

Department of Public Utilities
FY2027-2028 Proposed Budget Packet



LADPU.com/DPU



**DEPARTMENT OF PUBLIC UTILITIES
FY2027-2028 PROPOSED BUDGET PACKET
INDEX**

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Financial Statement Fund Flow



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Los Alamos County Utilities Department
Fiscal Year 2027-2028 Budgets
Summary Of Expenditure Budget

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| | FY2024 Actual | FY2025 Actual | FY2026 Adopted | FY2026 Projected | FY2027 Proposed | \$ Variance FY2027 vs FY2026 | % Variance FY2027 vs FY2026 | FY2028 Projected | % Variance FY2028 vs FY2027 |
|-----------------------------------|-------------------|-------------------|--------------------|---------------------|--------------------|---------------------------------|--------------------------------|---------------------|--------------------------------|
| Electric Production | 45,607,979 | 48,745,903 | 61,010,331 | 62,261,544 | 56,351,924 | (4,658,407) | -8% | 88,927,088 | 58% |
| Electric Distribution | 16,704,451 | 20,322,341 | 21,864,972 | 26,222,736 | 22,184,772 | 319,800 | 1% | 32,865,323 | 48% |
| Less Interdivision Electric Sales | (8,966,804) | (11,534,782) | (11,110,992) | (11,110,992) | (10,415,541) | 695,451 | -6% | (12,527,744) | 20% |
| Total Electric Fund | 53,345,626 | 57,533,462 | 71,764,311 | 77,373,288 | 68,121,155 | (3,643,156) | -5% | 109,264,666 | 60% |
| Gas | \$ 5,553,848 | \$ 6,474,613 | \$ 7,738,714 | \$ 7,936,105 | \$ 6,625,735 | \$ (1,112,979) | -14% | 6,929,243 | 5% |
| Water Production | 10,992,631 | 16,338,001 | 10,199,583 | 30,864,798 | 9,796,520 | (403,063) | -4% | 11,605,122 | 18% |
| Water Distribution | 7,715,142 | 8,836,656 | 12,539,733 | 13,825,752 | 9,480,769 | (3,058,964) | -24% | 10,018,877 | 6% |
| Less Interdivision Water Sales | (4,675,871) | (4,553,886) | (4,200,000) | (4,200,000) | (4,588,272) | (388,272) | 9% | (4,955,334) | 8% |
| Total Water Fund | 14,031,903 | 20,620,770 | 18,539,316 | 40,490,549 | 14,689,017 | (3,850,299) | -21% | 16,668,665 | 13% |
| Wastewater | \$ 18,003,469 | \$ 10,699,221 | \$ 10,697,494 | \$ 13,978,649 | \$ 10,636,084 | \$ (61,410) | -1% | 12,644,907 | 19% |
| Total Expenditure Budget | 90,934,845 | 95,328,065 | 108,739,835 | 139,778,591 | 100,071,991 | (8,667,844) | -8% | 145,507,481 | 45% |

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Fiscal Year 2027-2028 Budgets
Department of Public Utilities

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| | FY2024 Actual | FY2025 Actual | FY2026 Adopted | FY2026 Projected | FY2027 Proposed | \$ Variance FY2027 vs FY2026 | % Variance FY2027 vs FY2026 | FY2028 Projected | % Variance FY2028 vs FY2027 |
|--|----------------------|---------------------|-----------------------|------------------------|-----------------------|---------------------------------|-----------------------------------|-----------------------|-----------------------------------|
| Revenues | | | | | | | | | |
| Wholesale Sales | 37,021,956 | 38,272,301 | 53,008,007 | 52,244,849 | 47,234,508 | (5,773,499) | -11% | 77,779,056 | 65% |
| Retail Sales | 35,427,083 | 36,694,058 | 42,515,988 | 39,465,001 | 43,240,217 | 724,229 | 2% | 46,669,191 | 8% |
| Non Potable Sales | 325,360 | 398,550 | 214,807 | 362,580 | 391,586 | 176,779 | 82% | 422,913 | 8% |
| Bond Federal Subsidy | 118,249 | 104,221 | 93,298 | 93,298 | 75,788 | (17,510) | -19% | 57,731 | -24% |
| Other Revenues | 964,038 | 252,476 | 246,000 | 246,000 | 266,472 | 20,472 | 8% | 266,472 | 0% |
| Repayment of Intra Subfund Loan | 93,784 | - | - | - | - | - | 0% | - | 0% |
| Interest Income | 2,094,317 | 5,253,944 | 2,663,795 | 2,663,795 | 2,132,949 | (530,846) | -20% | 2,102,503 | -1% |
| Revenue on Recoverable Work | 275,311 | 480,208 | 205,000 | 205,000 | 205,000 | - | 0% | 205,000 | 0% |
| Total Revenues | \$ 76,320,098 | \$ 81,455,759 | \$ 98,946,895 | \$ 95,280,523 | \$ 93,546,521 | \$ (5,400,374) | -5% | \$ 127,502,866 | 36% |
| Operating Expenses by Program | | | | | | | | | |
| Electric | 51,386,836 | 55,849,110 | 68,909,311 | 69,073,466 | 65,436,155 | (3,473,156) | -5% | 98,764,666 | 51% |
| Gas | 5,271,162 | 6,268,746 | 6,913,714 | 6,911,105 | 6,490,735 | (422,979) | -6% | 6,819,243 | 5% |
| Water | 7,555,821 | 7,892,150 | 9,180,816 | 9,561,549 | 9,819,017 | 638,201 | 7% | 10,148,665 | 3% |
| Wastewater | 5,699,449 | 5,668,804 | 8,002,494 | 8,021,326 | 8,451,084 | 448,590 | 6% | 8,494,907 | 1% |
| Total Operating Expenses by Program | \$ 69,913,268 | \$ 75,678,811 | \$ 93,006,335 | \$ 93,567,446 | \$ 90,196,991 | \$ (2,809,344) | -3% | \$ 124,227,481 | 38% |
| Operating Income (Loss) | \$ 6,406,830 | \$ 5,776,948 | \$ 5,940,560 | \$ 1,713,077 | \$ 3,349,530 | \$ (2,591,030) | | \$ 3,275,385 | |
| Capital Expenditures | | | | | | | | | |
| Capital Expenditures | 21,021,577 | 19,649,255 | 15,733,500 | 46,211,145 | 9,875,000 | (5,858,500) | -37% | 21,280,000 | 115% |
| Other Financing | | | | | | | | | |
| Grants/Loan Proceeds | 14,778,924 | 13,733,083 | 8,000,000 | 15,326,736 | 5,840,000 | (2,160,000) | -27% | 17,336,000 | 197% |
| County/External Reimbursement | 1,176,296 | 736,958 | - | 5,050,000 | - | - | 0% | - | 0% |
| Transfer from General Fund | 394,892 | 3,050,000 | 100,000 | 3,150,000 | - | (100,000) | -100% | - | 0% |
| Transfer to Fleet | (48,066) | - | - | - | - | - | 0% | - | 0% |
| Revenue Transfer | (490,612) | - | (1,220,084) | (1,220,084) | (1,203,059) | 17,025 | -1% | (1,298,249) | 8% |
| Revenue Transfer Council Redirect | 1,095,598 | - | - | - | - | - | 0% | - | 0% |
| Other Judgments/Settlements | 58,112,113 | 23,390 | - | - | - | - | 0% | - | 0% |
| Total Other Financing | 75,019,147 | 17,543,430 | 6,879,916 | 22,306,652 | 4,636,941 | (2,242,975) | -33% | 16,037,751 | 246% |
| Net Income (Loss) | \$ 60,404,400 | \$ 3,671,123 | \$ (2,913,024) | \$ (22,191,416) | \$ (1,888,529) | \$ 1,024,495 | | \$ (1,966,864) | |
| Expenditures by Type: | | | | | | | | | |
| Salaries | 7,224,254 | 7,972,740 | 8,068,128 | 8,068,128 | 8,924,878 | 856,750 | 11% | 9,097,269 | 2% |
| Benefits | 2,680,591 | 3,038,760 | 3,333,968 | 3,333,968 | 3,639,323 | 305,355 | 9% | 3,685,202 | 1% |
| Professional/Contractual Services | 65,161,098 | 68,092,232 | 77,551,550 | 108,427,820 | 67,190,495 | (10,361,055) | -13% | 110,481,013 | 64% |
| Materials/Supplies | 2,274,793 | 2,357,002 | 2,058,914 | 2,109,002 | 2,345,073 | 286,159 | 14% | 2,401,033 | 2% |
| Interfund Charges | 9,948,833 | 10,471,979 | 12,336,946 | 12,376,946 | 12,368,954 | 32,008 | 0% | 13,139,356 | 6% |
| Capital Outlay | 720,170 | 397,737 | 621,796 | 694,194 | 950,633 | 328,837 | 53% | 489,124 | -49% |
| Fiscal Charges | 2,925,107 | 2,997,614 | 4,768,533 | 4,768,533 | 4,652,635 | (115,898) | -2% | 6,214,484 | 34% |
| Total | 90,934,845 | 95,328,065 | 108,739,835 | 139,778,591 | 100,071,991 | (8,667,844) | -8% | 145,507,481 | 45% |

Electric Production

| | FY2024 Actual | FY2025 Actual | FY2026 Adopted | FY2026 Projected | FY2027 Proposed | \$ Variance FY2027 vs FY2026 | % Variance FY2027 vs FY2026 | FY2028 Projected | % Variance FY2028 vs FY2027 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------------------|-----------------------------------|----------------------|-----------------------------------|
| Revenue | | | | | | | | | |
| Mwh Sales - LANL | 381,849 | 365,967 | 485,207 | 485,207 | 440,492 | (44,715) | -9% | 569,058 | 29% |
| Mwh Sales - LAC Distribution | 118,952 | 118,484 | 123,455 | 123,455 | 123,401 | (54,29) | 0% | 124,018 | 0% |
| Total Mwh Sales | 500,801 | 484,451 | 608,662 | 608,662 | 563,893 | (44,769) | -7% | 693,076 | 23% |
| LAPP Revenue per Mwh | \$ 75.68 | \$ 91.53 | \$ 90.00 | \$ 90.00 | \$ 83.08 | (6.92) | -8% | \$ 99.59 | 20% |
| Mwh Sales - SNL/KAFB Foxtail Flats | - | - | - | - | 27,167 | 27,167 | 100% | 82,394 | 203% |
| Mwh Sales - SNL/KAFB Economy Sales | - | - | - | - | 136,911 | 136,911 | 100% | 178,054 | 30% |
| DOE Sales - LANL | 28,931,780 | 32,806,216 | 43,668,618 | 43,668,618 | 36,435,143 | (7,233,475) | -17% | 56,495,870 | 55% |
| Sales to Electric Distribution | 8,966,804 | 11,534,782 | 11,110,992 | 11,110,992 | \$ 10,415,541 | (695,451) | -6% | 12,527,744 | 20% |
| DOE Sales - SNL/KAFB Foxtail Flats PV | - | - | - | - | 1,029,080 | 1,029,080 | 100% | 3,121,070 | 203% |
| SNL/KAFB Foxtail Flats BESS Fixed Charge | - | - | - | - | - | - | 0% | 3,240,000 | 100% |
| Economy Sales | 6,557,348 | 4,757,393 | 7,500,000 | 7,500,000 | 8,660,228 | 1,160,228.00 | 15% | 13,723,254 | 58% |
| Interest Income | 1,080,280 | 3,633,419 | 2,000,000 | 2,000,000 | 2,000,000 | - | 0% | 2,000,000 | 0% |
| Bond Federal Subsidy | 30,866 | 27,027 | 24,080 | 24,080 | 19,561 | (4,519.00) | -19% | 14,900 | -24% |
| Total Revenue | \$ 45,567,079 | \$ 52,758,837 | \$ 64,303,690 | \$ 64,303,690 | \$ 58,559,553 | \$ (5,744,137) | -9% | \$ 91,122,839 | 56% |
| Operating Expenses | | | | | | | | | |
| El Vado Generation | 743,736 | 991,272 | 870,812 | 871,575 | 975,162 | 104,350 | 12% | 994,052 | 2% |
| Abiquiu Generation | 758,550 | 686,434 | 3,131,147 | 3,131,692 | 2,979,836 | (151,311) | -5% | 759,370 | -75% |
| Contract Administration | 61,901 | 11,257 | 89,755 | 89,755 | 68,969 | (20,786) | -23% | 71,038 | 3% |
| Load Control | 2,037,401 | 2,102,113 | 2,699,178 | 2,699,178 | 2,867,688 | 168,510 | 6% | 2,189,695 | -24% |
| Transmission - PNM | 3,444,480 | 3,106,142 | 3,577,249 | 3,577,249 | 3,761,111 | 183,862 | 5% | 3,948,917 | 5% |
| Transmission - Other | 3,094,458 | 3,236,801 | 3,700,528 | 3,700,528 | 3,885,554 | 185,026 | 5% | 4,079,832 | 5% |
| Purchased Power | 30,268,359 | 33,446,364 | 39,582,229 | 39,582,229 | 36,465,864 | (3,116,365) | -8% | 57,749,790 | 58% |
| Landfill Photovoltaic Array | 20,346 | 979,383 | 1,450,050 | 1,450,050 | 258,500 | (1,191,550) | -82% | 8,500 | -97% |
| Debt Service | 441,377 | 432,136 | 577,462 | 577,462 | 416,362 | (161,100) | -28% | 413,957 | -1% |
| Energy Storage Agreement | - | - | - | - | - | - | 0% | 12,960,000 | 100% |
| Laramie River Operations | 2,445,121 | 2,028,682 | 2,067,858 | 2,067,858 | 2,100,000 | 32,142 | 2% | 2,205,000 | 5% |
| SMR Project | 321,127 | - | - | - | - | - | 0% | - | 0% |
| Interdepartmental Charges | 600,732 | 601,991 | 637,973 | 637,973 | 676,312 | 38,339 | 6% | 743,946 | 10% |
| Administrative Allocation | 730,941 | 858,209 | 1,846,090 | 1,846,090 | 1,696,566 | (149,524) | -8% | 1,752,991 | 3% |
| Total Operating Expenses | \$ 44,968,529 | \$ 48,480,784 | \$ 60,230,331 | \$ 60,231,640 | \$ 56,151,924 | \$ (4,078,407) | -7% | \$ 87,877,088 | 56% |
| Operating Income (Loss) | \$ 598,550 | \$ 4,278,053 | \$ 4,073,359 | \$ 4,072,050 | \$ 2,407,629 | \$ (1,665,730) | | \$ 3,245,751 | |
| Capital Expenditures | | | | | | | | | |
| Capital Expenditures | 639,450 | 265,119 | 780,000 | 2,029,904 | 200,000 | (580,000) | -74% | 1,050,000 | 425% |
| Other Financing | | | | | | | | | |
| Other Judgments/Settlements | 58,112,113 | 23,390 | - | - | - | - | 0% | - | 0% |
| Transfer to ED for Capital Plan | - | - | (2,000,000) | (2,000,000) | (2,000,000) | - | 0% | (2,000,000) | 0% |
| Net Income (Loss) | \$ 58,071,213 | \$ 4,036,324 | \$ 1,293,359 | \$ 42,146 | \$ 207,629 | \$ (1,085,730) | | \$ 195,751 | |
| Expenditures by Type: | | | | | | | | | |
| Salaries | 1,720,337 | 1,816,713 | 1,781,619 | 1,781,619 | 1,658,342 | (123,277) | -7% | 1,722,485.00 | 4% |
| Benefits | 655,986 | 697,458 | 707,228 | 707,228 | 663,246 | (43,982) | -6% | 681,713.00 | 3% |
| Professional/Contractual Services | 41,269,738 | 43,981,933 | 55,169,646 | 56,420,859 | 50,866,052 | (4,303,594) | -8% | 83,239,713 | 64% |
| Materials/Supplies | 123,759 | 221,257 | 225,952 | 225,952 | 248,944 | 22,992 | 10% | 242,853 | -2% |
| Interfund Charges | 1,331,673 | 1,460,200 | 2,484,063 | 2,484,063 | 2,372,878 | (111,185) | -4% | 2,496,937 | 5% |
| Capital Outlay | 65,108 | 136,205 | 64,361 | 64,361 | 126,100 | 61,739 | 96% | 129,430 | 3% |
| Fiscal Charges | 441,377 | 432,136 | 577,462 | 577,462 | 416,362 | (161,100) | -28% | 413,957 | -1% |
| Total | \$ 45,607,979 | \$ 48,745,903 | \$ 61,010,331 | \$ 62,261,544 | \$ 56,351,924 | \$ (4,658,407) | -8% | \$ 88,927,088 | 58% |

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Electric Distribution

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| | FY2024 Actual | FY2025 Actual | FY2026 Adopted | FY2026 Projected | FY2027 Proposed | \$ Variance FY2027 vs FY2026 | % Variance FY2027 vs FY2026 | FY2028 Projected | % Variance FY2028 vs FY2027 |
|-----------------------------------|-----------------------|-----------------------|----------------------|-----------------------|----------------------|---------------------------------|-----------------------------------|----------------------|-----------------------------------|
| Revenue | | | | | | | | | |
| kWh Sales | 118,952,361 | 118,484,231 | 123,455,462 | 120,815,751 | 123,401,169 | (54,293) | 0% | 124,018,175 | 0% |
| Revenue per kWh | \$ 0.1241 | \$ 0.1430 | \$ 0.1562 | \$ 0.1559 | \$ 0.1683 | \$ 0.0121 | 8% | \$ 0.1801 | 7% |
| Sales Revenue | 14,758,522 | 16,942,566 | 19,288,456 | 18,830,797 | 20,772,471 | 1,484,015 | 8% | 22,337,677 | 8% |
| Interest Income | 264,540 | 819,599 | 166,894 | 166,894 | - | (166,894) | -100% | - | 0% |
| Bond Federal Subsidy | 66,045 | 62,533 | 58,759 | 58,759 | 47,731 | (11,028) | -19% | 36,359 | -24% |
| Miscellaneous/Pole Rentals | 586,206 | 143,476 | 186,000 | 186,000 | 186,000 | - | 0% | 186,000 | 0% |
| Revenue on Recoverable Work | 164,445 | 480,231 | 150,000 | 150,000 | 150,000 | - | 0% | 150,000 | 0% |
| EV Charge Stations | 16 | 17,387 | - | - | 20,472 | 20,472 | 100% | 20,472 | 0% |
| Total Revenue | \$ 15,839,774 | \$ 18,465,792 | \$ 19,850,109 | \$ 19,392,450 | \$ 21,176,674 | \$ 1,326,565 | 7% | \$ 22,730,508 | 7% |
| Operating Expenses | | | | | | | | | |
| Operations Staffing Related | 2,391,398 | 2,769,648 | 3,016,111 | 3,016,111 | 3,560,650 | 544,539 | 18% | 3,630,939 | 2% |
| Substation Maintenance | 1,715 | 1,608 | 95,300 | 95,300 | 91,350 | (3,950) | -4% | 94,133 | 3% |
| Switching Station Maintenance | 10,661 | 16,314 | 90,760 | 90,760 | 88,300 | (2,460) | -3% | 90,950 | 3% |
| Overhead Maintenance | 196,223 | 246,365 | 329,820 | 375,795 | 499,634 | 169,814 | 51% | 514,624 | 3% |
| Underground Maintenance | 144,082 | 208,390 | 333,788 | 341,345 | 357,396 | 23,608 | 7% | 368,119 | 3% |
| Meter Maintenance | 718 | 9,304 | 23,950 | 23,950 | 24,269 | 319 | 1% | 25,015 | 3% |
| EV Charge Stations | - | 17,041 | - | 39,313 | 33,780 | 33,780 | 100% | 33,780 | 0% |
| Interdepartmental Charges | 1,198,599 | 1,182,446 | 1,355,469 | 1,425,469 | 1,352,784 | (2,685) | 0% | 1,488,066 | 10% |
| Eng. Cust Svc. MR and Admin | 940,908 | 1,304,006 | 1,554,403 | 1,554,403 | 1,475,313 | (79,090) | -5% | 1,526,295 | 3% |
| In Lieu Taxes & Franchise fee | 558,695 | 605,457 | 701,068 | 701,068 | 638,784 | (62,284) | -9% | 656,632 | 3% |
| Debt Service | 975,308 | 1,007,749 | 1,178,311 | 1,178,311 | 1,161,971 | (16,340) | -1% | 2,459,026 | 112% |
| Cost of Power | 8,966,804 | 11,534,782 | 11,110,992 | 11,110,992 | 10,415,541 | (695,451) | -6% | 12,527,744 | 20% |
| Total Operating Expenses | \$ 15,385,111 | \$ 18,903,108 | \$ 19,789,972 | \$ 19,952,818 | \$ 19,699,772 | \$ (90,200) | | \$ 23,415,323 | 19% |
| Operating Income (Loss) | \$ 454,663 | \$ (437,316) | \$ 60,137 | \$ (560,368) | \$ 1,476,902 | \$ 1,416,765 | | \$ (684,815) | |
| Capital Expenditures | | | | | | | | | |
| Capital Expenditures | 1,319,340 | 1,419,233 | 2,075,000 | 6,269,918 | 2,485,000 | 410,000 | 20% | 9,450,000 | 280% |
| Other Financing | | | | | | | | | |
| Grants/Loan/Bond Proceeds | - | - | - | - | - | - | 0% | 8,500,000 | 100% |
| Transfer from Electric Production | - | - | 2,000,000 | 2,000,000 | 2,000,000 | - | 0% | 2,000,000 | 0% |
| Transfer from General Fund | 80,416 | - | - | - | - | - | 0% | - | 0% |
| Transfer to Fleet | (48,066) | - | - | - | - | - | 0% | - | 0% |
| Revenue Transfer | - | - | (829,404) | (829,404) | (893,217) | (63,813.00) | 8% | (960,521) | 8% |
| Revenue Transfer Council Redirect | (563,200) | (615,309) | - | - | - | 0 | 0% | - | 0% |
| Net Income (Loss) | \$ (1,395,528) | \$ (2,471,858) | \$ (844,267) | \$ (5,659,690) | \$ 98,685 | \$ 942,952 | | \$ (595,336) | |
| Expenditures by Type: | | | | | | | | | |
| Salaries | 1,744,103 | 1,951,435 | 1,913,867 | 1,913,867 | 2,333,844 | 419,977 | 22% | 2,383,669 | 2% |
| Benefits | 636,624 | 745,643 | 836,414 | 836,414 | 956,662 | 120,248 | 14% | 970,353 | 1% |
| Professional/Contractual Services | 1,077,740 | 1,767,851 | 3,079,568 | 7,288,714 | 3,468,500 | 388,932 | 13% | 10,460,696 | 202% |
| Materials/Supplies | 1,046,321 | 743,018 | 582,886 | 619,105 | 723,278 | 140,392 | 24% | 744,141 | 3% |
| Interfund Charges | 2,139,982 | 2,504,210 | 2,920,034 | 2,960,034 | 2,842,388 | (77,646) | -3% | 3,028,682 | 7% |
| Capital Outlay | 64,585 | 67,653 | 242,900 | 315,298 | 282,588 | 39,688 | 16% | 291,012 | 3% |
| Fiscal Charges | 1,028,292 | 1,007,749 | 1,178,311 | 1,178,311 | 1,161,971 | (16,340) | -1% | 2,459,026 | 112% |
| Total | \$ 7,737,647 | \$ 8,787,559 | \$ 10,753,980 | \$ 15,111,744 | \$ 11,769,231 | \$ 1,015,251 | 9% | \$ 20,337,579 | 73% |

Los Alamos County Utilities Department
Fiscal Year 2027-2028 Budgets
Gas Distribution

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| | FY2024 Actual | FY2025 Actual | FY2026 Adopted | FY2026 Projected | FY2027 Proposed | \$ Variance FY2027 vs FY2026 | % Variance FY2027 vs FY2026 | FY2028 Projected | % Variance FY2028 vs FY2027 |
|-----------------------------------|--------------------------|--------------------------|---------------------------|-----------------------------|----------------------------|---|--|-----------------------------|--|
| Revenue | | | | | | | | | |
| Therm Sales | 7,533,515 | 7,378,988 | 8,400,000 | 6,600,000 | 6,800,000 | (1,600,000) | -19% | 6,800,000 | 0% |
| Revenue per Therm | \$ 1.0243 | \$ 0.8485 | \$ 0.9959 | \$ 0.8951 | \$ 0.9757 | \$ (0.0202) | -2% | \$ 1.0635 | 9% |
| Sales Revenue | 7,716,412 | 6,260,836 | 8,365,728 | 5,907,883 | 6,634,731 | (1,730,997) | -21% | 7,231,857 | 9% |
| Interest on Utility Reserves | 3,281 | 45,076 | 37,825 | 37,825 | - | (37,825) | -100% | - | 0% |
| Revenue on Recoverable Work | 35,199 | 42,248 | 20,000 | 20,000 | 20,000 | - | 0% | 20,000 | 0% |
| Misc. Service Revenues | 162,425 | - | - | - | - | - | 0% | - | 0% |
| Total Revenue | \$ 7,917,318 | \$ 6,348,159 | \$ 8,423,553 | \$ 5,965,708 | \$ 6,654,731 | \$ (1,768,822) | -21% | \$ 7,251,857 | 9% |
| Operating Expenses | | | | | | | | | |
| Operations Staffing Related | 1,049,979 | 1,390,430 | 1,463,390 | 1,433,504 | 1,606,451 | 143,061 | 10% | 1,625,709 | 1% |
| Gas Distribution | 173,801 | 205,954 | 214,343 | 214,343 | 284,829 | 70,486 | 33% | 293,415 | 3% |
| Gas Meters | 55,876 | 272,095 | 64,476 | 64,476 | 66,411 | 1,935 | 3% | 68,404 | 3% |
| Interdepartmental Charges | 530,496 | 493,791 | 485,494 | 485,494 | 602,062 | 116,568 | 24% | 612,771 | 2% |
| Eng. Cust Svc. MR and Admin | 599,932 | 836,900 | 927,190 | 927,190 | 916,376 | (10,814) | -1% | 948,366 | 3% |
| In Lieu Taxes & Franchise fee | 291,007 | 274,588 | 314,821 | 314,821 | 177,829 | (136,992) | -44% | 179,085 | 1% |
| Cost of Gas | 2,570,071 | 2,794,989 | 3,444,000 | 3,471,278 | 2,836,777 | (607,223) | -18% | 3,091,493 | 9% |
| Total Operating Expenses | \$ 5,271,162 | \$ 6,268,746 | \$ 6,913,714 | \$ 6,911,105 | \$ 6,490,735 | \$ (422,979) | -6% | \$ 6,819,243 | 5% |
| Operating Income (Loss) | \$ 2,646,156 | \$ 79,413 | \$ 1,509,839 | \$ (945,398) | \$ 163,997 | \$ (1,345,842) | | \$ 432,614 | |
| Capital Expenditures | | | | | | | | | |
| Capital Expenditures | 282,686 | 205,866 | 825,000 | 1,025,000 | 135,000 | (690,000) | -84% | 110,000 | -19% |
| Other Financing | | | | | | | | | |
| Revenue Transfer | (490,612) | - | (390,680) | (390,680) | (309,842) | 80,838 | -21% | (337,728) | 9% |
| Revenue Transfer Council Redirect | 178,235 | (362,814) | - | - | - | - | 0% | - | 0% |
| Net Income (Loss) | \$ 2,051,093 | \$ (489,267) | \$ 294,159 | \$ (2,361,078) | \$ (280,845) | \$ (575,004) | | \$ (15,114) | |
| Expenditures by Type: | | | | | | | | | |
| Salaries | 648,632 | 912,919 | 918,856 | 918,856 | 1,050,318 | 131,462 | 14% | 1,063,039 | 1% |
| Benefits | 264,774 | 335,365 | 377,184 | 377,184 | 423,290 | 46,106 | 12% | 425,962 | 1% |
| Professional/Contractual Services | 3,252,352 | 3,421,649 | 4,831,633 | 5,029,024 | 3,385,342 | (1,446,291) | -30% | 3,623,320 | 7% |
| Materials/Supplies | 197,036 | 442,194 | 198,357 | 198,357 | 224,424 | 26,067 | 13% | 231,158 | 3% |
| Interfund Charges | 1,127,577 | 1,332,690 | 1,412,684 | 1,412,684 | 1,475,536 | 62,852 | 4% | 1,563,339 | 6% |
| Capital Outlay | 63,476 | 29,796 | - | - | 66,825 | 66,825 | 100% | 22,425 | -66% |
| Fiscal Charges | - | - | - | - | - | - | 0% | - | 0% |
| Total | \$ 5,553,848 | \$ 6,474,613 | \$ 7,738,714 | \$ 7,936,105 | \$ 6,625,735 | \$ (1,112,979) | -14% | \$ 6,929,243 | 5% |

Los Alamos County Utilities Department
Fiscal Year 2027-2028 Budgets
Water Distribution

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| | FY2024 Actual | FY2025 Actual | FY2026 Adopted | FY2026 Projected | FY2027 Proposed | \$ Variance FY2027 vs FY2026 | % Variance FY2027 vs FY2026 | FY2028 Projected | % Variance FY2028 vs FY2027 |
|-----------------------------------|--------------------------|--------------------------|---------------------------|-----------------------------|----------------------------|---|--|-----------------------------|--|
| Revenue | | | | | | | | | |
| Sales in Thousand of Gallons | 790,698 | 723,981 | 800,000 | 760,000 | 760,000 | (40,000) | -5% | 760,000 | 0% |
| Revenue per thousand gallons | \$ 8.2596 | \$ 9.4154 | \$ 9.5145 | \$ 9.9803 | \$ 10.7787 | \$ 1.2642 | 13% | \$ 11.6410 | 8% |
| | 1,092,326 | | | | | | | | |
| Sales Revenue | 6,530,852 | 6,816,567 | 7,611,636 | 7,585,044 | 8,191,848 | 580,212 | 8% | 8,847,196 | 8% |
| Interest on Utility Reserves | 5,280 | 58,175 | - | - | - | - | 0% | - | 0% |
| Revenue on Recoverable Work | 56,053 | (24,876) | 25,000 | 25,000 | 25,000 | - | 0% | 25,000 | 0% |
| Misc Service Revenues | 80,203 | 91,612 | 60,000 | 60,000 | 60,000 | - | 0% | 60,000 | 0% |
| Total Revenue | \$ 6,672,387 | \$ 6,941,479 | \$ 7,696,636 | \$ 7,670,044 | \$ 8,276,848 | \$ 580,212 | 8% | \$ 8,932,196 | 8% |
| Operating Expenses | | | | | | | | | |
| Operations Staffing Related | 1,116,772 | 1,220,438 | 1,269,796 | 1,269,910 | 1,243,681 | (26,115) | -2% | 1,259,379 | 1% |
| Water Distribution | 235,519 | 408,006 | 501,278 | 716,320 | 706,980 | 205,702 | 41% | 728,191 | 3% |
| Water Meters | 210,631 | 57,102 | 283,250 | 286,253 | 74,311 | (208,939) | -74% | 76,540 | 3% |
| Interdepartmental Charges | 417,792 | 372,567 | 354,361 | 354,361 | 596,902 | 242,541 | 68% | 508,094 | -15% |
| Eng. Cust Svc. MR and Admin | 567,837 | 761,105 | 1,031,048 | 1,031,048 | 1,035,623 | 4,575 | 0% | 1,072,674 | 4% |
| Debt Service | - | - | - | - | - | - | 0% | 118,665 | 100% |
| Cost of Water | 4,675,871 | 4,553,886 | 4,200,000 | 4,200,000 | 4,588,272 | 388,272.00 | 9% | 4,955,334 | 8% |
| Total Operating Expenses | \$ 7,224,421 | \$ 7,373,104 | \$ 7,639,733 | \$ 7,857,892 | \$ 8,245,769 | \$ 606,036 | 8% | \$ 8,718,877 | 6% |
| Operating Income (Loss) | \$ (552,033) | \$ (431,625) | \$ 56,903 | \$ (187,847) | \$ 31,079 | \$ (25,824) | | \$ 213,319 | |
| Capital Expenditures | | | | | | | | | |
| Capital Expenditures | 490,721 | 1,463,551 | 4,900,000 | 5,967,860 | 1,235,000 | (3,665,000) | -75% | 1,300,000 | 5% |
| Other Financing | | | | | | | | | |
| Grants/Loan Proceeds | - | - | 3,500,000 | 3,500,000 | 1,200,000 | (2,300,000) | -66% | 1,000,000 | -17% |
| Revenue Transfer Council Redirect | 879,411 | 978,123 | - | - | - | - | 0% | - | 0% |
| Net Income (Loss) | \$ (163,343) | \$ (917,054) | \$ (1,343,097) | \$ (2,655,707) | \$ (3,921) | \$ 1,339,176 | | \$ (86,681) | |
| Expenditures by Type: | | | | | | | | | |
| Salaries | 798,303 | 816,942 | 790,528 | 790,528 | 828,214 | 37,686 | 5% | 838,968 | 1% |
| Benefits | 254,717 | 316,576 | 320,606 | 320,606 | 317,468 | (3,138) | -1% | 319,472 | 1% |
| Professional/Contractual Services | 645,233 | 1,645,194 | 5,474,447 | 6,750,464 | 1,731,132 | (3,743,315) | -68% | 1,811,017 | 5% |
| Materials/Supplies | 313,320 | 343,916 | 368,743 | 378,745 | 382,908 | 14,165 | 4% | 394,395 | 3% |
| Interfund Charges | 983,589 | 1,133,815 | 1,385,409 | 1,385,409 | 1,497,775 | 112,366 | 8% | 1,581,026 | 6% |
| Capital Outlay | 44,108 | 26,328 | - | - | 135,000 | 135,000 | 0% | - | -100% |
| Fiscal Charges | - | - | - | - | - | - | 0% | 118,665 | 100% |
| Total | \$ 3,039,271 | \$ 4,282,770 | \$ 8,339,733 | \$ 9,625,752 | \$ 4,892,497 | \$ (3,447,236) | -41% | \$ 5,063,543 | 3% |

