipment | 0 | 0 | 71,000 | 56,180 | 0 | 0 | 0 | 14,000 |
| 580 | Capital Outlay-Grounds & Bld | 0 | 0 | 2,500 | 1,825 | 0 | 0 | 0 | 0 |
| 595 | Capital Outlay-Wells/Pumps | 23,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 86,800 | 48,992 | 142,788 | 117,454 | 101,500 | 70,530 | 112,275 | 87,000 |
| | | | | | | 74,000 | | | -14,500 |

Water – Supply & Treatment

399 - Contracted Services – Electrical, calibrate meters, grit removal and other needs

299- Supplies & Materials- Includes small equipment purchases

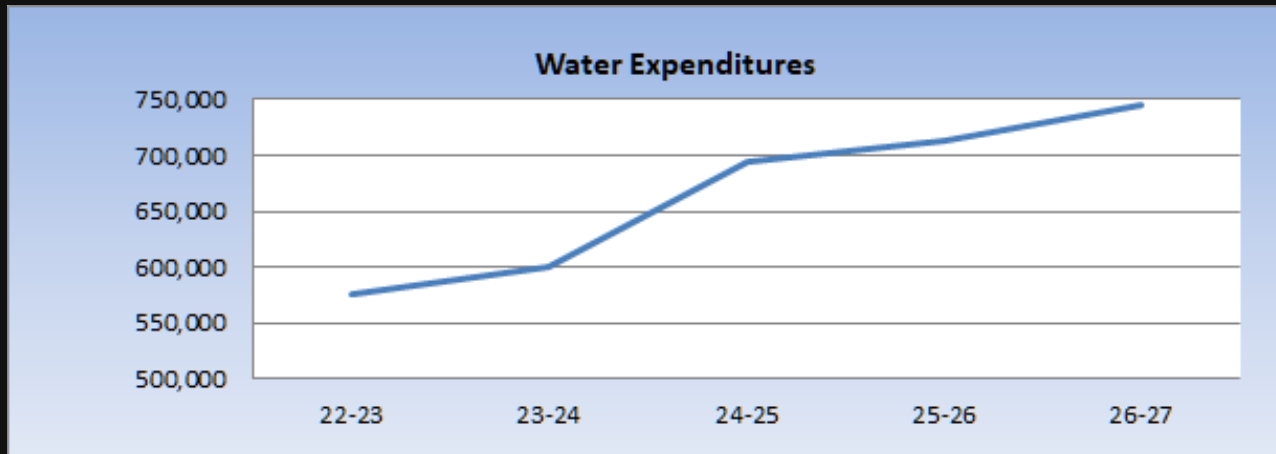
550 - Capital Outlay- Meters for 2 wells \$14,000

| Water Distribution | | 23-24 | | 24-25 | | 25-26 | | | 26-27 |
|--------------------|------------------------------|---------------|-----------------|---------------|-----------------|----------------------------|---------------------------|--------------------|-----------------|
| | | YR End Budget | Actual Year-End | YR End Budget | Actual Year-End | Current Budget 04/09/26 | Expend. as of 02/28/26 | Projected Year-End | Proposed Budget |
| 60-7134 | | | | | | | | | |
| 399 | Contracted Services | 10,096 | 9,747 | 8,158 | 1,413 | 8,139 | 1,397 | 1,647 | 9,384 |
| 442 | Water Tower Service Contract | 28,404 | 28,404 | 30,961 | 30,960 | 30,961 | 30,960 | 30,960 | 30,961 |
| 299 | Supplies & Materials | 21,200 | 18,609 | 14,881 | 10,283 | 10,800 | 11,116 | 14,116 | 10,800 |
| 352 | Maint & Repair- Equip | 2,000 | 2,416 | 2,000 | 126 | 2,000 | 361 | 1,000 | 1,980 |
| 430 | Bldg & Equip Rental | 2,000 | 1,639 | 2,000 | 68 | 2,000 | 100 | 2,000 | 2,000 |
| 500 | Sales Tax | 0 | 0 | 0 | 0 | 1,175 | 770 | 1,175 | 1,175 |
| 550 | Capital Outlay- Equipment | 0 | 0 | 0 | 0 | 5,100 | 5,050 | 5,050 | 0 |
| 596 | Capital Outlay- Lines/Tanks | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 25,000 |
| | TOTAL | 63,700 | 60,815 | 58,000 | 42,851 | 60,175 | 49,754 | 55,948 | 81,300 |
| | | | | | | 84,000 | | | 21,125 |

Water – Distribution

| | |
|---|--------------|
| 399 - Contracted Services - NC One Call | 400 |
| Alarm (well monitoring) | 420 |
| Verizon at water towers | 608 |
| Leak Repair Contingency | <u>7,956</u> |
| | \$9,384 |
| | |
| 442 – Water Tower (2) Service Contract – Annual maintenance (Plantation=\$17,181 Shoreline=\$13,780) | \$30,961 |
| | |
| 299 - Supplies & Materials – | |
| Various Supplies | 1,000 |
| Water Meters & Hydrant | 3,500 |
| Pipe and Fittings | 3,800 |
| Other Small Equipment | <u>2,500</u> |
| | \$10,800 |
| | |
| 550- Capital Outlay Equipment- None | |
| | |
| 596- Capital Outlay- Old Pollocksville Road Line Extension- \$25,000 | |

Water - Summary



| Water | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | Change v. prior year | | |
|----------------------------------|---------------------------------------|----------------|----------------|----------------|----------------|----------------------|---------------|--|
| | Actual | Actual | Actual | Budget | Proposed | % | \$ | |
| Administration & Finance | 481,136 | 490,108 | 515,009 | 530,625 | 550,700 | 3.78% | 20,075 | |
| Supply & Treatment | 46,982 | 48,992 | 117,454 | 101,500 | 87,000 | -14.29% | -14,500 | |
| Distribution | 47,703 | 60,815 | 42,851 | 60,175 | 81,300 | 35.11% | 21,125 | |
| Transfer to Capital Reserve Fund | 0 | 0 | 20,000 | 20,500 | 25,500 | 24.39% | 5,000 | |
| TOTAL (including CIP) | 575,821 | 599,915 | 695,313 | 712,800 | 744,500 | 4.45% | 31,700 | |
| | | | | | | | | |
| | Change in Budgeted Expenditure | | | | | | | |
| | 31,700 | | | | | | | |

Sewer Operations

Sewer – System “Snapshot”

Currently serving 977 users.

