



The Proposed FY 2025 Budget & Two-Year Rates

Presentation to the Board of Directors, January 4, 2024

District of Columbia Water and Sewer Authority



Blue Plains

💧 Provide an overview of the Proposed Fiscal Year 2025 Budgets and Two-Year Rates:

- Operating Expenditures
- Ten-Year Capital Improvement Program
- Customer Assistance Programs
- Rates and Revenues
- Ten-Year Financial Plan



💧 Review the budget process and timelines for:

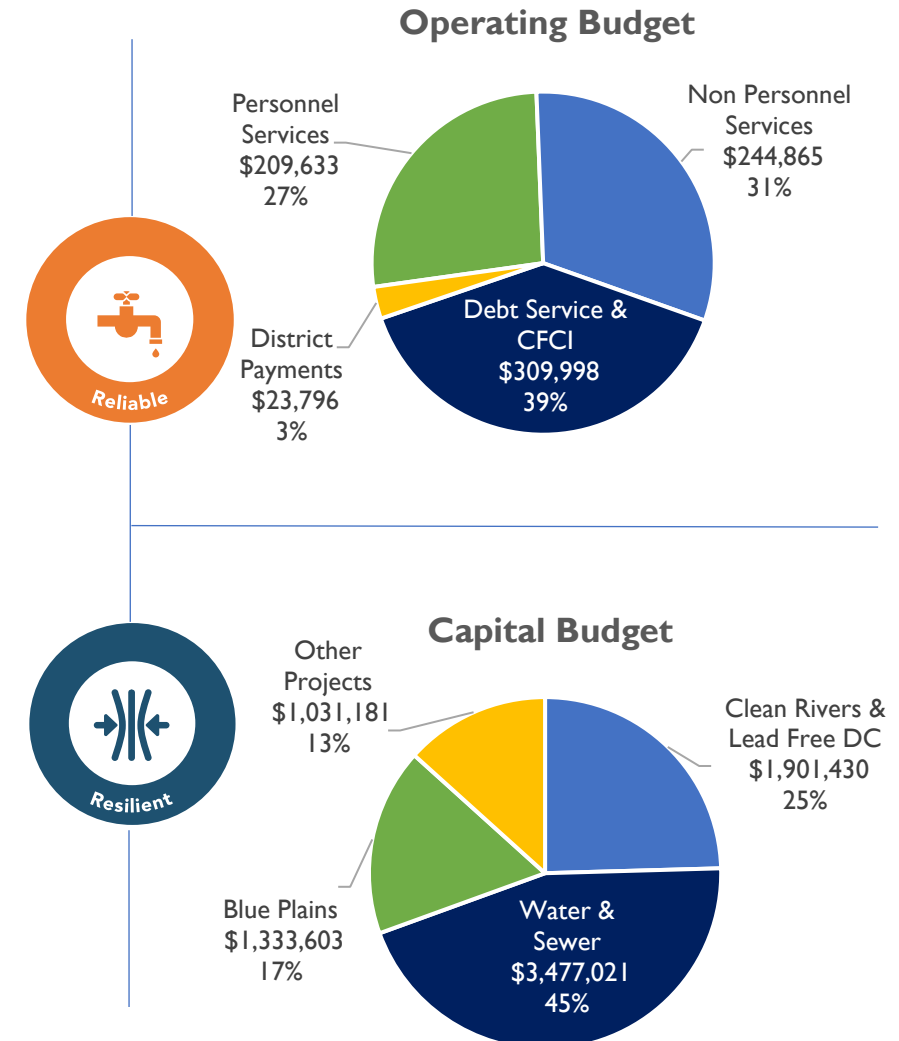
- Budget – Committee review, Committee recommendation to the Board, and Board adoption
- Rates – Cost of Service Study, Independent Review of Rates and Budget, Public Outreach, Public Hearing, Committee consideration and recommendation to the Board, and Board adoption

I.	Executive Summary	4
II.	Proposed Capital Improvement Program	18
III.	Proposed Operating Budget & SET Roundtable	30
IV.	Proposed Revenues, Rates, & Fees	48
V.	Financial Plan	53
VI.	Next Steps	56
VII.	Appendix	59
VIII.	Detailed Cluster Budget Trends	72

Executive Summary

\$ in thousands

- Includes \$1.2 billion to complete the Clean Rivers Program by 2030
- Holds the line on authorized headcount at 1,325 by reallocating vacant positions to support in-house security functions and meet increased demand for procurement and compliance activities
- Allocates 58% of the operating budget for operations and maintenance including employee salaries and benefits, and 39% for debt service and PAYGO for the capital program
- Advances the Lead-Free DC Program with \$731.6 million
- Leverages Federal Funds, including those from the Bi-Partisan Infrastructure Law for lead removal, small diameter water line replacement, and Blue Plains upgrades
- Continues investment in aging water (\$1.62 billion) and sewer system (\$1.85 billion) in the proposed \$7.7 billion CIP
- Expands our already robust Customer Assistance Programs