Los Alamos County Utilities Department
Fiscal Year 2027-2028 Budgets
Water Production

| | FY2024 Actual | FY2025 Actual | FY2026 Adopted | FY2026 Projected | FY2027 Proposed | \$ Variance FY2027 vs FY2026 | % Variance FY2027 vs FY2026 | FY2028 Projected | % Variance FY2028 vs FY2027 |
|-------------------------------------|----------------------|----------------------|-----------------------|-----------------------|---------------------|------------------------------------|-----------------------------------|----------------------|-----------------------------------|
| Revenue | | | | | | | | | |
| Potable 1000-gallon production | 1,240,726 | 1,099,647 | 1,150,000 | 1,050,000 | 1,050,000 | (100,000) | -9% | 1,050,000 | 0% |
| Non-potable 1000-gallon production | 99,521 | 112,300 | 136,500 | 97,300 | 97,300 | (39,200) | -29% | 97,300 | 0% |
| Revenue per 1000 gallons | \$ 4.88 | \$ 4.67 | \$ 4.86 | \$ 4.91 | \$ 5.31 | 0.45 | 9% | 5.73 | 8% |
| Potable Sales to Water Distribution | 4,675,871 | 4,553,886 | 4,200,000 | 4,200,000 | 4,588,272 | 388,272 | 9% | 4,955,334 | 8% |
| Potable Sales Wholesale | 1,532,828 | 708,692 | 1,839,389 | 1,076,231 | 1,110,057 | (729,332) | -40% | 1,198,861 | 8% |
| Repayment of InterUtility Loan | 93,784 | - | - | - | - | - | 0% | - | 0% |
| Interest on Utility Reserves | 566,466 | 501,684 | 284,076 | 284,076 | 125,811 | (158,265) | -56% | 102,503 | -19% |
| Bond Federal Subsidy | 21,338 | 14,661 | 10,459 | 10,459 | 8,496 | (1,963) | -19% | 6,472 | -24% |
| Non Potable | 325,360 | 398,550 | 214,807 | 362,580 | 391,586 | 176,779 | 82% | 422,913 | 8% |
| Miscellaneous | 135,187 | - | - | - | - | - | 0% | - | 0% |
| Total Revenue | \$ 7,350,834 | \$ 6,177,473 | \$ 6,548,731 | \$ 5,933,346 | \$ 6,224,222 | (324,509) | -5% | \$ 6,686,084 | 7% |
| Operating Expenses | | | | | | | | | |
| Operations Staffing Related | 1,989,299 | 1,978,357 | 1,803,108 | 1,803,108 | 1,900,337 | 97,229 | 5% | 1,923,024 | 1% |
| Pumping Power | 726,082 | 866,918 | 885,800 | 885,800 | 936,272 | 50,472 | 6% | 1,001,811 | 7% |
| Wells | 117,853 | 121,458 | 180,667 | 213,623 | 145,350 | (35,317) | -20% | 149,711 | 3% |
| Booster Pump Stations | 148,110 | 94,239 | 382,246 | 499,665 | 231,364 | (150,882) | -39% | 238,305 | 3% |
| Treatment | 15,038 | 59,110 | 8,863 | 12,730 | 58,288 | 49,425 | 558% | 59,287 | 2% |
| Storage Tanks | 11,461 | 17,617 | 21,218 | 21,218 | 326,855 | 305,637 | 1440% | 336,661 | 3% |
| Transmission Lines | 103,151 | 74,372 | 144,587 | 144,587 | 169,939 | 25,352 | 18% | 175,038 | 3% |
| Non Potable System | 175,656 | 98,873 | 204,830 | 213,163 | 128,105 | (76,725) | -37% | 135,996 | 6% |
| Interdepartmental Charges | 413,058 | 469,276 | 441,292 | 441,292 | 547,362 | 106,070 | 24% | 552,600 | 1% |
| Eng. Cust Svc. MR and Admin | 1,070,774 | 733,448 | 731,944 | 731,944 | 742,645 | 10,701 | 1% | 770,902 | 4% |
| State Water Tax | 37,222 | 32,989 | 48,410 | 48,410 | 48,410 | - | 0% | 49,863 | 3% |
| Debt Service | 199,569 | 526,275 | 888,118 | 888,118 | 926,593 | 38,475 | 4% | 991,924 | 7% |
| Total Operating Expenses | \$ 5,007,271 | \$ 5,072,932 | \$ 5,741,083 | \$ 5,903,658 | \$ 6,161,520 | 420,437 | 7% | \$ 6,385,122 | 4% |
| Operating Income (Loss) | \$ 2,343,563 | \$ 1,104,540 | \$ 807,648 | \$ 29,688 | \$ 62,702 | (744,946) | | \$ 300,962 | |
| Capital Expenditures | | | | | | | | | |
| Capital Expenditures | 5,985,360 | 11,265,069 | 4,458,500 | 24,961,140 | 3,635,000 | (823,500) | -18% | 5,220,000 | 44% |
| Other Financing | | | | | | | | | |
| Grants/Loan Proceeds | 4,323,029 | 8,513,506 | 2,500,000 | 9,826,736 | 2,640,000 | 140,000 | 6% | 4,116,000 | 56% |
| County/External Reimbursement | 1,176,296 | 736,958 | - | 5,050,000 | - | - | 0% | - | 0% |
| Transfer from General Fund/Econ Dev | 314,477 | 3,050,000 | 100,000 | 3,150,000 | - | (100,000) | -100% | - | 0% |
| Revenue Transfer Council Redirect | 339,234 | - | - | - | - | - | 0% | - | 0% |
| Net Income (Loss) | \$ 2,511,238 | \$ 2,139,936 | \$ (1,050,852) | \$ (6,904,716) | \$ (932,298) | 118,554 | | \$ (803,038) | |
| Expenditures by Type: | | | | | | | | | |
| Salaries | 1,061,841 | 1,089,726 | 1,136,438 | 1,136,438 | 1,175,368 | 38,930 | 3% | 1,188,227 | 1% |
| Benefits | 393,888 | 406,865 | 474,938 | 474,938 | 515,163 | 40,225 | 8% | 518,697 | 1% |
| Professional/Contractual Services | 6,293,257 | 11,632,688 | 5,432,939 | 26,094,287 | 4,568,182 | (864,757) | -16% | 6,180,429 | 35% |
| Materials/Supplies | 241,915 | 280,177 | 186,790 | 190,657 | 272,091 | 85,301 | 46% | 280,255 | 3% |
| Interfund Charges | 2,264,260 | 2,143,331 | 2,045,825 | 2,045,825 | 2,262,228 | 216,403 | 11% | 2,412,738 | 7% |
| Capital Outlay | 152,854 | - | 34,535 | 34,535 | 76,895 | 42,360 | 123% | 32,852 | -57% |
| Fiscal Charges | 584,617 | 785,213 | 888,118 | 888,118 | 926,593 | 38,475 | 4% | 991,924 | 7% |
| Total | \$ 10,992,631 | \$ 16,338,001 | \$ 10,199,583 | \$ 30,864,798 | \$ 9,796,520 | (403,063) | -4% | \$ 11,605,122 | 18% |

Los Alamos County Utilities Department
Fiscal Year 2027-2028 Budgets
Wastewater Treatment - Collection

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| | FY2024 Actual | FY2025 Actual | FY2026 Adopted | FY2026 Projected | FY2027 Proposed | \$ Variance FY2027 vs FY2026 | % Variance FY2027 vs FY2026 | FY2028 Projected | % Variance FY2028 vs FY2027 |
|---|--------------------------|--------------------------|---------------------------|-----------------------------|----------------------------|---|--|-----------------------------|--|
| REVENUE | | | | | | | | | |
| Thousands of Gallons Processed | 369,475 | 368,333 | 400,000 | 368,333 | 368,333 | (31,667) | -8% | 368,333 | 0% |
| Sales Revenue | 6,421,297 | 6,674,090 | 7,250,168 | 7,141,277 | 7,641,167 | 390,999 | 5% | 8,252,461 | 8% |
| Interest on Utility Reserves | 174,469 | 195,992 | 175,000 | 175,000 | 7,138 | (167,861.51) | -96% | - | -100% |
| Revenue on Recoverable Work | 19,615 | (17,395) | 10,000 | 10,000 | 10,000 | - | 0% | 10,000 | 0% |
| TOTAL REVENUE | \$ 6,615,381 | \$ 6,852,687 | \$ 7,435,168 | \$ 7,326,277 | \$ 7,658,305 | \$ 223,137 | 3% | \$ 8,262,461 | 8% |
| OPERATING EXPENSES | | | | | | | | | |
| Operations Staffing Related - Collections | 781,795 | 815,380 | 1,005,493 | 1,005,639 | 1,182,079 | 176,586 | 18% | 1,195,929 | 1% |
| Operations Staffing Related - Treatments | 1,018,345 | 1,192,106 | 1,209,498 | 1,209,498 | 1,559,045 | 349,547 | 29% | 1,575,761 | 1% |
| Wastewater Collection | 97,409 | 431,629 | 270,684 | 270,684 | 290,455 | 19,771 | 7% | 273,164 | -6% |
| Lift Stations | 117,120 | 62,753 | 175,769 | 189,488 | 190,235 | 14,466 | 8% | 197,022 | 4% |
| Wastewater Treatment | 629,921 | 598,872 | 1,069,347 | 1,074,313 | 1,123,440 | 54,093 | 5% | 1,165,316 | 4% |
| Interdepartmental Charges | 1,094,160 | 1,190,890 | 1,367,223 | 1,367,223 | 1,177,897 | (189,326) | -14% | 1,048,189 | -11% |
| Eng. Cust Svc. MR and Admin | 1,090,454 | 604,657 | 779,838 | 779,838 | 780,224 | 386 | 0% | 808,614 | 4% |
| Debt Service | 870,247 | 772,517 | 2,124,642 | 2,124,642 | 2,147,709 | 23,067 | 1% | 2,230,912 | 4% |
| TOTAL OPERATING EXPENSES | \$ 5,699,449 | \$ 5,668,804 | \$ 8,002,494 | \$ 8,021,326 | \$ 8,451,084 | \$ 448,590 | 6% | \$ 8,494,907 | 1% |
| OPERATING INCOME (LOSS) | \$ 915,932 | \$ 1,183,883 | \$ (567,326) | \$ (695,049) | \$ (792,779) | \$ (225,453) | | \$ (232,446) | |
| CAPITAL EXPENDITURES | | | | | | | | | |
| Capital Expenditures | 12,304,019 | 5,030,417 | 2,695,000 | 5,957,323 | 2,185,000 | (510,000) | -19% | 4,150,000 | 90% |
| OTHER FINANCING | | | | | | | | | |
| Grant/Loan Proceeds | 10,455,896 | 5,219,576 | 2,000,000 | 2,000,000 | 2,000,000 | - | 0% | 3,720,000 | 86% |
| Revenue Transfer Council Redirect | 261,918 | - | - | - | - | - | 0% | 0 | 0% |
| NET INCOME (LOSS) | \$ (670,274) | \$ 1,373,042 | \$ (1,262,326) | \$ (4,652,372) | \$ (977,779) | 284,547 | | \$ (662,446) | |
| Expenditures by Type: | | | | | | | | | |
| Salaries | 1,251,037 | 1,385,005 | 1,526,820 | 1,526,820 | 1,878,792 | 351,972 | 23% | 1,900,881 | 1% |
| Benefits | 474,601 | 536,853 | 617,598 | 617,598 | 763,493 | 145,895 | 24% | 769,005 | 1% |
| Professional/Contractual Services | 12,622,779 | 5,642,917 | 3,563,317 | 6,844,472 | 3,171,288 | (392,029) | -11% | 5,165,839 | 63% |
| Materials/Supplies | 352,442 | 326,440 | 496,186 | 496,186 | 493,428 | (2,758) | -1% | 508,231 | 3% |
| Interfund Charges | 2,101,751 | 1,897,734 | 2,088,931 | 2,088,931 | 1,918,149 | (170,782) | -8% | 2,056,634 | 7% |
| Capital Outlay | 330,039 | 137,755 | 280,000 | 280,000 | 263,225 | (16,775) | -6% | 13,405 | -95% |
| Fiscal Charges | 870,820 | 772,517 | 2,124,642 | 2,124,642 | 2,147,709 | 23,067 | 1% | 2,230,912 | 4% |
| Total | \$ 18,003,469 | \$ 10,699,221 | \$ 10,697,494 | \$ 13,978,649 | \$ 10,636,084 | \$ (61,410) | -1% | \$ 12,644,907 | 19% |

Los Alamos County Utilities Department
Fiscal Year 2027-2028 Budgets
Administration

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| | FY2024 Actual | FY2025 Actual | FY2026 Adopted | FY2026 Projected | FY2027 Proposed | \$ Variance FY2027 vs FY2026 | % Variance FY2027 vs FY2026 | FY2028 Projected | % Variance FY2028 vs FY2027 |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|--------------------|------------------------------------|-----------------------------------|---------------------|-----------------------------------|
| Meter Reading | \$ 281,258 | \$ 282,286 | \$ 309,670 | 309,670 | 322,225 | \$ 12,555 | 4% | 331,303 | 3% |
| Salaries | 164,690 | \$ 171,078 | 167,867 | 167,867 | 179,404 | 11,537 | 7% | 183,306 | 2% |
| Benefits | 67,923 | \$ 70,064 | 74,851 | 74,851 | 77,737 | 2,886 | 4% | 78,810 | 1% |
| Professional/Contractual Services | 4,694 | \$ 3,282 | 42,210 | 42,210 | 39,358 | (2,852) | -7% | 41,326 | 5% |
| Materials/Supplies | 23,384 | \$ 17,053 | 6,825 | 6,825 | 8,756 | 1,931 | 28% | 9,194 | 5% |
| Interfund Charges | 20,568 | \$ 20,809 | 17,917 | 17,917 | 16,970 | (947) | -5% | 18,667 | 10% |
| Capital Outlay | - | \$ - | - | - | - | - | 0% | - | 0% |
| Fiscal Charges | - | \$ - | - | - | - | - | 0% | - | 0% |
| Customer Service | \$ 883,049 | \$ 920,665 | \$ 1,053,628 | 1,057,153 | 1,073,941 | \$ 20,313 | 2% | 1,108,137 | 3% |
| Salaries | 433,770 | \$ 456,162 | 525,632 | 525,632 | 518,640 | (6,992) | -1% | 536,704 | 3% |
| Benefits | 186,103 | \$ 207,924 | 245,263 | 245,263 | 240,152 | (5,111) | -2% | 245,527 | 2% |
| Professional/Contractual Services | 256,555 | \$ 252,105 | 266,983 | 270,508 | 294,149 | 27,166 | 10% | 308,856 | 5% |
| Materials/Supplies | 6,620 | \$ 4,474 | 15,750 | 15,750 | 21,000 | 5,250 | 33% | 17,050 | -19% |
| Interfund Charges | - | \$ - | - | - | - | - | 0% | - | 0% |
| Capital Outlay | - | \$ - | - | - | - | - | 0% | - | 0% |
| Fiscal Charges | - | \$ - | - | - | - | - | 0% | - | 0% |
| Engineering | \$ 1,835,280 | \$ 1,984,334 | \$ 2,019,917 | 2,019,917 | 2,146,891 | \$ 126,974 | 6% | 2,228,735 | 4% |
| Salaries | 1,234,419 | \$ 1,321,766 | 1,367,152 | 1,367,152 | 1,433,634 | 66,482 | 5% | 1,489,550 | 4% |
| Benefits | 490,793 | \$ 514,089 | 543,732 | 543,732 | 553,001 | 9,269 | 2% | 570,253 | 3% |
| Professional/Contractual Services | 54,466 | \$ 60,749 | 47,322 | 47,322 | 87,500 | 40,178 | 85% | 91,875 | 5% |
| Materials/Supplies | 22,371 | \$ 76,687 | 53,000 | 53,000 | 54,900 | 1,900 | 4% | 57,415 | 5% |
| Interfund Charges | 13,643 | \$ 11,043 | 8,711 | 8,711 | 17,856 | 9,145 | 105% | 19,642 | 10% |
| Capital Outlay | 19,588 | \$ - | - | - | - | - | 0% | - | 0% |
| Fiscal Charges | - | \$ - | - | - | - | - | 0% | - | 0% |
| Administration | \$ 747,817 | \$ 807,234 | \$ 1,713,169 | 1,713,169 | 1,554,720 | \$ (158,449) | -9% | 1,601,989 | 3% |
| Salaries | 413,187 | \$ 429,314 | 1,092,921 | 1,092,921 | 749,622 | (343,299) | -31% | 764,816 | 2% |
| Benefits | 185,823 | \$ 192,749 | 194,440 | 194,440 | 326,288 | 131,848 | 68% | 331,490 | 2% |
| Professional/Contractual Services | 102,070 | \$ 130,703 | 348,448 | 348,448 | 393,966 | 45,518 | 13% | 413,665 | 5% |
| Materials/Supplies | 9,021 | \$ 5,578 | 25,200 | 25,200 | 25,725 | 525 | 2% | 27,012 | 5% |
| Interfund Charges | 37,716 | \$ 48,431 | 52,160 | 52,160 | 58,619 | 6,459 | 12% | 64,481 | 10% |
| Capital Outlay | - | \$ 459 | - | - | 500 | 500 | 0% | 525 | 5% |
| Fiscal Charges | - | \$ - | - | - | - | - | 0% | - | 0% |
| Finance | \$ 874,036 | \$ 721,134 | \$ 1,284,679 | 1,288,204 | 1,078,511 | \$ (206,168) | -16% | 1,114,918 | 3% |
| Salaries | 502,615 | \$ 490,376 | 528,863 | 528,863 | 578,088 | 49,225 | 9% | 596,076 | 3% |
| Benefits | 193,865 | \$ 184,758 | 221,275 | 221,275 | 233,652 | 12,377 | 6% | 239,057 | 2% |
| Professional/Contractual Services | 167,719 | \$ 33,325 | 510,391 | 513,916 | 234,752 | (275,639) | -54% | 246,408 | 5% |
| Materials/Supplies | 4,655 | \$ 4,590 | 24,150 | 24,150 | 27,133 | 2,983 | 12% | 28,491 | 5% |
| Interfund Charges | - | \$ - | - | - | - | - | 0% | - | 0% |
| Capital Outlay | 5,184 | \$ 4,886 | - | - | 4,886 | 4,886 | 0% | 4,886 | 0% |
| Fiscal Charges | - | \$ 3,200 | - | - | - | - | 0% | - | 0% |
| Public Information | \$ 438,248 | \$ 440,444 | \$ 550,753 | 573,617 | 533,565 | \$ (17,188) | -3% | 555,863 | 4% |
| Salaries | 220,509 | \$ 222,205 | 245,351 | 245,351 | 245,226 | (125) | 0% | 254,789 | 4% |
| Benefits | 81,455 | \$ 90,386 | 85,844 | 85,844 | 91,281 | 5,437 | 6% | 94,161 | 3% |
| Professional/Contractual Services | 122,208 | \$ 108,739 | 191,808 | 214,672 | 159,508 | (32,300) | -17% | 167,485 | 5% |
| Materials/Supplies | 14,075 | \$ 18,734 | 27,750 | 27,750 | 36,650 | 8,900 | 32% | 38,483 | 5% |
| Interfund Charges | - | \$ - | - | - | - | - | 0% | - | 0% |
| Capital Outlay | - | \$ 380 | - | - | 900 | 900 | 0% | 945 | 5% |
| Fiscal Charges | - | \$ - | - | - | - | - | 0% | - | 0% |
| Total Administrative Division | 5,059,687 | 5,156,096 | 6,931,816 | 6,961,730 | 6,709,853 | (221,963) | -3% | 6,940,945 | 3% |
| Expenditures by Type: | | | | | | | | | |
| Salaries | 2,969,190 | \$ 3,090,901 | 3,927,786 | 3,927,786 | 3,704,614 | (223,172) | -6% | 3,825,241 | 3% |
| Benefits | 1,205,962 | \$ 1,259,969 | 1,365,405 | 1,365,405 | 1,522,111 | 156,706 | 11% | 1,559,298 | 2% |
| Professional/Contractual Services | 707,712 | \$ 588,903 | 1,407,162 | 1,437,076 | 1,209,233 | (197,929) | -14% | 1,269,615 | 5% |
| Materials/Supplies | 80,125 | \$ 127,115 | 152,675 | 152,675 | 174,164 | 21,489 | 14% | 177,645 | 2% |
| Interfund Charges | 71,927 | \$ 80,283 | 78,788 | 78,788 | 93,445 | 14,657 | 19% | 102,790 | 10% |
| Capital Outlay | 24,772 | \$ 5,725 | - | - | 6,286 | 6,286 | 0% | 6,356 | 1% |
| Fiscal Charges | - | \$ 3,200 | - | - | - | - | 0% | - | 0% |
| Total | 5,059,687 | 5,156,096 | 6,931,816 | 6,961,730 | 6,709,853 | (221,963) | -3% | 6,940,945 | 3% |

Full Time Equivalent (FTE) Summary



LADPU.com/DPU



Los Alamos County Department of Public Utilities
Fiscal Year 2027-2028 Budgets
FTE Summary

| | FY2024 Actual | FY2025 Actual | FY2026 Adopted | FY2026 Projected | FY2027 Proposed | FY2028 Projected |
|----------------------------|------------------|------------------|-------------------|---------------------|--------------------|---------------------|
| FTE Summary: | | | | | | |
| Regular (full & part time) | 98.00 | 101.00 | 101.00 | 102.00 | 102.00 | 102.00 |
| Overfill | | 3.00 | 3.00 | 2.00 | 2.00 | 2.00 |
| Limited Term | 2.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Casual, student & temp. | 3.65 | 3.65 | 3.65 | 3.65 | 3.65 | 3.65 |
| | <u>103.65</u> | <u>107.65</u> | <u>107.65</u> | <u>107.65</u> | <u>107.65</u> | <u>107.65</u> |
| FTE by Division: | | | | | | |
| Electric Production | 14.00 | 13.40 | 13.40 | 13.40 | 13.40 | 13.40 |
| Electric Distribution | 13.00 | 14.60 | 14.60 | 15.60 | 15.60 | 15.60 |
| Gas/Water/Sewer | 23.45 | 23.45 | 23.45 | 23.45 | 23.45 | 23.45 |
| Water Production | 10.25 | 10.25 | 10.25 | 10.25 | 10.25 | 10.25 |
| Wastewater Treatment | 10.30 | 10.30 | 10.30 | 10.30 | 10.30 | 10.30 |
| Administrative & General | 32.65 | 35.65 | 35.65 | 34.65 | 34.65 | 34.65 |
| | <u>103.65</u> | <u>107.65</u> | <u>107.65</u> | <u>107.65</u> | <u>107.65</u> | <u>107.65</u> |

10-Year CIP and Budget Option Plans



LADPU.com/DPU



LOS ALAMOS
Department of Public Utilities

FY27 (1 July 2026 - 30 June 2027)

Budget

| | |
|--|------------------|
| ELECTRIC PRODUCTION | 200,000 |
| Abiquiu Wicket Gate Hydraulic Servo Motor Replacement | 200,000 |
| ELECTRIC DISTRIBUTION | 2,485,000 |
| White Rock URD Replacement: Aragon, Ridgecrest, Garver, Catherine | 1,500,000 |
| Overhead System Replacement (poles, xarms, transformers) | 450,000 |
| DP Road Staging Area | 35,000 |
| East Gate Substation Design | 500,000 |
| GAS DISTRIBUTION | 135,000 |
| Pipeline Repair & Replacement / Equipment | 100,000 |
| DP Road Staging Area | 35,000 |
| WATER DISTRIBUTION | 1,235,000 |
| Denver Steels Phase III (Public Works Road Project) (DWSRF Loan) | 1,200,000 |
| DP Road Staging Area | 35,000 |
| WATER PRODUCTION | 3,635,000 |
| Repaint Pajarito Tank 4A (WTB \$1,280,000 / CIP \$320K) | 1,600,000 |
| Pajarito Road Transmission Line Replacement Phase I (WTB \$1,360,000 / CIP \$340K) | 1,700,000 |
| Pajarito Well No. 3 Replacement Well Design | 300,000 |
| DP Road Staging Area | 35,000 |
| WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL | 2,185,000 |

| | |
|---|------------------|
| SEWER COLLECTION | 1,885,000 |
| Denver Steels Phase III (Public Works Road Project) | 150,000 |
| Sewer Line Rehabilitation (RIP Loan) | |
| Fairway Street | 800,000 |
| Sycamore Street | 600,000 |
| North Community/Western Area Sewer Mains & Services R&R - Phase 2 | 300,000 |
| DP Road Staging Area | 35,000 |
| WASTEWATER TREATMENT | 300,000 |
| Convert Effluent Wastewater to Gravity System (RIP Loan) | 300,000 |

FY28 (1 July 2027 - 30 June 2028)

Budget

| | |
|--|------------------|
| ELECTRIC PRODUCTION | 1,050,000 |
| El Vado Shaft Seal Repair | 250,000 |
| El Vado Controls Upgrade | 650,000 |
| El Vado Synchronizer Replacement | 150,000 |
| ELECTRIC DISTRIBUTION | 9,450,000 |
| Los Alamos URD Replacement ; Sandia, 41st,thru 47th,Ridgeway Tie (Bond) | 1,000,000 |
| White Rock URD Replacement: Grand Canyon, Bryce, Richard CT, Rover (Bond) | 2,000,000 |
| Overhead System Replacement (polex, xarms, transformers) | 450,000 |
| Townsite Circuit 16, 1 PHASE | |
| White Rock Circuit1, Wire 1 PHASE | |
| EA-4 Power Line Replacement (Bond or State Grant) | 4,000,000 |
| La Senda (Bond) | 1,500,000 |
| Los Pueblos Phase I | 500,000 |
| GAS DISTRIBUTION | 110,000 |
| Pipeline Repair & Replacement / Equipment | 110,000 |
| WATER DISTRIBUTION | 1,300,000 |
| 34th & Little Urban Street Waterline Replacement (WTB \$1,000,000 / CIP \$300K) | 1,300,000 |
| WATER PRODUCTION | 5,220,000 |
| North Mesa Tank Altitude Valve (WTB \$536k / CIP \$134K) | 670,000 |
| Pajarito Road Transmission Line Replacement Phase II (WTB \$1,800,000 / CIP \$400K) | 2,200,000 |
| Booster Station Mech. and Elec. Upgrades Phase I - Design (WTB \$280k / CIP \$70k) | 350,000 |
| Booster Station Building Renovations Phase II | 500,000 |
| Pajarito Well No. 3 Replacement Test Well Drilling/Hydrogeology (Federal Allocation) | 1,500,000 |
| WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL | 4,150,000 |
| SEWER COLLECTION | 4,150,000 |
| Old Pueblo Plant Canyon Drop Replacement (WTB \$640 / CIP \$160k) | 800,000 |
| Cooper Road Sewer Canyon Drop Repl. (WTB \$1,080,000 /CIP \$270k) | 1,350,000 |
| Sewer Line Rehabilitation (RIP Loan) | |
| Refurbish or Eliminate Pueblo Canyon Pipe Bridge | 1,100,000 |
| Aspen School Area Pipeline - Phase 2 (Public Works Project) | 200,000 |
| Sandia Drive | 700,000 |
| WASTEWATER TREATMENT | 0 |

FY29 (1 July 2028 - 30 June 2029)

Budget

| | |
|---|------------------|
| ELECTRIC PRODUCTION | 1,100,000 |
| Abiquiu Excitation System Replacement Units 1 & 2 | 1,100,000 |
| ELECTRIC DISTRIBUTION | 2,250,000 |
| Los Alamos URD Replacement: Tewa, Otowi, Nambe Loop, Santa Clara, | 1,000,000 |
| Overhead System Replacement (poles, xarms, transformers) | 250,000 |
| Townsite Circuit 16, 1 PHASE | |
| White Rock Circuit 1, Wire 1 PHASE | |
| Los Pueblos Phase II | 750,000 |
| SCADA | 250,000 |
| GAS DISTRIBUTION | 295,000 |
| Pipeline Repair & Replacement / Equipment | 120,000 |
| Central Avenue - 9th St to Roundabout (Public Works Road Project) | 175,000 |
| WATER DISTRIBUTION | 520,000 |
| Central Avenue - 9th St to Roundabout (WTB \$416k / CIP \$104k) | 520,000 |
| WATER PRODUCTION | 4,075,000 |
| Booster Station Mech. and Elec. Upgrades Phase I (WTB \$1,600,000 / CIP \$400K) | 2,000,000 |
| Townsite 14" Pipeline Replacement - Phase 2 (WTB \$1,700,000 / CIP \$375K) | 2,075,000 |
| WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL | 1,700,000 |

| | |
|---|------------------|
| SEWER COLLECTION | 1,700,000 |
| Sewer Line Rehabilitation (RIP Loan) | |
| Eastern Area Phase 1 Renewal & Replacement | 1,000,000 |
| Aspen School Area Pipeline - Phase 3 (Public Works Project) | 300,000 |
| Kimberly Sewer Lift Station & Wet Well | 400,000 |

| | |
|-----------------------------|----------|
| WASTEWATER TREATMENT | 0 |
|-----------------------------|----------|

FY30 (1 July 2029 - 30 June 2030)

Budget

| | |
|--|-------------------|
| ELECTRIC PRODUCTION | 1,305,000 |
| El Vado Excitation System Replacement | 600,000 |
| Abiquiu Runner Repair /Replacement | 530,000 |
| Abiquiu Propane Storage Tank \$175K | 175,000 |
| ELECTRIC DISTRIBUTION | 11,700,000 |
| LA URD Replacement: Oakwood Loop, Nugget, Opal , Pinon,Sage,Spruce,Nectar | 1,800,000 |
| White Rock URD Replacement : Rover and Ridgecrest (Bond) | 1,900,000 |
| East Gate Substation Construction (Bond) | 6,000,000 |
| East Gate Substation Feeders (Bond) | 2,000,000 |
| GAS DISTRIBUTION | 130,000 |
| Pipeline Repair & Replacement / Equipment | 130,000 |
| WATER DISTRIBUTION | 600,000 |
| Waterline Replacements (WTB \$480k / CIP \$120k) | 600,000 |
| WATER PRODUCTION | 2,900,000 |
| Repaint Guaje Booster Station 1 Tank 1 (WTB \$440k / CIP \$110k) | 550,000 |
| Repaint Guaje Booster Station 2 Tanks 1 & 2 (WTB \$720k / CIP \$180k) | 900,000 |
| Repaint Guaje Booster Station 3 Tanks 1 & 2 (WTB \$860k / CIP \$215k) | 1,075,000 |
| Booster Station Mech. and Elec Upgrades Phase II - Design (WTB \$300k / CIP \$75k) | 375,000 |
| Pajarito Well No. 3 Replacement Well Construction (Federal Allocation) | TBD |
| WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL | 2,000,000 |
| SEWER COLLECTION | 2,000,000 |
| Sewer Line Rehabilitation (RIP Loan) | |
| Airport Canyon Sewer Drop Replacement | 1,000,000 |
| Eastern Area Phase 2 Renewal & Replacement | 750,000 |
| Orange and Nickel Streets (Public Works Project) | 250,000 |
| WASTEWATER TREATMENT | 0 |

| FY31 (1 July 2030 - 30 June 2031) | | Budget |
|---|--|------------------|
| ELECTRIC PRODUCTION | | 350,000 |
| Abiquiu Fiber Optic Line to Substation Replacement | | 350,000 |
| ELECTRIC DISTRIBUTION | | 2,000,000 |
| Los Alamos URD Replacement: Sage Loop | | 1,000,000 |
| White Rock URD Replacement :Kimberly Loop | | 1,000,000 |
| GAS DISTRIBUTION | | 130,000 |
| Pipeline Repair & Replacement / Equipment | | 130,000 |
| WATER DISTRIBUTION | | 700,000 |
| Waterline Replacements (WTB \$560k / CIP \$140k) | | 700,000 |
| WATER PRODUCTION | | 3,500,000 |
| Repaint Otowi Booster 2 Tanks 1 & 2 (WTB \$700,000/CIP \$200,000) | | 900,000 |
| Repaint Western Area Tank (WTB \$450,000 / CIP \$150,000) | | 600,000 |
| Booster Station Mechanical and Electrical Upgrades Phase II (WTB \$1,6M / CIP \$400K) | | 2,000,000 |
| | | 2,000,000 |
| SEWER COLLECTION | | 2,000,000 |
| Sewer Line Rehabilitation (RIP Loan) | | |
| Laguna Sewer Canyon Drop Replacement | | 1,400,000 |
| Range Road Lift Station Refurbishment | | 350,000 |
| 40th, 41st & 42nd South of Urban (Public Works Project) | | 250,000 |
| WASTEWATER TREATMENT | | 0 |

FY32 (1 July 2031 - 30 June 2032)

Budget

| | |
|----------------------------|----------|
| ELECTRIC PRODUCTION | 0 |
|----------------------------|----------|

| | |
|------------------------------|------------------|
| ELECTRIC DISTRIBUTION | 2,200,000 |
|------------------------------|------------------|

| | |
|--|-----------|
| Los Alamos URD Replacement: Trinity Drive Diamond to Oppenheimer | 1,000,000 |
|--|-----------|

| | |
|---|---------|
| White Rock URD Replacement: Briston Pl, Brighton, Paul Place, Todd Loop | 600,000 |
|---|---------|

| | |
|--|---------|
| Overhead System Replacement (polex, xarms, transformers) | 600,000 |
|--|---------|

| | |
|-------------------------|----------------|
| GAS DISTRIBUTION | 175,000 |
|-------------------------|----------------|

| | |
|---|---------|
| Pipeline Repair & Replacement / Equipment | 175,000 |
|---|---------|

| | |
|---------------------------|------------------|
| WATER DISTRIBUTION | 1,515,000 |
|---------------------------|------------------|

| | |
|---|-----------|
| 41st, 43rd & 44th Streets North of Urban (WTB \$1,212,000 / CIP \$303k) | 1,515,000 |
|---|-----------|

| | |
|-------------------------|----------------|
| WATER PRODUCTION | 550,000 |
|-------------------------|----------------|

| | |
|---|---------|
| Diamond Drive NP Connections (RIP Loan) | 550,000 |
|---|---------|

| | |
|--|------------------|
| WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL | 7,235,000 |
|--|------------------|

| | |
|-------------------------|----------------|
| SEWER COLLECTION | 935,000 |
|-------------------------|----------------|

| | |
|--------------------------------------|--|
| Sewer Line Rehabilitation (RIP Loan) | |
|--------------------------------------|--|

| | |
|--|---------|
| 41st, 43rd & 44th Streets North of Urban | 450,000 |
|--|---------|

| | |
|-------------------------------|---------|
| Fairway Lift Station Upgrades | 200,000 |
|-------------------------------|---------|

| | |
|---------------------------------------|---------|
| Eastern Area Phase 3 Sewer Ren. & Rep | 285,000 |
|---------------------------------------|---------|

| | |
|-----------------------------|------------------|
| WASTEWATER TREATMENT | 6,300,000 |
|-----------------------------|------------------|

| | |
|---|-----------|
| LA WWTP - Miscellaneous Upgrades (CWSRF Loan) | 6,300,000 |
|---|-----------|

FY33 (1 July 2032 - 30 June 2033)

Budget

| | |
|----------------------------|----------|
| ELECTRIC PRODUCTION | 0 |
|----------------------------|----------|

| | |
|------------------------------|------------------|
| ELECTRIC DISTRIBUTION | 4,500,000 |
|------------------------------|------------------|

| | |
|----------------------------|-----------|
| Los Alamos URD Replacement | 1,000,000 |
|----------------------------|-----------|

| | |
|----------------------------|-----------|
| White Rock URD Replacement | 1,000,000 |
|----------------------------|-----------|

| | |
|---|-----------|
| Guaje Canyon Primary Replacement (Bond) | 2,500,000 |
|---|-----------|

| | |
|-------------------------|----------------|
| GAS DISTRIBUTION | 175,000 |
|-------------------------|----------------|

| | |
|---|---------|
| Pipeline Repair & Replacement / Equipment | 175,000 |
|---|---------|

| | |
|---------------------------|----------------|
| WATER DISTRIBUTION | 800,000 |
|---------------------------|----------------|

| | |
|--|---------|
| Waterline Replacements (WTB \$640k / CIP 160k) | 800,000 |
|--|---------|

| | |
|-------------------------|------------------|
| WATER PRODUCTION | 1,500,000 |
|-------------------------|------------------|

| | |
|--|-----------|
| Transmission Line Replacements (WTB \$1,200,000 / CIP \$300,000) | 1,500,000 |
|--|-----------|

| | |
|--|------------------|
| WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL | 2,000,000 |
|--|------------------|

| | |
|-------------------------|------------------|
| SEWER COLLECTION | 2,000,000 |
|-------------------------|------------------|

| | |
|--------------------------------------|--|
| Sewer Line Rehabilitation (RIP Loan) | |
|--------------------------------------|--|

| | |
|-----------------------------------|-----------|
| Vitrified Clay Sewer Replacements | 1,000,000 |
|-----------------------------------|-----------|

| | |
|---|-----------|
| Camino Cereza Sewer Canyon Drop Replacement | 1,000,000 |
|---|-----------|

| | |
|-----------------------------|----------|
| WASTEWATER TREATMENT | 0 |
|-----------------------------|----------|

FY34 (1 July 2033 - 30 June 2034)

Budget

| | |
|----------------------------|----------|
| ELECTRIC PRODUCTION | 0 |
|----------------------------|----------|

| | |
|------------------------------|------------------|
| ELECTRIC DISTRIBUTION | 2,500,000 |
|------------------------------|------------------|

| | |
|----------------------------|-----------|
| Los Alamos URD Replacement | 1,000,000 |
|----------------------------|-----------|

| | |
|----------------------------|-----------|
| White Rock URD Replacement | 1,000,000 |
|----------------------------|-----------|

| | |
|--|---------|
| Overhead System Replacement (polex, xarms, transformers) | 500,000 |
|--|---------|

| | |
|-------------------------|----------------|
| GAS DISTRIBUTION | 175,000 |
|-------------------------|----------------|

| | |
|---|---------|
| Pipeline Repair & Replacement / Equipment | 175,000 |
|---|---------|

| | |
|---------------------------|----------------|
| WATER DISTRIBUTION | 900,000 |
|---------------------------|----------------|

| | |
|--|---------|
| Waterline Replacements (WTB \$720k / CIP \$180k) | 900,000 |
|--|---------|

| | |
|-------------------------|------------------|
| WATER PRODUCTION | 2,000,000 |
|-------------------------|------------------|

| | |
|---|-----------|
| Transmission Line Replacements (WTB \$1,600,000 / CIP \$400k) | 2,000,000 |
|---|-----------|

| | |
|--|------------------|
| WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL | 1,000,000 |
|--|------------------|

| | |
|-------------------------|------------------|
| SEWER COLLECTION | 1,000,000 |
|-------------------------|------------------|

| | |
|--------------------------------------|-----------|
| Sewer line Rehabilitation (RIP Loan) | 1,000,000 |
|--------------------------------------|-----------|

| | |
|-----------------------------|----------|
| WASTEWATER TREATMENT | 0 |
|-----------------------------|----------|

FY35 (1 July 2034 - 30 June 2035)

Budget

| | |
|---|------------------|
| ELECTRIC PRODUCTION | 0 |
| ELECTRIC DISTRIBUTION | 2,500,000 |
| Los Alamos URD Replacement | 1,000,000 |
| White Rock URD Replacement | 1,000,000 |
| Overhead System Replacement (poles, xarms, transformers) | 500,000 |
| GAS DISTRIBUTION | 200,000 |
| Pipeline Repair & Replacement / Equipment | 200,000 |
| WATER DISTRIBUTION | 1,200,000 |
| Waterline Replacements (WTB \$900,000 / CIP \$300k) | 1,200,000 |
| WATER PRODUCTION | 1,500,000 |
| Transmission Line Replacements (WTB \$1,200,000 / CIP \$300k) | 1,500,000 |
| WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL | 1,000,000 |
| SEWER COLLECTION | 1,000,000 |
| Sewer line Rehabilitation (RIP Loan) | 1,000,000 |
| WASTEWATER TREATMENT | 0 |

FY36 (1 July 2035 - 30 June 2036)

Budget

| | |
|--|------------------|
| ELECTRIC PRODUCTION | 0 |
| ELECTRIC DISTRIBUTION | 2,500,000 |
| Los Alamos URD Replacement | 1,000,000 |
| White Rock URD Replacement | 1,000,000 |
| Overhead System Replacement (poles, xarms, transformers) | 500,000 |
| GAS DISTRIBUTION | 220,000 |
| Pipeline Repair & Replacement / Equipment | 220,000 |
| WATER DISTRIBUTION | 1,200,000 |
| Waterline Replacements (WTB \$900,000 / CIP \$300k) | 1,200,000 |
| WATER PRODUCTION | 1,500,000 |
| Transmission Line Replacements (WTB \$1,200,000 / CIP \$300,000) | 1,500,000 |
| WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL | 1,000,000 |
| SEWER COLLECTION | 1,000,000 |
| Sewer line Rehabilitation(RIP Loan) | 1,000,000 |
| WASTEWATER TREATMENT | 0 |

ELECTRIC PRODUCTION

FY27: Abiquiu Wicket Gate Hydraulic Servo Motor Replacement

Project Scope: The hydroelectric plan in Abiquiu, NM. has two identical 6.9MW turbine/generators that were installed in 1987 and manufactured by ORENCO (Chinese). Each unit has 2 servos per turbine that operate the wicket gates. Los Alamos County had all four servos rehabilitated approximately 10 years ago. The servos are leaking hydraulic oil again and will be replaced. Four new servos will be purchased in FY26'. These funds will be applied to the installation in FY27'.