Transmitted via approximately 11 miles gravity and force main pipes.

Eight lift stations pressurize portions of the system so the waste is efficiently moved to our treatment facility on Gull Pointe Drive.

Treatment plant permitted capacity of 330,000 gallons per day and discharges treated effluent to the Trent River.

In FY 2025, we treated 38,572,000 gallons of wastewater (average of 105,637 gallons per day or 32% of capacity).



| Sewer Admin & Finance | | 23-24 | | 24-25 | | 25-26 | | 26-27 | |
|-----------------------|------------------------------|---------------|-----------------|---------------|-----------------|----------------------------|---------------------------|--------------------|-----------------|
| | | YR End Budget | Actual Year-End | YR End Budget | Actual Year-End | Current Budget 04/09/26 | Expend. as of 02/28/26 | Projected Year-End | Proposed Budget |
| Page 1 of 2 | | | | | | | | | |
| 61-7125 | | | | | | | | | |
| 121 | Wages & Salaries | 139,177 | 134,603 | 143,554 | 144,198 | 147,006 | 96,007 | 147,982 | 156,493 |
| 122 | Overtime | 1,000 | 952 | 1,000 | 1,202 | 1,000 | 1,604 | 1,604 | 1,000 |
| 134 | 401(k) Retirement | 6,514 | 6,801 | 6,877 | 7,204 | 7,138 | 4,836 | 7,479 | 7,582 |
| 181 | FICA | 10,693 | 10,369 | 10,847 | 10,973 | 10,922 | 7,467 | 11,443 | 11,600 |
| 182 | Loc Govt Emp Retirement | 17,260 | 26,597 | 19,272 | 30,463 | 21,238 | 13,878 | 21,466 | 23,717 |
| 183 | Group Insurance | 17,885 | 14,450 | 19,691 | 17,546 | 20,830 | 11,413 | 21,115 | 23,525 |
| 185 | Unemployment Comp. | 0 | 18 | 0 | 0 | 0 | 0 | 0 | 0 |
| 186 | Workers' Compensation Ins. | 4,302 | 4,041 | 4,508 | 2,491 | 2,712 | 2,161 | 2,161 | 2,537 |
| 310 | Travel & Subsistence | 800 | 160 | 900 | 421 | 900 | 252 | 500 | 900 |
| 395 | Training | 1,000 | 1,112 | 2,250 | 2,965 | 2,000 | -278 | 1,000 | 2,000 |
| 191 | Auditing Service | 8,000 | 7,667 | 8,000 | 6,667 | 8,000 | 6,667 | 6,667 | 8,667 |
| 192 | Professional Service - Legal | 1,000 | 3,185 | 1,000 | 2,706 | 3,500 | 1,469 | 2,469 | 3,500 |
| 193 | Engineering Services | 2,000 | 0 | 2,000 | 0 | 1,800 | 633 | 633 | 1,800 |
| 381 | Other IT Services | 2,168 | 2,505 | 1,624 | 1,564 | 1,624 | 1,063 | 1,523 | 1,598 |
| 382 | Banking Services | 1,404 | 1,391 | 1,404 | 1,564 | 1,548 | 1,125 | 1,685 | 1,620 |
| 393 | Temporary Help Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 399 | Contracted Services | 5,219 | 4,371 | 5,227 | 3,997 | 4,138 | 797 | 3,444 | 4,439 |
| 440 | VC3 IT Service & Maint. | 22,454 | 20,768 | 23,706 | 22,139 | 25,404 | 16,268 | 24,616 | 26,845 |
| 441 | Edmunds Service & Maint. | 3,534 | 3,549 | 3,727 | 3,717 | 3,893 | 3,903 | 3,903 | 4,088 |
| 482 | Indirect Costs- Labor | 116,394 | 116,394 | 124,369 | 124,369 | 136,920 | 91,280 | 136,920 | 146,057 |
| 481 | Labor Allocation | -47,544 | -47,544 | -45,712 | -45,712 | -47,448 | -31,632 | -47,448 | -51,136 |
| 212 | Uniforms | 3,300 | 3,612 | 3,300 | 5,291 | 5,800 | 2,670 | 4,588 | 4,600 |
| 251 | Motor Fuel | 3,494 | 2,926 | 4,111 | 3,050 | 3,640 | 1,535 | 2,535 | 3,640 |
| 260 | Office Supplies | 2,000 | 2,176 | 2,000 | 2,664 | 2,300 | 1,529 | 2,000 | 2,300 |
| 320 | Telephone & Postage | 5,197 | 5,058 | 5,606 | 5,348 | 5,896 | 3,542 | 5,587 | 5,912 |
| 340 | Printing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 353 | Vehicle Maint. & Repair | 1,111 | 1,146 | 1,111 | 519 | 1,200 | 1,211 | 1,861 | 1,200 |
| 370 | Advertising | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 430 | Bldg & Equip Rental | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | 6,000 | 9,000 | 9,000 |
| 450 | Insurance: Prop/Liab | 22,155 | 22,570 | 26,327 | 29,874 | 34,362 | 35,204 | 35,204 | 40,224 |
| 491 | Dues & Subscriptions | 900 | 988 | 1,050 | 1,089 | 1,125 | 1,277 | 1,277 | 1,361 |