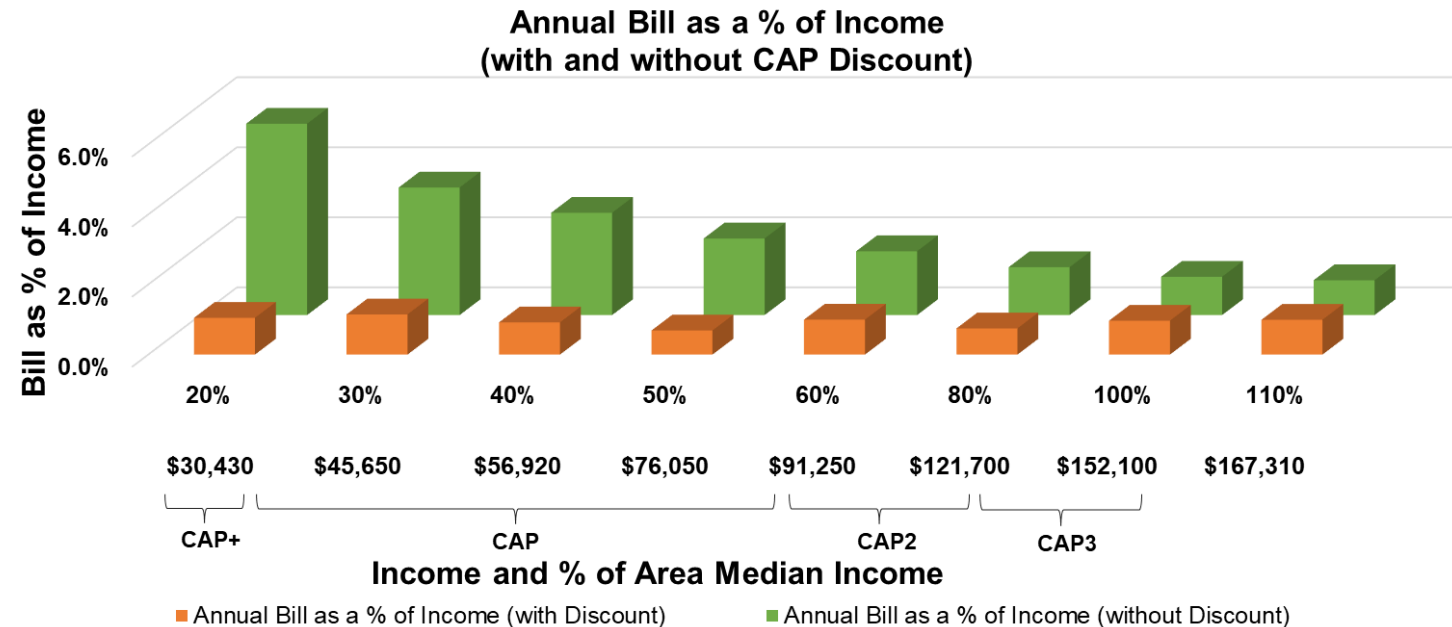


💧 The increase in operating revenues of \$36.5 million (retail & wholesale) in FY 2025 is needed to support:

- Team Blue **salary and wages** plus **health benefits** to deliver vital water and sewer services, \$8.1 million increase
- Fixed costs like **water usage and energy** for wastewater treatment, \$1 million increase
- Increased costs of **critical spare parts** to ensure operational continuity and contribute to overall efficiency and reliability, \$1 million increase
- Purchase of **clean drinking water** from the Aqueduct, \$1.3 million increase
- Rising cost of **insurance premiums** needed to protect our assets, \$1.1 million increase
- Increased costs for **maintenance and repairs** and various professional service contracts including **hauling and disposal, industrial cleaning** to ensure reliability of our assets and improve key performance indicators, \$8.1 million increase
- CIP investments for programs like **Clean Rivers** and **Lead-Free DC** programs and **water and sewer infrastructure** projects, ten-year increase of \$608 million



- The average residential customer bill as a percentage of median household income (MHI at 60%) is about 1.8%, an affordability metric
- For residential customers with incomes below MHI, DC Water offers robust assistance programs
- This budget expands our Customer Assistance Programs:
 - 1) New CAP+ for 20% AMI
 - 2) Household Leak program will help CAP customers with leaks identify issues
 - 3) Provides back-dated benefits up to three months for CAP to help ensure customers receive the help they qualify for
 - 4) Creates new principal forgiveness program for customers who adhere to their payment plans



Customer Programs Recognized by EPA

Bill Discount

- DC Water offers programs with incomes up to 100% AMI
- **NEW** – **CAP+** programs offers even more robust assistance to households up to 20% MHI
- **NEW** – Retro Enrollments – Enrollment will be retroactive for three months

Flexible Terms

- DC Water offers payment plans
- **NEW** – **Payment Plan Incentive Program** - Customers who meet the terms of their payment plans will have a credit to their arrears

Lifeline Rate

- **Lifeline Rate** provides a discount for the first four Ccfs of water
- Customer can save money a month if they can conserve water