Budget: \$200,000

Schedule: Winter FY27'



ELECTRIC DISTRIBUTION

FY27: URD (UG Residential Distribution) Replacements

Project Scope: The underground system contains 1970s infrastructure, which was direct-buried and in direct contact with the earth. Portions or segments of the underground system that have experienced 3 or more failures are targeted for replacement because they will fail again. Areas to be included are:

White Rock: Aragon, Ridgecrest, Garver, and Catherine

Budget: \$ 1,500,000

Schedule: Year-round design and construction



ELECTRIC DISTRIBUTION

FY27: Overhead System Replacement

Project Scope: Many components of the utilities' overhead infrastructure operate near or past their useful life, greater than 50 years. The department's Asset Management Program (AMP) prioritizes O&M projects on (a) root cause analysis after power outages, (b) quarterly line patrols, and (c) year-end assessments. The O&M program includes replacement of power poles, cross-arms, and revamps (wire & transformer upgrades).

Townsite & White Rock: \$450,000

Budget: \$ 450,000
Schedule: Year-round design and construction



ELECTRIC DISTRIBUTION

GAS DISTRIBUTION

WATER DISTRIBUTION

WATER PRODUCTION

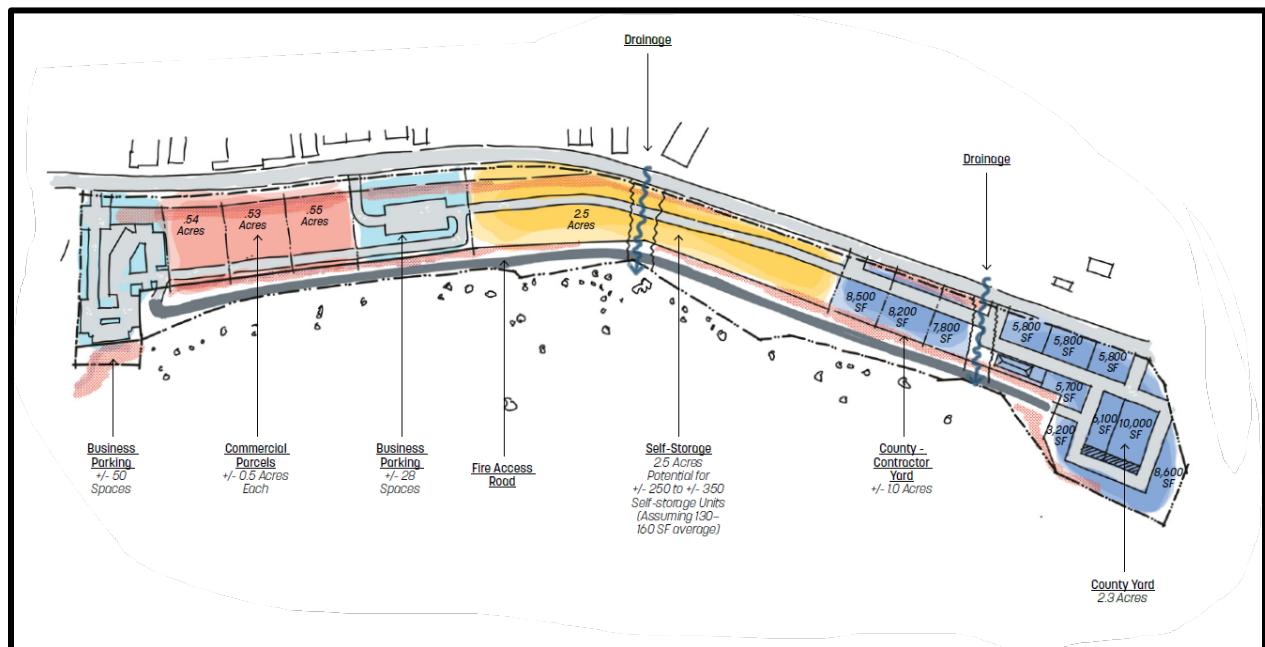
WASTEWATER COLLECTION

FY27: DP Road Staging Area

Project Scope: Due to limited available space in the Los Alamos townsite during active construction, this project will establish a properly sized staging area primarily for DPU and Public Works field crews. The staging area will also provide contractors with a dedicated, fenced location to safely store equipment and materials while performing work for Los Alamos County. Project costs will be shared between DPU, the participating departments, and Public Works field crews.

Budget: \$ 35,000/EA (\$175,000 Total)

Schedule: Summer FY27'



ELECTRIC DISTRIBUTION

FY27: East Gate Substation Design

Project Scope: The need for a new electric substation in Los Alamos County was identified in the Los Alamos County Electrification Study (2025). Consultants found that a new "Eastgate Substation" would be needed to serve increased demand from electric vehicles and building electrification over the next 30 years. The U.S. Department of Energy's Electrical Power Capacity Upgrade (EPCU) Environmental Assessment also identified the need for broader electrical infrastructure upgrades by 2027 to meet Los Alamos National Laboratory's operational needs and provide redundancy.

Budget: \$ 500,000
Schedule: Spring FY27'



GAS DISTRIBUTION

FY27 & FY28: Pipeline Repair & Replacement / Equipment

Project Scope: These funds will be used for miscellaneous system improvements throughout the year. The nature of work includes leak repairs, pressure regulating station improvements, valve replacements, and other unforeseen occurrences that occur throughout the year and require contractor support.

| | | |
|---------|-------|------------|
| Budget: | FY27' | \$100,000 |
| | FY28' | \$ 110,000 |

Schedule: All year



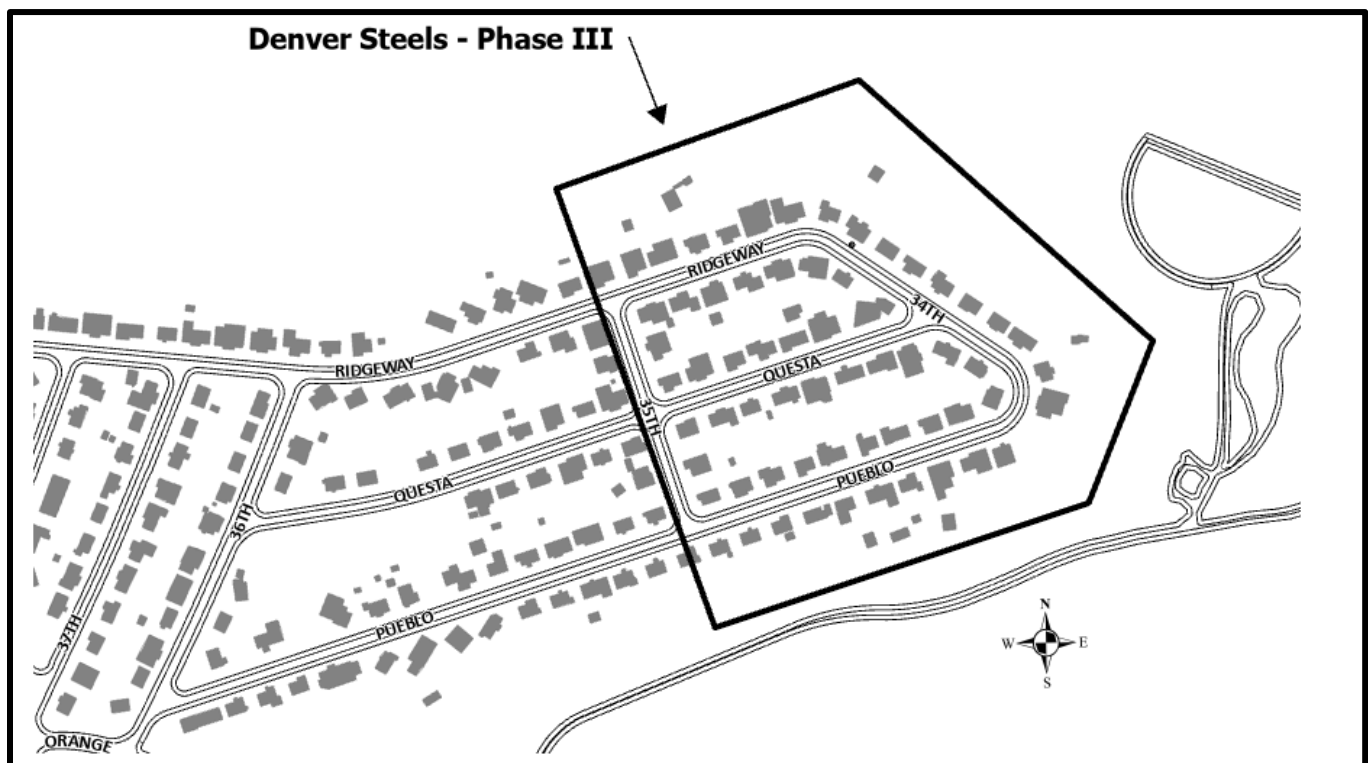
WATER DISTRIBUTION WASTEWATER COLLECTION

FY27: Denver Steels Phase III (Public Works Road Project)

Project Scope: This project will be a joint project between DPU and the Public Works Department to re-pave the roadway and replace utility infrastructure beneath the new road. The project will be in the Denver Steels Neighborhood. The remaining 1950's vintage section of waterlines will be replaced. Clay sewer lines that cross the roads will also be replaced. The water distribution portion of the project will be funded by Drinking Water State Revolving Loan (DWSRL).

| | | |
|---------|--|--------------|
| Budget: | Phase III FY27' Water Distribution (DWSRL) | \$ 1,200,000 |
| | Phase III FY27' Wastewater Collection | \$ 150,000 |

Schedule: Phase III Summer FY27'



WATER DISTRIBUTION (PROFIT TRANSFER) WASTEWATER COLLECTION

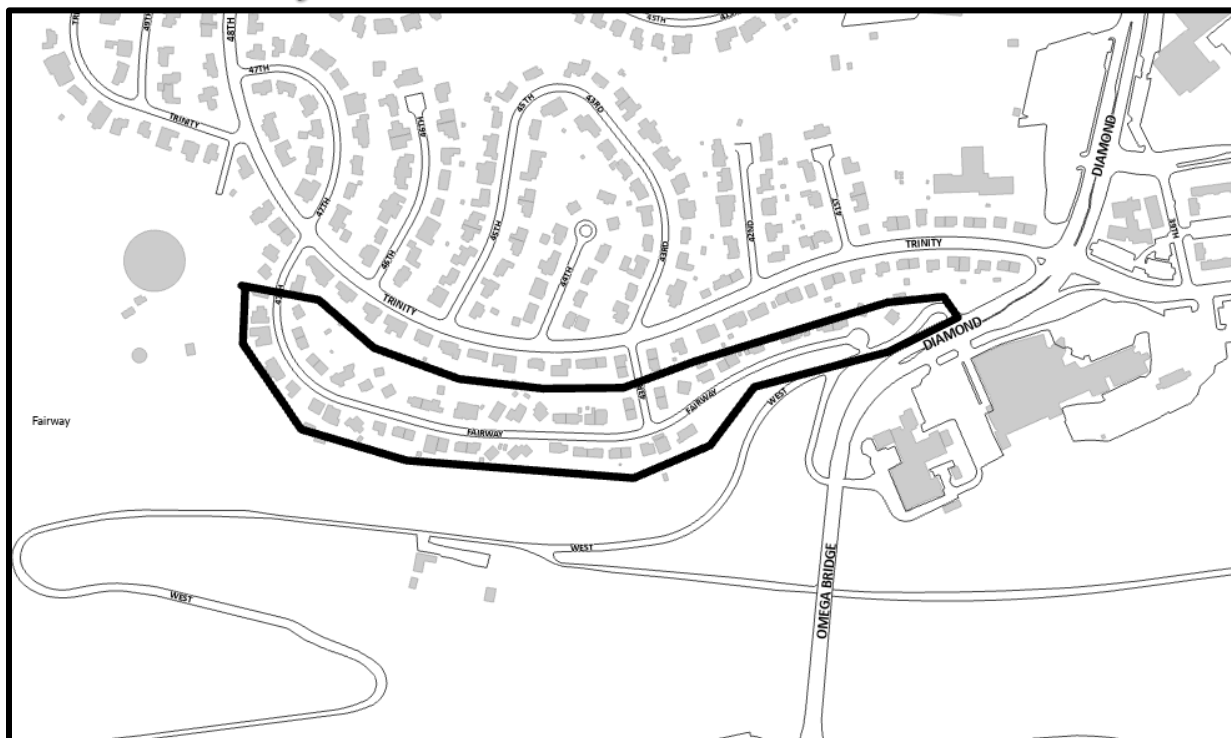
FY27: Fairway (Public Works Road Project)

Project Scope: This project will be a joint project between DPU and the Public Works Department to re-pave the roadway and replace utility infrastructure. The project will be on Fairway in the Western Area of Los Alamos that contains vintage sections of waterlines. The aged cast iron waterlines will be replaced with new ductile iron pipes along with replacing segments of vitrified clay sewer lines that have reoccurring problems prior to roadway being paved. The water distribution portion of the project will be funded by profit transfer monies allocated to the DPU by the County Council.

| | | |
|---------|--------------------------------------|--------------------|
| Budget: | Water Distribution (Profit Transfer) | \$ 900,000 |
| | Wastewater Collection | \$ 800,000 |
| | | \$1,700,000 |

Schedule: Summer FY27'

Fairway



WATER PRODUCTION

FY27: Repaint Pajarito Tank 4A

Project Scope: The Pajarito Tank 4A is a 4-million-gallon tank. It was constructed in 1982 and is located on Anchor Ranch Road on LANL Property that serves Los Alamos National Laboratory. The tank coating has deteriorated over the years, and the tank is in need of repainting. The tank interior and exterior will have some repairs and then be re-painted. The new paint will protect the tank for the next thirty years.

Budget: \$1,600,000 (WTB \$1,280 / CIP \$320,000)

Schedule: Fall FY27'



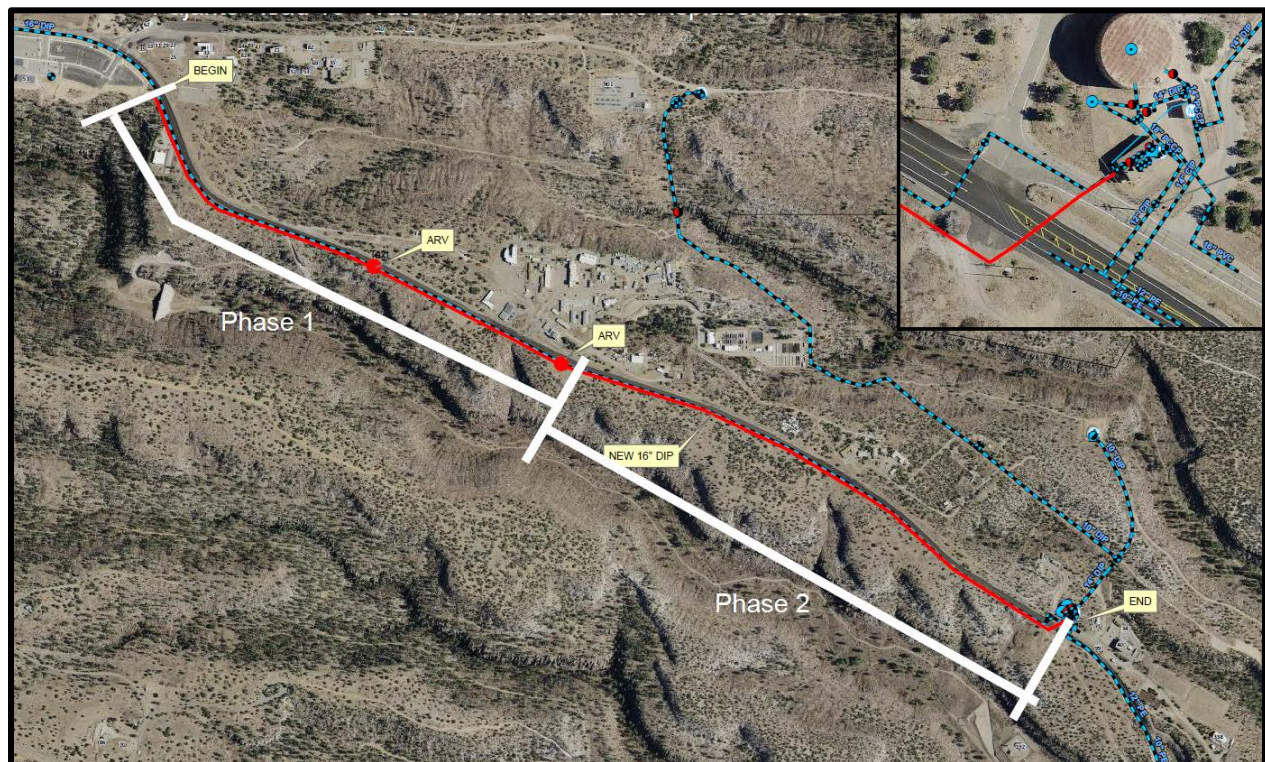
WATER PRODUCTION

FY27: Pajarito Road Transmission Line Replacement Phase I

Project Scope: The Pajarito 16" Transmission line was installed in the early 1960's and is a concrete cylinder (CCP) pipe that is experiencing frequent failures. The root cause of the failures is consistently found to be corrosion of the bottom of the pipe where moisture and road salts deposit, where the trench is in rock or volcanic tuff. The majority of this 2.3-mile corridor is trenched in rock. The asset management team has identified this pipeline segment as one of the highest risk for failure, with a large consequence when it fails. Three water wells are cut off when the line fails, which serve the Los Alamos National Laboratory. This first phase will be to install approximately 4,500 linear feet of new ductile iron pipe along this corridor.

Budget: \$1,700,000 (WTB \$1,360,000 / CIP \$340K)

Schedule: Summer FY27'



WATER PRODUCTION

FY27/28: Pajarito Well No.3 Replacement Well Design

Project Scope: Due to the loss of water supply from Pajarito Well No. 3 which has been taken offline due to groundwater contamination and the need to plan for projected increases in water use by Los Alamos National Laboratory and Los Alamos County, preparation to permit and construct a new water supply well is necessary. This project will fund the engineering and hydrologist services to design a new exploratory well and perform the analysis necessary to harvest the County's San Juan Chama water right from a water supply well located at Overlook Park in White Rock. In 2012, the DPU commissioned an engineering study to evaluate the alternatives to develop the San Juan Chama water allocation of 1,200 acre-feet annually. This is a surface water right and must be drawn from the Rio Grande. The recommended alternative was to drill conventional water wells in close proximity to the Rio Grande to harvest the surface water from the Rio Grande. The Pajarito Well No. 3 replacement will need to drill and test it for capacity at the Overlook Park Area. Hydrogeological studies, modeling, and environmental assessments will be needed to move forward with permitting the well through the Office of the State Engineer.

Budget: FY27 \$300,000 (CIP)
FY28 \$1,500,000 (Federal Allocation)
Schedule: Summer FY27'



WASTEWATER COLLECTION

FY27: Fairway Street, Sycamore Street, North Community/Western Area Sewer Line Rehabilitation

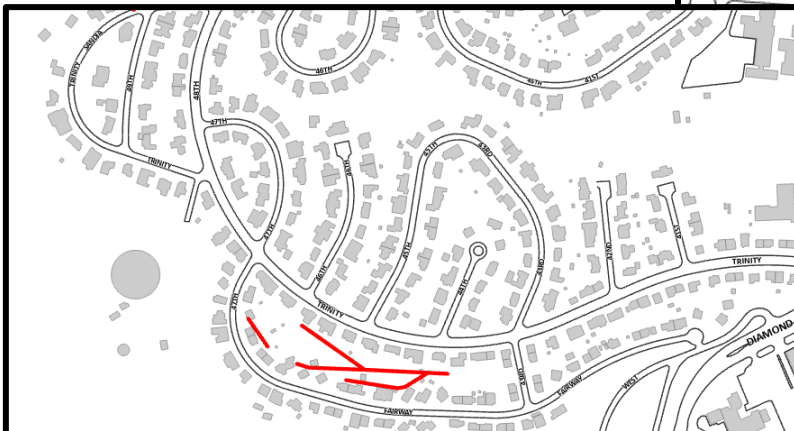
Project Scope: The project will repair and replace segments of vitrified clay sewer lines in Fairway Street and Sycamore Street in areas where collection lines are located in back of homes where it is difficult to access with equipment and have had recurring problems and threats of overflowing. The North Community/Western Area Sewer Mains Project will be the second phase of multiple phases over two fiscal years.

Budget:

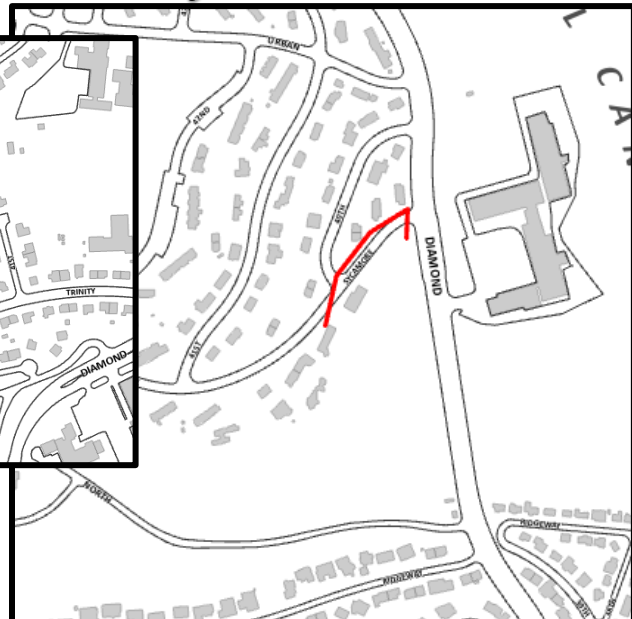
| | |
|---|-------------------------------|
| • Fairway Street | \$800,000 |
| • Sycamore Street | \$600,000 |
| • North Community/Western Area | \$300,000 |
| <u>Sewer Mains & Services R&R – Phase 2</u> | <u> </u> |
| | \$1,700,000 (RIP Loan) |

Schedule: Construction Spring FY27'

Fairway



Sycamore



WASTEWATER TREATMENT

FY27: Convert Effluent Wash-Water to Gravity

Project Scope: Treated effluent is currently used for wash-water at the Los Alamos Wastewater Treatment Plant to conserve potable water. A booster station pressurizes the effluent and distributes it throughout the plant. The booster station requires a high amount of maintenance and will soon require refurbishment. This project will pipe effluent water to the plant via gravity and eliminate the need for the booster station. This will save energy to pump the water and operate maintenance-free.

Budget: \$300,000 (RIP Loan)

Schedule: Construction FY27'



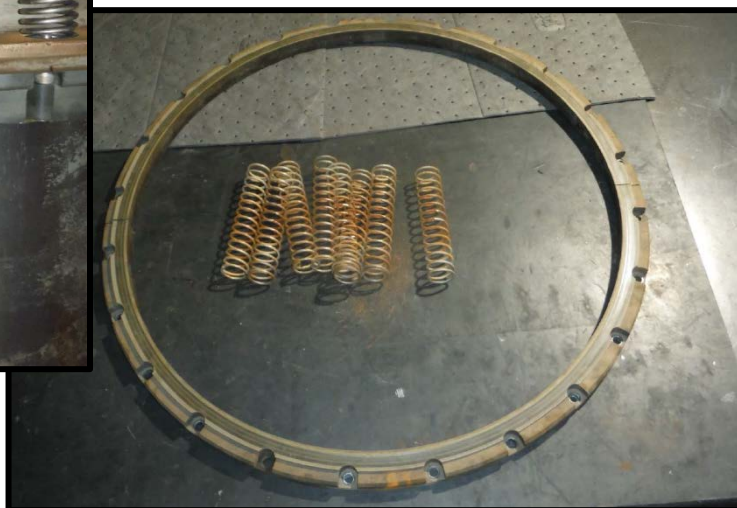
ELECTRIC PRODUCTION

FY28: El Vado Shaft Seal Repair

Project Scope: This is to purchase and install replacement parts to repair the El Vado Shaft Seal, to remove and replace the existing seal ring, O-rings, compression springs, etc., with new ones on the turbine shaft. The new equipment will likely be a new design.

Budget: \$250,0000

Schedule: Winter FY28'



ELECTRIC PRODUCTION

FY28: El Vado Control Upgrade & El Vado Synchronizer Replacement

Project Scope: The controls system at the El Vado hydroelectric plant is now 20 years old and was upgraded in 2006. The software and hardware will be upgraded with new components and programmed with some operational efficiencies. The upgrade will replace hardware and instrumentation that is at the end of its service life to provide continued reliable operation of the plant.

| | | |
|---------|----------------------------------|-----------|
| Budget: | El Vado Controls Upgrade | \$650,000 |
| | El Vado Synchronizer Replacement | \$150,000 |

Schedule: Winter FY28'



ELECTRIC DISTRIBUTION

FY28: URD (UG Residential Distribution) Replacements

Project Scope: The underground system contains 1970s infrastructure, which was direct-buried and in direct contact with the earth. Portions or segments of the underground system that have experienced 3 or more failures are targeted for replacement because they will fail again. Areas to be included are:

| | |
|--|--------------------|
| Los Alamos: Sandia, 41 st – 47 th , Ridgeway Tie | \$1,000,000 (CIP) |
| White Rock: Grand Canyon, Bryce, Richard CT, Rover | \$2,000,000 (Bond) |

Budget: \$1,000,000 (CIP), \$2,000,000 (Bond)

Schedule: Year-round design and construction



ELECTRIC DISTRIBUTION

FY28: Overhead System Replacement

Project Scope: Many components of the utilities' overhead infrastructure operate near or past their useful life, greater than 50 years. The department's Asset Management Program (AMP) prioritizes O&M projects on (a) root cause analysis after power outages, (b) quarterly line patrols, and (c) year-end assessments. The O&M program includes replacement of power poles, cross-arms, and revamps (wire & transformer upgrades).

Townsite Circuit 16, 1 PHASE
White Rock Circuit 1, Wire 1 PHASE

Budget: \$ 450,000
Schedule: Year-round design and construction

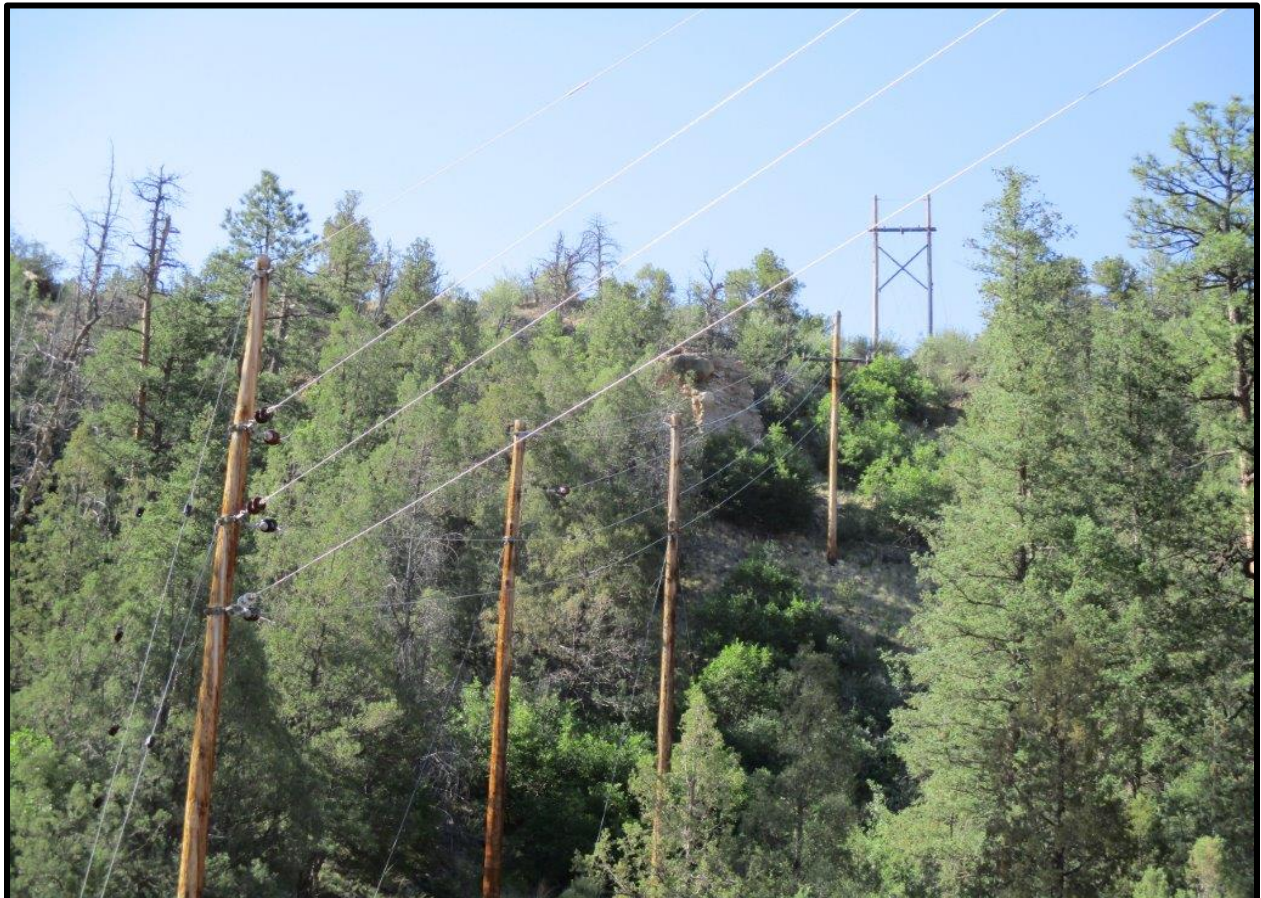


ELECTRIC DISTRIBUTION

FY28: EA-4 Power Line Replacement

Project Scope: The EA4 line is a separate feeder supplied by LANL to the County. The line enters the service area at NM502 and East Gate and crosses 5 canyons to Feed the Townsite Sewer Plant, East Gate Business area, Townsite water wells in Guaje Canyon and the Totavi gas station. The line has no access over much of its length. The line was constructed in the 60's and has reached its useful life expectancy.