Sewer Administration and Finance Continued

| Sewer Admin & Finance Page 2 of 2 61-7125 | | 23-24 | | 24-25 | | 25-26 | | 26-27 | |
|---|----------------------------|------------------|--------------------|------------------|--------------------|-------------------------------|------------------------------|-----------------------|--------------------|
| | | YR End Budget | Actual Year-End | YR End Budget | Actual Year-End | Current Budget 04/09/26 | Expend. as of 02/28/26 | Projected Year-End | Proposed Budget |
| 520 | Capital Outlay - Comp. Eq. | 469 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 540 | Capital Outlay - Mot Veh | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 550 | Capital Outlay- Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 580 | Capital Outlay- Buildings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 710 | Bond Principal Payment | 108,895 | 108,895 | 106,578 | 106,578 | 108,895 | 0 | 108,895 | 108,895 |
| 720 | Bond Interest Payment | 12,998 | 12,998 | 9,731 | 9,731 | 6,534 | 3,267 | 6,534 | 3,267 |
| 760 | Interfund Loan - Principal | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 770 | Interfund Loan - Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 499 | Miscellaneous | 425 | 469 | 790 | 0 | 1,123 | 0 | 0 | 1,119 |
| 500 | Sales Tax | 0 | 0 | 0 | 0 | 650 | 330 | 650 | 650 |
| | TOTAL | 483,204 | 481,228 | 503,848 | 511,617 | 533,650 | 285,476 | 527,292 | 559,000 |
| | | | | | | 533,000 | | | 25,350 |

Sewer – Administration & Finance

121 – Wages & Salaries – Wages & Benefits per allocation table discussed in the first budget workshop.

310/395 – Training and travel - \$2,900

193 – Engineering Services –\$1,800

399 – Contracted Services –

| | |
|-----------------------|--------------|
| Reverse 911 | \$ 449 |
| Neptune Support | 2,469 |
| Locate Plus | 425 |
| FORMAX stuffer/sealer | 96 |
| Misc Services | <u>1,000</u> |
| | 4,439 |

See slide #20 for cost share splits for these contracted services items

440 – IT Services – VC3 Hosted desktop [40% general fund, 30% water, 30% sewer]

441 – Edmunds– Software maintenance

Sewer – Administration & Finance

251 – Vehicle Fuel – Fuel for vehicles – based upon an estimate of \$3.50 per gallon

430 – Building and Equipment Rental – The rental of office space from the general fund (\$750 per month/ per utility).

540- Capital Outlay- none

| Sewer Collection | | 23-24 | | 24-25 | | 25-26 | | 26-27 | |
|------------------|-----------------------------------|------------------|--------------------|------------------|--------------------|-------------------------------|------------------------------|-----------------------|--------------------|
| | | YR End Budget | Actual Year-End | YR End Budget | Actual Year-End | Current Budget 04/09/26 | Expend. as of 02/28/26 | Projected Year-End | Proposed Budget |
| 61-7142 | | | | | | | | | |
| 399 | Contracted Services | 25,350 | 6,345 | 23,466 | 3,226 | 24,203 | 10,992 | 15,000 | 16,008 |
| 299 | Supplies & Materials | 7,800 | 5,594 | 8,582 | 3,755 | 8,597 | 5,024 | 7,000 | 9,097 |
| 330 | Utilities | 8,000 | 8,905 | 8,600 | 10,790 | 11,500 | 7,142 | 10,713 | 11,500 |
| 352 | Maint & Repair- Equip | 9,500 | 13,931 | 9,500 | 8,425 | 9,400 | 7,740 | 8,500 | 9,400 |
| 430 | Equip Rental | 2,040 | 0 | 2,040 | 0 | 2,040 | 0 | 1,000 | 2,040 |
| 498 | Permit Fees | 810 | 810 | 1,100 | 1,160 | 1,160 | 1,225 | 1,225 | 1,255 |
| 500 | Sales Tax | 0 | 0 | 0 | 0 | 1,100 | 803 | 1,100 | 1,100 |
| 550 | Capital Outlay - Equipment | 11,000 | 0 | 2,500 | 1,825 | 5,100 | 5,050 | 5,050 | 0 |
| 580 | Capital Outlay - Buildings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 597 | Capital Outlay - Collection Lines | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 598 | Capital Outlay - Pump/Lift Sta. | 0 | 0 | 0 | 0 | 25,000 | 0 | 25,000 | 17,000 |
| | TOTAL | 64,500 | 35,585 | 55,788 | 29,181 | 88,100 | 37,975 | 74,587 | 67,400 |
| | | | | | | 87,000 | | | -20,700 |

Sewer – Collection

399 – Contracted Services –

| | |
|--------------------------------|---------------|
| Alarm system for lift stations | 3,780 |
| Verizon | 328 |
| NC 811 | 400 |
| Grease Removal | 1,500 |
| Emergency Repairs | <u>10,000</u> |
| | \$16,008 |

299 – Supplies and Materials –

| | |
|--|--------------|
| Generator Fuel | 2,000 |
| Pipe, fittings, tools, etc. | 4,500 |
| Lift Station Supplies (deodorizer, degreaser, etc.) | <u>2,597</u> |
| | \$9,097 |

352 – Maintenance & Repair-Equipment – Proactive lift station pump maintenance. We have a total of 20 pumps and will be able to do routine service “in house”.

550-Capital Outlay Equipment- None

598- Capital Outlay- Manhole Lining - \$17,000

| Sewage Treatment | | 23-24 | | 24-25 | | 25-26 | | 26-27 | |
|------------------|---------------------------------|------------------|--------------------|------------------|--------------------|-------------------------------|------------------------------|-----------------------|--------------------|
| | | YR End Budget | Actual Year-End | YR End Budget | Actual Year-End | Current Budget 04/09/26 | Expend. as of 02/28/26 | Projected Year-End | Proposed Budget |
| 61-7144 | | | | | | | | | |
| 398 | Testing | 14,762 | 14,681 | 14,762 | 15,824 | 14,762 | 10,260 | 14,762 | 14,762 |
| 399 | Contracted Services | 42,441 | 35,832 | 49,015 | 44,103 | 53,093 | 23,546 | 52,801 | 51,990 |
| 298 | Chemicals | 14,000 | 20,168 | 14,000 | 22,982 | 14,000 | 18,540 | 27,740 | 24,000 |
| 299 | Supplies & Materials | 6,500 | 1,826 | 6,500 | 2,723 | 6,500 | 1,084 | 2,000 | 6,500 |
| 330 | Utilities | 36,000 | 35,977 | 36,700 | 33,150 | 34,800 | 21,939 | 32,909 | 34,800 |
| 351 | Maint & Repair- Bldg | 1,000 | 0 | 1,000 | 0 | 1,000 | 0 | 500 | 1,000 |
| 352 | Maint & Repair- Equip | 12,700 | 12,701 | 11,873 | 11,959 | 13,695 | 753 | 3,000 | 4,234 |
| 430 | Equip Rental | 0 | 0 | 0 | 1,954 | 0 | 0 | 0 | 0 |
| 496 | Permit Fees | 897 | 1,150 | 1,150 | 1,150 | 1,150 | 1,214 | 1,214 | 1,214 |
| 500 | Sales Tax | 0 | 0 | 0 | 0 | 2,300 | 1,343 | 2,300 | 2,300 |
| 550 | Capital Outlay- Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 594 | Capital Outlay- Treatment Plant | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 128,300 | 122,334 | 135,000 | 133,844 | 141,300 | 78,681 | 137,226 | 140,800 |
| | | | | | | 139,000 | | | -500 |