Temporary Assistance

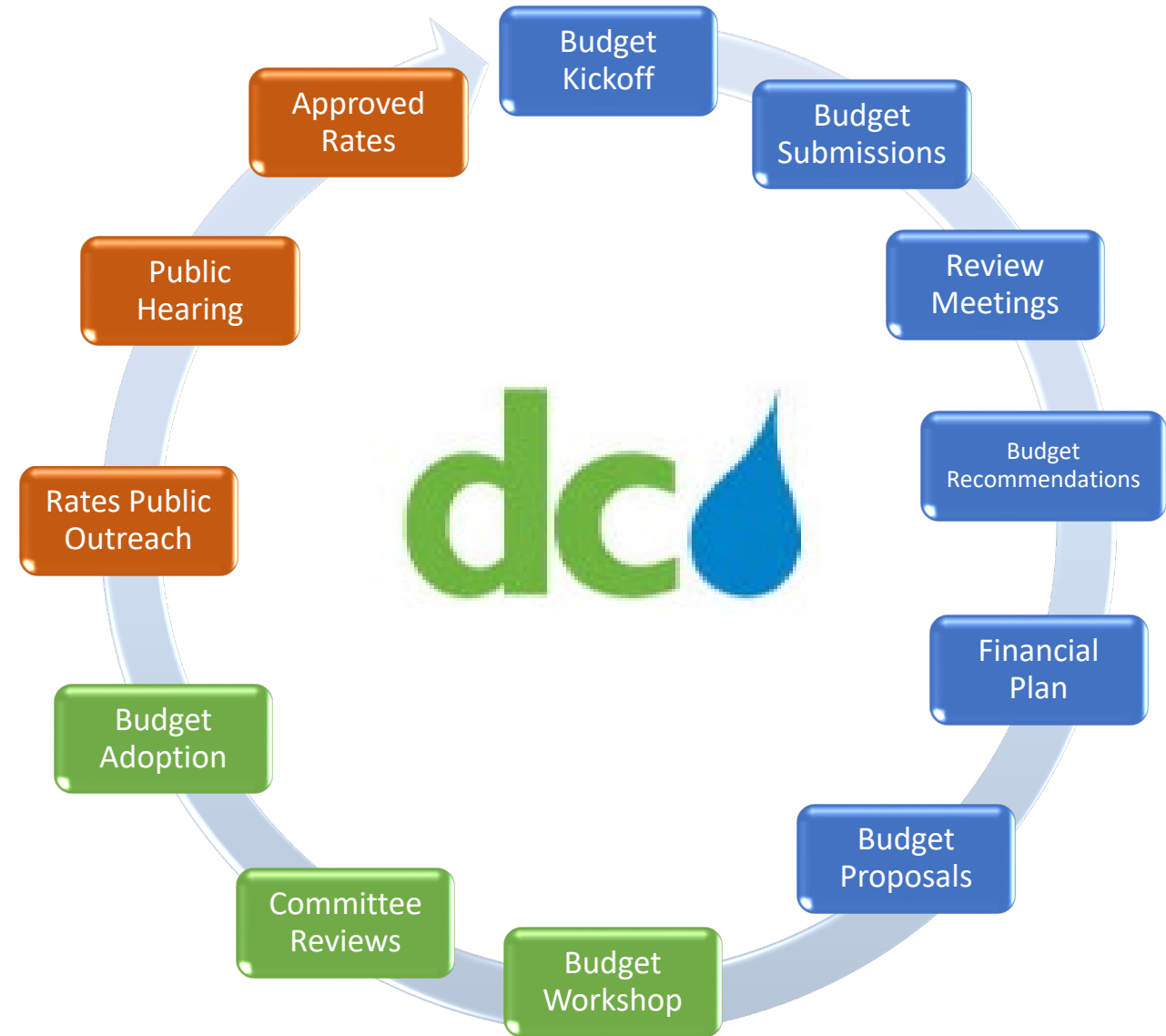
- **SPLASH** program, paid for with customer, employee, and Board member contributions
- The new **Payment Plan Incentive Program** will provide a credit toward past-due balances for customers who meet terms of Payment Plans, paid for with the Rate Stabilization Fund

Water Efficiency

- **NEW** – \$500,000 **Leak Assessment** program will provide water audits to help customers identify the source of leaks and high bills



- 💧 **Preparation** of Proposed Budget
- 💧 Board review of proposals
 - Two months of detailed review by Finance and Budget, Environmental Quality and Operations, and Retail Rates Committees
- 💧 Customer **Briefings** and **Feedback**
 - Wholesale Customer Briefing on January 12, 2024
 - Office of People’s Counsel Budget Briefing on January 19, 2024
 - Town Halls
- 💧 Board **Budget Adoption** on March 7, 2024
- 💧 **Public Hearing** on May 9, 2024
- 💧 **Board adoption** of rates on July 3, 2024
- 💧 Fiscal year begins on October 1, 2024



- Advances the Blueprint through investments in:
 - Clean Rivers** (*Resilient*) and critical **water and sewer infrastructure investments** (*Reliable*)
 - Our **people** through the Human Capital Management Strategy (*Equitable, Healthy, Safe & Well*), and
 - Operating efficiency** by reallocating vacancies to new needs (*Sustainable*)
- Makes the best use of ratepayer funds; Budget process reduced departmental requests by \$16.7 million
- SET members manage their areas – you will hear from each of them today



- DC Water will hold Town Hall Meetings in spring, in advance of the rates public hearing, to:
 - Inform customers about the Proposed FY 2025 and FY 2026 rates
 - Discuss the Capital Improvement Program, and
 - Promote all the existing and new customer assistance programs
- The meetings will be widely publicized through numerous channels, including:
 - Councilmember Offices
 - Advisory Neighborhood Commissions (ANCs)
 - DCWater.com website
 - Twitter, Facebook and Instagram
 - Nextdoor
 - Paid digital and print advertising



Budget Overview

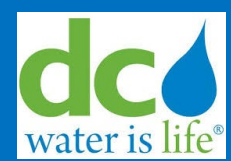
💧 Operating Budget of \$788.3 million

- Operations and Maintenance (O&M) budget of \$454.5 million for personnel and non-personnel
- Debt Service budget of \$249.5 million and Cash Financed Capital Improvements (CFCI) budget of \$60.5 million
- PILOT & ROW payments to the District of \$23.8 million

💧 Capital Budget of \$732.1 million and 10-year CIP of \$7.74 billion

- Capital Projects – \$7.04 billion for mandated projects, equipment upgrades and rehabilitation at Blue Plains, Lead Free DC program and continued investments in the aging water and sewer infrastructure
- Capital Equipment – \$347.4 million equipment including pumps, motors, meters, backhoes, jet-vacs, catch basin trucks and other aged vehicles to meet operational needs
- Washington Aqueduct (WAD) – \$357.5 million for DC Water’s share of WAD’s capital program





Multi-Year Rate Proposal for FY 2025 and FY 2026

Proposed rate changes:

- Water and sewer rates increase by 8.0% for FY 2025 and 6.0% for FY 2026
- Proposed CRIAC of \$21.23 per ERU in FY 2025 and \$24.23 per ERU in FY 2026
- Right-of-Way Fee at \$0.19 per Ccf for FY 2025 and \$0.20 per Ccf for FY 2026
- PILOT Fee at \$0.61 per Ccf for FY 2025 and \$0.62 per Ccf for FY 2026

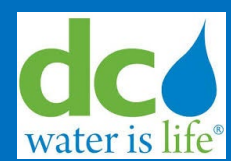
Rates and charges that remain the same:

- Customer Metering Fee remains at \$7.75 for 5/8” meters
- Water System Replacement Fee (WSRF) at \$6.30 for 5/8” meters
- Proposed Groundwater Rate of **\$3.50** for FY 2025 and **\$3.76** for FY 2026
- Proposed High Flow Filter Backwash Sewer Rate of **\$3.32** for FY 2025 and **\$3.54** for FY 2026

- Cost of Service Study aligned with rate proposal
- Combined rate increases lower than last year’s forecast

Change in Average Household Charge	Fiscal Year	
	2025	2026
Recommendation	4.8%	6.5%
Previous Forecast	7.0%	6.8%

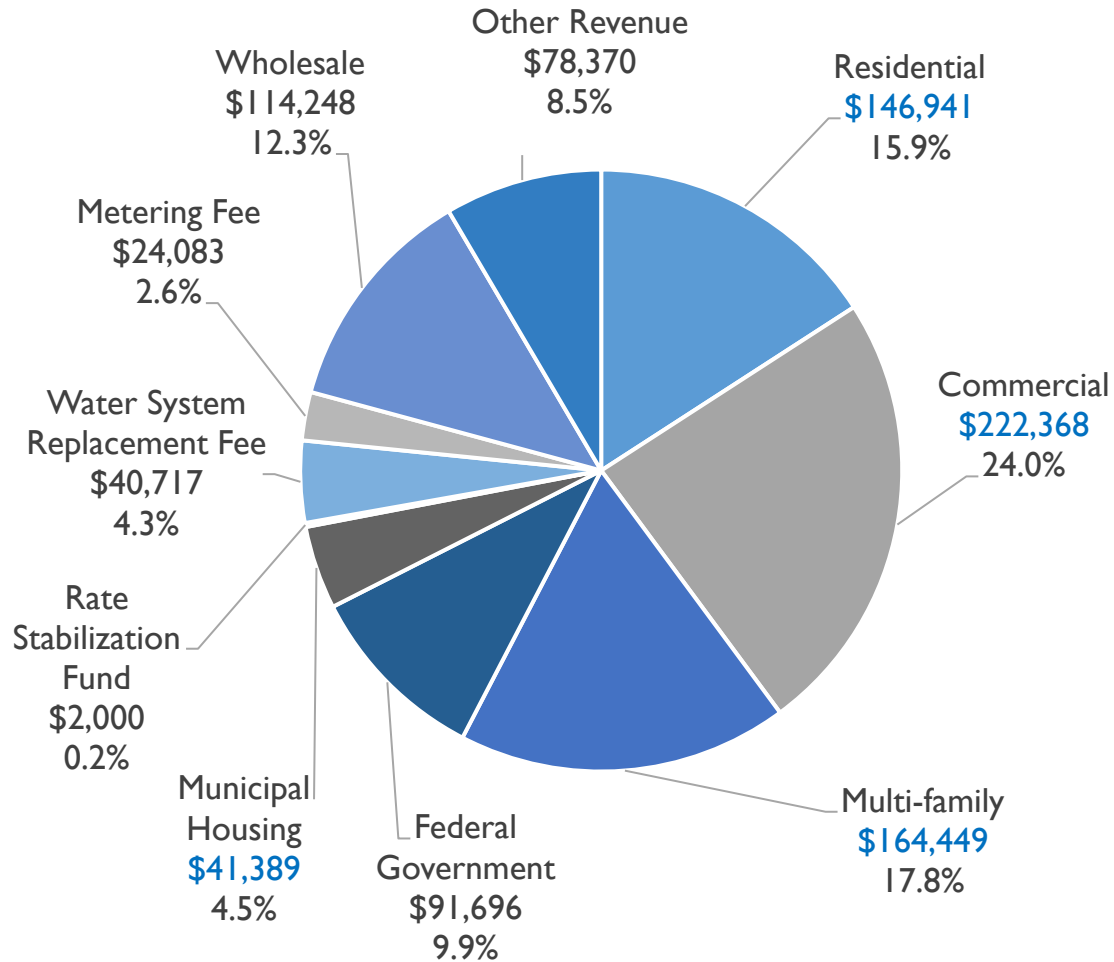
Reflects updated changes based on cost of service study completed