Budget: \$ 4,000,000 (Bond)
Schedule: Year-round design and construction

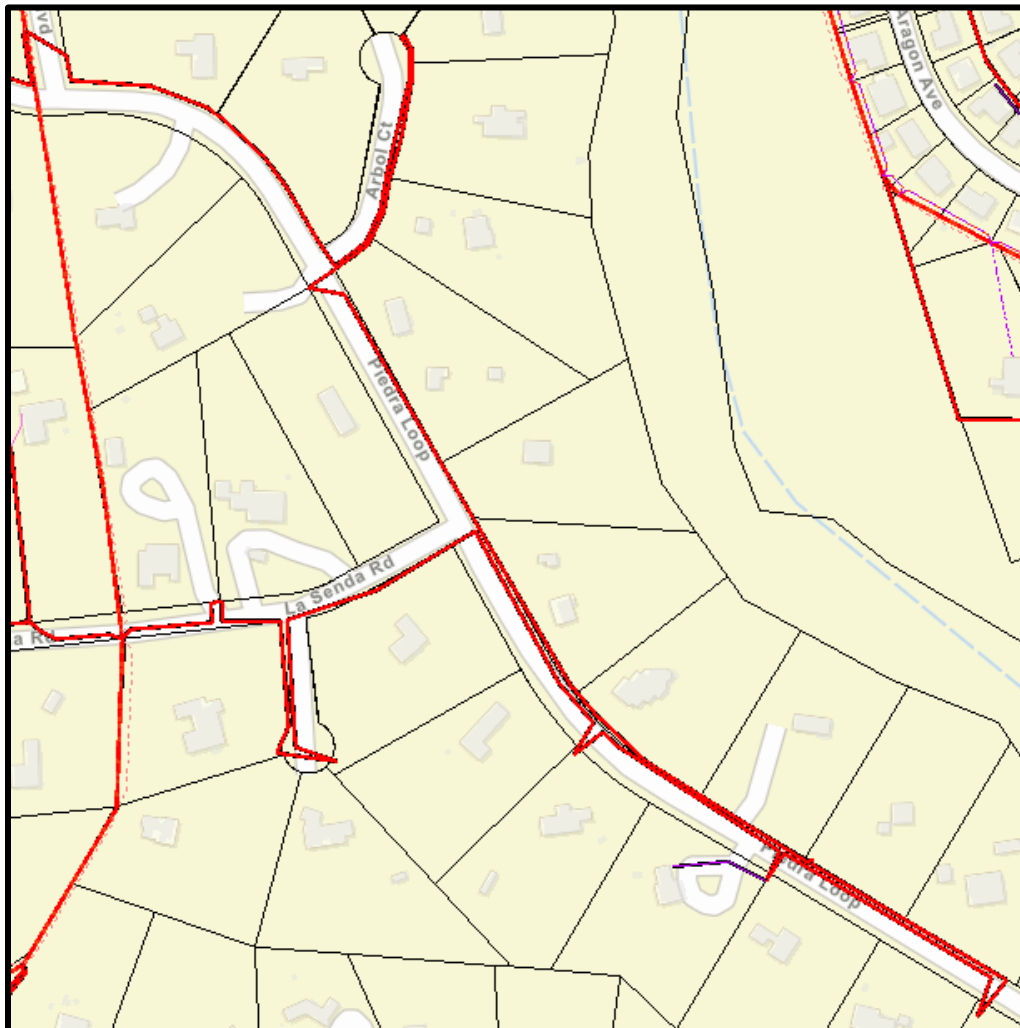


ELECTRIC DISTRIBUTION

FY28: La Senda Road

Project Scope: This project will be the continuation of an upgrade of the conductor on Piedra Loop that was scheduled in 2026. The existing conductor is beyond its useful life, direct buried and prone to failures. The line will be replaced with conductor in conduit that can be removed and replaced in the event of a failure.

Budget: \$ 1,500,000 (Bond)
Schedule: Summer FY28'



ELECTRIC DISTRIBUTION

FY28: Los Pueblos Phase 1

Project Scope: The underground system contains 1970s infrastructure which was direct-buried and in direct contact with the earth. Portions or segments of the underground system which have experienced 3 or more failures are targeted for replacement because they will fail again.

Budget: \$ 500,000
Schedule: Summer FY28'



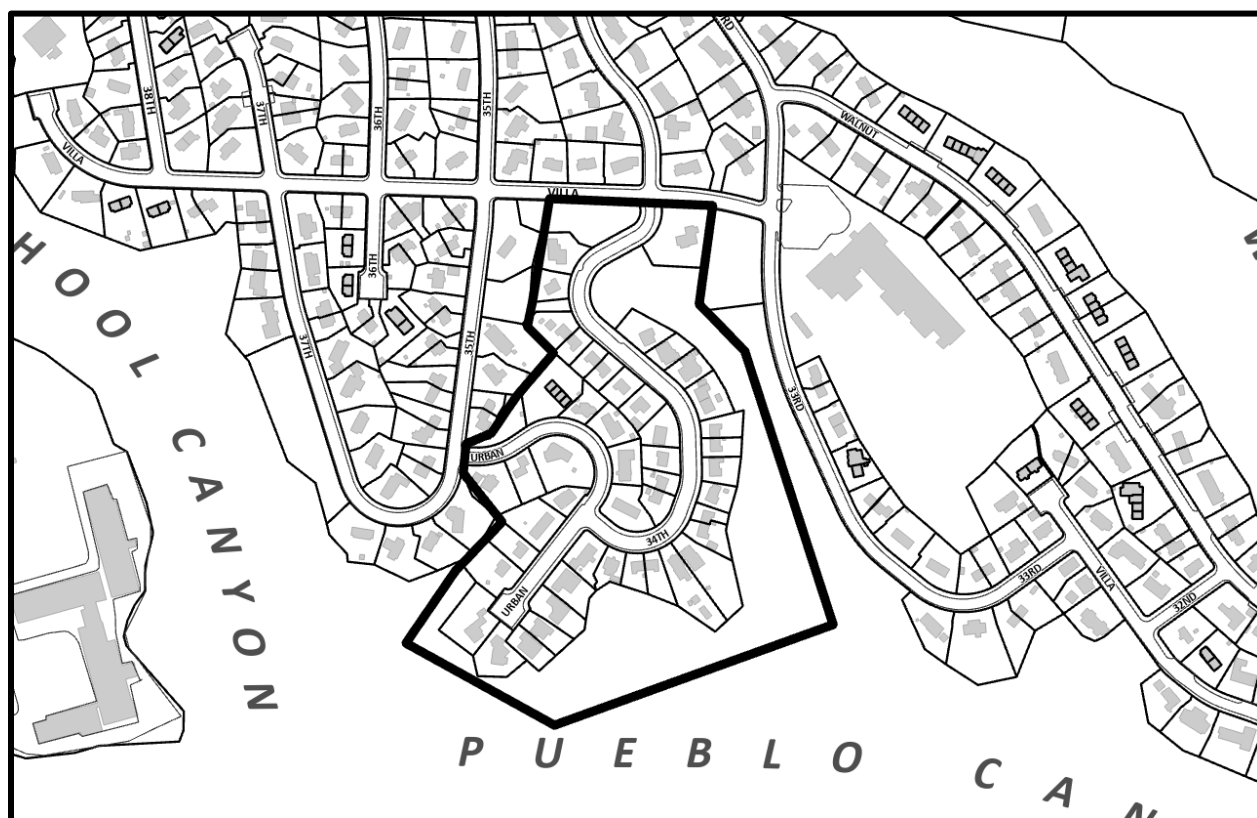
WATER DISTRIBUTION

FY28: 34th & Little Urban Street Waterline Replacement

Project Scope: The project will be in the 34th and Little Urban Street neighborhood in the vicinity of Aspen Elementary School. The failures have been increasing in frequency in recent years. The waterline is a 1950's vintage sections of cast iron pipe that will be replaced. The water distribution portion of the project will apply for Water Trust Board Funding (WTB)

Budget: \$1,300,000 (WTB \$1,000,000 / CIP \$300K)

Schedule: Summer FY28'



WATER DISTRIBUTION (PROFIT TRANSFER)

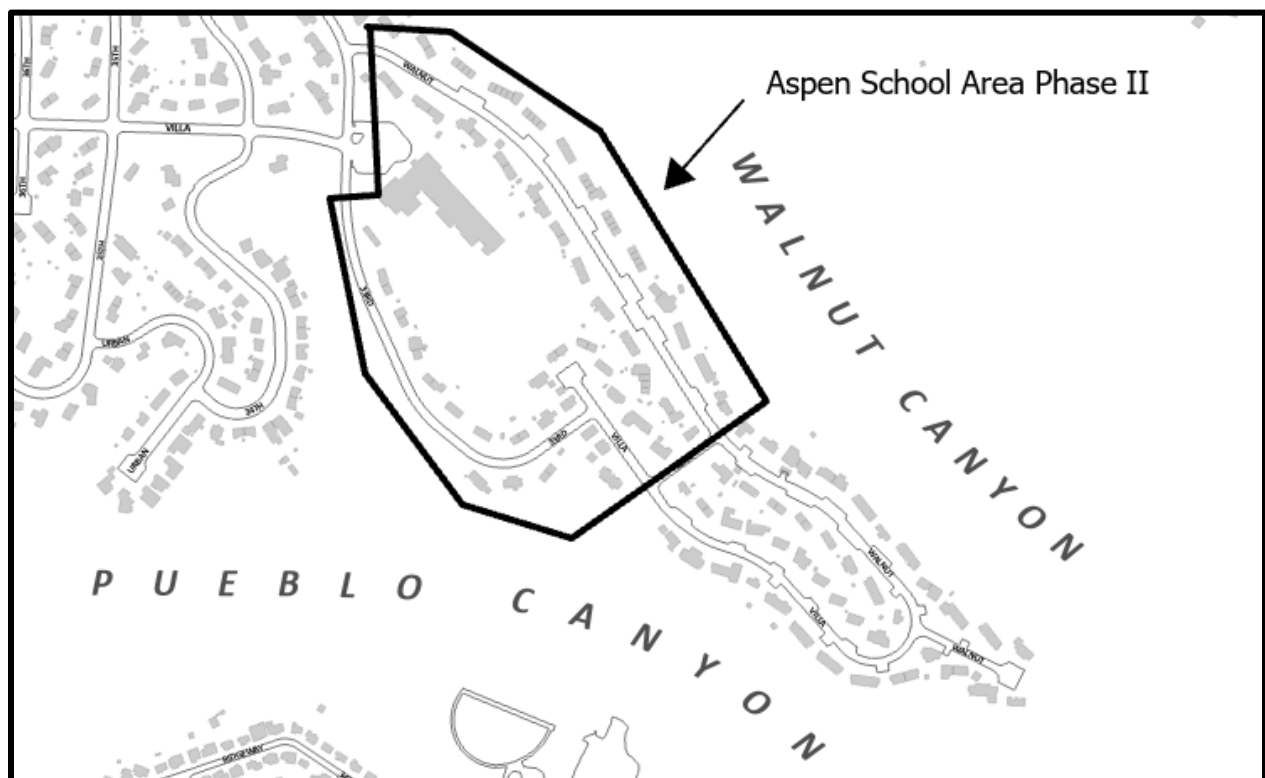
WASTEWATER COLLECTION

FY28: Aspen School Area Phase II (Public Works Road Project)

Project Scope: This project will be a joint project between DPU and the Public Works Department to replace another area of 1950's vintage sections of cast iron pipe. This pipe network is an undersized cast iron water distribution pipe that has repeated failures in recent years. This project will also look at repairing and replacing segments of vitrified clay sewer lines within the area located in back of homes where it is difficult to access with equipment and have had recurring problems and threats of overflowing. The water distribution portion of the project will be funded by profit transfer monies allocated to the DPU by the County Council.

| | | |
|---------|------------------------------|-----------------------------|
| Budget: | Water Distribution | \$987,000 (Profit Transfer) |
| | <u>Wastewater Collection</u> | <u>\$200,000</u> |
| | | \$1,187,000 |

Schedule: Summer FY28'



WATER PRODUCTION

FY28: North Mesa Tank Altitude Valve

Project Scope: This project would be to install an Altitude Valve on the Water Transmission line that fills the Hawk tank. The altitude valve will replace the offsite pressure reducing valve that currently fills the tank. The new altitude valve will be placed at the base of the tank.

Budget: \$670,000 (WTB \$536k / CIP \$134K)

Schedule: Fall FY28'



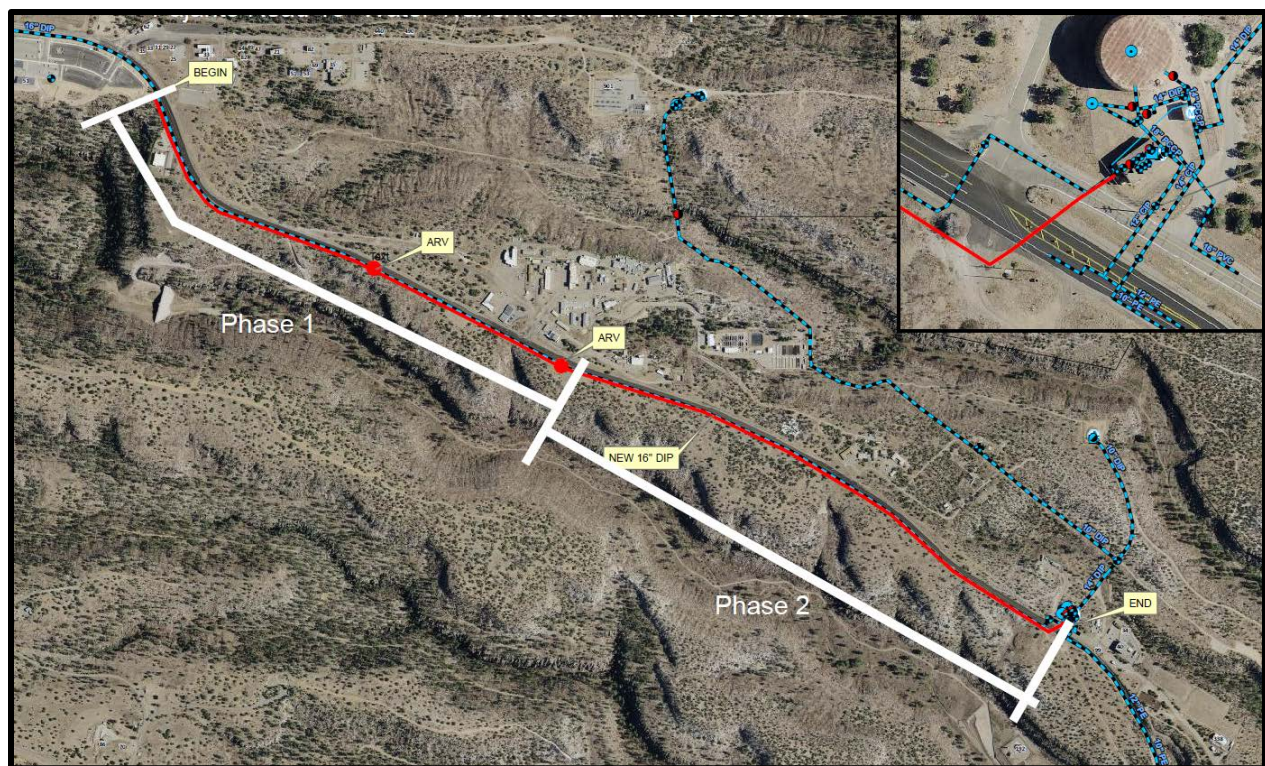
WATER PRODUCTION

FY28: Pajarito Road Transmission Line Replacement Phase II

Project Scope: This is a continuation from Phase 1. The Pajarito 16" Transmission line was installed in the early 1960's and is a concrete cylinder (CCP) pipe through the Pajarito Road corridor. The root cause of the failures is consistently found to be corrosion of the bottom of the pipe where moisture and road salts deposit, where the trench is in rock or volcanic tuff. The majority of this 2.3-mile corridor is trenched in rock. has identified this pipeline segment as one of the highest risk for failure, with a large consequence when it fails. Three water wells are cut off when the line fails, which serve the Los Alamos National Laboratory. This second phase will be to install approximately 4,500 linear feet of new ductile iron pipe along this corridor.

Budget: \$2,200,000 (WTB \$1,800,000 / CIP \$400,000)

Schedule: Summer FY28'



WATER PRODUCTION

FY28: Booster Station Mech. and Elec. Upgrades

Phase I Design

Project Scope: Following the condition assessment completed by Molzin & Corbin in 2022, it listed specific improvement items for each of our Booster Stations in regard to Mechanical and Electrical needs. The upgrades at each Booster location will follow a list based on priority.

Budget: \$350,000 (WTB \$280k / CIP \$70k)

Schedule: Fall FY28'



WATER PRODUCTION

FY28: Booster Station Building Renovations Phase II

Project Scope: Several buildings housing wells and booster stations in our Water Production system are in need of roof, floor, HVAC and structural repairs. This project will identify the most urgent needs and address them. The majority of these facilities in the system were constructed in the 1950s and 1960s.

Budget: \$500,000

Schedule: Summer FY28'



WASTEWATER COLLECTION

FY28: Old Pueblo Sewer Canyon Drop Replacement

Project Scope: The above ground 12" steel sewer line drops 100 feet in elevation into Pueblo Canyon attached to the rock face walls of the canyon. The steel line has required multiple repairs to replace sections which have rusted through the pipe walls. The line continues to degrade and the majority of the pipe is inaccessible. This project will replace the compromised pipe by installing a new polyethylene pipe installed by horizontal directional drilling.

Budget: \$800,000 (WTB \$640 / CIP \$160k)

Schedule: Summer FY28'



WASTEWATER COLLECTION

FY28: Cooper Road Sewer Drop Replacement

Project Scope: A study completed by Wilson & Company looked at the infrastructure capacity within the North Mesa Area. The study looked at all infrastructure from Transportation and Utilities and identified items that need improvement in order to support the new development in the area. Deficiencies noted for the wastewater collection was the two sewer drops that will be affected by the new development. The Cooper Road Sewer Drop is located at the end of a cul-de-sac and behind a resident's home. Camera inspection footage showed the need for repairs.

Budget: \$1,350,000 (WTB \$1,080,000 / CIP \$270k)

Schedule: Summer FY28'



WASTEWATER COLLECTION

FY28: Refurbish or Eliminate Pueblo Canyon Pipe Bridge

Project Scope: Further evaluation is ongoing to determine if the bridge will undergo rehabilitation or look at other alternatives to reroute the sewer and gas utilities on this structure and eliminate the bridge in its entirety.

Budget: \$1,100,000 (RIP Loan)

Schedule: Summer FY28'



WASTEWATER COLLECTION

FY28: Fairway Street, Sycamore Street, North
Community/Western Area Sewer Line Rehabilitation

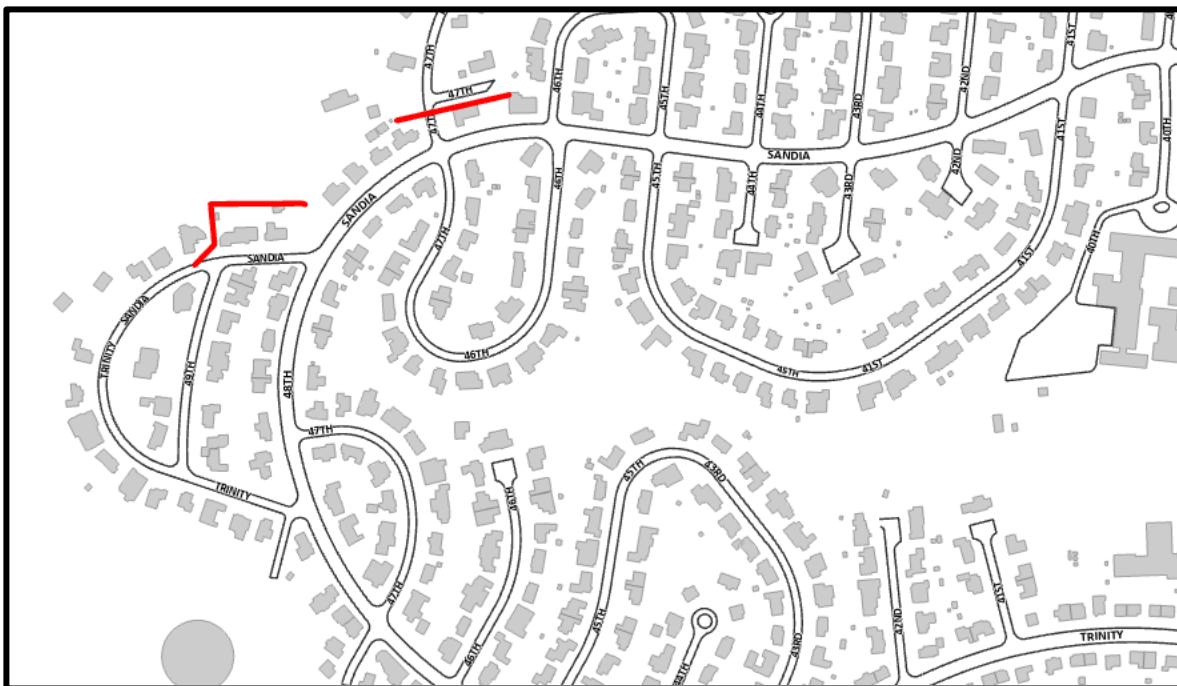
Project Scope: The project will repair and replace segments of vitrified clay sewer lines in Sandia drive where the collection lines are located in back homes where it is difficult to access with equipment and have had recurring problems and threats of overflowing.

Budget: Sandia Drive

\$700,000 (RIP Loan)

Schedule: Spring FY28'

Sandia Drive



DEPARTMENT OF PUBLIC UTILITIES
REVENUE TRANSFER
BUDGET OPTION
5 YEAR PLAN

Page 57 of 114

FY27 (1 July 2026 - 30 June 2027)

| | |
|--------------------------------|----------------|
| WATER DISTRIBUTION | 900,000 |
| Fairway (Public Works Project) | 900,000 |

FY28 (1 July 2027 - 30 June 2028)

| | |
|---|----------------|
| WATER DISTRIBUTION | 987,000 |
| Aspen School Area Pipeline - Phase 2 (Public Works Project) | 987,000 |

FY29 (1 July 2028 - 30 June 2029)

| | |
|---|----------------|
| WATER DISTRIBUTION | 900,000 |
| Aspen School Area Pipeline - Phase 3 (Public Works Project) | 900,000 |

FY30 (1 July 2029 - 30 June 2030)

| | |
|--|------------------|
| WATER DISTRIBUTION | 1,100,000 |
| Orange and Nickel Streets (Public Works Project) | 1,100,000 |

FY31 (1 July 2030 - 30 June 2031)

| | |
|---|------------------|
| WATER DISTRIBUTION | 1,388,000 |
| 40th, 41st & 42nd South of Urban (Public Works Project) | 1,388,000 |

10-Year Forecast Graphs for Revenue, Expense and Cash

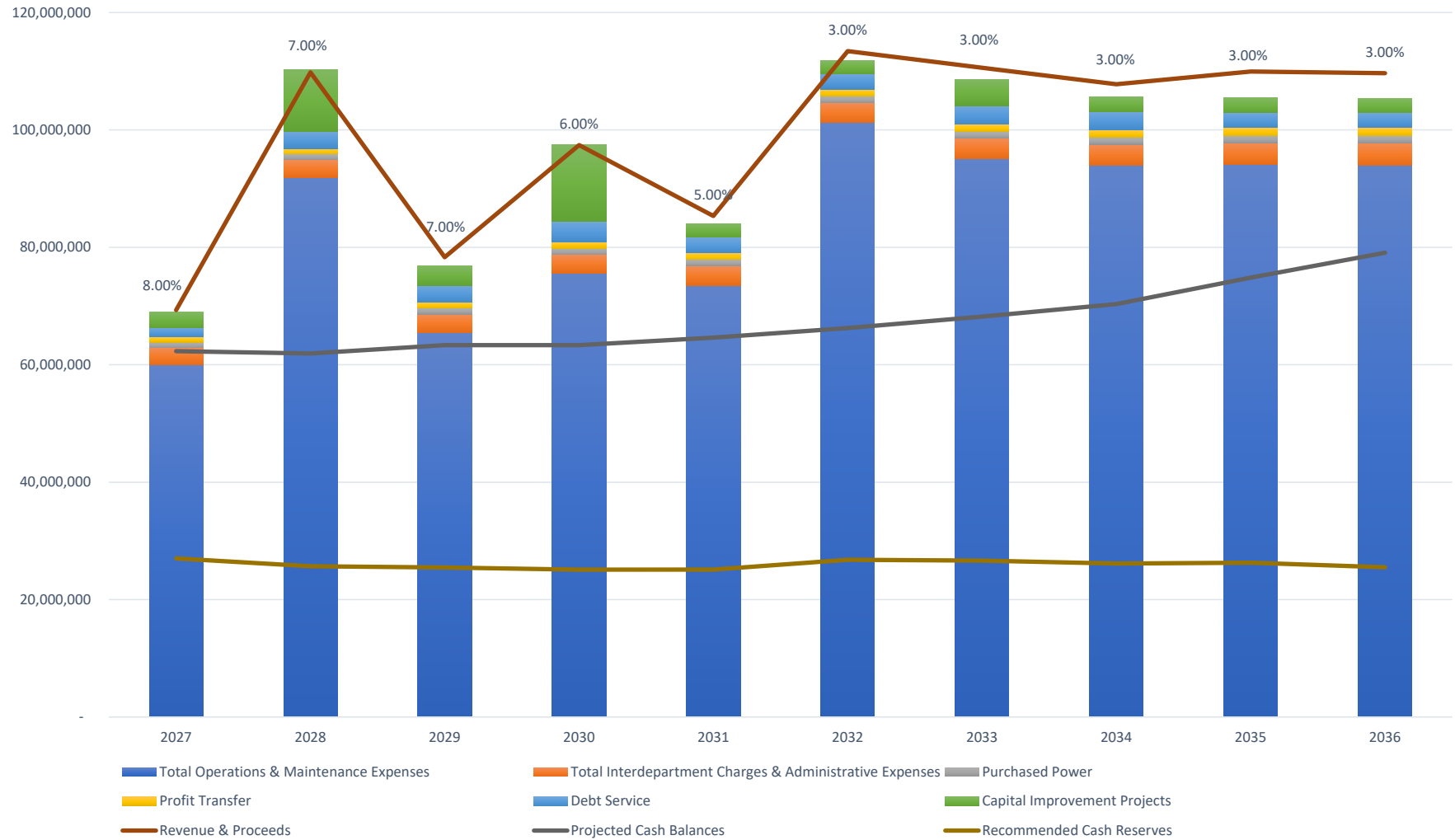


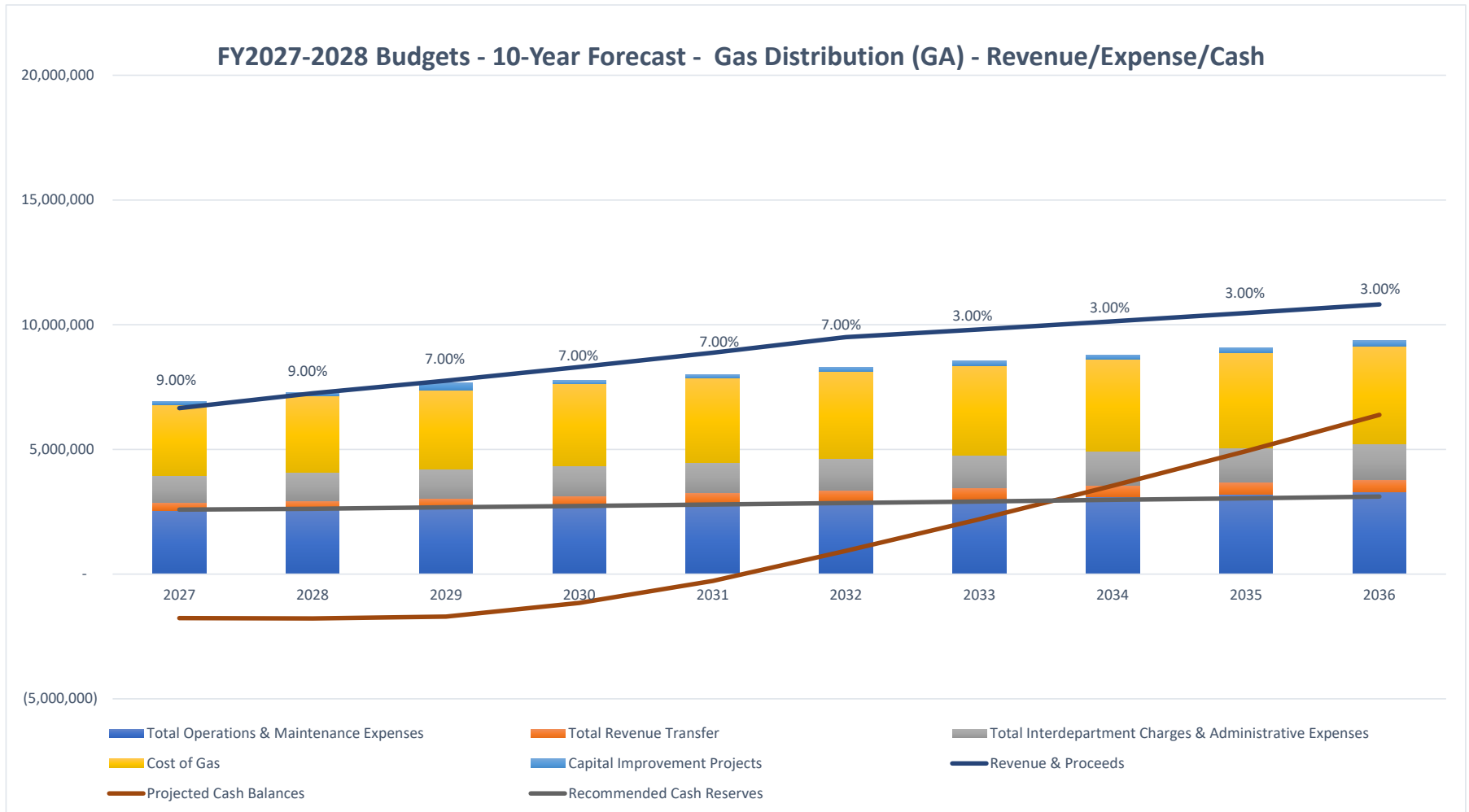
LADPU.com/DPU

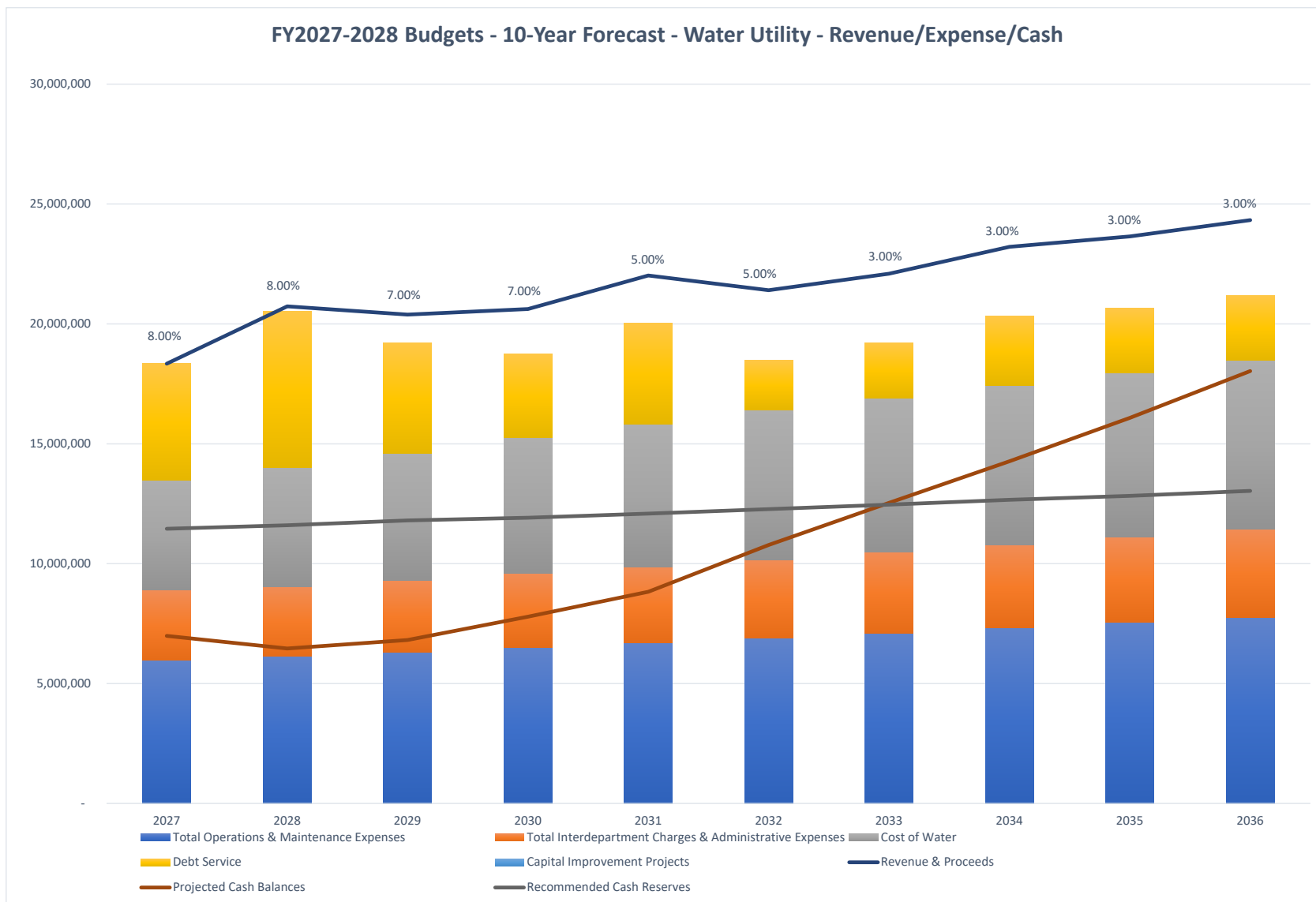


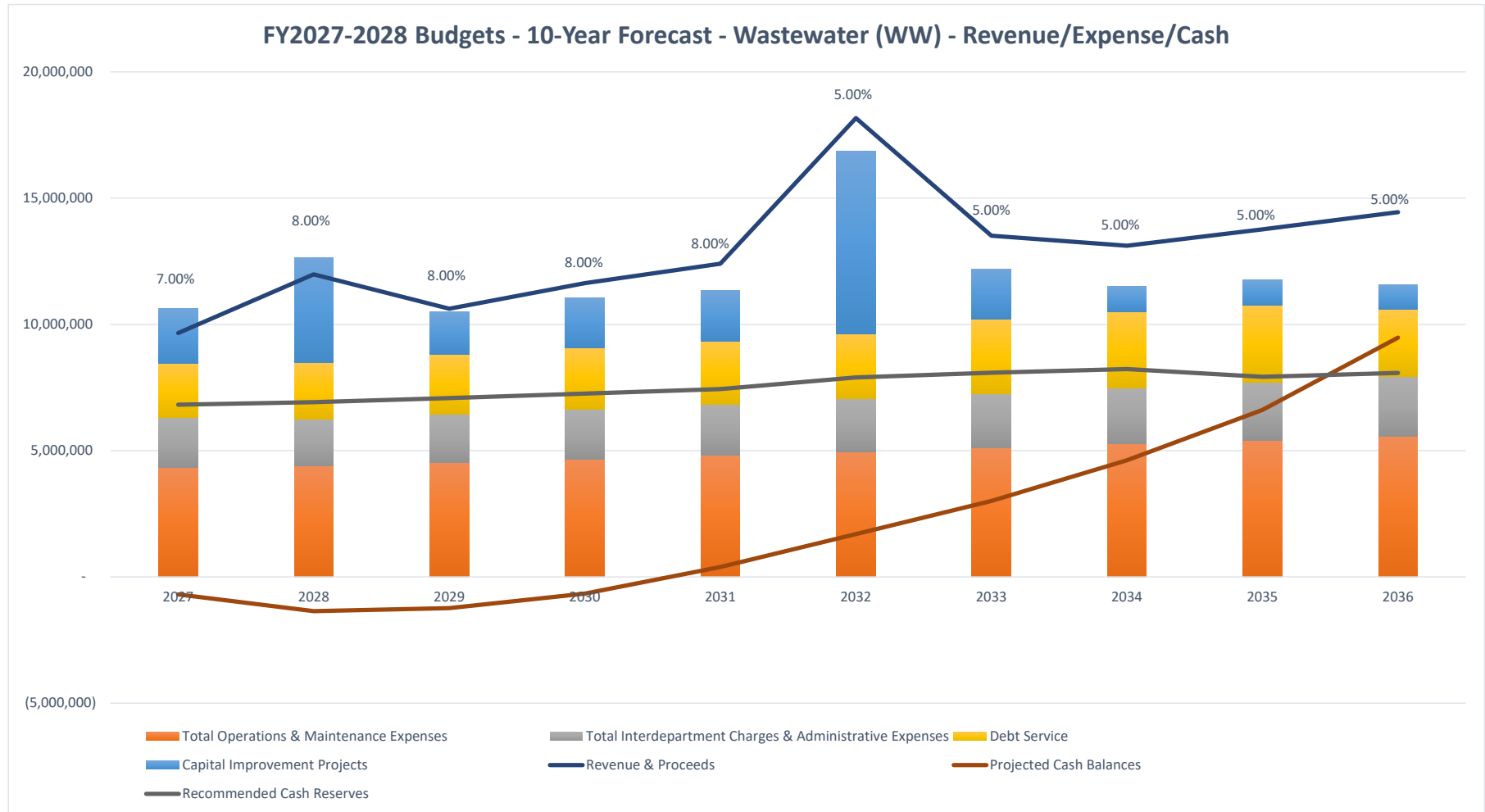
LOS ALAMOS
Department of Public Utilities