Sewer – Treatment

399 – Contracted Services –

| | | |
|-----------------------|--------------------------------|--|
| Sludge Hauling | 44,000 | |
| Calibrate meters | 850 | |
| Pump grit chambers | 3,500 | |
| Dumpster Service | 2,295 | |
| Hach Spectrometer PMA | 505 (50/50 split with water) | |
| Lift station alarms | <u>840</u> | |
| | \$51,990 | |

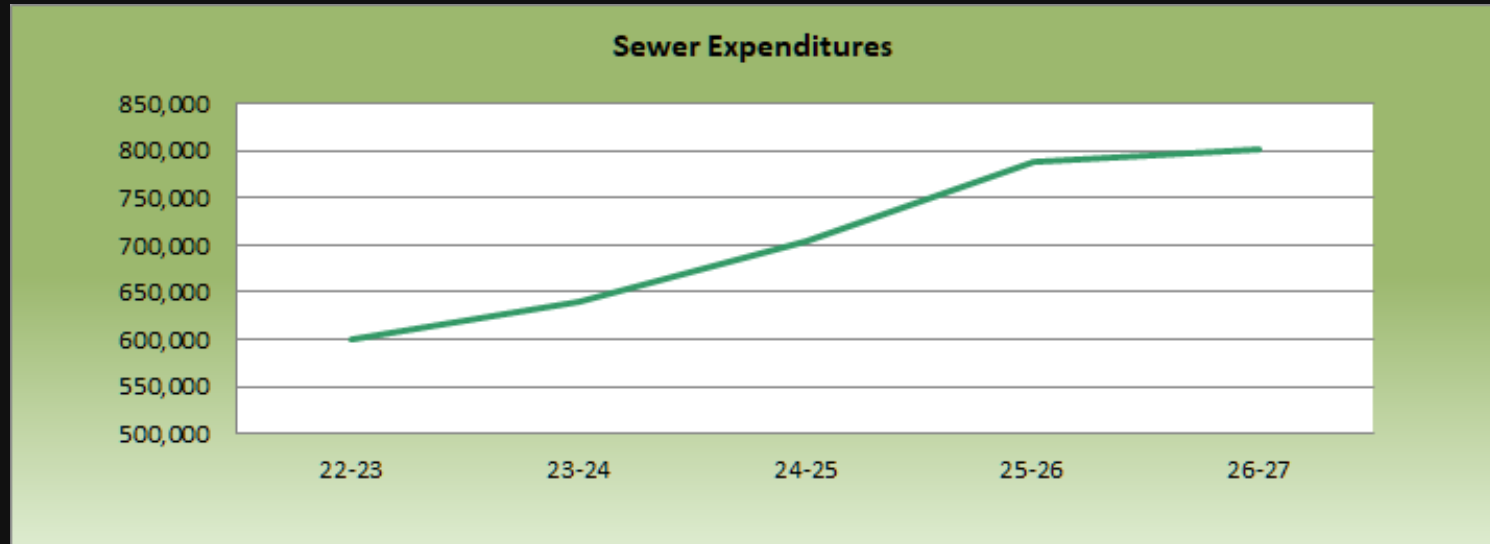
299 – Supplies and Materials – Generator fuel, tools, paint, etc.

352 – Maintenance and Repair – Equipment –

| | |
|------------------------------|-------|
| Blower maintenance contract | 0 |
| Other maintenance and repair | 4,234 |