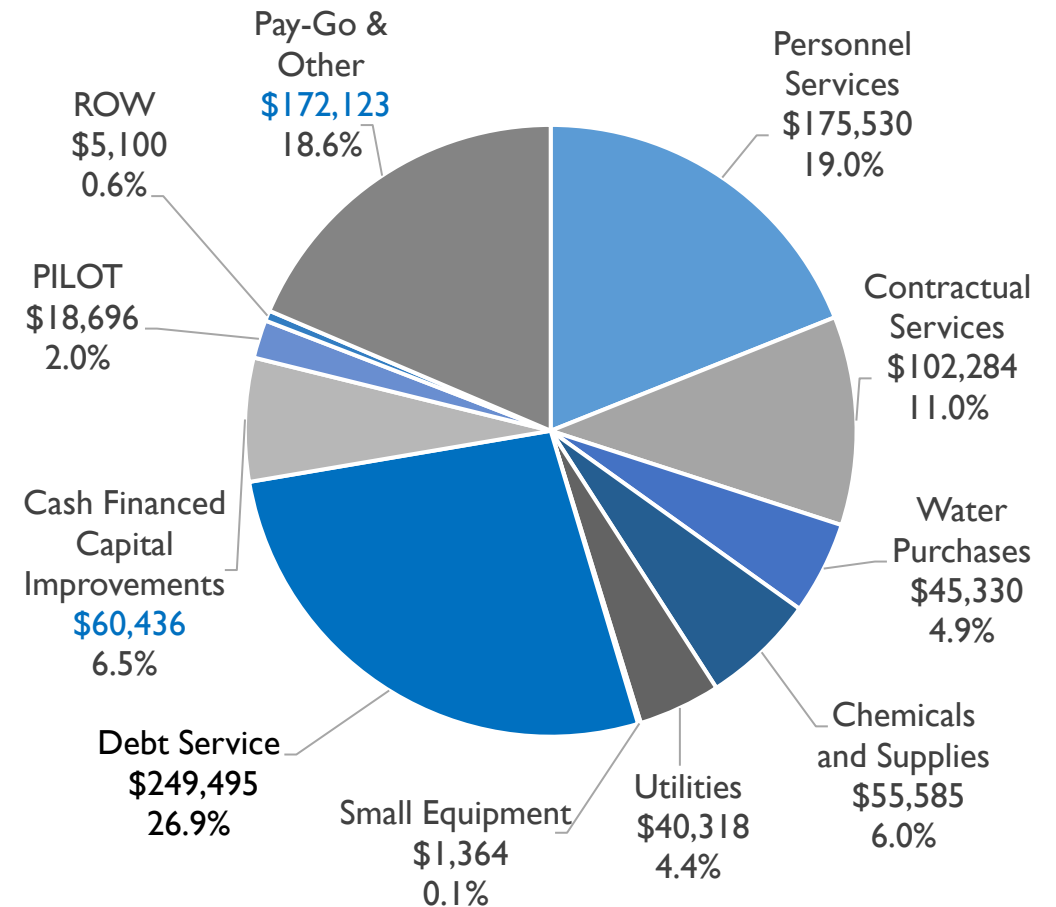
FY 2025 Operating: Sources and Uses of Funds