FY2027-2028 Budgets - 10-Year Forecast - Electric Utility - Revenue/Expense/Cash









Customer Impact (Rates)



LADPU.com/DPU



LOS ALAMOS
Department of Public Utilities

Los Alamos County Department of Public Utilities

| |
|--|
| Historical & Projected Typical Monthly Bill for Residential |
|--|

| | ELECTRIC 500 kwh | GAS 75 therms | WATER 6,000 gal | SEWER | Total (excludes refuse) | Total \$\$ change | Total % change |
|----------|---------------------|------------------|--------------------|---------|----------------------------|----------------------|-------------------|
| FY2018 | \$69.60 | \$42.50 | \$39.06 | \$47.45 | \$198.61 | \$5.24 | 2.71% |
| FY2019 | \$69.60 | \$44.00 | \$39.91 | \$51.24 | \$204.75 | \$6.14 | 3.09% |
| FY2020 | \$69.60 | \$42.50 | \$43.12 | \$54.32 | \$209.54 | \$4.79 | 2.34% |
| FY2021 | \$69.60 | \$53.75 | \$45.23 | \$55.95 | \$224.53 | \$14.99 | 7.15% |
| FY2022 | \$69.60 | \$59.75 | \$47.07 | \$57.07 | \$233.49 | \$8.96 | 3.99% |
| FY2023** | \$69.60 | \$87.51 | \$50.20 | \$57.93 | \$265.24 | \$31.75 | 13.60% |
| FY2024 | \$76.10 | \$59.83 | \$53.96 | \$59.08 | \$248.97 | (\$16.27) | -6.13% |
| FY2025 | \$83.25 | \$61.75 | \$58.19 | \$60.56 | \$263.75 | \$14.78 | 5.94% |
| FY2026 | \$90.75 | \$71.25 | \$61.87 | \$64.80 | \$288.67 | \$24.92 | 9.45% |
| FY2027 | \$98.01 | \$74.78 | \$66.82 | \$69.33 | \$308.94 | \$20.27 | 7.02% |
| FY2028 | \$97.10 | \$78.43 | \$71.77 | \$74.88 | \$322.18 | \$13.24 | 4.29% |

TOTAL CHANGE IN MONTHLY BILL FY2018 TO FY2027

\$110.33

** FY2023 gas includes the \$0.44 revenue recovery rate

FY2018 to FY2027 total Change in Monthly Bill

55.6%**FY2016 to FY2025 Change in CPI****34.1%**

10-Year Financial Forecast



LADPU.com/DPU



LOS ALAMOS
Department of Public Utilities

TEN-YEAR FINANCIAL FORECAST
ELECTRIC PRODUCTION FUND
FY2027 to FY2036

| ELECTRIC PRODUCTION | PROPOSED | PROJECTED | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 0.03 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| MWh Sales - LANL | 440,492 | 569,058 | 554,882 | 516,282 | 481,815 | 743,132 | 681,925 | 668,836 | 659,528 | 664,547 |
| MWh Sales - LAC Distribution | 123,401 | 124,018 | 124,638 | 125,261 | 125,888 | 126,517 | 127,150 | 127,786 | 136,850 | 129,067 |
| Total MWh Sales | 563,893 | 693,076 | 679,520 | 641,543 | 607,703 | 869,649 | 809,075 | 796,622 | 796,378 | 793,614 |
| Revenue per MWh | 136,911.00 | 178,054.00 | 84.79 | 103.83 | 103.83 | 103.83 | 103.83 | 103.83 | 103.83 | 103.83 |
| REVENUE/CASH INFLOW | | | | | | | | | | |
| DOE Revenues | 37,464,223 | \$ 62,856,940 | \$ 47,046,319 | \$ 53,606,024 | \$ 50,027,285 | \$ 77,160,064 | \$ 70,804,886 | \$ 69,445,843 | \$ 68,479,385 | \$ 68,999,915 |
| Sales to Electric Distribution | 10,415,541 | 12,527,744 | 10,567,578 | 13,005,962 | 13,071,064 | 13,136,374 | 13,202,099 | 13,268,135 | 14,209,259 | 13,401,027 |
| Economy Sales | 8,660,228 | 13,723,254 | 4,851,056 | 5,957,152 | 5,957,152 | 5,957,152 | 5,957,152 | 5,957,152 | 5,957,152 | 5,957,152 |
| Interest on Cash & Reserves | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| Other Judgments/Settlements | - | - | - | - | - | - | - | - | - | - |
| Bond Federal Subsidy | 19,561 | 14,900 | 10,063 | 5,120 | - | - | - | - | - | - |
| TOTAL REV - CASH INFLOWS | 58,559,553 | 91,122,839 | 64,475,016 | 74,574,258 | 71,055,501 | 98,253,589 | 91,964,136 | 90,671,130 | 90,645,795 | 90,358,093 |
| EXPENSES/CASH OUTFLOWS | | | | | | | | | | |
| Operational Expenditures | 55,735,562 | 87,463,131 | 60,967,123 | 70,868,566 | 68,705,501 | 96,253,589 | 89,964,136 | 88,671,130 | 88,645,795 | 88,358,093 |
| Debt Service | 416,362 | 413,957 | 407,893 | 400,692 | - | - | - | - | - | - |
| Capital | 200,000 | 1,050,000 | 1,100,000 | 1,305,000 | 350,000 | - | - | - | - | - |
| Capital Paid with Debt/Grants | - | - | - | - | - | - | - | - | - | - |
| TOTAL EXP-CASH OUTFLOWS | 56,351,924 | 88,927,088 | 62,475,016 | 72,574,258 | 69,055,501 | 96,253,589 | 89,964,136 | 88,671,130 | 88,645,795 | 88,358,093 |
| NET CASH FLOW | 2,207,629 | 2,195,751 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| BEGIN UNRESTRICTED CASH/INV | 50,759,570 | 50,928,199 | 51,084,950 | 51,045,950 | 51,006,950 | 50,967,950 | 50,928,950 | 50,889,950 | 50,850,950 | 50,811,950 |
| TRANSFER TO/FROM ELEC DIST | (2,000,000) | (2,000,000) | (2,000,000) | (2,000,000) | (2,000,000) | (2,000,000) | (2,000,000) | (2,000,000) | (2,000,000) | (2,000,000) |
| TRANSFER TO/FROM RESERVES | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) |
| END UNRESTRICTED CASH/INV | 50,928,199 | 51,084,950 | 51,045,950 | 51,006,950 | 50,967,950 | 50,928,950 | 50,889,950 | 50,850,950 | 50,811,950 | 50,772,950 |
| BEG RESERVE BALANCES | 13,724,633 | 13,763,633 | 13,802,633 | 13,841,633 | 13,880,633 | 13,919,633 | 13,958,633 | 13,997,633 | 14,036,633 | 14,075,633 |
| TRANSFER TO/FROM RESERVES | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 |
| END RESERVE BALANCES | 13,763,633 | 13,802,633 | 13,841,633 | 13,880,633 | 13,919,633 | 13,958,633 | 13,997,633 | 14,036,633 | 14,075,633 | 14,114,633 |
| RESERVE TARGET | 15,051,000 | 13,578,203 | 12,558,057 | 12,544,321 | 12,412,989 | 13,441,864 | 13,193,800 | 13,167,033 | 13,174,322 | 13,181,794 |

TEN-YEAR FINANCIAL FORECAST
ELECTRIC FUND (EP AND ED)
FY2027 to FY2036

| | PROPOSED | PROJECTED | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 0.03 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| MWh Sales - LANL | 440,492 | 569,058 | 554,882 | 516,282 | 481,815 | 743,132 | 681,925 | 668,836 | 659,528 | 664,547 |
| MWh Sales - LAC Distribution | 123,401 | 124,018 | 124,638 | 125,261 | 125,888 | 126,517 | 127,150 | 127,786 | 136,850 | 129,067 |
| Total MWh Sales | 563,893 | 693,076 | 679,520 | 641,543 | 607,703 | 869,649 | 809,075 | 796,622 | 796,378 | 793,614 |
| Revenue per MWh | 136,911.00 | 178,054.00 | 84.79 | 103.83 | 103.83 | 103.83 | 103.83 | 103.83 | 103.83 | 103.83 |
| KWh Sales | 123,401,169 | 124,018,175 | 124,638,000 | 125,261,000 | 125,888,000 | 126,517,000 | 127,150,000 | 127,786,000 | 136,850,000 | 129,067,000 |
| Revenue per KWh | 0.1683 | 0.1801 | 0.1927 | 0.2043 | 0.2145 | 0.2209 | 0.2276 | 0.2344 | 0.2414 | 0.2487 |
| Rate Increase Percentage | 8.0% | 7.0% | 7.0% | 6.0% | 5.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| REVENUE/CASH INFLOW | | | | | | | | | | |
| DOE Revenues | 37,464,223 | 62,856,940 | 47,046,319 | 53,606,024 | 50,027,285 | 77,160,064 | 70,804,886 | 69,445,843 | 68,479,385 | 68,999,915 |
| Retail Sales Revenue | 20,772,471 | 22,337,677 | 24,020,769 | 25,589,287 | 27,003,244 | 27,952,311 | 28,934,929 | 29,952,050 | 33,038,879 | 32,094,672 |
| Economy Sales | 8,660,228 | 13,723,254 | 4,851,056 | 5,957,152 | 5,957,152 | 5,957,152 | 5,957,152 | 5,957,152 | 5,957,152 | 5,957,152 |
| Miscellaneous Revenue | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 |
| Revenue on Recoverable Work | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Grant/Loan/Bond Proceeds | - | 8,500,000 | - | 9,900,000 | - | - | 2,500,000 | - | - | - |
| Interest on Cash & Reserves | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,033,830 | 2,082,702 | 2,135,889 | 2,249,106 |
| Other Judgments/Settlements | - | - | - | - | - | - | - | - | - | - |
| Bond Federal Subsidy | 67,292 | 51,259 | 34,618 | 17,613 | - | - | - | - | - | - |
| TOTAL REV - CASH INFLOWS | 69,320,686 | 109,825,602 | 78,309,233 | 97,426,548 | 85,344,152 | 113,425,998 | 110,587,268 | 107,794,219 | 109,967,777 | 109,657,317 |
| EXPENSES/CASH OUTFLOWS | | | | | | | | | | |
| Operational Expenditures | 63,857,822 | 95,891,683 | 69,648,533 | 79,810,419 | 77,915,610 | 105,740,002 | 99,735,142 | 98,735,267 | 99,011,857 | 99,035,137 |
| Debt Service | 1,578,333 | 2,872,983 | 2,846,495 | 3,533,431 | 2,648,490 | 2,649,040 | 3,153,024 | 3,143,547 | 2,506,549 | 2,510,906 |
| Revenue Transfer | 893,217 | 960,521 | 1,032,894 | 1,100,340 | 1,161,140 | 1,201,950 | 1,244,202 | 1,287,939 | 1,420,672 | 1,380,071 |
| Capital | 2,685,000 | 2,000,000 | 3,350,000 | 3,105,000 | 2,350,000 | 2,200,000 | 2,000,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| Capital Paid with Debt/Grants | - | 8,500,000 | - | 9,900,000 | - | - | 2,500,000 | - | - | - |
| TOTAL EXP-CASH OUTFLOWS | 69,014,372 | 110,225,187 | 76,877,922 | 97,449,190 | 84,075,240 | 111,790,992 | 108,632,368 | 105,666,753 | 105,439,078 | 105,426,114 |
| NET CASH FLOW | 306,314 | (399,585) | 1,431,311 | (22,642) | 1,268,913 | 1,635,007 | 1,954,900 | 2,127,466 | 4,528,698 | 4,231,203 |
| BEGIN UNRESTRICTED CASH/INV | 40,861,245 | 41,128,559 | 40,689,974 | 42,082,285 | 42,020,643 | 43,250,556 | 44,846,563 | 46,762,462 | 48,850,928 | 51,840,626 |
| TRANSFER TO/FROM RESERVES | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) | (1,539,000) | (3,539,000) |
| END UNRESTRICTED CASH/INV | 41,128,559 | 40,689,974 | 42,082,285 | 42,020,643 | 43,250,556 | 44,846,563 | 46,762,462 | 48,850,928 | 51,840,626 | 52,532,829 |
| BEG RESERVE BALANCES | 21,160,201 | 21,199,201 | 21,238,201 | 21,277,201 | 21,316,201 | 21,355,201 | 21,394,201 | 21,433,201 | 21,472,201 | 23,011,201 |
| TRANSFER TO/FROM RESERVES | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 1,539,000 | 3,539,000 |
| END RESERVE BALANCES | 21,199,201 | 21,238,201 | 21,277,201 | 21,316,201 | 21,355,201 | 21,394,201 | 21,433,201 | 21,472,201 | 23,011,201 | 26,550,201 |
| RESERVE TARGET | 27,016,285 | 25,673,149 | 25,471,039 | 25,100,671 | 25,101,334 | 26,769,583 | 26,651,492 | 26,131,362 | 26,290,951 | 25,492,990 |

TEN-YEAR FINANCIAL FORECAST
ELECTRIC DISTRIBUTION FUND
FY2027 to FY2036

| ELECTRIC DISTRIBUTION | PROPOSED 2027 | PROJECTED 2028 | FORECAST 2029 | FORECAST 2030 | FORECAST 2031 | FORECAST 2032 | FORECAST 2033 | FORECAST 2034 | FORECAST 2035 | FORECAST 2036 |
|-------------------------------|--------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|-------------------|
| KWh Sales | 123,401,169 | 124,018,175 | 124,638,000 | 125,261,000 | 125,888,000 | 126,517,000 | 127,150,000 | 127,786,000 | 136,850,000 | 129,067,000 |
| Revenue per KWh | 0.1683 | 0.1801 | 0.1927 | 0.2043 | 0.2145 | 0.2209 | 0.2276 | 0.2344 | 0.2414 | 0.2487 |
| Rate Increase Percentage | 8.0% | 7.0% | 7.0% | 6.0% | 5.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| REVENUE/CASH INFLOW | | | | | | | | | | |
| Sales Revenue | \$ 20,772,471 | \$ 22,337,677 | \$ 24,020,769 | \$ 25,589,287 | \$ 27,003,244 | \$ 27,952,311 | \$ 28,934,929 | \$ 29,952,050 | \$ 33,038,879 | \$ 32,094,672 |
| Bond Federal Subsidy | 47,731 | 36,359 | 24,555 | 12,493 | - | - | - | - | - | - |
| Interest on Cash & Reserves | - | - | - | - | - | - | 33,830 | 82,702 | 135,889 | 249,106 |
| Miscellaneous Revenue | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 |
| Revenue on Recoverable Work | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Grant/Loan/Bond Proceeds | - | 8,500,000 | - | 9,900,000 | - | - | 2,500,000 | - | - | - |
| Transfers In | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| TOTAL REV - CASH INFLOWS | 23,176,674 | 33,230,508 | 26,401,796 | 37,858,252 | 29,359,716 | 30,308,783 | 33,825,231 | 32,391,224 | 35,531,240 | 34,700,250 |
| EXPENSES/CASH OUTFLOWS | | | | | | | | | | |
| Operational Expenditures | 8,122,260 | 8,428,553 | 8,681,410 | 8,941,853 | 9,210,109 | 9,486,413 | 9,771,006 | 10,064,137 | 10,366,062 | 10,677,044 |
| Debt Service | 1,161,971 | 2,459,026 | 2,438,602 | 3,132,739 | 2,648,490 | 2,649,040 | 3,153,024 | 3,143,547 | 2,506,549 | 2,510,906 |
| Cost of Power | 10,415,541 | 12,527,744 | 10,567,578 | 13,005,962 | 13,071,064 | 13,136,374 | 13,202,099 | 13,268,135 | 14,209,259 | 13,401,027 |
| Capital | 2,485,000 | 950,000 | 2,250,000 | 1,800,000 | 2,000,000 | 2,200,000 | 2,000,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| Capital Paid with Debt/Grants | - | 8,500,000 | - | 9,900,000 | - | - | 2,500,000 | - | - | - |
| Revenue Transfer | 893,217 | 960,521 | 1,032,894 | 1,100,340 | 1,161,140 | 1,201,950 | 1,244,202 | 1,287,939 | 1,420,672 | 1,380,071 |
| TOTAL EXP-CASH OUTFLOWS | 23,077,989 | 33,825,844 | 24,970,485 | 37,880,894 | 28,090,803 | 28,673,776 | 31,870,331 | 30,263,758 | 31,002,542 | 30,469,048 |
| NET CASH FLOW | 98,685 | (595,336) | 1,431,311 | (22,642) | 1,268,913 | 1,635,007 | 1,954,900 | 2,127,466 | 4,528,698 | 4,231,203 |
| BEGIN UNRESTRICTED CASH/INV | (9,898,325) | (9,799,640) | (10,394,976) | (8,963,665) | (8,986,307) | (7,717,394) | (6,082,388) | (4,127,488) | (2,000,022) | 1,028,676 |
| TRANSFER TO/FROM RESERVES | - | - | - | - | - | - | - | - | (1,500,000) | (3,500,000) |
| END UNRESTRICTED CASH/INV | (9,799,640) | (10,394,976) | (8,963,665) | (8,986,307) | (7,717,394) | (6,082,388) | (4,127,488) | (2,000,022) | 1,028,676 | 1,759,879 |
| BEG RESERVE BALANCES | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 8,935,568 |
| TRANSFER TO/FROM RESERVES | - | - | - | - | - | - | - | - | 1,500,000 | 3,500,000 |
| END RESERVE BALANCES | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 8,935,568 | 12,435,568 |
| RESERVE TARGET | 11,965,286 | 12,094,946 | 12,912,982 | 12,556,351 | 12,688,345 | 13,327,719 | 13,457,693 | 12,964,329 | 13,116,629 | 12,311,196 |

TEN-YEAR FINANCIAL FORECAST
GAS FUND
FY2027 to FY2036

| GAS | PROPOSED 2027 | PROJECTED 2028 | FORECAST 2029 | FORECAST 2030 | FORECAST 2031 | FORECAST 2032 | FORECAST 2033 | FORECAST 2034 | FORECAST 2035 | FORECAST 2036 |
|--------------------------------------|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Therm Sales | 6,800,000 | 6,800,000 | 6,800,000 | 6,800,000 | 6,800,000 | 6,800,000 | 6,800,000 | 6,800,000 | 6,800,000 | 6,800,000 |
| Revenue per Therm | 0.9757 | 1.0635 | 1.1380 | 1.2176 | 1.3028 | 1.3940 | 1.4359 | 1.4789 | 1.5233 | 1.5690 |
| Rate Increase Percentage | 9.0% | 9.0% | 7.0% | 7.0% | 7.0% | 7.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| <u>REVENUE/CASH INFLOW</u> | | | | | | | | | | |
| Sales Revenue | \$ 6,634,731 | \$ 7,231,857 | \$ 7,738,087 | \$ 8,279,753 | \$ 8,859,336 | \$ 9,479,490 | \$ 9,763,874 | \$ 10,056,791 | \$ 10,358,494 | \$ 10,669,249 |
| Interest on Cash & Reserves | - | - | - | - | - | - | 23,323 | 55,016 | 88,542 | 123,357 |
| Miscellaneous Revenue | - | - | - | - | - | - | - | - | - | - |
| Revenue on Recoverable Work | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Transfers In | - | - | - | - | - | - | - | - | - | - |
| TOTAL REV - CASH INFLOWS | 6,654,731 | 7,251,857 | 7,758,087 | 8,299,753 | 8,879,336 | 9,499,490 | 9,807,197 | 10,131,807 | 10,467,036 | 10,812,607 |
| <u>EXPENSES/CASH OUTFLOWS</u> | | | | | | | | | | |
| Operational Expenditures | 3,653,958 | 3,727,750 | 3,839,583 | 3,954,771 | 4,073,415 | 4,195,618 | 4,321,487 | 4,451,132 | 4,584,666 | 4,722,206 |
| Cost of Gas | 2,836,777 | 3,091,493 | 3,185,000 | 3,281,000 | 3,380,000 | 3,482,000 | 3,587,000 | 3,695,000 | 3,806,000 | 3,921,000 |
| Capital | 135,000 | 110,000 | 295,000 | 130,000 | 130,000 | 175,000 | 175,000 | 175,000 | 200,000 | 220,000 |
| Capital Paid with Debt/Grants | - | - | - | - | - | - | - | - | - | - |
| Revenue Transfer | 309,842 | 337,728 | 361,369 | 386,665 | 413,731 | 442,693 | 455,973 | 469,653 | 483,742 | 498,254 |
| TOTAL EXP-CASH OUTFLOWS | 6,935,577 | 7,266,971 | 7,680,952 | 7,752,436 | 7,997,146 | 8,295,311 | 8,539,460 | 8,790,785 | 9,074,408 | 9,361,460 |
| NET CASH FLOW | (280,845) | (15,114) | 77,135 | 547,317 | 882,190 | 1,204,179 | 1,267,737 | 1,341,022 | 1,392,628 | 1,451,147 |
| BEGIN UNRESTRICTED CASH/INV | (2,481,950) | (2,762,795) | (2,777,909) | (2,700,774) | (2,153,456) | (1,271,266) | (67,088) | 700,649 | 1,541,671 | 2,434,299 |
| TRANSFER TO/FROM RESERVES | - | - | - | - | - | - | (500,000) | (500,000) | (500,000) | (650,000) |
| END UNRESTRICTED CASH/INV | (2,762,795) | (2,777,909) | (2,700,774) | (2,153,456) | (1,271,266) | (67,088) | 700,649 | 1,541,671 | 2,434,299 | 3,235,446 |
| BEG RESERVE BALANCES | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,500,000 | 2,000,000 | 2,500,000 |
| TRANSFER TO/FROM RESERVES | - | - | - | - | - | - | 500,000 | 500,000 | 500,000 | 650,000 |
| END RESERVE BALANCES | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,500,000 | 2,000,000 | 2,500,000 | 3,150,000 |
| RESERVE TARGET - 180 Days | 2,585,524 | 2,621,682 | 2,676,481 | 2,732,923 | 2,791,058 | 2,850,938 | 2,912,614 | 2,976,140 | 3,041,571 | 3,108,966 |

TEN-YEAR FINANCIAL FORECAST
WATER FUND (DW AND WP)
FY2027 to FY2036

| | PROPOSED 2027 | PROJECTED 2028 | FORECAST 2029 | FORECAST 2030 | FORECAST 2031 | FORECAST 2032 | FORECAST 2033 | FORECAST 2034 | FORECAST 2035 | FORECAST 2036 |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Potable Kgal Sales | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 |
| Revenue per Kgal | 5.4270 | 5.8611 | 6.2714 | 6.7104 | 7.0459 | 7.3982 | 7.6202 | 7.8488 | 8.0843 | 8.3268 |
| Rate Increase Percentage | 8.0% | 8.0% | 7.0% | 7.0% | 5.0% | 5.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Non-Potable Kgal Sales | 97,300 | 97,300 | 97,300 | 97,300 | 97,300 | 97,300 | 97,300 | 97,300 | 97,300 | 97,300 |
| Revenue per Kgal | 4.0245 | 4.3465 | 4.6507 | 4.9763 | 5.2251 | 5.4864 | 5.6510 | 5.8205 | 5.9951 | 6.1750 |
| Rate Increase Percentage | 8.0% | 8.0% | 7.0% | 7.0% | 5.0% | 5.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Kgal Retail Sales | 760,000 | 760,000 | 760,000 | 760,000 | 760,000 | 760,000 | 760,000 | 760,000 | 760,000 | 760,000 |
| Revenue per Kgal | 10.7787 | 11.6410 | 12.4559 | 13.3278 | 13.9942 | 14.6939 | 15.1348 | 15.5888 | 16.0565 | 16.5382 |
| Rate Increase Percentage | 8.0% | 8.0% | 7.0% | 7.0% | 5.0% | 5.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| REVENUE/CASH INFLOW | | | | | | | | | | |
| Potable Sales Revenue | \$ 5,698,329 | \$ 6,154,195 | \$ 6,584,989 | \$ 7,045,938 | \$ 7,398,235 | \$ 7,768,147 | \$ 8,001,191 | \$ 8,241,227 | \$ 8,488,464 | \$ 8,743,118 |
| Non-Potable Sales Revenue | 391,586 | 422,913 | 452,517 | 484,193 | 508,403 | 533,823 | 549,838 | 566,333 | 583,323 | 600,823 |
| Retail Sales Revenue | 8,191,848 | 8,847,196 | 9,466,500 | 10,129,155 | 10,635,612 | 11,167,393 | 11,502,415 | 11,847,487 | 12,202,912 | 12,568,999 |
| Interest on Cash & Reserves | 125,811 | 102,503 | 82,427 | 76,219 | 81,182 | 88,050 | 118,683 | 152,351 | 190,917 | 231,177 |
| Bond Federal Subsidy | 8,496 | 6,472 | 4,371 | 2,224 | - | - | - | - | - | - |
| Miscellaneous Revenue | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Revenue on Recoverable Work | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Grant/Loan/Bond Proceeds | 3,840,000 | 5,116,000 | 3,716,000 | 2,800,000 | 3,310,000 | 1,762,000 | 1,840,000 | 2,320,000 | 2,100,000 | 2,100,000 |
| TOTAL REV - CASH INFLOWS | 18,341,070 | 20,734,280 | 20,391,804 | 20,622,729 | 22,018,433 | 21,404,413 | 22,097,127 | 23,212,398 | 23,650,616 | 24,329,116 |
| EXPENSES/CASH OUTFLOWS | | | | | | | | | | |
| Operational Expenditures | 8,892,424 | 9,038,076 | 9,309,219 | 9,588,496 | 9,876,152 | 10,172,437 | 10,477,611 | 10,791,940 | 11,115,699 | 11,449,171 |
| Debt Service | 926,593 | 1,110,589 | 1,181,831 | 1,256,143 | 1,227,410 | 1,263,682 | 1,304,238 | 1,342,012 | 1,389,639 | 1,394,026 |
| Capital | 1,030,000 | 1,404,000 | 879,000 | 700,000 | 890,000 | 303,000 | 460,000 | 580,000 | 600,000 | 600,000 |
| Capital Paid with Debt/Grants | 3,840,000 | 5,116,000 | 3,716,000 | 2,800,000 | 3,310,000 | 1,762,000 | 1,840,000 | 2,320,000 | 2,100,000 | 2,100,000 |
| TOTAL EXP-CASH OUTFLOWS | 14,689,017 | 16,668,665 | 15,086,050 | 14,344,639 | 15,303,562 | 13,501,119 | 14,081,849 | 15,033,952 | 15,205,338 | 15,543,197 |
| NET CASH FLOW | 3,652,053 | 4,065,615 | 5,305,754 | 6,278,090 | 6,714,870 | 7,903,294 | 8,015,278 | 8,178,446 | 8,445,278 | 8,785,920 |
| BEGIN UNRESTRICTED CASH/INV | (1,268,079) | (2,204,298) | (3,094,017) | (3,090,471) | (2,485,742) | (1,727,902) | (79,490) | 993,261 | 1,335,903 | 1,646,303 |
| TRANSFER TO/FROM RESERVES | - | - | - | - | - | - | (500,000) | (1,200,000) | (1,300,000) | (1,000,000) |
| END UNRESTRICTED CASH/INV | 2,383,974 | 1,861,317 | 2,211,737 | 3,187,619 | 4,229,128 | 6,175,392 | 7,435,789 | 7,971,707 | 8,481,181 | 9,432,222 |
| BEG RESERVE BALANCES | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 5,100,762 | 6,300,762 | 7,600,762 |
| TRANSFER TO/FROM RESERVES | - | - | - | - | - | - | 500,000 | 1,200,000 | 1,300,000 | 1,000,000 |
| END RESERVE BALANCES | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 5,100,762 | 6,300,762 | 7,600,762 | 8,600,762 |
| RESERVE TARGET | 11,456,162 | 11,598,773 | 11,805,946 | 11,914,059 | 12,091,282 | 12,277,017 | 12,464,326 | 12,665,975 | 12,829,004 | 13,035,515 |

TEN-YEAR FINANCIAL FORECAST
WATER DISTRIBUTION FUND
FY2027 to FY2036

| WATER DISTRIBUTION | PROPOSED | PROJECTED | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| 0.03 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| Kgal Retail Sales | 760,000 | 760,000 | 760,000 | 760,000 | 760,000 | 760,000 | 760,000 | 760,000 | 760,000 | 760,000 |
| Revenue per Kgal | 10.7787 | 11.6410 | 12.4559 | 13.3278 | 13.9942 | 14.6939 | 15.1348 | 15.5888 | 16.0565 | 16.5382 |
| Rate Increase Percentage | 8.0% | 8.0% | 7.0% | 7.0% | 5.0% | 5.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| REVENUE/CASH INFLOW | | | | | | | | | | |
| Sales Revenue | \$ 8,191,848 | \$ 8,847,196 | \$ 9,466,500 | \$ 10,129,155 | \$ 10,635,612 | \$ 11,167,393 | \$ 11,502,415 | \$ 11,847,487 | \$ 12,202,912 | \$ 12,568,999 |
| Interest on Cash & Reserves | - | - | - | - | - | - | - | 8,487 | 22,634 | 34,410 |
| Miscellaneous Revenue | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Revenue on Recoverable Work | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Grant/Loan/Bond Proceeds | 1,200,000 | 1,000,000 | 416,000 | 480,000 | 560,000 | 1,212,000 | 640,000 | 720,000 | 900,000 | 900,000 |
| TOTAL REV - CASH INFLOWS | 9,476,848 | 9,932,196 | 9,967,500 | 10,694,155 | 11,280,612 | 12,464,393 | 12,227,415 | 12,660,974 | 13,210,546 | 13,588,409 |
| EXPENSES/CASH OUTFLOWS | | | | | | | | | | |
| Operational Expenditures | 3,657,497 | 3,644,878 | 3,754,225 | 3,866,852 | 3,982,858 | 4,102,344 | 4,225,415 | 4,352,178 | 4,482,744 | 4,617,227 |
| Cost of Water | 4,588,272 | 4,955,334 | 5,302,207 | 5,673,362 | 5,957,030 | 6,254,881 | 6,442,528 | 6,635,804 | 6,834,878 | 7,039,924 |
| Debt Service | 0 | 118,665 | 139,193 | 147,733 | 157,587 | 169,083 | 193,965 | 207,104 | 221,884 | 240,361 |
| Capital | 35,000 | 300,000 | 104,000 | 120,000 | 140,000 | 303,000 | 160,000 | 180,000 | 300,000 | 300,000 |
| Capital Paid with Debt/Grants | 1,200,000 | 1,000,000 | 416,000 | 480,000 | 560,000 | 1,212,000 | 640,000 | 720,000 | 900,000 | 900,000 |
| TOTAL EXP-CASH OUTFLOWS | 9,480,769 | 10,018,877 | 9,715,626 | 10,287,947 | 10,797,475 | 12,041,309 | 11,661,908 | 12,095,086 | 12,739,506 | 13,097,512 |
| NET CASH FLOW | (3,921) | (86,681) | 251,874 | 406,208 | 483,137 | 423,084 | 565,506 | 565,888 | 471,040 | 490,897 |
| BEGIN UNRESTRICTED CASH/INV | (1,699,740) | (1,703,661) | (1,790,342) | (1,538,468) | (1,132,260) | (649,123) | (226,039) | 339,468 | 405,356 | 376,396 |
| TRANSFER TO/FROM RESERVES | - | - | - | - | - | - | - | (500,000) | (500,000) | (500,000) |
| END UNRESTRICTED CASH/INV | (1,703,661) | (1,790,342) | (1,538,468) | (1,132,260) | (649,123) | (226,039) | 339,468 | 405,356 | 376,396 | 367,292 |
| BEG RESERVE BALANCES | - | - | - | - | - | - | - | - | 500,000 | 1,000,000 |
| TRANSFER TO/FROM RESERVES | - | - | - | - | - | - | - | 500,000 | 500,000 | 500,000 |
| END RESERVE BALANCES | - | - | - | - | - | - | - | 500,000 | 1,000,000 | 1,500,000 |
| RESERVE TARGET - 180 Days | 5,461,400 | 5,475,745 | 5,537,865 | 5,602,906 | 5,671,246 | 5,754,676 | 5,828,119 | 5,905,013 | 5,987,467 | 6,071,840 |