550 – Capital Outlay – None

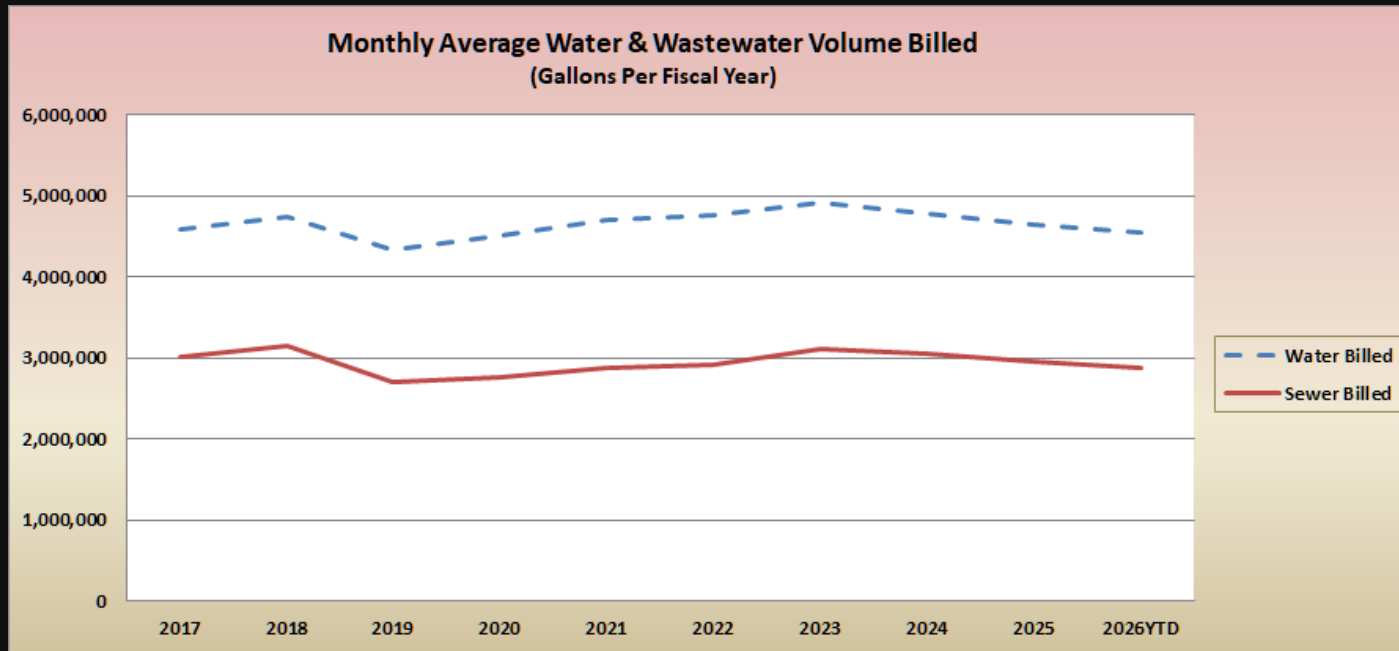
Sewer – Summary



| Sewer | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | Change v. prior year | | |
|-------------------------------------|---------------------------------------|---------|---------|---------|----------|----------------------|---------|--|
| | Actual | Actual | Actual | Budget | Proposed | % | \$ | |
| Administration & Finance | 472,911 | 481,228 | 511,617 | 533,650 | 559,000 | 4.75% | 25,350 | |
| Collection | 22,472 | 35,585 | 29,181 | 88,100 | 67,400 | -23.50% | -20,700 | |
| Treatment | 105,271 | 122,334 | 133,844 | 141,300 | 140,800 | -0.35% | -500 | |
| Transfer to Capital Reserve Fund | 0 | 0 | 25,000 | 25,500 | 35,500 | 39.22% | 10,000 | |
| Transfer to Sewer AIA Grant Project | 0 | 0 | 5,000 | 0 | 0 | 0.00% | 0 | |
| TOTAL (including CIP) | 600,654 | 639,147 | 704,643 | 788,550 | 802,700 | 1.79% | 14,150 | |
| | | | | | | | | |
| | Change in Budgeted Expenditure | | | | | | | |
| | 14,150 | | | | | | | |

Water/Sewer Consumption Data

Monthly Water & Wastewater – Total Volume



| | Average Monthly Gallons | |
|---------|-------------------------|--------------|
| | Water Billed | Sewer Billed |
| 2017 | 4,593,000 | 3,014,167 |
| 2018 | 4,747,750 | 3,152,833 |
| 2019 | 4,331,000 | 2,712,000 |
| 2020 | 4,512,500 | 2,770,083 |
| 2021 | 4,700,583 | 2,879,250 |
| 2022 | 4,755,083 | 2,911,417 |
| 2023 | 4,910,333 | 3,105,667 |
| 2024 | 4,783,250 | 3,055,000 |
| 2025 | 4,633,917 | 2,951,250 |
| 2026YTD | 4,538,125 | 2,883,875 |

Usage has remained basically flat from 2017-2025. Water has remained between the 4,000,000 and 5,000,000 lines. Sewer has hovered around the 3,000,000 line. Thus far, in FY26 a slight decreasing (-2.11%) trend in total usage continues, after a -3.22% and -2.66% in the previous 2 years.

Monthly Water/Sewer – Per Customer

| YEAR | Avg water use per customer | Avg sewer use per customer | # of Water Customers | # of Sewer Customers | % change in H2O use per customer |
|---------|----------------------------|----------------------------|----------------------|----------------------|----------------------------------|
| 2017 | 3,185 | 3,123 | 1,442 | 965 | -1.13% |
| 2018 | 3,279 | 3,264 | 1,448 | 966 | 2.86% |
| 2019 | 2,987 | 2,807 | 1,450 | 966 | -9.77% |
| 2020 | 3,106 | 2,868 | 1,453 | 966 | 3.82% |
| 2021 | 3,217 | 2,990 | 1,461 | 963 | 3.47% |
| 2022 | 3,241 | 3,014 | 1,467 | 966 | 0.74% |
| 2023 | 3,334 | 3,202 | 1,473 | 970 | 2.77% |
| 2024 | 3,225 | 3,133 | 1,483 | 975 | -3.35% |
| 2025 | 3,110 | 3,020 | 1,490 | 977 | -3.71% |
| 2026YTD | 3,042 | 2,952 | 1,492 | 977 | -2.24% |

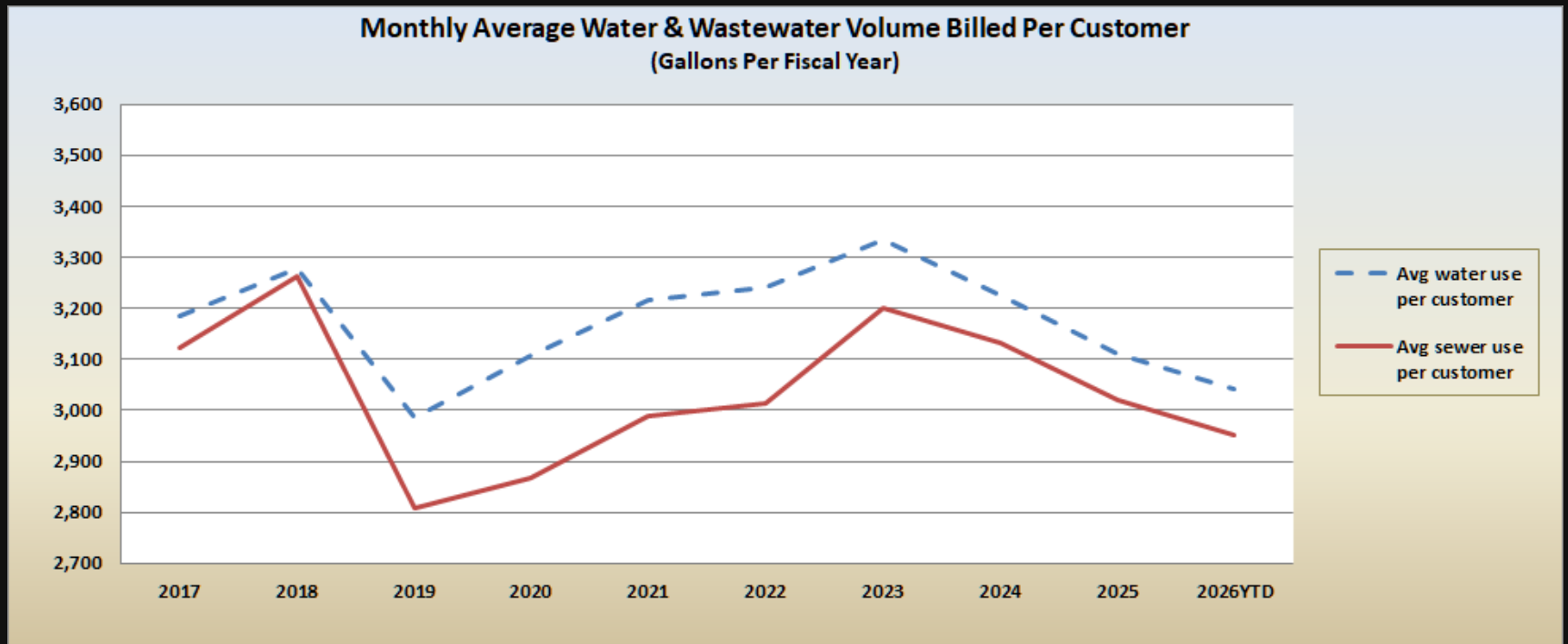
YTD includes usage through February with two billing cycles remaining in the FY