\$ in thousands

Sources - \$926.3 Million



Uses - \$926.3 Million

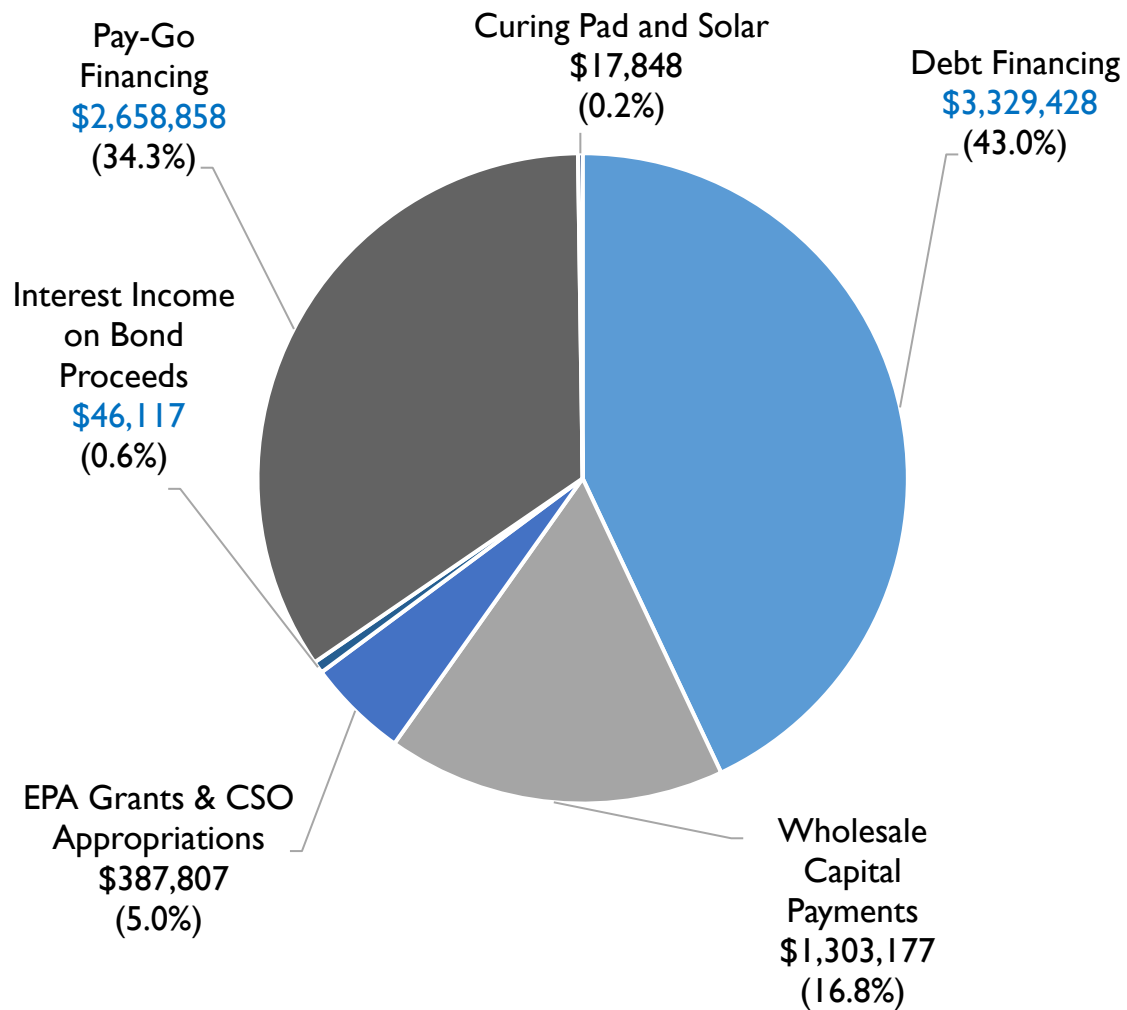


Reflects updated changes based on cost of service study completed

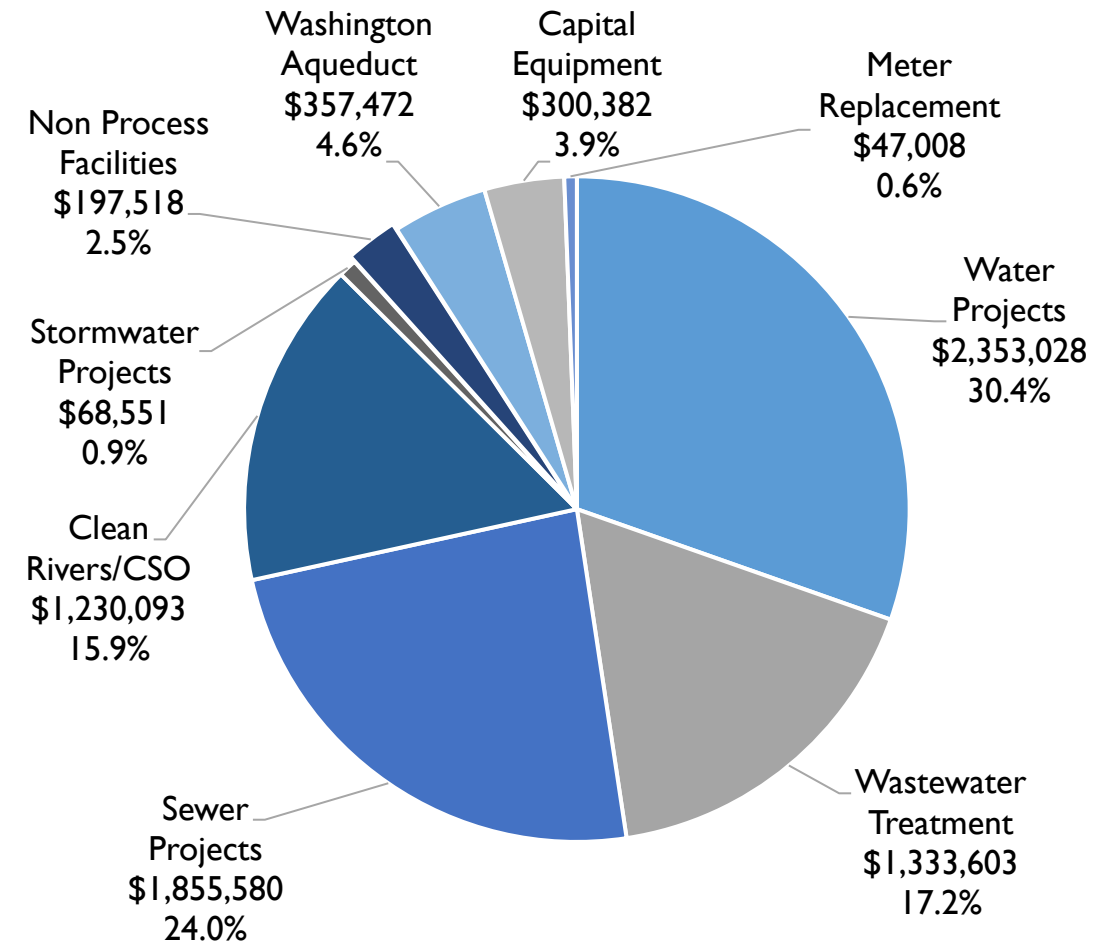
Ten Year CIP: Sources and Uses of Funds

\$ in thousands

Sources - \$7.74 Billion



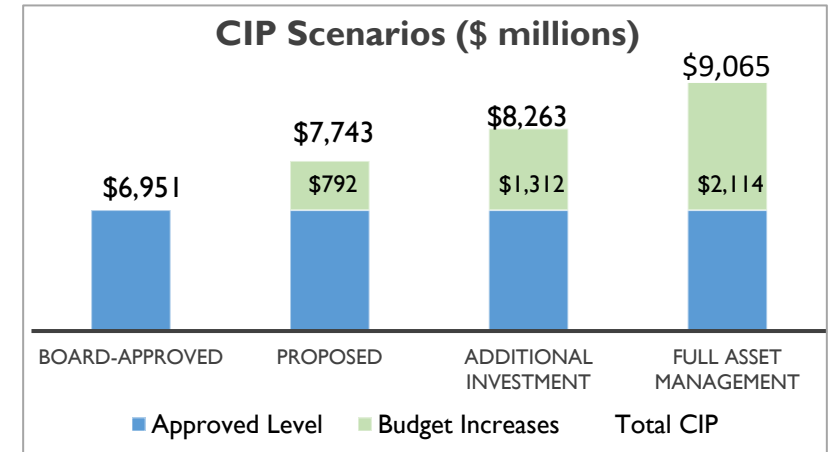
Uses - \$7.74 Billion



Reflects updated changes based on cost of service study completed

Multiple Capital Budget Scenarios Considered

- 💧 Budget Process includes consideration, evaluation, and prioritization of various CIP scenarios including related rate and revenue impacts
- 💧 Proposed CIP of \$7.7 billion
 - Funds two major ongoing “once in a generation” projects
 - Strikes a balance between necessary rate increases and critical capital investments