TEN-YEAR FINANCIAL FORECAST
WATER PRODUCTION FUND
FY2027 to FY2036

| WATER PRODUCTION | PROPOSED | PROJECTED | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| 0.03 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| Potable Kgal Sales | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 |
| Revenue per Kgal | 5.4270 | 5.8611 | 6.2714 | 6.7104 | 7.0459 | 7.3982 | 7.6202 | 7.8488 | 8.0843 | 8.3268 |
| Rate Increase Percentage | 8.0% | 8.0% | 7.0% | 7.0% | 5.0% | 5.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Non-Potable Kgal Sales | 97,300 | 97,300 | 97,300 | 97,300 | 97,300 | 97,300 | 97,300 | 97,300 | 97,300 | 97,300 |
| Revenue per Kgal | 4.0245 | 4.3465 | 4.6507 | 4.9763 | 5.2251 | 5.4864 | 5.6510 | 5.8205 | 5.9951 | 6.1750 |
| Rate Increase Percentage | 8.0% | 8.0% | 7.0% | 7.0% | 5.0% | 5.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| REVENUE/CASH INFLOW | | | | | | | | | | |
| Potable Sales Revenue | \$ 5,698,329 | \$ 6,154,195 | \$ 6,584,989 | \$ 7,045,938 | \$ 7,398,235 | \$ 7,768,147 | \$ 8,001,191 | \$ 8,241,227 | \$ 8,488,464 | \$ 8,743,118 |
| Non-Potable Sales Revenue | \$ 391,586 | \$ 422,913 | \$ 452,517 | \$ 484,193 | \$ 508,403 | \$ 533,823 | \$ 549,838 | \$ 566,333 | \$ 583,323 | \$ 600,823 |
| Interest on Cash & Reserves | 125,811 | 102,503 | 82,427 | 76,219 | 81,182 | 88,050 | 118,683 | 143,864 | 168,283 | 196,767 |
| Bond Federal Subsidy | 8,496 | 6,472 | 4,371 | 2,224 | - | - | - | - | - | - |
| Miscellaneous Revenue | - | - | - | - | - | - | - | - | - | - |
| Grant/Loan/Bond Proceeds | 2,640,000 | 4,116,000 | 3,300,000 | 2,320,000 | 2,750,000 | 550,000 | 1,200,000 | 1,600,000 | 1,200,000 | 1,200,000 |
| TOTAL REV - CASH INFLOWS | 8,864,222 | 10,802,084 | 10,424,305 | 9,928,575 | 10,737,820 | 8,940,020 | 9,869,712 | 10,551,424 | 10,440,070 | 10,740,708 |
| EXPENSES/CASH OUTFLOWS | | | | | | | | | | |
| Operational Expenditures | 5,234,927 | 5,393,198 | 5,554,994 | 5,721,644 | 5,893,294 | 6,070,093 | 6,252,196 | 6,439,762 | 6,632,955 | 6,831,944 |
| Debt Service | 926,593 | 991,924 | 1,042,638 | 1,108,410 | 1,069,824 | 1,094,599 | 1,110,272 | 1,134,908 | 1,167,755 | 1,153,665 |
| Capital | 995,000 | 1,104,000 | 775,000 | 580,000 | 750,000 | - | 300,000 | 400,000 | 300,000 | 300,000 |
| Capital Paid with Debt/Grants | 2,640,000 | 4,116,000 | 3,300,000 | 2,320,000 | 2,750,000 | 550,000 | 1,200,000 | 1,600,000 | 1,200,000 | 1,200,000 |
| TOTAL EXP-CASH OUTFLOWS | 9,796,520 | 11,605,122 | 10,672,632 | 9,730,054 | 10,463,118 | 7,714,692 | 8,862,468 | 9,574,670 | 9,300,710 | 9,485,609 |
| NET CASH FLOW | (932,298) | (803,038) | (248,327) | 198,520 | 274,703 | 1,225,328 | 1,007,244 | 976,754 | 1,139,360 | 1,255,099 |
| BEGIN UNRESTRICTED CASH/INV | 431,660 | (500,638) | (1,303,676) | (1,552,003) | (1,353,482) | (1,078,780) | 146,549 | 653,793 | 930,547 | 1,269,907 |
| TRANSFER TO/FROM RESERVES | - | - | - | - | - | - | (500,000) | (700,000) | (800,000) | (500,000) |
| END UNRESTRICTED CASH/INV | (500,638) | (1,303,676) | (1,552,003) | (1,353,482) | (1,078,780) | 146,549 | 653,793 | 930,547 | 1,269,907 | 2,025,006 |
| BEG RESERVE BALANCES | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 5,100,762 | 5,800,762 | 6,600,762 |
| TRANSFER TO/FROM RESERVES | - | - | - | - | - | - | 500,000 | 700,000 | 800,000 | 500,000 |
| END RESERVE BALANCES | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 5,100,762 | 5,800,762 | 6,600,762 | 7,100,762 |
| RESERVE TARGET - 180 Days | 5,994,762 | 6,123,028 | 6,268,081 | 6,311,153 | 6,420,036 | 6,522,341 | 6,636,207 | 6,760,962 | 6,841,536 | 6,963,675 |

TEN-YEAR FINANCIAL FORECAST
WASTEWATER FUND
FY2027 to FY2036

| WASTEWATER | PROPOSED | PROJECTED | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST | FORECAST |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| 0.03 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| REVENUE/CASH INFLOW | | | | | | | | | | |
| Thousands of Gallons Processed | 368,333 | 368,333 | 368,333 | 368,333 | 368,333 | 368,333 | 368,333 | 368,333 | 368,333 | 368,333 |
| Sewer Rate Increase | 7% | 8% | 8% | 8% | 8% | 5% | 5% | 5% | 5% | 5% |
| Sales Revenue | \$ 7,641,167 | \$ 8,252,461 | \$ 8,912,658 | \$ 9,625,671 | \$ 10,395,725 | \$ 10,915,512 | \$ 11,461,288 | \$ 12,034,353 | \$ 12,636,071 | \$ 13,267,875 |
| Interest on Cash & Reserves | 7,138 | - | - | - | - | 9,867 | 42,341 | 75,128 | 115,538 | 165,352 |
| Revenue on Recoverable Work | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Grant/Loan/Bond Proceeds | 2,000,000 | 3,720,000 | 1,700,000 | 2,000,000 | 2,000,000 | 7,235,000 | 2,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Net Transfers In/Out | | | | | | | | | | |
| TOTAL REV - CASH INFLOWS | 9,658,305 | 11,982,461 | 10,622,658 | 11,635,671 | 12,405,725 | 18,170,379 | 13,513,629 | 13,119,481 | 13,761,609 | 14,443,227 |
| EXPENSES/CASH OUTFLOWS | | | | | | | | | | |
| Operational Expenditures | 6,303,375 | 6,263,995 | 6,451,915 | 6,645,473 | 6,844,838 | 7,050,184 | 7,261,690 | 7,479,541 | 7,703,928 | 7,935,046 |
| Debt Service | 2,147,709 | 2,230,912 | 2,349,344 | 2,419,999 | 2,503,122 | 2,586,245 | 2,940,436 | 3,023,559 | 3,065,120 | 2,646,528 |
| Capital | 185,000 | 430,000 | - | - | - | - | - | - | - | - |
| Capital Paid with Debt/Grants | 2,000,000 | 3,720,000 | 1,700,000 | 2,000,000 | 2,000,000 | 7,235,000 | 2,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| TOTAL EXP-CASH OUTFLOWS | 10,636,084 | 12,644,907 | 10,501,259 | 11,065,472 | 11,347,960 | 16,871,429 | 12,202,126 | 11,503,100 | 11,769,048 | 11,581,574 |
| NET CASH FLOW | (977,779) | (662,446) | 121,399 | 570,199 | 1,057,765 | 1,298,950 | 1,311,503 | 1,616,381 | 1,992,560 | 2,861,652 |
| BEGIN UNRESTRICTED CASH/INV | (367,074) | (1,344,852) | (2,007,298) | (1,885,900) | (1,315,701) | (257,936) | 541,014 | 852,517 | 968,899 | 961,459 |
| TRANSFER TO/FROM RESERVES | - | - | - | - | - | (500,000) | (1,000,000) | (1,500,000) | (2,000,000) | (2,500,000) |
| END UNRESTRICTED CASH/INV | (1,344,852) | (2,007,298) | (1,885,900) | (1,315,701) | (257,936) | 541,014 | 852,517 | 968,899 | 961,459 | 1,323,111 |
| BEG RESERVE BALANCES | 652,613 | 652,613 | 652,613 | 652,613 | 652,613 | 652,613 | 1,152,613 | 2,152,613 | 3,652,613 | 5,652,613 |
| TRANSFER TO/FROM RESERVES | - | - | - | - | - | 500,000 | 1,000,000 | 1,500,000 | 2,000,000 | 2,500,000 |
| END RESERVE BALANCES | 652,613 | 652,613 | 652,613 | 652,613 | 652,613 | 1,152,613 | 2,152,613 | 3,652,613 | 5,652,613 | 8,152,613 |
| RESERVE TARGET | 6,820,668 | 6,919,804 | 7,082,539 | 7,260,506 | 7,441,318 | 7,896,128 | 8,082,889 | 8,231,198 | 7,922,555 | 8,077,364 |

Debt Coverage Ratio Projection

Los Alamos County Department of Public Utilities

Debt Profile - Current & Proposed

Net System Revenue of the Joint Utility System

| Fiscal Year | Senior Lien Tier | Subordinate Lien Tier | Super Subordinate Lien Tier | Total Debt Service | Total Operating Net Revenue | Debt Service Coverage Ratio |
|-------------|------------------|-----------------------|-----------------------------|--------------------|-----------------------------|-----------------------------|
| 2027 | 1,034,901 | 1,064,035 | 2,553,696 | 4,652,631 | 5,349,530 | 1.15 |
| 2028 | 1,021,300 | 2,478,989 | 2,714,189 | 6,214,479 | 5,275,385 | 0.85 |
| 2029 | 995,484 | 2,475,333 | 2,906,854 | 6,377,670 | 9,551,655 | 1.50 |
| 2030 | 975,204 | 3,180,579 | 3,053,791 | 7,209,573 | 9,121,607 | 1.27 |
| 2031 | - | 3,184,630 | 3,194,393 | 6,379,022 | 10,911,579 | 1.71 |
| 2032 | - | 3,185,178 | 3,313,788 | 6,498,966 | 12,109,191 | 1.86 |
| 2033 | - | 3,689,163 | 3,708,534 | 7,397,697 | 12,442,065 | 1.68 |
| 2034 | - | 3,679,687 | 3,829,431 | 7,509,118 | 13,640,104 | 1.82 |
| 2035 | - | 3,042,688 | 3,918,620 | 6,961,308 | 16,728,700 | 2.40 |
| 2036 | - | 3,047,046 | 3,504,414 | 6,551,460 | 17,488,322 | 2.67 |
| Total | 4,026,890 | 29,027,327 | 32,697,709 | 65,751,926 | 112,618,138 | |

2.3 Objective - Meet financial reserve targets within our 10-year financial policy, with a debt coverage ratio of 1.3 or greater every fiscal year.

Schedule of Funds



LADPU.com/DPU



LOS ALAMOS
Department of Public Utilities

**Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 Budget**

| | Electric Prod | Elec Dist | Gas | Water Prod | Water Dist | Wastewater | TOTAL |
|--|---------------|----------------|----------------|---------------|----------------|----------------|----------------|
| Beginning Cash - Unrestricted per FY25 ACFR | \$ 4,543,935 | \$ (4,238,636) | \$ (120,873) | \$ 7,336,376 | \$ 955,968 | \$ 4,285,298 | \$ 12,762,069 |
| Beginning Cash - Restricted Including Reserves per FY25 ACFR | \$ 59,898,122 | \$ 7,435,568 | \$ 1,000,000 | \$ 4,600,762 | \$ - | \$ 652,613 | \$ 73,587,065 |
| Total Cash Per FY25 ACFR | \$ 64,442,057 | \$ 3,196,933 | \$ 879,127 | \$ 11,937,138 | \$ 955,968 | \$ 4,937,911 | \$ 86,349,135 |
| Beginning Cash - Unrestricted per FY26 Projected | \$ 50,759,570 | \$ (9,898,325) | \$ (2,481,950) | \$ 431,660 | \$ (1,699,740) | \$ (367,074) | \$ 36,744,142 |
| Beginning Cash - Restricted Including Reserves per FY26 Projected | \$ 13,724,633 | \$ 7,435,568 | \$ 1,000,000 | \$ 4,600,762 | \$ - | \$ 652,613 | \$ 27,413,576 |
| Total Cash Per FY26 Projected | \$ 64,484,203 | \$ (2,462,757) | \$ (1,481,950) | \$ 5,032,422 | \$ (1,699,740) | \$ 285,539 | \$ 64,157,718 |
| Total Budgeted Revenue (including transfers-in/grants/loans) FY27 | 48,144,012 | 23,176,674 | 6,654,731 | 4,275,950 | 9,476,848 | 9,658,305 | 101,386,521 |
| Intrafund Charges/Commodities FY27 | 10,415,541 | (10,415,541) | (2,836,777) | 4,588,272 | (4,588,272) | - | (2,836,777) |
| <i>Budgeted Expenditures by Priority per Charter or Utilities Financial Policies</i> | | | | | | | |
| 1. Current Operations Budget (Including Normal Maintenance) Expense | (55,727,062) | (7,483,476) | (3,476,129) | (5,234,927) | (3,657,497) | (6,303,375) | (81,882,466) |
| 2. Bond & Other Debt Service Expense | (416,362) | (1,161,971) | - | (926,593) | - | (2,147,709) | (4,652,635) |
| 3b. Capital Plan for FY2027 - Replacement Expense | - | - | - | - | - | - | - |
| 4a. Franchise Fee (paid to the General Fund) Expense | | (502,784) | (115,829) | - | - | - | (618,613) |
| 4b. In Lieu Taxes (paid to the General Fund) Expense | (8,500) | (136,000) | (62,000) | - | - | - | (206,500) |
| 5. Capital Additions and Improvements for FY2027 - Capital Expense | (200,000) | (2,485,000) | (135,000) | (3,635,000) | (1,235,000) | (2,185,000) | (9,875,000) |
| Cash Projection for Other Utilities Reserves per Schedule of Funds | | | | | | | |
| 3a. Replacement Reserve (Capital Expenditures Reserve) Net Addition/Reduction | | | | | | | |
| 3a. Move unrestricted cash to restricted cash to fund Replacement Reserve | | | | | | | |
| w. Net Add/Reduction - Util Operating Reserve | | | | | | | |
| x. Net Add/Reduction - Util Retirement/Reclamation Reserve | | | | | | | |
| y. Net Add/Reduction - Util Rate Stabilization Reserve | | | | | | | |
| z. Net Add/Reduction - Util Contingency Reserve | | | | | | | |
| w-z Move unrestricted cash to restricted cash to fund Other Utilities Reserves | - | - | - | - | - | - | - |
| Total Projected Cash Use (excluding transfers from Unrestricted to Restricted - items 3a. and w through x.) | (56,351,924) | (22,184,772) | (6,625,735) | (9,796,520) | (9,480,769) | (10,636,084) | (115,075,804) |
| Net Cash Budgeted Sources and Uses (Operating Profit) | \$ 2,207,629 | \$ 991,902 | \$ 28,997 | \$ (932,298) | \$ (3,921) | \$ (977,779) | \$ 1,314,530 |
| 6a. Budgeted Revenue Transfer (5% ED & GA Retail Sales excluding County/Schools) | - | (893,217) | (309,842) | - | - | - | (1,203,059) |
| Transfers to Other Funds | (2,000,000) | | | | | | (2,000,000) |
| 6b. All Remaining Operating Profits (after intial 5% Revenue Transfer) prior to funding reserve targets. See unfunded reserves balances below. | \$ 207,629 | \$ 98,685 | \$ (280,845) | \$ (932,298) | \$ (3,921) | \$ (977,779) | \$ (1,888,529) |
| Projected Ending Cash - Unrestricted FY27 Proposed | \$ 52,367,199 | \$ (9,799,640) | \$ (2,762,795) | \$ (500,638) | \$ (1,703,661) | \$ (1,344,852) | \$ 36,255,613 |
| Projected Ending Cash - Restricted FY27 Proposed | \$ 12,324,633 | \$ 7,435,568 | \$ 1,000,000 | \$ 4,600,762 | \$ - | \$ 652,613 | \$ 26,013,576 |

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 Budget

| | Electric Prod | Elec Dist | Gas | Water Prod | Water Dist | Wastewater | TOTAL |
|---|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Total Projected Ending Cash FY27 Proposed | \$ 64,691,832 | \$ (2,364,072) | \$ (1,762,795) | \$ 4,100,125 | \$ (1,703,661) | \$ (692,239) | \$ 62,269,189 |
| Funded Reserve Balances | \$ 12,324,633 | \$ 7,435,568 | \$ 1,000,000 | \$ 4,600,762 | \$ - | \$ 652,613 | \$ 25,974,576 |
| Reserve Targets | \$ 15,051,000 | \$ 11,965,286 | \$ 2,585,524 | \$ 5,994,762 | \$ 5,461,400 | \$ 6,820,668 | \$ 47,878,640 |
| Total Reserves Over<Under> Target | \$ (2,726,367) | \$ (4,529,717) | \$ (1,585,524) | \$ (1,394,000) | \$ (5,461,400) | \$ (6,168,055) | \$ (21,904,063) |

Schedule of Funds
FY2027 Budget

| | Electric Prod | Elec Dist | Gas | Water Prod | Water Dist | Wastewater | TOTAL |
|--|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Operations Reserve (180 days of bud operations and maint, excluding commodities) | | | | | | | |
| Beginning Balance FY2025 ACFR | 1,829,600 | 4,142,300 | 1,000,000 | 2,246,500 | - | 313,313 | 9,531,713 |
| Net Change in Reserve FY2026 to be booked June 30 | - | - | - | - | - | - | - |
| Projected Balance FY2026 | 1,829,600 | 4,142,300 | 1,000,000 | 2,246,500 | - | 313,313 | |
| Budgeted Additions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Reductions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Balance FY2027 | 1,829,600 | 4,142,300 | 1,000,000 | 2,246,500 | - | 313,313 | 9,531,713 |
| TARGET FY2027 | 4,870,304 | 3,979,907 | 1,790,439 | 2,565,114 | 1,792,173 | 3,088,654 | 18,086,592 |
| Debt Service Reserve (as required by loan docs) | | | | | | | |
| Beginning Balance FY2025 ACFR | 626,194 | 1,435,568 | - | 158,531 | - | - | 2,220,293 |
| Net Change in Reserve FY2026 to be booked June 30 | - | - | - | - | - | - | - |
| Projected Balance FY2026 | 626,194 | 1,435,568 | - | 158,531 | - | - | |
| Budgeted Additions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Reductions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Balance FY2027 | 626,194 | 1,435,568 | - | 158,531 | - | - | 2,220,293 |
| TARGET FY2027 | 413,957 | 2,459,026 | - | 991,924 | 118,665 | 2,230,912 | 6,214,484 |
| Retirement/Reclamation Reserve (per agreements) | | | | | | | |
| Beginning Balance FY2025 ACFR | 9,521,439 | - | - | - | - | - | 9,521,439 |
| Net Change in Reserve FY2026 to be booked June 30 | 39,000 | - | - | - | - | - | - |
| Projected Balance FY2026 | 9,560,439 | - | - | - | - | - | |
| Budgeted Additions to the Reserve FY2027 | 39,000 | - | - | - | - | - | 39,000 |
| Budgeted Reductions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Balance FY2027 | 9,599,439 | - | - | - | - | - | 9,560,439 |
| TARGET FY2027 | 9,521,439 | - | - | - | - | - | 9,521,439 |
| Capital Expenditures Reserve | | | | | | | |
| Beginning Balance FY2025 ACFR | 308,400 | 1,257,700 | - | 1,745,731 | - | - | 3,311,831 |
| Net Change in Reserve FY2026 to be booked June 30 | - | - | - | - | - | - | - |
| Projected Balance FY2026 | 308,400 | 1,257,700 | - | 1,745,731 | - | - | |
| Budgeted Additions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Reductions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Balance FY2027 | 308,400 | 1,257,700 | - | 1,745,731 | - | - | 3,311,831 |
| TARGET FY2027 (annual deprec + 2.5%) | 245,300 | 1,384,184 | 525,085 | 1,937,724 | 655,087 | 1,001,102 | 5,748,481 |
| Rate Stabilization Reserve (where pass-through rate for commodities not in place) | | | | | | | |
| Beginning Balance FY2025 ACFR | - | - | - | - | - | - | - |
| Net Change in Reserve FY2026 to be booked June 30 | - | - | - | - | - | - | - |
| Projected Balance FY2026 | - | - | - | - | - | - | - |
| Budgeted Additions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Reductions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Balance FY2027 | - | - | - | - | - | - | - |
| TARGET FY2027 | - | 3,524,169 | - | - | 2,695,475 | - | 6,219,644 |

Schedule of Funds
FY2027 Budget

| | Electric Prod | Elec Dist | Gas | Water Prod | Water Dist | Wastewater | TOTAL |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Contingency Reserve (single largest equipment with potential for failure DPU Asset Team) | | | | | | | |
| Beginning Balance FY2025 ACFR | - | 600,000 | - | 450,000 | - | 339,300 | 1,389,300 |
| Net Change in Reserve FY2026 to be booked June 30 | - | - | - | - | - | - | - |
| Projected Balance FY2026 | - | 600,000 | - | 450,000 | - | 339,300 | - |
| Budgeted Additions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Reductions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Balance FY2027 | - | 600,000 | - | 450,000 | - | 339,300 | 1,389,300 |
| TARGET FY2027 | - | 618,000 | 270,000 | 500,000 | 200,000 | 500,000 | 2,088,000 |
| Bond Proceeds Restricted | | | | | | | |
| Beginning Balance FY2025 ACFR | - | - | - | - | - | - | - |
| Net Change in Reserve FY2026 to be booked June 30 | - | - | - | - | - | - | - |
| Projected Balance FY2026 | - | - | - | - | - | - | - |
| Budgeted Additions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Reductions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Balance FY2027 | - | - | - | - | - | - | - |
| TARGET FY2027 | - | - | - | - | - | - | - |
| TOTAL RESERVES/RESTRICTED CASH | | | | | | | |
| Beginning Balance FY2025 ACFR | 12,285,633 | 7,435,568 | 1,000,000 | 4,600,762 | - | 652,613 | 25,974,576 |
| Net Change in Reserve FY2026 to be booked June 30 | - | - | - | - | - | - | - |
| Projected Balance FY2026 | 12,324,633 | 7,435,568 | 1,000,000 | 4,600,762 | - | 652,613 | - |
| Budgeted Additions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Reductions to the Reserve FY2027 | - | - | - | - | - | - | - |
| Budgeted Balance FY2027 | 12,324,633 | 7,435,568 | 1,000,000 | 4,600,762 | - | 652,613 | 25,974,576 |
| TARGET FY2027 | 15,051,000 | 11,965,286 | 2,585,524 | 5,994,762 | 5,461,400 | 6,820,668 | 47,878,640 |
| Total Reserves Over<Under> Target | (2,726,367) | (4,529,717) | (1,585,524) | (1,394,000) | (5,461,400) | (6,168,055) | (21,904,063) |

Capital Plan with Funding Sources Schedule
FY2027 Budget
See 10-Year Capital Plan for Detailed Listing of Projects

| | Electric Prod | Elec Dist | Gas | Water Prod | Water Dist | Wastewater | TOTAL |
|--|----------------|------------------|----------------|------------------|------------------|------------------|------------------|
| Capital Projects Funded through Reserve or Unrestricted Cash | 200,000 | 2,485,000 | 135,000 | 995,000 | 35,000 | 185,000 | 4,035,000 |
| Capital Projects Funded through Debt | - | - | - | 1,056,000 | 924,000 | 1,500,000 | 3,480,000 |
| Capital Projects Funded through Grants | - | - | - | 1,584,000 | 276,000 | 500,000 | 2,360,000 |
| Capital Projects Funded through Other Sources | - | - | - | - | - | - | - |
| Total Capital Projects | 200,000 | 2,485,000 | 135,000 | 3,635,000 | 1,235,000 | 2,185,000 | 9,875,000 |

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 to FY2036

| ELECTRIC PRODUCTION | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning Cash - Unrestricted per FY25 ACFR | \$ 4,543,935 | | | | | | | | | |
| Beginning Cash - Restricted Including Reserves per FY25 ACFR | \$ 59,898,122 | | | | | | | | | |
| Total Cash Per FY25 ACFR | \$ 64,442,057 | | | | | | | | | |
| Beginning Cash - Unrestricted per FY26 Projected | \$ 50,759,570 | \$ 52,355,212 | \$ 52,511,963 | \$ 52,472,963 | \$ 52,433,963 | \$ 52,394,963 | \$ 52,355,963 | \$ 52,316,963 | \$ 52,277,963 | \$ 52,238,963 |
| Beginning Cash - Restricted Including Reserves per FY26 Projected | \$ 13,724,633 | \$ 12,336,620 | \$ 12,375,620 | \$ 12,414,620 | \$ 12,453,620 | \$ 12,492,620 | \$ 12,531,620 | \$ 12,570,620 | \$ 12,609,620 | \$ 12,648,620 |
| Total Cash Per FY26 Projected | \$ 64,484,203 | \$ 64,691,832 | \$ 64,887,583 | \$ 64,887,583 | \$ 64,887,583 | \$ 64,887,583 | \$ 64,887,583 | \$ 64,887,583 | \$ 64,887,583 | \$ 64,887,583 |
| Total Budgeted Revenue (including transfers-in/grants/loans) | 48,144,012 | 78,595,094 | 53,907,437 | 61,568,296 | 57,984,436 | 85,117,215 | 78,762,038 | 77,402,995 | 76,436,537 | 76,957,067 |
| Intrafund Charges/Commodities | 10,415,541 | 12,527,744 | 10,567,578 | 13,005,962 | 13,071,064 | 13,136,374 | 13,202,099 | 13,268,135 | 14,209,259 | 13,401,027 |
| Budgeted Expenditures by Priority per Charter or Utilities Financial Policies | | | | | | | | | | |
| 1. Current Operations Budget (Including Normal Maintenance) Expense | (55,727,062) | (87,454,631) | (60,958,623) | (70,860,066) | (68,697,001) | (96,245,089) | (89,955,636) | (88,662,630) | (88,637,295) | (88,349,593) |
| | - | | | | | | | | | |
| 2. Bond & Other Debt Service Expense | (416,362) | (413,957) | (407,893) | (400,692) | - | - | - | - | - | - |
| | | | | | | | | | | |
| 3b. Capital Plan for FY2027 - Replacement Expense | - | | - | - | - | - | - | - | - | - |
| | | | | | | | | | | |
| 4a. Franchise Fee (paid to the General Fund) Expense | - | | | | | | | | | |
| 4b. In Lieu Taxes (paid to the General Fund) Expense | (8,500) | (8,500) | (8,500) | (8,500) | (8,500) | (8,500) | (8,500) | (8,500) | (8,500) | (8,500) |
| | | | | | | | | | | |
| 5a. Capital Additions and Improvements for FY2027 - Capital Expense | (200,000) | (1,050,000) | (1,100,000) | (1,305,000) | (350,000) | - | - | - | - | - |
| | | | | | | | | | | |
| Cash Projection for Other Utilities Reserves per Schedule of Funds | | | | | | | | | | |
| 3a. Replacement Reserve (Capital Expenditures Reserve) Net Addition/Reduction | A - | - | - | - | - | - | - | - | - | - |
| 3a. Move unrestricted cash to restricted cash to fund Replacement Reserve | - | - | - | - | - | - | - | - | - | - |
| w. Net Add/Reduction - Util Operating Reserve | - | - | - | - | - | - | - | - | - | - |
| x. Net Add/Reduction - Util Retirement/Reclamation Reserve | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 |
| y. Net Add/Reduction - Util Rate Stabilization Reserve | - | - | - | - | - | - | - | - | - | - |
| z. Net Add/Reduction - Util Contingency Reserve | - | - | - | - | - | - | - | - | - | - |
| w-z Move unrestricted cash to restricted cash to fund Other Utilities Reserves | A (39,000) | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) | (39,000) |
| | | | | | | | | | | |
| Total Projected Cash Use (excluding transfers from Unrestricted to Restricted - items 3a. and w through x.) | 2,207,629 | 2,195,751 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| | | | | | | | | | | |
| Net Cash Budgeted Sources and Uses (Operating Profit) | \$ 2,207,629 | \$ 2,195,751 | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 |
| | | | | | | | | | | |
| 6a. Budgeted Revenue Transfer (5% ED & GA Retail Sales excluding County/Schools) Transfers to Other Funds | - (2,000,000) | - (2,000,000) | - (2,000,000) | - (2,000,000) | - (2,000,000) | - (2,000,000) | - (2,000,000) | - (2,000,000) | - (2,000,000) | - (2,000,000) |
| 6b. All Remaining Operating Profits (after intial 5% Revenue Transfer) prior to funding reserve targets. See unfunded reserves balances below. | \$ 207,629 | \$ 195,751 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | | | | | | | | | |
| Projected Ending Cash - Unrestricted | \$ 52,355,212 | \$ 52,511,963 | \$ 52,472,963 | \$ 52,433,963 | \$ 52,394,963 | \$ 52,355,963 | \$ 52,316,963 | \$ 52,277,963 | \$ 52,238,963 | \$ 52,199,963 |
| Projected Ending Cash - Restricted | \$ 12,336,620 | \$ 12,375,620 | \$ 12,414,620 | \$ 12,453,620 | \$ 12,492,620 | \$ 12,531,620 | \$ 12,570,620 | \$ 12,609,620 | \$ 12,648,620 | \$ 12,687,620 |
| Total Projected Ending Cash | \$ 64,691,832 | \$ 64,887,583 | \$ 64,887,583 | \$ 64,887,583 | \$ 64,887,583 | \$ 64,887,583 | \$ 64,887,583 | \$ 64,887,583 | \$ 64,887,583 | \$ 64,887,583 |
| | | | | | | | | | | |
| Funded Reserve Balances | \$ 12,336,620 | \$ 12,375,620 | \$ 12,414,620 | \$ 12,453,620 | \$ 12,492,620 | \$ 12,531,620 | \$ 12,570,620 | \$ 12,609,620 | \$ 12,648,620 | \$ 12,687,620 |
| Reserve Targets | \$ 15,051,000 | \$ 13,578,203 | \$ 12,558,057 | \$ 12,544,321 | \$ 12,412,989 | \$ 13,441,864 | \$ 13,193,800 | \$ 13,167,033 | \$ 13,174,322 | \$ 13,181,794 |
| Total Reserves Over<Under> Target | \$ (2,714,380) | \$ (1,202,583) | \$ (143,437) | \$ (90,701) | \$ 79,631 | \$ (910,244) | \$ (623,180) | \$ (557,413) | \$ (525,702) | \$ (494,174) |

A - Transfer and recording in the G/L moving cash from unrestricted to restricted for established Reserves

Schedule of Funds
FY2027 to FY2036
ELECTRIC PRODUCTION

[illegible]

Schedule of Funds
FY2027 to FY2036
ELECTRIC PRODUCTION

| | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|---|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Contingency Reserve (single largest equipment with potential for failure DPU Asset Team) | | | | | | | | | | |
| Beginning Balance | - | | - | - | - | - | - | - | - | - |
| Budgeted Additions to the Reserve | | | | | | | | | | |
| Budgeted Reductions to the Reserve | | | | | | | | | | |
| Budgeted Balance | - | | - | - | - | - | - | - | - | - |
| TARGET | - | - | - | - | - | - | - | - | - | - |
| Bond Proceeds Restricted | | | | | | | | | | |
| Beginning Balance | - | | - | - | - | - | - | - | - | - |
| Budgeted Additions to the Reserve | | | | | | | | | | |
| Budgeted Reductions to the Reserve | | | | | | | | | | |
| Budgeted Balance | - | | - | - | - | - | - | - | - | - |
| TARGET | - | | - | - | - | - | - | - | - | - |
| TOTAL RESERVES/RESTRICTED CASH | | | | | | | | | | |
| Beginning Balance | 12,297,620 | 12,336,620 | 12,375,620 | 12,414,620 | 12,453,620 | 12,492,620 | 12,531,620 | 12,570,620 | 12,609,620 | 12,648,620 |
| Budgeted Additions to the Reserve | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 |
| Budgeted Reductions to the Reserve | - | - | - | - | - | - | - | - | - | - |
| Budgeted Balance | 12,336,620 | 12,375,620 | 12,414,620 | 12,453,620 | 12,492,620 | 12,531,620 | 12,570,620 | 12,609,620 | 12,648,620 | 12,687,620 |
| TARGET | 15,051,000 | 13,578,203 | 12,558,057 | 12,544,321 | 12,412,989 | 13,441,864 | 13,193,800 | 13,167,033 | 13,174,322 | 13,181,794 |
| Total Reserves Over<Under> Target | (2,714,380) | (1,202,583) | (143,437) | (90,701) | 79,631 | (910,244) | (623,180) | (557,413) | (525,702) | (494,174) |

Capital Plan with Funding Sources Schedule
FY2027 to FY2036
See 10-Year Capital Plan for Detailed Listing of Projects
ELECTRIC PRODUCTION

| | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|--|----------------|------------------|------------------|------------------|----------------|----------|----------|----------|----------|----------|
| Capital Projects Funded through Reserve or Unrestricted Cash | 200,000 | 1,050,000 | 1,100,000 | 1,305,000 | 350,000 | - | - | - | - | - |
| Capital Projects Funded through Debt | - | - | - | - | - | - | - | - | - | |
| Capital Projects Funded through Grants | | | | | | | | | | |
| Capital Projects Funded through Other Sources | - | - | - | - | - | - | - | - | - | |
| Total Capital Projects | 200,000 | 1,050,000 | 1,100,000 | 1,305,000 | 350,000 | - | - | - | - | - |