“A century ago, the average American used only about 10 gallons of water a day to drink, cook, clean, and bathe. Today, Americans use 80-100 gallons per day per person on average.”

Source: U.S. Environmental Protection Agency
U.S. Geological Survey

Last year I said- “Over these years, there has been very little change in our gallons sold and our rates. Those 2 factors drive our revenues. During that same time period, the costs of almost everything we use to operate these systems has increased. That is not a sustainable, long-range business model.” I can say that again this year.

Annual Water & Wastewater – Per Customer



The average monthly water usage per customer in 2026 (YTD) is 3,042 gallons and the average usage per sewer customer is 2,952 gallons. In 2025, those averages were 3,110 gallons and 3,020 gallons respectively, which means there is a combined 136 gallon per month decrease in the average usage between the years. Water conservation is nice, but it also lowers are revenue stream.

Current Utility Rates

Per original Schwartz Study

Customer: Under this structure the “customer” component of the charges reflect the indirect costs to each utility.

Demand: This represents 75% of the debt service and capital costs for each utility.

Usage: This component should be used to collect the remaining 25% of the debt service and capital costs and all direct operating costs.

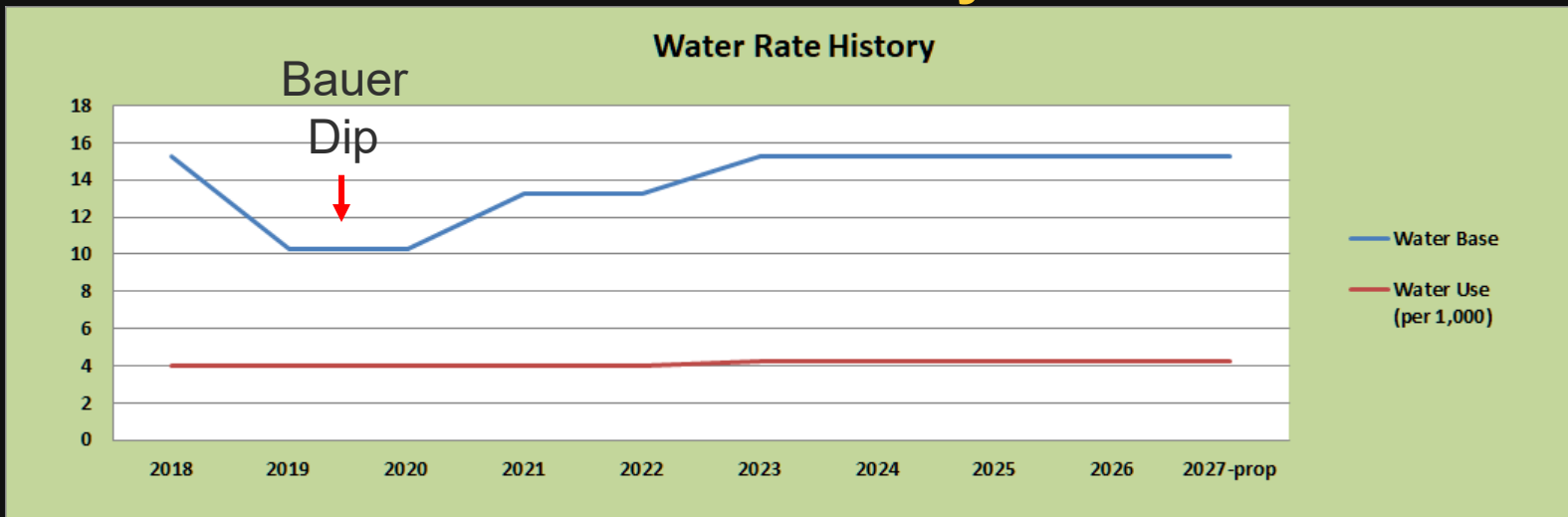
| Current Rates | |
|--|----------|
| Water | |
| Customer | \$4.80 |
| Demand | \$10.44 |
| Use(0-4,000 gallons) | \$4.22 |
| 4,001-20,000 | \$4.50 |
| 20,001+ | \$4.55 |
| Sewer | |
| Customer | \$7.35 |
| Demand | \$16.83 |
| Use | \$9.30 |
| Charges for 3,000 gallons usage | |
| Water | |
| Base | \$15.24 |
| Use | \$12.66 |
| Sewer | |
| Base | \$24.18 |
| Use | \$27.90 |
| Monthly | \$79.98 |
| Per-Bill (two months) | \$159.96 |
| Charge for various gallons usage per month for water and sewer combined | |
| 0 | \$39.42 |
| 1,000 | \$52.94 |
| 2,000 | \$66.46 |
| 4,000 | \$93.50 |
| 5,000 | \$107.30 |

The “customer” and “demand” components are combined to determine the **Base Charge** we charge as a flat fee per month, per customer.