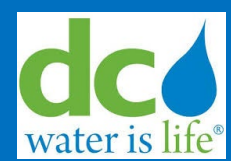
CIP Scenario	Description
Proposed	Funds increases for the Potomac River Tunnel; advances Lead Free DC program; ramps up to 1.5% annual replacement rates for small diameter water mains and 1.0% for sewer rehabilitation; includes upgrades at Blue Plains, Non-Process Facilities and Washington Aqueduct etc.
Additional Investment	Would add additional investments at Blue Plains and ramp up to 2.0% annual replacement rates for small diameter water mains and 1.3% for sewer rehabilitation
Full Asset Management	Would ramp up to 2.5% annual replacement rates for small diameter water mains and 1.5% for sewer rehabilitation; funds projects at Blue Plains including implementation of innovative treatment processes and renewable energy projects

Proposed Capital Improvement Program

💧 The 10-Year \$7.74 billion Capital Program, with projected rate increases:

- Fully funds the Clean Rivers Program including completion of the Potomac River tunnel to meet the consent decree requirement by 2030
- Allocates funding for the Lead-Free DC program
- Funds more than 150 miles of small diameter water main replacement
- Invests \$3.5 billion in the aging water and sewer system infrastructure
- Directs \$1.3 billion for major rehabilitation and upgrades at Blue Plains
- Allocates \$357.5 million for DC Water's share of the Aqueduct's infrastructure program
- Provides \$347.4 million for the purchase/replacement of vehicles, heavy-duty equipment, mechanical equipment, operational facilities, meters, office renovations, and IT projects





The Capital Improvement Program

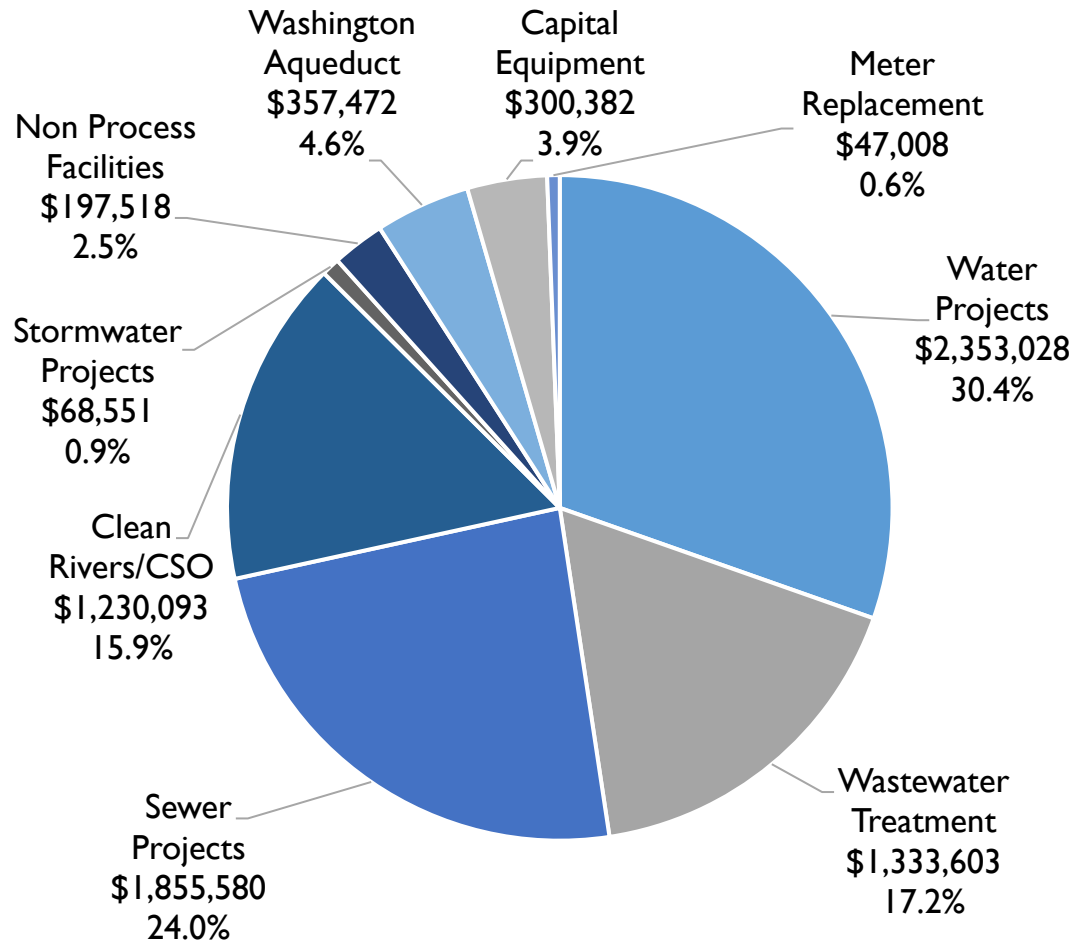
- ▶ The **proposed ten-year CIP budget of \$7.74 billion** includes annual spending estimates for capital construction, capital equipment and DC Water’s share of the Aqueduct’s capital projects
 - This is a \$792 million increase over the Board-approved CIP for the ten-year period
- ▶ The **proposed lifetime budget is \$16.1 billion** and covers total commitments, including labor, for active projects prior to, during, and beyond the ten-year window