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 to FY2036

| ELECTRIC DISTRIBUTION | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|--|----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|
| Beginning Cash - Unrestricted per FY25 ACFR | \$ (4,238,636) | | | | | | | | | |
| Beginning Cash - Restricted Including Reserves per FY25 ACFR | \$ 7,435,568 | | | | | | | | | |
| Total Cash Per FY25 ACFR | \$ 3,196,933 | | | | | | | | | |
| Beginning Cash - Unrestricted per FY26 Projected | \$ (9,898,325) | \$ (9,799,640) | \$ (10,394,976) | \$ (8,963,665) | \$ (8,986,307) | \$ (7,717,394) | \$ (6,082,388) | \$ (4,127,488) | \$ (2,000,022) | \$ 1,028,676 |
| Beginning Cash - Restricted Including Reserves per FY26 Projected | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 8,935,568 |
| Total Cash Per FY26 Projected | \$ (2,462,757) | \$ (2,364,072) | \$ (2,959,408) | \$ (1,528,096) | \$ (1,550,739) | \$ (281,826) | \$ 1,353,181 | \$ 3,308,081 | \$ 5,435,546 | \$ 9,964,244 |
| Total Budgeted Revenue (including transfers-in/grants/loans) | 23,176,674 | 33,230,508 | 26,401,796 | 37,858,252 | 29,359,716 | 30,308,783 | 33,825,231 | 32,391,224 | 35,531,240 | 34,700,250 |
| Intrafund Charges/Commodities | (10,415,541) | (12,527,744) | (10,567,578) | (13,005,962) | (13,071,064) | (13,136,374) | (13,202,099) | (13,268,135) | (14,209,259) | (13,401,027) |
| Budgeted Expenditures by Priority per Charter or Utilities Financial Policies | | | | | | | | | | |
| 1. Current Operations Budget (Including Normal Maintenance) Expense | (7,483,476) | (7,789,769) | (8,042,626) | (8,303,069) | (8,571,325) | (8,847,629) | (9,132,222) | (9,425,353) | (9,727,278) | (10,038,260) |
| 2. Bond & Other Debt Service Expense | (1,161,971) | (2,459,026) | (2,438,602) | (3,132,739) | (2,648,490) | (2,649,040) | (3,153,024) | (3,143,547) | (2,506,549) | (2,510,906) |
| 3b. Capital Plan for FY2027 - Replacement Expense | - | | | | | | | | | |
| 4a. Franchise Fee (paid to the General Fund) Expense | (502,784) | (502,784) | (502,784) | (502,784) | (502,784) | (502,784) | (502,784) | (502,784) | (502,784) | (502,784) |
| 4b. In Lieu Taxes (paid to the General Fund) Expense | (136,000) | (136,000) | (136,000) | (136,000) | (136,000) | (136,000) | (136,000) | (136,000) | (136,000) | (136,000) |
| 5a. Capital Additions and Improvements for FY2027 - Capital Expense | (2,485,000) | (9,450,000) | (2,250,000) | (11,700,000) | (2,000,000) | (2,200,000) | (4,500,000) | (2,500,000) | (2,500,000) | (2,500,000) |
| Cash Projection for Other Utilities Reserves per Schedule of Funds | | | | | | | | | | |
| 3a. Replacement Reserve (Capital Expenditures Reserve) Net Addition/Reduction | A - | - | - | - | - | - | - | - | - | 200,000 |
| 3a. Move unrestricted cash to restricted cash to fund Replacement Reserve | - | - | - | - | - | - | - | - | - | (200,000) |
| w. Net Add/Reduction - Util Operating Reserve | - | - | - | - | - | - | - | - | 1,000,000 | - |
| x. Net Add/Reduction - Util Retirement/Reclamation Reserve | - | - | - | - | - | - | - | - | - | - |
| y. Net Add/Reduction - Util Rate Stabilization Reserve | - | - | - | - | - | - | - | - | - | 3,300,000 |
| z. Net Add/Reduction - Util Contingency Reserve | - | - | - | - | - | - | - | - | - | - |
| w-z Move unrestricted cash to restricted cash to fund Other Utilities Reserves | A - | - | - | - | - | - | - | - | (1,000,000) | (3,300,000) |
| | | | | | | | | | | - |
| Total Projected Cash Use (excluding transfers from Unrestricted to Restricted - items 3a. and w through x.) | (22,184,772) | (32,865,323) | (23,937,591) | (36,780,554) | (26,929,663) | (27,471,826) | (30,626,129) | (28,975,819) | (29,581,870) | (29,088,977) |
| Net Cash Budgeted Sources and Uses (Operating Profit) | \$ 991,902 | \$ 365,185 | \$ 2,464,205 | \$ 1,077,698 | \$ 2,430,053 | \$ 2,836,957 | \$ 3,199,102 | \$ 3,415,405 | \$ 5,949,370 | \$ 5,611,274 |
| 6a. Budgeted Revenue Transfer (5% ED & GA Retail Sales excluding County/Schools) Transfers to Other Funds | (893,217) | (960,521) | (1,032,894) | (1,100,340) | (1,161,140) | (1,201,950) | (1,244,202) | (1,287,939) | (1,420,672) | (1,380,071) |
| 6b. All Remaining Operating Profits (after intial 5% Revenue Transfer) prior to funding reserve targets. See unfunded reserves balances below. | \$ 98,685 | \$ (595,336) | \$ 1,431,311 | \$ (22,642) | \$ 1,268,913 | \$ 1,635,007 | \$ 1,954,900 | \$ 2,127,466 | \$ 4,528,698 | \$ 4,231,203 |
| Projected Ending Cash - Unrestricted | \$ (9,799,640) | \$ (10,394,976) | \$ (8,963,665) | \$ (8,986,307) | \$ (7,717,394) | \$ (6,082,388) | \$ (4,127,488) | \$ (2,000,022) | \$ 1,028,676 | \$ 1,759,879 |
| Projected Ending Cash - Restricted | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 8,935,568 | \$ 12,435,568 |
| Total Projected Ending Cash | \$ (2,364,072) | \$ (2,959,408) | \$ (1,528,096) | \$ (1,550,739) | \$ (281,826) | \$ 1,353,181 | \$ 3,308,081 | \$ 5,435,546 | \$ 9,964,244 | \$ 14,195,447 |
| Funded Reserve Balances | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 7,435,568 | \$ 8,935,568 | \$ 12,435,568 |
| Reserve Targets | \$ 11,965,286 | \$ 12,094,946 | \$ 12,912,982 | \$ 12,556,351 | \$ 12,688,345 | \$ 13,327,719 | \$ 13,457,693 | \$ 12,964,329 | \$ 13,116,629 | \$ 12,311,196 |
| Total Reserves Over<Under> Target | \$ (4,529,717) | \$ (4,659,377) | \$ (5,477,414) | \$ (5,120,782) | \$ (5,252,777) | \$ (5,892,151) | \$ (6,022,124) | \$ (5,528,760) | \$ (4,181,061) | \$ 124,372 |

A - Transfer and recording in the G/L moving cash from unrestricted to restricted for established Reserves

Schedule of Funds FY2027 to FY2036

[illegible]

Schedule of Funds
FY2027 to FY2036

| ELECTRIC DISTRIBUTION | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Contingency Reserve (single largest equipment with potential for failure DPU Asset Team) | | | | | | | | | | |
| Beginning Balance | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 |
| Budgeted Additions to the Reserve | - | | | | | | | | | |
| Budgeted Reductions to the Reserve | - | | | | | | | | | |
| Budgeted Balance | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 |
| TARGET | 618,000 | 618,000 | 618,000 | 618,000 | 618,000 | 618,000 | 618,000 | 618,000 | 618,000 | 618,000 |
| Bond Proceeds Restricted (no outstanding bond proceeds at this time) | | | | | | | | | | |
| Beginning Balance | - | - | - | - | - | - | - | - | - | - |
| Budgeted Additions to the Reserve | - | - | | | | | | | | |
| Budgeted Reductions to the Reserve | - | - | | | | | | | | |
| Budgeted Balance | - | - | - | - | - | - | - | - | - | - |
| TARGET | - | - | - | - | - | - | - | - | - | - |
| TOTAL RESERVES/RESTRICTED CASH | | | | | | | | | | |
| Beginning Balance | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 8,935,568 |
| Budgeted Additions to the Reserve | - | - | - | - | - | - | - | - | 1,500,000 | 3,500,000 |
| Budgeted Reductions to the Reserve | - | - | - | - | - | - | - | - | - | - |
| Budgeted Balance | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 8,935,568 | 12,435,568 |
| TARGET | 11,965,286 | 12,094,946 | 12,912,982 | 12,556,351 | 12,688,345 | 13,327,719 | 13,457,693 | 12,964,329 | 13,116,629 | 12,311,196 |
| Total Reserves Over<Under> Target | (4,529,717) | (4,659,377) | (5,477,414) | (5,120,782) | (5,252,777) | (5,892,151) | (6,022,124) | (5,528,760) | (4,181,061) | 124,372 |

Capital Plan with Funding Sources Schedule
FY2027 to FY2036
See 10-Year Capital Plan for Detailed Listing of Projects

| ELECTRIC DISTRIBUTION | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|--|---------------------|---------------------|---------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Capital Projects Funded through Reserve or Unrestricted Cash | \$ 2,485,000 | \$ 950,000 | 2250000 | \$ 1,800,000 | \$ 2,000,000 | \$ 2,200,000 | \$ 2,000,000 | \$ 2,500,000 | \$ 2,500,000 | \$ 2,500,000 |
| Capital Projects Funded through Debt | - | 8,500,000 | | 9,900,000 | | | 2,500,000 | - | - | - |
| Capital Projects Funded through Grants | | | | | | | | | | |
| Capital Projects Funded through Other Sources | - | - | - | - | - | - | - | - | - | - |
| Total Capital Projects | \$ 2,485,000 | \$ 9,450,000 | \$ 2,250,000 | \$ 11,700,000 | \$ 2,000,000 | \$ 2,200,000 | \$ 4,500,000 | \$ 2,500,000 | \$ 2,500,000 | \$ 2,500,000 |

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 to FY2036

GAS DISTRIBUTION

| | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------|--------------|--------------|
| Beginning Cash - Unrestricted per FY25 ACFR | \$ (120,873) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Beginning Cash - Restricted Including Reserves per FY25 ACFR | \$ 1,000,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Cash Per FY25 ACFR | \$ 879,127 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Beginning Cash - Unrestricted per FY26 Projected | \$ (2,481,950) | \$ (2,762,795) | \$ (2,777,909) | \$ (2,700,774) | \$ (2,153,456) | \$ (1,271,266) | \$ (67,088) | \$ 700,649 | \$ 1,541,671 | \$ 2,434,299 |
| Beginning Cash - Restricted Including Reserves per FY26 Projected | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,500,000 | \$ 2,000,000 | \$ 2,500,000 |
| Total Cash Per FY26 Projected | \$ (1,481,950) | \$ (1,762,795) | \$ (1,777,909) | \$ (1,700,774) | \$ (1,153,456) | \$ (271,266) | \$ 932,912 | \$ 2,200,649 | \$ 3,541,671 | \$ 4,934,299 |
| Total Budgeted Revenue (including transfers-in/grants/loans) | 6,654,731 | 7,251,857 | 7,758,087 | 8,299,753 | 8,879,336 | 9,499,490 | 9,807,197 | 10,131,807 | 10,467,036 | 10,812,607 |
| Intrafund Charges/Commodities | (2,836,777) | (3,091,493) | (3,185,000) | (3,281,000) | (3,380,000) | (3,482,000) | (3,587,000) | (3,695,000) | (3,806,000) | (3,921,000) |
| Budgeted Expenditures by Priority per Charter or Utilities Financial Policies | | | | | | | | | | |
| 1. Current Operations Budget (Including Normal Maintenance) Expense | (3,476,129) | (3,549,921) | (3,661,754) | (3,776,942) | (3,895,586) | (4,017,789) | (4,143,658) | (4,273,303) | (4,406,837) | (4,544,377) |
| 2. Bond & Other Debt Service Expense | - | - | - | - | - | - | - | - | - | - |
| 3b. Capital Plan for FY2027 - Replacement Expense | - | | | | | | | | | |
| 4a. Franchise Fee (paid to the General Fund) Expense | (115,829) | (115,829) | (115,829) | (115,829) | (115,829) | (115,829) | (115,829) | (115,829) | (115,829) | (115,829) |
| 4b. In Lieu Taxes (paid to the General Fund) Expense | (62,000) | (62,000) | (62,000) | (62,000) | (62,000) | (62,000) | (62,000) | (62,000) | (62,000) | (62,000) |
| 5a. Capital Additions and Improvements for FY2027 - Capital Expense | (135,000) | (110,000) | (295,000) | (130,000) | (130,000) | (175,000) | (175,000) | (175,000) | (200,000) | (220,000) |
| Cash Projection for Other Utilities Reserves per Schedule of Funds | | | | | | | | | | |
| 3a. Replacement Reserve (Capital Expenditures Reserve) Net Addition/Reduction | A - | - | - | - | - | - | - | - | 300,000 | 250,000 |
| 3a. Move unrestricted cash to restricted cash to fund Replacement Reserve | - | - | - | - | - | - | - | - | (300,000) | (250,000) |
| w. Net Add/Reduction - Util Operating Reserve | - | - | - | - | - | - | 500,000 | 500,000 | - | 150,000 |
| x. Net Add/Reduction - Util Retirement/Reclamation Reserve | - | - | - | - | - | - | - | - | - | - |
| y. Net Add/Reduction - Util Rate Stabilization Reserve | - | - | - | - | - | - | - | - | - | - |
| z. Net Add/Reduction - Util Contingency Reserve | - | - | - | - | - | - | - | - | - | 250,000 |
| w-z Move unrestricted cash to restricted cash to fund Other Utilities Reserves | A - | - | - | - | - | - | (500,000) | (500,000) | - | (400,000) |
| Total Projected Cash Use (excluding transfers from Unrestricted to Restricted - items 3a. and w through x.) | (6,625,735) | (6,929,243) | (7,319,583) | (7,365,771) | (7,583,415) | (7,852,618) | (8,083,487) | (8,321,132) | (8,590,666) | (8,863,206) |
| Net Cash Budgeted Sources and Uses (Operating Profit) | \$ 28,997 | \$ 322,614 | \$ 438,504 | \$ 933,982 | \$ 1,295,921 | \$ 1,646,872 | \$ 1,723,710 | \$ 1,810,675 | \$ 1,876,370 | \$ 1,949,401 |
| 6a. Budgeted Revenue Transfer (5% ED & GA Retail Sales excluding County/Schools) Transfers to Other Funds | (309,842) | (337,728) | (361,369) | (386,665) | (413,731) | (442,693) | (455,973) | (469,653) | (483,742) | (498,254) |
| 6b. All Remaining Operating Profits (after intial 5% Revenue Transfer) prior to funding reserve targets. See unfunded reserves balances below. | \$ (280,845) | \$ (15,114) | \$ 77,135 | \$ 547,317 | \$ 882,190 | \$ 1,204,179 | \$ 1,267,737 | \$ 1,341,022 | \$ 1,392,628 | \$ 1,451,147 |
| Projected Ending Cash - Unrestricted | \$ (2,762,795) | \$ (2,777,909) | \$ (2,700,774) | \$ (2,153,456) | \$ (1,271,266) | \$ (67,088) | \$ 700,649 | \$ 1,541,671 | \$ 2,434,299 | \$ 3,235,446 |
| Projected Ending Cash - Restricted | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,500,000 | \$ 2,000,000 | \$ 2,500,000 | \$ 3,150,000 |
| Total Projected Ending Cash | \$ (1,762,795) | \$ (1,777,909) | \$ (1,700,774) | \$ (1,153,456) | \$ (271,266) | \$ 932,912 | \$ 2,200,649 | \$ 3,541,671 | \$ 4,934,299 | \$ 6,385,446 |
| Funded Reserve Balances | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,500,000 | \$ 2,000,000 | \$ 2,500,000 | \$ 3,150,000 |
| Reserve Targets | \$ 2,585,524 | \$ 2,621,682 | \$ 2,676,481 | \$ 2,732,923 | \$ 2,791,058 | \$ 2,850,938 | \$ 2,912,614 | \$ 2,976,140 | \$ 3,041,571 | \$ 3,108,966 |
| Total Reserves Over<Under> Target | \$ (1,585,524) | \$ (1,621,682) | \$ (1,676,481) | \$ (1,732,923) | \$ (1,791,058) | \$ (1,850,938) | \$ (1,412,614) | \$ (976,140) | \$ (541,571) | \$ 41,034 |

A - Transfer and recording in the G/L moving cash from unrestricted to restricted for established Reserves

Schedule of Funds FY2027 to FY2036

[illegible]

Schedule of Funds
FY2027 to FY2036

| GAS DISTRIBUTION | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|------------------|------------------|
| Contingency Reserve (single largest equipment with potential for failure DPU Asset Team) | | | | | | | | | | |
| Beginning Balance | - | - | | | | | | | | - |
| Budgeted Additions to the Reserve | | | | | | | | | | 250,000 |
| Budgeted Reductions to the Reserve | | | | | | | | | | |
| Budgeted Balance | - | - | - | - | - | - | - | - | - | 250,000 |
| TARGET | 270,000 | 270,000 | 270,000 | 270,000 | 270,000 | 270,000 | 270,000 | 270,000 | 270,000 | 270,000 |
| Bond Proceeds Restricted (no outstanding bond proceeds at this time) | | | | | | | | | | |
| Beginning Balance | - | - | - | - | - | - | - | - | - | - |
| Budgeted Additions to the Reserve | - | - | - | - | - | - | - | - | - | - |
| Budgeted Reductions to the Reserve | - | - | - | - | - | - | - | - | - | - |
| Budgeted Balance | - | - | - | - | - | - | - | - | - | - |
| TARGET | | | | | | | | | | |
| TOTAL RESERVES/RESTRICTED CASH | | | | | | | | | | |
| Beginning Balance | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,500,000 | 2,000,000 | 2,500,000 |
| Budgeted Additions to the Reserve | - | - | - | - | - | - | 500,000 | 500,000 | 500,000 | 650,000 |
| Budgeted Reductions to the Reserve | - | - | - | - | - | - | - | - | - | - |
| Budgeted Balance | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,500,000 | 2,000,000 | 2,500,000 | 3,150,000 |
| TARGET | 2,585,524 | 2,621,682 | 2,676,481 | 2,732,923 | 2,791,058 | 2,850,938 | 2,912,614 | 2,976,140 | 3,041,571 | 3,108,966 |
| Total Reserves Over<Under> Target | (1,585,524) | (1,621,682) | (1,676,481) | (1,732,923) | (1,791,058) | (1,850,938) | (1,412,614) | (976,140) | (541,571) | 41,034 |

Capital Plan with Funding Sources Schedule
FY2027 to FY2036
See 10-Year Capital Plan for Detailed Listing of Projects

| GAS DISTRIBUTION | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Capital Projects Funded through Reserve or Unrestricted Cash | 135,000 | 110,000 | 295,000 | 130,000 | 130,000 | 175,000 | 175,000 | 175,000 | 200,000 | 220,000 |
| Capital Projects Funded through Debt | - | - | - | - | - | - | - | - | - | - |
| Capital Projects Funded through Grants | - | - | - | - | - | - | - | - | - | - |
| Capital Projects Funded through Other Sources | - | - | - | - | - | - | - | - | - | - |
| Total Capital Projects | 135,000 | 110,000 | 295,000 | 130,000 | 130,000 | 175,000 | 175,000 | 175,000 | 200,000 | 220,000 |

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 to FY2036

WATER PRODUCTION

| | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|--|---------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Beginning Cash - Unrestricted per FY25 ACFR | \$ 7,336,376 | | | | | | | | | |
| Beginning Cash - Restricted Including Reserves per FY25 ACFR | \$ 4,600,762 | | | | | | | | | |
| Total Cash Per FY25 ACFR | \$ 11,937,138 | | | | | | | | | |

| | | | | | | | | | | |
|---|--------------|--------------|----------------|----------------|----------------|----------------|--------------|--------------|--------------|--------------|
| Beginning Cash - Unrestricted per FY26 Projected | \$ 431,660 | \$ (500,638) | \$ (1,303,676) | \$ (1,552,003) | \$ (1,353,482) | \$ (1,078,780) | \$ 146,549 | \$ 653,793 | \$ 930,547 | \$ 1,269,907 |
| Beginning Cash - Restricted Including Reserves per FY26 Projected | \$ 4,600,762 | \$ 4,600,762 | \$ 4,600,762 | \$ 4,600,762 | \$ 4,600,762 | \$ 4,600,762 | \$ 4,600,762 | \$ 5,100,762 | \$ 5,800,762 | \$ 6,600,762 |
| Total Cash Per FY26 Projected | \$ 5,032,422 | \$ 4,100,125 | \$ 3,297,086 | \$ 3,048,759 | \$ 3,247,280 | \$ 3,521,982 | \$ 4,747,311 | \$ 5,754,555 | \$ 6,731,309 | \$ 7,870,669 |

| | | | | | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Total Budgeted Revenue (including transfers-in/grants/loans) | 4,275,950 | 5,846,750 | 5,122,097 | 4,255,213 | 4,780,790 | 2,685,138 | 3,427,184 | 3,915,620 | 3,605,192 | 3,700,783 |
| Intrafund Charges/Commodities | 4,588,272 | 4,955,334 | 5,302,207 | 5,673,362 | 5,957,030 | 6,254,881 | 6,442,528 | 6,635,804 | 6,834,878 | 7,039,924 |

Budgeted Expenditures by Priority per Charter or Utilities Financial Policies

| | | | | | | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 1. Current Operations Budget (Including Normal Maintenance) Expense | (5,234,927) | (5,393,198) | (5,554,994) | (5,721,644) | (5,893,294) | (6,070,093) | (6,252,196) | (6,439,762) | (6,632,955) | (6,831,944) |
| 2. Bond & Other Debt Service Expense | (926,593) | (991,924) | (1,042,638) | (1,108,410) | (1,069,824) | (1,094,599) | (1,110,272) | (1,134,908) | (1,167,755) | (1,153,665) |
| 3b. Capital Plan for FY2027 - Replacement Expense | - | | | | | | | | | |
| 4a. Franchise Fee (paid to the General Fund) Expense | - | - | - | - | - | - | - | - | - | - |
| 4b. In Lieu Taxes (paid to the General Fund) Expense | - | - | - | - | - | - | - | - | - | - |
| 5a. Capital Additions and Improvements for FY2027 - Capital Expense | (3,635,000) | (5,220,000) | (4,075,000) | (2,900,000) | (3,500,000) | (550,000) | (1,500,000) | (2,000,000) | (1,500,000) | (1,500,000) |

Cash Projection for Other Utilities Reserves per Schedule of Funds

| | | | | | | | | | | |
|--|---|---|---|---|---|---|-----------|-----------|---|-----------|
| 3a. Replacement Reserve (Capital Expenditures Reserve) Net Addition/Reduction | A | - | - | - | - | - | - | - | - | 200,000 |
| 3a. Move unrestricted cash to restricted cash to fund Replacement Reserve | | - | - | - | - | - | - | - | - | (200,000) |
| w. Net Add/Reduction - Util Operating Reserve | | - | - | - | - | - | 500,000 | 500,000 | - | 250,000 |
| x. Net Add/Reduction - Util Retirement/Reclamation Reserve | | - | - | - | - | - | - | - | - | - |
| y. Net Add/Reduction - Util Rate Stabilization Reserve | | - | - | - | - | - | - | - | - | - |
| z. Net Add/Reduction - Util Contingency Reserve | | - | - | - | - | - | - | - | - | 50,000 |
| w-z Move unrestricted cash to restricted cash to fund Other Utilities Reserves | A | - | - | - | - | - | (500,000) | (500,000) | - | (300,000) |

| | | | | | | | | | | |
|---|-------------|--------------|--------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|
| Total Projected Cash Use (excluding transfers from Unrestricted to Restricted - items 3a. and w through x.) | (9,796,520) | (11,605,122) | (10,672,632) | (9,730,054) | (10,463,118) | (7,714,692) | (8,862,468) | (9,574,670) | (9,300,710) | (9,485,609) |
|---|-------------|--------------|--------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|

| | | | | | | | | | | |
|---|--------------|--------------|--------------|------------|------------|--------------|--------------|------------|--------------|--------------|
| Net Cash Budgeted Sources and Uses (Operating Profit) | \$ (932,298) | \$ (803,038) | \$ (248,327) | \$ 198,520 | \$ 274,703 | \$ 1,225,328 | \$ 1,007,244 | \$ 976,754 | \$ 1,139,360 | \$ 1,255,099 |
|---|--------------|--------------|--------------|------------|------------|--------------|--------------|------------|--------------|--------------|

| | | | | | | | | | | |
|--|---|---|---|---|---|---|---|---|---|---|
| 6a. Budgeted Revenue Transfer (5% ED & GA Retail Sales excluding County/Schools) Transfers to Other Funds | - | - | - | - | - | - | - | - | - | - |
|--|---|---|---|---|---|---|---|---|---|---|

| | | | | | | | | | | |
|--|--------------|--------------|--------------|------------|------------|--------------|--------------|------------|--------------|--------------|
| 6b. All Remaining Operating Profits (after intial 5% Revenue Transfer) prior to funding reserve targets. See unfunded reserves balances below. | \$ (932,298) | \$ (803,038) | \$ (248,327) | \$ 198,520 | \$ 274,703 | \$ 1,225,328 | \$ 1,007,244 | \$ 976,754 | \$ 1,139,360 | \$ 1,255,099 |
|--|--------------|--------------|--------------|------------|------------|--------------|--------------|------------|--------------|--------------|

| | | | | | | | | | | |
|--------------------------------------|--------------|----------------|----------------|----------------|----------------|--------------|--------------|--------------|--------------|--------------|
| Projected Ending Cash - Unrestricted | \$ (500,638) | \$ (1,303,676) | \$ (1,552,003) | \$ (1,353,482) | \$ (1,078,780) | \$ 146,549 | \$ 653,793 | \$ 930,547 | \$ 1,269,907 | \$ 2,025,006 |
| Projected Ending Cash - Restricted | \$ 4,600,762 | \$ 4,600,762 | \$ 4,600,762 | \$ 4,600,762 | \$ 4,600,762 | \$ 4,600,762 | \$ 5,100,762 | \$ 5,800,762 | \$ 6,600,762 | \$ 7,100,762 |
| Total Projected Ending Cash | \$ 4,100,125 | \$ 3,297,086 | \$ 3,048,759 | \$ 3,247,280 | \$ 3,521,982 | \$ 4,747,311 | \$ 5,754,555 | \$ 6,731,309 | \$ 7,870,669 | \$ 9,125,768 |

| | | | | | | | | | | |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------|--------------|--------------|
| Funded Reserve Balances | \$ 4,600,762 | \$ 4,600,762 | \$ 4,600,762 | \$ 4,600,762 | \$ 4,600,762 | \$ 4,600,762 | \$ 5,100,762 | \$ 5,800,762 | \$ 6,600,762 | \$ 7,100,762 |
| Reserve Targets | \$ 5,994,762 | \$ 6,123,028 | \$ 6,268,081 | \$ 6,311,153 | \$ 6,420,036 | \$ 6,522,341 | \$ 6,636,207 | \$ 6,760,962 | \$ 6,841,536 | \$ 6,963,675 |
| Total Reserves Over<Under> Target | \$ (1,394,000) | \$ (1,522,266) | \$ (1,667,319) | \$ (1,710,391) | \$ (1,819,274) | \$ (1,921,579) | \$ (1,535,445) | \$ (960,200) | \$ (240,774) | \$ 137,087 |

A - Transfer and recording in the G/L moving cash from unrestricted to restricted for established Reserves

Schedule of Funds FY2027 to FY2036

| WATER PRODUCTION | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Operations Reserve (180 days of bud operations and maint, excluding commodities) | | | | | | | | | | |
| Beginning Balance | 2,246,500 | 2,246,500 | 2,246,500 | 2,246,500 | 2,246,500 | 2,246,500 | 2,246,500 | 2,746,500 | 3,246,500 | 3,246,500 |
| Budgeted Additions to the Reserve | | | | | | | 500,000 | 500,000 | | 250,000 |
| Budgeted Reductions to the Reserve | | | | | | | | | | |
| Budgeted Balance | 2,246,500 | 2,246,500 | 2,246,500 | 2,246,500 | 2,246,500 | 2,246,500 | 2,746,500 | 3,246,500 | 3,246,500 | 3,496,500 |
| TARGET | 2,565,114 | 2,642,667 | 2,721,947 | 2,803,606 | 2,887,714 | 2,974,346 | 3,063,576 | 3,155,483 | 3,250,148 | 3,347,653 |
| Debt Service Reserve (as required by loan docs) | | | | | | | | | | |
| Beginning Balance | 158,531 | 158,531 | 158,531 | 158,531 | 158,531 | 158,531 | 158,531 | 158,531 | 358,531 | 1,158,531 |
| Budgeted Additions to the Reserve | | | | | | | | 200,000 | 800,000 | |
| Budgeted Reductions to the Reserve | | | | | | | | | | |
| Budgeted Balance | 158,531 | 158,531 | 158,531 | 158,531 | 158,531 | 158,531 | 158,531 | 358,531 | 1,158,531 | 1,158,531 |
| TARGET | 991,924 | 1,042,638 | 1,108,410 | 1,069,824 | 1,094,599 | 1,110,272 | 1,134,908 | 1,167,755 | 1,153,665 | 1,178,299 |
| Retirement/Reclamation Reserve (per agreements) | | | | | | | | | | |
| Beginning Balance | - | | - | - | - | - | - | - | - | - |
| Budgeted Additions to the Reserve | | | | | | | | | | |
| Budgeted Reductions to the Reserve | | | | | | | | | | |
| Budgeted Balance | - | | - | - | - | - | - | - | - | - |
| TARGET | - | | - | - | - | - | - | - | - | - |
| Capital Expenditures Reserve | | | | | | | | | | |
| Beginning Balance | 1,745,731 | 1,745,731 | 1,745,731 | 1,745,731 | 1,745,731 | 1,745,731 | 1,745,731 | 1,745,731 | 1,745,731 | 1,745,731 |
| Budgeted Additions to the Reserve | | | | | | | | | | 200,000 |
| Budgeted Reductions to the Reserve | | | | | | | | | | |
| Budgeted Balance | 1,745,731 | 1,745,731 | 1,745,731 | 1,745,731 | 1,745,731 | 1,745,731 | 1,745,731 | 1,745,731 | 1,745,731 | 1,945,731 |
| TARGET (annual deprec + 2.5%) | 1,937,724 | 1,937,724 | 1,937,724 | 1,937,724 | 1,937,724 | 1,937,724 | 1,937,724 | 1,937,724 | 1,937,724 | 1,937,724 |
| Rate Stabilization Reserve (where pass-through rate for commodities not in place) | | | | | | | | | | |
| Beginning Balance | - | | - | - | - | - | - | - | - | - |
| Budgeted Additions to the Reserve | | | | | | | | | | |
| Budgeted Reductions to the Reserve | | | | | | | | | | |
| Budgeted Balance | - | | - | - | - | - | - | - | - | - |
| TARGET | - | | - | - | - | - | - | - | - | - |

Schedule of Funds
FY2027 to FY2036

| WATER PRODUCTION | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|------------------|------------------|
| Contingency Reserve (single largest equipment with potential for failure DPU Asset Team) | | | | | | | | | | |
| Beginning Balance | 450,000 | 450,000 | 450,000 | 450,000 | 450,000 | 450,000 | 450,000 | 450,000 | 450,000 | 450,000 |
| Budgeted Additions to the Reserve | | | | | | | | | | 50,000 |
| Budgeted Reductions to the Reserve | | | | | | | | | | |
| Budgeted Balance | 450,000 | 450,000 | 450,000 | 450,000 | 450,000 | 450,000 | 450,000 | 450,000 | 450,000 | 500,000 |
| TARGET | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Bond Proceeds Restricted (no outstanding bond proceeds at this time) | | | | | | | | | | |
| Beginning Balance | - | - | - | - | - | - | - | - | - | - |
| Budgeted Additions to the Reserve | | | | | | | | | | |
| Budgeted Reductions to the Reserve | | | | | | | | | | |
| Budgeted Balance | - | - | - | - | - | - | - | - | - | - |
| TARGET | - | - | - | - | - | - | - | - | - | - |
| TOTAL RESERVES/RESTRICTED CASH | | | | | | | | | | |
| Beginning Balance | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 5,100,762 | 5,800,762 | 6,600,762 |
| Budgeted Additions to the Reserve | - | - | - | - | - | - | 500,000 | 700,000 | 800,000 | 500,000 |
| Budgeted Reductions to the Reserve | | | | | | | | | | |
| Budgeted Balance | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 4,600,762 | 5,100,762 | 5,800,762 | 6,600,762 | 7,100,762 |
| TARGET | 5,994,762 | 6,123,028 | 6,268,081 | 6,311,153 | 6,420,036 | 6,522,341 | 6,636,207 | 6,760,962 | 6,841,536 | 6,963,675 |
| Total Reserves Over<Under> Target | (1,394,000) | (1,522,266) | (1,667,319) | (1,710,391) | (1,819,274) | (1,921,579) | (1,535,445) | (960,200) | (240,774) | 137,087 |

Capital Plan with Funding Sources Schedule
FY2027 to FY2036
See 10-Year Capital Plan for Detailed Listing of Projects

| WATER PRODUCTION | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|--|------------------|------------------|------------------|------------------|------------------|----------------|------------------|------------------|------------------|------------------|
| Capital Projects Funded through Reserve or Unrestricted Cash | 995,000 | 1,104,000 | 775,000 | 580,000 | 750,000 | - | 300,000 | 400,000 | 300,000 | 300,000 |
| Capital Projects Funded through Debt | 1,056,000 | 1,046,400 | 1,320,000 | 928,000 | 1,100,000 | 412,500 | 480,000 | 640,000 | 480,000 | 480,000 |
| Capital Projects Funded through Grants | 1,584,000 | 3,069,600 | 1,980,000 | 1,392,000 | 1,650,000 | 137,500 | 720,000 | 960,000 | 720,000 | 720,000 |
| Capital Projects Funded through Other Sources | - | | | | | | | | | |
| Total Capital Projects | 3,635,000 | 5,220,000 | 4,075,000 | 2,900,000 | 3,500,000 | 550,000 | 1,500,000 | 2,000,000 | 1,500,000 | 1,500,000 |