The “**usage**” component is charged at a rate per 1,000 gallons of metered use.

This is the calculus for the original design of the rate model. The actual %’s vary from year-to-year. The rate model does not recognize the current tiered water rate structure.

Rate History

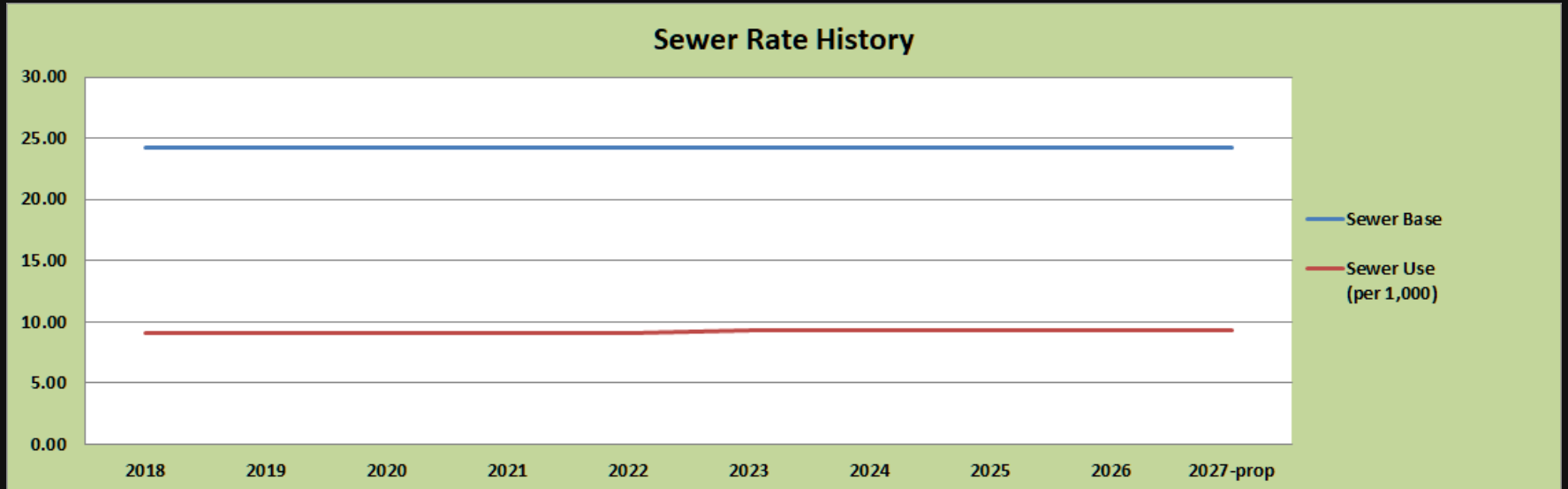


| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | Proposed 2027-prop |
|---------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-----------------------|
| Water Base | 15.24 | 10.24 | 10.24 | 13.24 | 13.24 | 15.24 | 15.24 | 15.24 | 15.24 | 15.24 |
| Water Use (per 1,000) | 4.02 | 4.02 | 4.02 | 4.02 | 4.02 | 4.22 | 4.22 | 4.22 | 4.22 | 4.22 |
| Monthly Bill (3,000 gal.) | 27.30 | 22.30 | 22.30 | 25.30 | 25.30 | 27.90 | 27.90 | 27.90 | 27.90 | 27.90 |

Green box indicates a year that there was a change in the rate. This graph is for 3,000 gallons usage, which is in the \$4.22 per/1,000 gallons rate up to 4,000 gallons. In 2023, the town added rates of \$4.50 per/1000 gallon for 4,001-20,000 gallons and \$4.55 per/1000 gallon for 20,001+ gallons. For 2027, we are charging the same base rate of \$15.24 that we charged in 2015, and the use rate is only 20¢ higher than in 2015.

1996- Town Acquires System from Carolina Water. The rate that year for 3,000 gallons was \$17.80

Rate History



| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | Proposed 2027-prop |
|---------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-----------------------|
| Sewer Base | 24.18 | 24.18 | 24.18 | 24.18 | 24.18 | 24.18 | 24.18 | 24.18 | 24.18 | 24.18 |
| Sewer Use (per 1,000) | 9.08 | 9.08 | 9.08 | 9.08 | 9.08 | 9.30 | 9.30 | 9.30 | 9.30 | 9.30 |
| Monthly Bill (3,000 gal.) | 51.42 | 51.42 | 51.42 | 51.42 | 51.42 | 52.08 | 52.08 | 52.08 | 52.08 | 52.08 |

Green box represents a year that there was a change in the rate. As with water, we are charging the same base that we were in 2015, which is \$24.18, and the use fee is only 22¢ higher than in 2015.

1996- Town Acquires System from Carolina Water. The rate that year for 3,000 gallons was \$22.30.

Rate History

Customer Using 3,000 gallons Per Month

Water/Sewer Bill in 1996, which was the first year that River Bend owned the system, was.....

\$40.10

Today, the same bill, adding only for inflation (not for changes in operations due to regulations, system expansion, employees, etc.) would be

\$84.34

Our customers, under proposed rates for FY26-27, will pay.....

\$79.98

Cumulative Inflation rate between July, 1996 and March, 2026= 110.33%. During that same time period, our rates have increased 99.45%. Given the numerous changes that our system has undergone since 1996, failing to even keep pace with inflation should not be a realistic expectation.

Inflation Data Source- www.calculator.net/inflation

Enterprise Funds Rate Model



| | | Current Rates |
|--|---------------|---------------|
| Water | | |
| Customer | | \$4.80 |
| Demand | | \$10.44 |
| Use(0-4,000 gallons) | | \$4.22 |
| 4,001-20,000 | | \$4.50 |
| 20,001+ | | \$4.55 |
| Sewer | | |
| Customer | | \$7.35 |
| Demand | | \$16.83 |
| Use | | \$9.30 |
| Charges for 3,000 gallons usage | | |
| Water | | |
| Base | | \$15.24 |
| Use | | \$12.66 |
| Sewer | | |
| Base | | \$24.18 |
| Use | | \$27.90 |
| Monthly | | \$79.98 |
| Per-Bill | (two months) | \$159.96 |
| Charge for various gallons usage per month for water and sewer combined | | |
| | 0 | \$39.42 |
| | 1,000 | \$52.94 |
| | 2,000 | \$66.46 |
| | 4,000 | \$93.50 |
| | 5,000 | \$107.30 |

This shows the current rates, which are also the proposed rates.

Water Fund Revenue/Expense Summary

| Water - Revenue | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | Change v. prior year | |
|--|---------|---------|---------|---------|----------|----------------------|--------|
| | Actual | Actual | Actual | Budget | Proposed | % | \$ |
| Base Fee | 281,134 | 279,000 | 280,856 | 283,169 | 283,901 | 0.26% | 732 |
| Usage Charges | 256,511 | 248,168 | 239,439 | 236,146 | 234,513 | -0.69% | -1,633 |
| Hydrant Fee | 20,032 | 19,775 | 18,629 | 17,934 | 17,751 | -1.02% | -183 |
| Tap Fees | 1,967 | 16,250 | 4,070 | 1,250 | 2,500 | 100.00% | 1,250 |
| Nonpayment fees | 9,800 | 11,200 | 10,850 | 10,500 | 10,500 | 0.00% | 0 |
| Late payment fees | 8,085 | 7,958 | 8,337 | 7,790 | 7,776 | -0.18% | -14 |
| Capital Investment Fees | 0 | 0 | 0 | 0 | 0 | 0.00% | 0 |
| Charges to General Fund | 0 | 0 | 0 | 0 | 0 | 0.00% | 0 |
| Other (includes interest, transfers, etc.) | 17,804 | 87,225 | 27,532 | 19,360 | 18,860 | -2.59% | -500 |
| Transfer from Capital Reserve Fund | 0 | 0 | 0 | 25,000 | 25,000 | 0.00% | 0 |
| Appropriated Fund Balance | 0 | 0 | 0 | 111,651 | 143,700 | 28.70% | 32,049 |
| TOTAL | 595,333 | 669,577 | 589,714 | 712,800 | 744,500 | 4.45% | 31,700 |

| Water Fund | | | | | TOTAL | |
|----------------------------------|----------|--------------------|-----------|--|---------------------|--|
| Total Revenue-FB Appropriation | 575,800 | Net Capital O/L | Transfers | | Fund Balance needed | |
| Total Expense - CIP Contribution | 719,000 | | | | | |
| Revenue-Expenditure= | -143,200 | -500 | 0 | | 143,700 | |

Funding is set aside each year in water CIP for future vehicle purchases. This year the amount is \$5,500 This year there is also \$20,000 set aside in the annual appropriation for Water CIP.

Sewer Fund Revenue/Expense Summary

| Sewer - Revenue | 22-23 | 23-24 | 24-25 | 25-26 | 26-27 | Change v. prior year | |
|--|---------|---------|---------|---------|----------|----------------------|--------|
| | Actual | Actual | Actual | Budget | Proposed | % | \$ |
| Base Fee | 298,382 | 296,412 | 297,444 | 298,921 | 299,115 | 0.06% | 194 |
| Usage Charges | 351,019 | 341,857 | 329,573 | 333,495 | 327,512 | -1.79% | -5,983 |
| Tap Fees | 1,250 | 5,000 | 0 | 1,250 | 1,250 | 0.00% | 0 |
| Late Payment Fee | 8,392 | 8,633 | 9,532 | 8,222 | 8,146 | -0.92% | -76 |
| Capital Investment Fees | 0 | 0 | 0 | 0 | 0 | 0.00% | 0 |
| Charges to General Fund | 0 | 0 | 0 | 0 | 0 | 0.00% | 0 |
| Other (includes interest, transfers, etc.) | 24,464 | 96,723 | 31,394 | 27,056 | 27,977 | 3.41% | 921 |
| Transfer from Capital Reserve Fund | 0 | 0 | 0 | 25,000 | 17,000 | -32.00% | -8,000 |
| Appropriated Fund Balance | 0 | 0 | 0 | 94,606 | 121,700 | 28.64% | 27,094 |
| TOTAL | 683,507 | 748,626 | 667,942 | 788,550 | 802,700 | 1.79% | 14,150 |

| Sewer Fund | | | | TOTAL |
|--------------------------------|----------|-------------|-----------|---------------------|
| Total Revenue-FB Appropriation | 664,000 | Net | | Fund Balance needed |
| Total Expense-CIP Contribution | 767,200 | Capital O/L | Transfers | |
| Revenue-Expenditure | -103,200 | -18,500 | 0 | |
| | | | | 121,700 |

Funding is also set aside each year in sewer CIP for future vehicle purchases. This year the amount is \$5,500. This year there is also \$30,000 set aside in the annual appropriation for Sewer CIP.

Town of River Bend

UTILITY RATE MODEL

The following charts are taken from the Town's Utility Rate Model and reflect a forecast based on the FY 26-27 proposed rates and budget amounts and future year budgets based on assumptions of revenues and expenditures in those future years, which are based on forecast changes in revenues and expenditures, which are based on variables as entered into the rate model.

During the budget workshop, the rate model will be live and interactive and we can make adjustments to it, to see what impact they will have on both funds.

Note- The rate model does not allow for multiple rate tiers, as were adopted for the water department on September 15, 2022. The figures represent the lowest water rate tier of \$4.22 per/1000 gallons for water. Therefore, the estimated revenues for water will most likely be higher than are budgeted. Also, as is the case with the General Fund, forecasted revenues are based on a 95% collection rate of budgeted revenue and expenditures are based on expending 75% of approved expenditures.

Town of River Bend

Fiscal Year 2026-2027 Budget Workshop

May 14, 2026

30. Tax rates, utility rates and other fees

Ad valorem tax rate

Utility rates and fees

Schedule of rates and fees

Change to _____ p.m. just before
work session begins?