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 to FY2036

| WATER DISTRIBUTION | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Beginning Cash - Unrestricted per FY25 ACFR | \$ 955,968 | | | | | | | | | |
| Beginning Cash - Restricted Including Reserves per FY25 ACFR | \$ - | | | | | | | | | |
| Total Cash Per FY25 ACFR | \$ 955,968 | | | | | | | | | |
| Beginning Cash - Unrestricted per FY26 Projected | \$ (1,699,740) | \$ (1,703,661) | \$ (1,790,342) | \$ (1,538,468) | \$ (1,132,260) | \$ (649,123) | \$ (226,039) | \$ 339,468 | \$ 405,356 | \$ 376,396 |
| Beginning Cash - Restricted Including Reserves per FY26 Projected | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 500,000 | \$ 1,000,000 |
| Total Cash Per FY26 Projected | \$ (1,699,740) | \$ (1,703,661) | \$ (1,790,342) | \$ (1,538,468) | \$ (1,132,260) | \$ (649,123) | \$ (226,039) | \$ 339,468 | \$ 905,356 | \$ 1,376,396 |
| Total Budgeted Revenue (including transfers-in/grants/loans) | 9,476,848 | 9,932,196 | 9,967,500 | 10,694,155 | 11,280,612 | 12,464,393 | 12,227,415 | 12,660,974 | 13,210,546 | 13,588,409 |
| Intrafund Charges/Commodities | (4,588,272) | (4,955,334) | (5,302,207) | (5,673,362) | (5,957,030) | (6,254,881) | (6,442,528) | (6,635,804) | (6,834,878) | (7,039,924) |
| Budgeted Expenditures by Priority per Charter or Utilities Financial Policies | | | | | | | | | | |
| 1. Current Operations Budget (Including Normal Maintenance) Expense | (3,657,497) | (3,644,878) | (3,754,225) | (3,866,852) | (3,982,858) | (4,102,344) | (4,225,415) | (4,352,178) | (4,482,744) | (4,617,227) |
| 2. Bond & Other Debt Service Expense | - | (118,665) | (139,193) | (147,733) | (157,587) | (169,083) | (193,965) | (207,104) | (221,884) | (240,361) |
| 3b. Capital Plan for FY2027 - Replacement Expense | - | | | | - | | | | | |
| 4a. Franchise Fee (paid to the General Fund) Expense | - | - | - | - | - | - | - | - | - | - |
| 4b. In Lieu Taxes (paid to the General Fund) Expense | - | - | - | - | - | - | - | - | - | - |
| 5a. Capital Additions and Improvements for FY2027 - Capital Expense | (1,235,000) | (1,300,000) | (520,000) | (600,000) | (700,000) | (1,515,000) | (800,000) | (900,000) | (1,200,000) | (1,200,000) |
| Cash Projection for Other Utilities Reserves per Schedule of Funds | | | | | | | | | | |
| 3a. Replacement Reserve (Capital Expenditures Reserve) Net Addition/Reduction | A - | - | - | - | - | - | - | - | - | - |
| 3a. Move unrestricted cash to restricted cash to fund Replacement Reserve | - | - | - | - | - | - | - | - | - | - |
| w. Net Add/Reduction - Util Operating Reserve | - | - | - | - | - | - | - | 500,000 | 500,000 | 500,000 |
| x. Net Add/Reduction - Util Retirement/Reclamation Reserve | - | - | - | - | - | - | - | - | - | - |
| y. Net Add/Reduction - Util Rate Stabilization Reserve | - | - | - | - | - | - | - | - | - | - |
| z. Net Add/Reduction - Util Contingency Reserve | - | - | - | - | - | - | - | - | - | - |
| w-z Move unrestricted cash to restricted cash to fund Other Utilities Reserves | A - | - | - | - | - | - | - | (500,000) | (500,000) | (500,000) |
| Total Projected Cash Use (excluding transfers from Unrestricted to Restricted - items 3a. and w through x.) | (9,480,769) | (10,018,877) | (9,715,626) | (10,287,947) | (10,797,475) | (12,041,309) | (11,661,908) | (12,095,086) | (12,739,506) | (13,097,512) |
| Net Cash Budgeted Sources and Uses (Operating Profit) | \$ (3,921) | \$ (86,681) | \$ 251,874 | \$ 406,208 | \$ 483,137 | \$ 423,084 | \$ 565,506 | \$ 565,888 | \$ 471,040 | \$ 490,897 |
| 6a. Budgeted Revenue Transfer (5% ED & GA Retail Sales excluding County/Schools) Transfers to Other Funds | - | - | - | - | - | - | - | - | - | - |
| 6b. All Remaining Operating Profits (after intial 5% Revenue Transfer) prior to funding reserve targets. See unfunded reserves balances below. | \$ (3,921) | \$ (86,681) | \$ 251,874 | \$ 406,208 | \$ 483,137 | \$ 423,084 | \$ 565,506 | \$ 565,888 | \$ 471,040 | \$ 490,897 |
| Projected Ending Cash - Unrestricted | \$ (1,703,661) | \$ (1,790,342) | \$ (1,538,468) | \$ (1,132,260) | \$ (649,123) | \$ (226,039) | \$ 339,468 | \$ 405,356 | \$ 376,396 | \$ 367,292 |
| Projected Ending Cash - Restricted | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 500,000 | \$ 1,000,000 | \$ 1,500,000 |
| Total Projected Ending Cash | \$ (1,703,661) | \$ (1,790,342) | \$ (1,538,468) | \$ (1,132,260) | \$ (649,123) | \$ (226,039) | \$ 339,468 | \$ 905,356 | \$ 1,376,396 | \$ 1,867,292 |
| Funded Reserve Balances | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 500,000 | \$ 1,000,000 | \$ 1,500,000 |
| Reserve Targets | \$ 5,461,400 | \$ 5,475,745 | \$ 5,537,865 | \$ 5,602,906 | \$ 5,671,246 | \$ 5,754,676 | \$ 5,828,119 | \$ 5,905,013 | \$ 5,987,467 | \$ 6,071,840 |
| Total Reserves Over<Under> Target | \$ (5,461,400) | \$ (5,475,745) | \$ (5,537,865) | \$ (5,602,906) | \$ (5,671,246) | \$ (5,754,676) | \$ (5,828,119) | \$ (5,405,013) | \$ (4,987,467) | \$ (4,571,840) |

A - Transfer and recording in the G/L moving cash from unrestricted to restricted for established Reserves

Schedule of Funds FY2027 to FY2036

[illegible]

Schedule of Funds
FY2027 to FY2036

| WATER DISTRIBUTION | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Contingency Reserve (single largest equipment with potential for failure DPU Asset Team) | | | | | | | | | | |
| Beginning Balance | - | - | - | - | - | - | - | - | - | - |
| Budgeted Additions to the Reserve | - | - | - | - | - | - | - | - | - | - |
| Budgeted Reductions to the Reserve | - | - | - | - | - | - | - | - | - | - |
| Budgeted Balance | - | - | - | - | - | - | - | - | - | - |
| TARGET | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| Bond Proceeds Restricted (no outstanding bond proceeds at this time) | | | | | | | | | | |
| Beginning Balance | - | - | - | - | - | - | - | - | - | - |
| Budgeted Additions to the Reserve | - | - | - | - | - | - | - | - | - | - |
| Budgeted Reductions to the Reserve | - | - | - | - | - | - | - | - | - | - |
| Budgeted Balance | - | - | - | - | - | - | - | - | - | - |
| TARGET | - | - | - | - | - | - | - | - | - | - |
| TOTAL RESERVES/RESTRICTED CASH | | | | | | | | | | |
| Beginning Balance | - | - | - | - | - | - | - | - | 500,000 | 1,000,000 |
| Budgeted Additions to the Reserve | - | - | - | - | - | - | - | 500,000 | 500,000 | 500,000 |
| Budgeted Reductions to the Reserve | - | - | - | - | - | - | - | - | - | - |
| Budgeted Balance | - | - | - | - | - | - | - | 500,000 | 1,000,000 | 1,500,000 |
| TARGET | 5,461,400 | 5,475,745 | 5,537,865 | 5,602,906 | 5,671,246 | 5,754,676 | 5,828,119 | 5,905,013 | 5,987,467 | 6,071,840 |
| Total Reserves Over<Under> Target | (5,461,400) | (5,475,745) | (5,537,865) | (5,602,906) | (5,671,246) | (5,754,676) | (5,828,119) | (5,405,013) | (4,987,467) | (4,571,840) |

Capital Plan with Funding Sources Schedule
FY2027 to FY2036

See 10-Year Capital Plan for Detailed Listing of Projects

| WATER DISTRIBUTION | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|--|------------------|------------------|----------------|----------------|----------------|------------------|----------------|----------------|------------------|------------------|
| Capital Projects Funded through Reserve or Unrestricted Cash | 35,000 | 300,000 | 104,000 | 120,000 | 140,000 | 303,000 | 160,000 | 180,000 | 300,000 | 300,000 |
| Capital Projects Funded through Debt | 924,000 | 400,000 | 166,400 | 192,000 | 224,000 | 484,800 | 256,000 | 288,000 | 360,000 | 360,000 |
| Capital Projects Funded through Grants | 276,000 | 600,000 | 249,600 | 288,000 | 336,000 | 727,200 | 384,000 | 432,000 | 540,000 | 540,000 |
| Capital Projects Funded through Other Sources | - | - | - | - | - | - | - | - | - | - |
| Total Capital Projects | 1,235,000 | 1,300,000 | 520,000 | 600,000 | 700,000 | 1,515,000 | 800,000 | 900,000 | 1,200,000 | 1,200,000 |

Cash Projection by Priority of Budgeted Expenditures Schedule
FY2027 to FY2036

| WASTEWATER (COLLECTION & TREATMENT) | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------|
| Beginning Cash - Unrestricted per FY25 ACFR | \$ 4,285,298 | | | | | | | | | |
| Beginning Cash - Restricted Including Reserves per FY25 ACFR | \$ 652,613 | | | | | | | | | |
| Total Cash Per FY25 ACFR | \$ 4,937,911 | | | | | | | | | |
| Beginning Cash - Unrestricted per FY26 Projected | \$ (367,074) | \$ (1,344,852) | \$ (2,007,298) | \$ (1,885,900) | \$ (1,315,701) | \$ (257,936) | \$ 541,014 | \$ 852,517 | \$ 968,899 | \$ 961,459 |
| Beginning Cash - Restricted Including Reserves per FY26 Projected | \$ 652,613 | \$ 652,613 | \$ 652,613 | \$ 652,613 | \$ 652,613 | \$ 652,613 | \$ 1,152,613 | \$ 2,152,613 | \$ 3,652,613 | \$ 5,652,613 |
| Total Cash Per FY26 Projected | \$ 285,539 | \$ (692,239) | \$ (1,354,685) | \$ (1,233,287) | \$ (663,088) | \$ 394,677 | \$ 1,693,627 | \$ 3,005,130 | \$ 4,621,512 | \$ 6,614,072 |
| Total Budgeted Revenue (including transfers-in/grants/loans) | 9,658,305 | 11,982,461 | 10,622,658 | 11,635,671 | 12,405,725 | 18,170,379 | 13,513,629 | 13,119,481 | 13,761,609 | 14,443,227 |
| Intrafund Charges/Commodities | - | - | - | - | - | - | - | - | - | - |
| Budgeted Expenditures by Priority per Charter or Utilities Financial Policies | | | | | | | | | | |
| 1. Current Operations Budget (Including Normal Maintenance) Expense | (6,303,375) | (6,263,995) | (6,451,915) | (6,645,473) | (6,844,838) | (7,050,184) | (7,261,690) | (7,479,541) | (7,703,928) | (7,935,046) |
| 2. Bond & Other Debt Service Expense | (2,147,709) | (2,230,912) | (2,349,344) | (2,419,999) | (2,503,122) | (2,586,245) | (2,940,436) | (3,023,559) | (3,065,120) | (2,646,528) |
| 3b. Capital Plan for FY2027 - Replacement Expense | - | - | | | | | | | | |
| 4a. Franchise Fee (paid to the General Fund) Expense | | | | | | | | | | |
| 4b. In Lieu Taxes (paid to the General Fund) Expense | | | | | | | | | | |
| 5a. Capital Additions and Improvements for FY2027 - Capital Expense | (2,185,000) | (4,150,000) | (1,700,000) | (2,000,000) | (2,000,000) | (7,235,000) | (2,000,000) | (1,000,000) | (1,000,000) | (1,000,000) |
| Cash Projection for Other Utilities Reserves per Schedule of Funds | | | | | | | | | | |
| 3a. Replacement Reserve (Capital Expenditures Reserve) Net Addition/Reduction | A - | - | - | - | - | - | - | - | - | 1,000,000 |
| 3a. Move unrestricted cash to restricted cash to fund Replacement Reserve | - | - | - | - | - | - | - | - | - | (1,000,000) |
| w. Net Add/Reduction - Util Operating Reserve | - | - | - | - | - | 500,000 | 1,000,000 | 1,500,000 | 400,000 | 300,000 |
| x. Net Add/Reduction - Util Retirement/Reclamation Reserve | - | - | - | - | - | - | - | - | - | - |
| y. Net Add/Reduction - Util Rate Stabilization Reserve | - | - | - | - | - | - | - | - | - | - |
| z. Net Add/Reduction - Util Contingency Reserve | - | - | - | - | - | - | - | - | - | 200,000 |
| w-z Move unrestricted cash to restricted cash to fund Other Utilities Reserves | A - | - | - | - | - | (500,000) | (1,000,000) | (1,500,000) | (400,000) | (500,000) |
| Total Projected Cash Use (excluding transfers from Unrestricted to Restricted - items 3a. and w through x.) | (10,636,084) | (12,644,907) | (10,501,259) | (11,065,472) | (11,347,960) | (16,871,429) | (12,202,126) | (11,503,100) | (11,769,048) | (11,581,574) |
| Net Cash Budgeted Sources and Uses (Operating Profit) | \$ (977,779) | \$ (662,446) | \$ 121,399 | \$ 570,199 | \$ 1,057,765 | \$ 1,298,950 | \$ 1,311,503 | \$ 1,616,381 | \$ 1,992,560 | \$ 2,861,652 |
| 6a. Budgeted Revenue Transfer (5% ED & GA Retail Sales excluding County/Schools) Transfers to Other Funds | - | - | - | - | - | - | - | - | - | - |
| 6b. All Remaining Operating Profits (after intial 5% Revenue Transfer) prior to funding reserve targets. See unfunded reserves balances below. | \$ (977,779) | \$ (662,446) | \$ 121,399 | \$ 570,199 | \$ 1,057,765 | \$ 1,298,950 | \$ 1,311,503 | \$ 1,616,381 | \$ 1,992,560 | \$ 2,861,652 |
| Projected Ending Cash - Unrestricted | \$ (1,344,852) | \$ (2,007,298) | \$ (1,885,900) | \$ (1,315,701) | \$ (257,936) | \$ 541,014 | \$ 852,517 | \$ 968,899 | \$ 961,459 | \$ 1,323,111 |
| Projected Ending Cash - Restricted | \$ 652,613 | \$ 652,613 | \$ 652,613 | \$ 652,613 | \$ 652,613 | \$ 1,152,613 | \$ 2,152,613 | \$ 3,652,613 | \$ 5,652,613 | \$ 8,152,613 |
| Total Projected Ending Cash | \$ (692,239) | \$ (1,354,685) | \$ (1,233,287) | \$ (663,088) | \$ 394,677 | \$ 1,693,627 | \$ 3,005,130 | \$ 4,621,512 | \$ 6,614,072 | \$ 9,475,724 |
| Funded Reserve Balances | \$ 652,613 | \$ 652,613 | \$ 652,613 | \$ 652,613 | \$ 652,613 | \$ 1,152,613 | \$ 2,152,613 | \$ 3,652,613 | \$ 5,652,613 | \$ 8,152,613 |
| Reserve Targets | \$ 6,820,668 | \$ 6,919,804 | \$ 7,082,539 | \$ 7,260,506 | \$ 7,441,318 | \$ 7,896,128 | \$ 8,082,889 | \$ 8,231,198 | \$ 7,922,555 | \$ 8,077,364 |
| Total Reserves Over<Under> Target | \$ (6,168,055) | \$ (6,267,191) | \$ (6,429,926) | \$ (6,607,893) | \$ (6,788,705) | \$ (6,743,515) | \$ (5,930,276) | \$ (4,578,585) | \$ (2,269,942) | \$ 75,249 |

A - Transfer and recording in the G/L moving cash from unrestricted to restricted for established Reserves

Schedule of Funds FY2027 to FY2036

[illegible]

Schedule of Funds
FY2027 to FY2036

| WASTEWATER (COLLECTION & TREATMENT) | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|
| Contingency Reserve (single largest equipment with potential for failure DPU Asset Team) | | | | | | | | | | |
| Beginning Balance | 339,300 | 339,300 | 339,300 | 339,300 | 339,300 | 339,300 | 339,300 | 339,300 | 339,300 | 339,300 |
| Budgeted Additions to the Reserve | - | | | | | | | | | 200,000 |
| Budgeted Reductions to the Reserve | | | | | | | | | | |
| Budgeted Balance | 339,300 | 339,300 | 339,300 | 339,300 | 339,300 | 339,300 | 339,300 | 339,300 | 339,300 | 539,300 |
| TARGET | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Bond Proceeds Restricted (no outstanding bond proceeds at this time) | | | | | | | | | | |
| Beginning Balance | - | - | - | - | - | - | - | - | - | - |
| Budgeted Additions to the Reserve | | | | | | | | | | |
| Budgeted Reductions to the Reserve | | | | | | | | | | |
| Budgeted Balance | - | - | - | - | - | - | - | - | - | - |
| TARGET | - | - | - | - | - | - | - | - | - | - |
| TOTAL RESERVES/RESTRICTED CASH | | | | | | | | | | |
| Beginning Balance | 652,613 | 652,613 | 652,613 | 652,613 | 652,613 | 652,613 | 1,152,613 | 2,152,613 | 3,652,613 | 5,652,613 |
| Budgeted Additions to the Reserve | - | - | - | - | - | 500,000 | 1,000,000 | 1,500,000 | 2,000,000 | 2,500,000 |
| Budgeted Reductions to the Reserve | - | - | - | - | - | - | - | - | - | - |
| Budgeted Balance | 652,613 | 652,613 | 652,613 | 652,613 | 652,613 | 1,152,613 | 2,152,613 | 3,652,613 | 5,652,613 | 8,152,613 |
| TARGET | 6,820,668 | 6,919,804 | 7,082,539 | 7,260,506 | 7,441,318 | 7,896,128 | 8,082,889 | 8,231,198 | 7,922,555 | 8,077,364 |
| Total Reserves Over<Under> Target | (6,168,055) | (6,267,191) | (6,429,926) | (6,607,893) | (6,788,705) | (6,743,515) | (5,930,276) | (4,578,585) | (2,269,942) | 75,249 |

Capital Plan with Funding Sources Schedule
FY2027 to FY2036

See 10-Year Capital Plan for Detailed Listing of Projects

| WASTEWATER (COLLECTION & TREATMENT) | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | FY2032 | FY2033 | FY2034 | FY2035 | FY2036 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Capital Projects Funded through Reserve or Unrestricted Cash | 185,000 | 430,000 | - | - | - | - | - | - | - | - |
| Capital Projects Funded through Debt | 1,500,000 | 2,188,000 | 1,275,000 | 1,500,000 | 1,500,000 | 7,001,250 | 1,500,000 | 750,000 | 750,000 | 750,000 |
| Capital Projects Funded through Grants | 500,000 | 1,532,000 | 425,000 | 500,000 | 500,000 | 233,750 | 500,000 | 250,000 | 250,000 | 250,000 |
| Capital Projects Funded through Other Sources | - | - | - | - | - | - | - | - | - | - |
| Total Capital Projects | 2,185,000 | 4,150,000 | 1,700,000 | 2,000,000 | 2,000,000 | 7,235,000 | 2,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |

Electric Distribution Debt Option 2



LADPU.com/DPU



LOS ALAMOS
Department of Public Utilities

TEN-YEAR FINANCIAL FORECAST
ELECTRIC DISTRIBUTION FUND - OPTION 2 WITH EA-4 GRANT AND DELAYED BOND ISSUE TO FY2029
FY2027 to FY2036

| ELECTRIC DISTRIBUTION | PROPOSED 2027 | PROJECTED 2028 | FORECAST 2029 | FORECAST 2030 | FORECAST 2031 | FORECAST 2032 | FORECAST 2033 | FORECAST 2034 | FORECAST 2035 | FORECAST 2036 |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| KWh Sales | 123,401,169 | 124,018,175 | 124,638,000 | 125,261,000 | 125,888,000 | 126,517,000 | 127,150,000 | 127,786,000 | 136,850,000 | 129,067,000 |
| Revenue per KWh | 0.1683 | 0.1801 | 0.1927 | 0.2043 | 0.2145 | 0.2209 | 0.2276 | 0.2344 | 0.2414 | 0.2487 |
| Rate Increase Percentage | 8.0% | 7.0% | 7.0% | 6.0% | 5.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| REVENUE/CASH INFLOW | | | | | | | | | | |
| Sales Revenue | \$ 20,772,471 | \$ 22,337,677 | \$ 24,020,769 | \$ 25,589,287 | \$ 27,003,244 | \$ 27,952,311 | \$ 28,934,929 | \$ 29,952,050 | \$ 33,038,879 | \$ 32,094,672 |
| Bond Federal Subsidy | 47,731 | 36,359 | 24,555 | 12,493 | - | - | - | - | - | - |
| Interest on Cash & Reserves | - | - | - | 18,348 | 42,161 | 98,906 | 166,246 | 248,679 | 336,235 | 484,619 |
| Miscellaneous Revenue | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 | 206,472 |
| Revenue on Recoverable Work | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Grant/Loan/Bond Proceeds | - | 4,000,000 | 4,500,000 | 9,900,000 | - | - | 2,500,000 | - | - | - |
| Transfers In | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| TOTAL REV - CASH INFLOWS | 23,176,674 | 28,730,508 | 30,901,796 | 37,876,600 | 29,401,877 | 30,407,689 | 33,957,647 | 32,557,201 | 35,731,586 | 34,935,763 |
| EXPENSES/CASH OUTFLOWS | | | | | | | | | | |
| Operational Expenditures | 8,122,260 | 8,428,553 | 8,681,410 | 8,941,853 | 9,210,109 | 9,486,413 | 9,771,006 | 10,064,137 | 10,366,062 | 10,677,044 |
| Debt Service | 1,161,971 | 1,155,372 | 1,480,230 | 2,175,938 | 1,689,772 | 1,689,358 | 1,943,005 | 1,934,749 | 1,300,225 | 1,303,432 |
| Cost of Power | 10,415,541 | 12,527,744 | 10,567,578 | 13,005,962 | 13,071,064 | 13,136,374 | 13,202,099 | 13,268,135 | 14,209,259 | 13,401,027 |
| Capital | 2,485,000 | 950,000 | 2,250,000 | 1,800,000 | 2,000,000 | 2,200,000 | 2,000,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| Capital Paid with Debt/Grants | - | 4,000,000 | 4,500,000 | 9,900,000 | - | - | 2,500,000 | - | - | - |
| Revenue Transfer | 893,217 | 960,521 | 1,032,894 | 1,100,340 | 1,161,140 | 1,201,950 | 1,244,202 | 1,287,939 | 1,420,672 | 1,380,071 |
| TOTAL EXP-CASH OUTFLOWS | 23,077,989 | 28,022,190 | 28,512,112 | 36,924,094 | 27,132,086 | 27,714,095 | 30,660,312 | 29,054,961 | 29,796,218 | 29,261,574 |
| NET CASH FLOW | 98,685 | 708,318 | 2,389,684 | 952,507 | 2,269,791 | 2,693,594 | 3,297,334 | 3,502,240 | 5,935,368 | 5,674,189 |
| BEGIN UNRESTRICTED CASH/INV | (9,898,325) | (9,799,640) | (9,091,322) | (6,701,638) | (5,749,132) | (3,479,340) | (785,746) | 2,511,588 | 6,013,828 | 10,449,196 |
| TRANSFER TO/FROM RESERVES | - | - | - | - | - | - | - | - | (1,500,000) | (3,500,000) |
| END UNRESTRICTED CASH/INV | (9,799,640) | (9,091,322) | (6,701,638) | (5,749,132) | (3,479,340) | (785,746) | 2,511,588 | 6,013,828 | 10,449,196 | 12,623,385 |
| BEG RESERVE BALANCES | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 8,935,568 |
| TRANSFER TO/FROM RESERVES | - | - | - | - | - | - | - | - | 1,500,000 | 3,500,000 |
| END RESERVE BALANCES | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 7,435,568 | 8,935,568 | 12,435,568 |
| RESERVE TARGET | 11,965,286 | 12,094,946 | 12,912,982 | 12,556,351 | 12,688,345 | 13,327,719 | 13,457,693 | 12,964,329 | 13,116,629 | 12,311,196 |

Los Alamos County Department of Public Utilities

Debt Profile - Current & Proposed - Option 2 with EA-4 Grant and Delayed Bond Issue to FY2029

Net System Revenue of the Joint Utility System

| Fiscal Year | Senior Lien Tier | Subordinate Lien Tier | Super Subordinate Lien Tier | Total Debt Service | Total Operating Net Revenue | Debt Service Coverage Ratio |
|-------------|------------------|-----------------------|-----------------------------|--------------------|-----------------------------|-----------------------------|
| 2027 | 1,034,901 | 1,064,035 | 2,553,696 | 4,652,631 | 5,349,530 | 1.15 |
| 2028 | 1,021,300 | 1,175,335 | 2,714,189 | 4,910,825 | 6,579,039 | 1.34 |
| 2029 | 995,484 | 1,516,960 | 2,906,854 | 5,419,298 | 10,510,028 | 1.94 |
| 2030 | 975,204 | 2,223,778 | 3,053,791 | 6,252,773 | 10,096,756 | 1.61 |
| 2031 | - | 2,225,912 | 3,194,393 | 5,420,305 | 11,912,458 | 2.20 |
| 2032 | - | 2,225,496 | 3,313,788 | 5,539,285 | 13,167,778 | 2.38 |
| 2033 | - | 2,479,145 | 3,708,534 | 6,187,679 | 13,784,500 | 2.23 |
| 2034 | - | 2,470,889 | 3,829,431 | 6,300,320 | 15,014,878 | 2.38 |
| 2035 | - | 1,836,365 | 3,918,620 | 5,754,985 | 18,135,370 | 3.15 |
| 2036 | - | 1,839,573 | 3,504,414 | 5,343,987 | 18,931,308 | 3.54 |
| Total | 4,026,890 | 19,057,488 | 32,697,709 | 55,782,087 | 123,481,645 | |

2.3 Objective - Meet financial reserve targets within our 10-year financial policy, with a debt coverage ratio of 1.3 or greater every fiscal year.

Utilities Financial Guidelines



LADPU.com/DPU



LOS ALAMOS
Department of Public Utilities

Utilities Financial Guidelines
 Department of Public Utilities, Los Alamos County
 Approved by Board of Public Utilities on Aug 17, 2016

I. Purpose

The Department of Public Utilities (DPU) operates the Los Alamos County-owned electric, gas, water, and sewer utility systems under jurisdiction and control of the Board of Public Utilities. This policy is intended to ensure adequate cash is available for effective and efficient operations of all County-owned utilities. For budgeting, rate-setting, and operational planning purposes, DPU shall adhere to the following guidance in regard to cash reserves. DPU shall first consider the terms of the Los Alamos County Charter (LAC Charter) and the Los Alamos County, NM Code of County Ordinances (County Code) in managing these cash reserves.

II. Background

- A. The LAC Charter, Article V, Section 509 Priority of Budgeted Expenditures states: “In order that the Department of Public Utilities can plan and utilize its proceeds for the maintenance, improvement and extension of the utilities system before any part of such proceeds is diverted to general County purposes, all funds derived from the operation of the utilities shall be managed and expended in accordance with the following policies. From the proceeds of the operation of the Department:
1. There shall first be set aside the funds required for current operation.
 2. There shall next be set aside the funds required to redeem and pay interest on any bond issue for the utility which shall become due and payable during the next fiscal year.
 3. There shall next be provided an adequate reserve to finance replacements required by normal depreciation of the utility plant or equipment as provided in the Schedule of Funds. These reserves may not be used by the County for financing County operations.
 4. There shall be paid to the General fund those amounts set forth in the budget as payment to be made to the County in lieu of franchise fees and taxes that would be normally assessed against privately owned gas and electric utilities.
 5. There shall next be a provision for additions and improvements foreseen as necessary to meet future requirements for the utility systems as provided in the Schedule of Funds.
 6. All remaining operating profits shall be transferred to the County General Fund.”
- B. The County Code, Chapter 40, Article II, Division 2., Section 40-65, Schedule of Funds states, “The schedule of funds, and any amendment of the schedule, as proposed by the board, shall be referred to the council for consideration for adoption. The schedule of funds shall prescribe the necessary yearly funding of reserves for replacements, additions and improvements, and other reserves authorized by Charter, bond

ordinances and bond indentures or other governing instrument and shall be consistent with the needs of the utilities systems. The replacement reserve shall cover (among other things) tools, equipment, vehicles and system replacements. The schedule of funds shall reflect separate reserve allocations for separate utility systems.” Currently vehicle replacement reserves are handled by the LAC Fleet Fund.

C. Fundamental Considerations

1. Operations and maintenance should be budgeted and covered through operating revenues.
2. DPU should have adequate cash reserves, achieved through operating revenues, to cover most unplanned or corrective maintenance that may be required for continued operations.
3. With the adoption of this policy, the users benefitting from a major utility system or plant replacement shall bear the costs of that system or plant. This is a shift from historical DPU practice in which customers did not contribute to major system replacement reserves when existing utility systems were transferred from the Department of Energy (DOE) to Los Alamos County (LAC). As a result of this shift in practice, large system replacements should be funded through debt financing. Customers benefitting from the new facilities will contribute to the cost through debt service. Examples of major utility system or plant replacements include wastewater treatment plants, replacements of large segments of the water distribution or wastewater collection systems, or electric substations.
4. For smaller capital projects, a capital replacement reserve should be funded. Examples of such projects include replacement of a single section of water line, and replacement of a motor control or switchgear. If the urgency or magnitude of a capital project or group of projects exceeds available reserves, and if funding through rates would result in unacceptable rate fluctuations, debt financing will be considered.
5. Rates should be just, reasonable and comparable to those in neighboring communities [LAC Charter, Article V, Section 504]. In determining comparability, consideration will be given to topography, age and complexity of systems.
6. Rates should also be non-discriminatory with consideration given to social necessity. The goal is to serve the interests of DPU, LAC, and utility customers. While rates can be used and designed to achieve specific conservation or other social goals, they should be carefully evaluated to avoid undesired consequences.
7. All debt must be funded with adequate coverage to achieve or maintain the best credit rating available to a public utility with the operational characteristics of DPU.
8. All statutory, contractual or prudent retirement obligations must be funded on a planned schedule to achieve appropriate funding levels at obligatory due dates.

III. Cash Reserve Guidelines

- A. For purposes of this policy, cash is defined as both unrestricted and restricted equity in pooled cash and investments, cash and cash equivalents, and investments.

- B. Rates will be established to cover budgeted operations and maintenance costs, projected commodities costs when and if a pass-through rate structure is not in place, and reserve requirements. To the extent practical, rates will be designed to recover costs according to cost drivers, with consideration for other political or social objectives identified in rate analysis.
- C. Rates will be just, reasonable and comparable to those in neighboring communities. [LAC Charter, Article V, Section 504.] In determining comparability, consideration will be given to topography, age and complexity of systems.
- D. Immediate implementation of this policy upon adoption may not be practical due to pre-existing deviations from the targets specified. Upon adoption by the Board of Public Utilities, DPU management will assess current cash balances, develop a plan and determine a time frame for implementation. The plan will be presented to the Board no later than the third regular Board meeting from the policy adoption date.
- E. In each of the utility sub funds:
 - 1. Operations Reserve: A target cash balance for operations will be established. This balance should equal 180 days of budgeted operations and maintenance expenditures as identified in the annual LAC budget book. A floor, or lowest acceptable balance, will also be established, equaling 90 days of budgeted operations and maintenance expenditures as identified in the annual LAC budget book.
 - a. This reserve may be utilized for correcting deposits to or from other reserves.
 - b. If the cash balance falls below target, DPU will initiate corrective action and determine the following:
 - i. Can the balance be expected to recover by the end of the subsequent fiscal year through the normal course of business?
 - ii. Is the curtailment of expenditures warranted?
 - iii. Is immediate rate action required?
 - c. If the cash balance falls below the floor, immediate action must be taken to first curtail expenditures and then, if necessary, adjust rates to restore cash to the floor level within 180 days.
 - 2. Capital Expenditures Reserve: A 10-year capital plan for projects not financed through debt will be maintained. An annuity will be included in the annual budget to ensure availability of funds for the capital plan. Through this capital plan and associated annuity, funds will accrue toward future planned capital expenditures, with a target minimum reserve in each sub fund equal to annual depreciation plus 2.5 percent to provide for inflationary or technology evolution pressures. Due to the long-term, future-focused nature of the capital plan as well as the opportunity for periodic adjustments as warranted, no funding floor is necessary.

3. Contingency Reserve: A contingency reserve will be established and maintained for each sub fund. The reserve will be equal to the replacement cost of the single largest piece of equipment with potential for failure, as defined by DPU's asset management team for that sub fund. In the event that a contingency reserve is used, the reserve amount will be restored from insurance, grant, or disaster recovery funds, if applicable, as soon as those funds become available. Otherwise DPU will establish a plan within 90 days to reestablish contingency reserves by the end of the subsequent fiscal year through curtailment of other expenditures or through rate actions.
4. Debt Service Reserve: Debt service reserves will be established to sufficiently fund all debt service requirements as required by the Charter, bond ordinances and bond indentures, or any other debt agreement (County Code, Chapter 40, Article II, Division 2., Section 40-63,(c)(2). The debt coverage ratio, based on total debt, is a key bond rating criteria. If the balance of this required reserve falls below required amounts, the reserve will be restored immediately by transfer of funds from the Operations Reserve [Cash Reserve Guidelines, Section III.E.1.a].
5. Retirement/Reclamation Reserve: Retirement/reclamation reserves will be funded to meet all statutory and contractual requirements and schedules and to satisfy prudent utility practices. If required by contractual agreements, reserves will be placed in trust funds set up for specified purposes. Otherwise, reserves will be accounted for as restricted and will not be available to supplement other reserves. When funding targets are based on future dates, monthly annuities designed to accumulate the required future fund balances will be established. When project cost analysis necessitates an adjustment to reserve requirements, funds will be transferred to or from the Operations Reserve [Cash Reserve Guidelines, Section III.E.1.a] to adjust the reserve accordingly.
6. Rate Stabilization Reserve: A rate stabilization reserve will be maintained when a pass-through rate mechanism for commodities is not in place. The rate stabilization reserve will be maintained with a target balance equal to the 10-year historical average cost of the commodity per unit times 12 months average projected consumption. A funding floor will be established equal to the 10-year historical average cost of the commodity per unit times 180 days average projected consumption. Should the cash balance drop below the target, DPU will initiate corrective action by determining the following:
 - a. Can the balance be expected to recover by the end of the subsequent fiscal year through the normal course of business?
 - b. Is the curtailment of expenditures warranted?
 - c. Is immediate rate action required?

- d. If the cash balance of the rate stabilization reserve falls below the floor, immediate action must be taken to first curtail expenditures and then, if necessary, adjust rates to restore cash to the floor level within 180 days.
 - 7. Consideration of the funding of these reserves, as projected in the Schedule of Funds, should take into account the following priority order:
 - a. Operating Reserve
 - b. Debt Service Reserve
 - c. Retirement/Reclamation Reserve
 - d. Capital Expenditure Reserve
 - e. Rate Stabilization Reserve
 - f. Contingency Reserve
 - 8. If excess cash balances exist in relation to targets, DPU will establish plans to spend down or adjust the excess cash within three fiscal years. The plans may include rate reductions, acceleration of the 10-year capital plan, or prudent increase in maintenance activities. When necessary, use of cash in one sub-fund may include transfer to another sub-fund only as a loan subject to a market rate of interest and with approval of both the Board of Public Utilities and the Los Alamos County Council.
 - 9. Rates will be established to cover budgeted operations and maintenance costs, projected commodities costs in the absence of a pass-through rate structure, and all reserve requirements. Rates will, to the extent possible, be designed to recover costs according to cost drivers, with consideration for other political or social objectives identified in rate analysis.
- F. Financing for each of the utility sub funds will adhere to the following:
- 1. Improvements to the system will be scheduled and budgeted with consideration of any rate impacts that may result. DPU will avail itself of below-market-rate loans or financing when available. DPU management will evaluate financing alternatives including phasing, deferral, or debt financing as project funding methods.
 - 2. Replacement projects of smaller subsystems will normally be funded from the capital annuity and replacement reserve. If the inclusion of the capital annuity in the annual budget would result in rate impacts that would force rates beyond pre-determined standards [Cash Reserve Guidelines, Section II.C.5-6; III, E, 9], DPU management will evaluate alternatives to total rate financing, including phasing or deferral of projects or debt financing.
 - 3. Large system replacements will be funded through debt financing. Examples of such replacements include a new wastewater treatment plant, a large segment of the

water distribution or wastewater collection system, or an electric substation. When cash reserves have already been established and are supported through rates, such as for water well replacements, those funding mechanisms for future plant replacements will be continued. This determination and funding method will be reviewed by the Board of Public Utilities and the Los Alamos County Council as part of the normal budget review process.

A handwritten signature in blue ink that reads "Karen Kendall". The signature is written in a cursive, flowing style.

**Reviewed by Karen Kendall, Deputy Utility Manager - Finance & Administration
7-18-2024**