Cash Disbursements (\$ in thousands)	FY 2024 - FY 2033 Disbursement Plan											Lifetime Budget
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	10-yr Total	
NON PROCESS FACILITIES	\$ 13,074	\$ 19,900	\$ 25,190	\$ 27,461	\$ 17,775	\$ 35,413	\$ 23,100	\$ 13,283	\$ 14,977	\$ 7,345	\$ 197,518	\$ 362,044
WASTEWATER TREATMENT	65,150	103,291	133,487	146,143	164,601	194,637	185,233	174,807	91,587	74,666	1,333,603	3,348,779
COMBINED SEWER OVERFLOW	123,793	213,408	231,323	216,615	193,750	154,800	92,363	4,041	-	-	1,230,093	3,430,748
STORMWATER	7,293	13,565	7,958	3,804	4,532	3,268	6,697	9,432	6,772	5,231	68,551	157,075
SANITARY SEWER	80,599	92,235	123,854	118,639	169,037	287,816	249,471	227,771	269,312	236,846	1,855,580	2,897,505
WATER	158,736	222,494	252,395	250,278	266,256	268,591	279,184	207,235	219,880	227,979	2,353,028	4,738,104
CAPITAL PROJECTS	\$ 448,646	\$ 664,893	\$ 774,206	\$ 762,940	\$ 815,951	\$ 944,526	\$ 836,048	\$ 636,568	\$ 602,528	\$ 552,067	\$ 7,038,373	\$ 14,934,255
CAPITAL EQUIPMENT	30,535	31,477	31,839	30,523	37,169	37,169	37,169	37,169	37,169	37,169	347,390	347,390
WASHINGTON AQUEDUCT	35,546	35,770	35,770	35,770	35,770	35,770	35,770	35,770	35,770	35,770	357,472	357,472
ADDITIONAL CAPITAL PROJECTS	\$ 66,081	\$ 67,246	\$ 67,609	\$ 66,293	\$ 72,939	\$ 72,939	\$ 72,939	\$ 72,939	\$ 72,939	\$ 72,939	\$ 704,863	\$ 704,863
LABOR												\$443,166
TOTAL CAPITAL BUDGETS	\$ 514,727	\$ 732,139	\$ 841,815	\$ 829,232	\$ 888,890	\$ 1,017,465	\$ 908,987	\$ 709,507	\$ 675,467	\$ 625,006	\$ 7,743,235	\$ 16,082,284

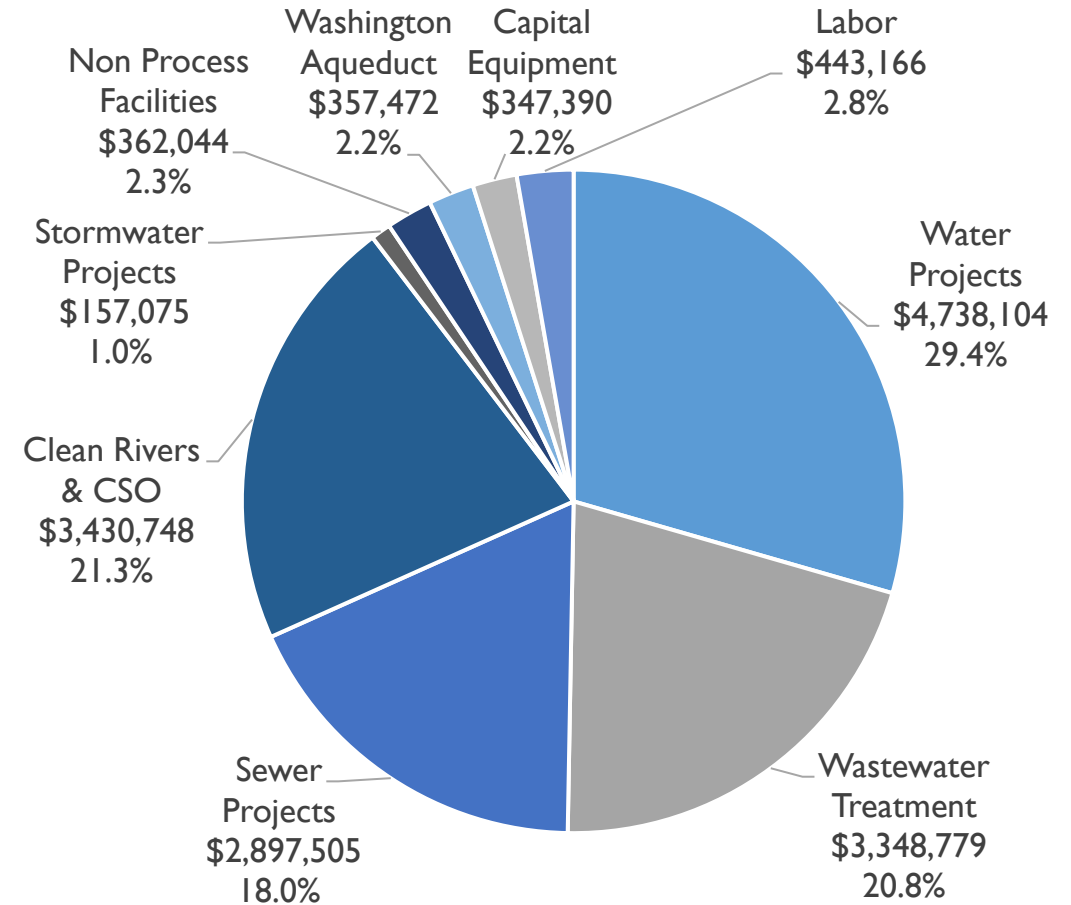
Capital Improvement Program Budgets

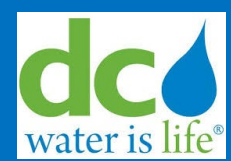
\$ in thousands

Ten-Year Disbursement \$7.74 Billion



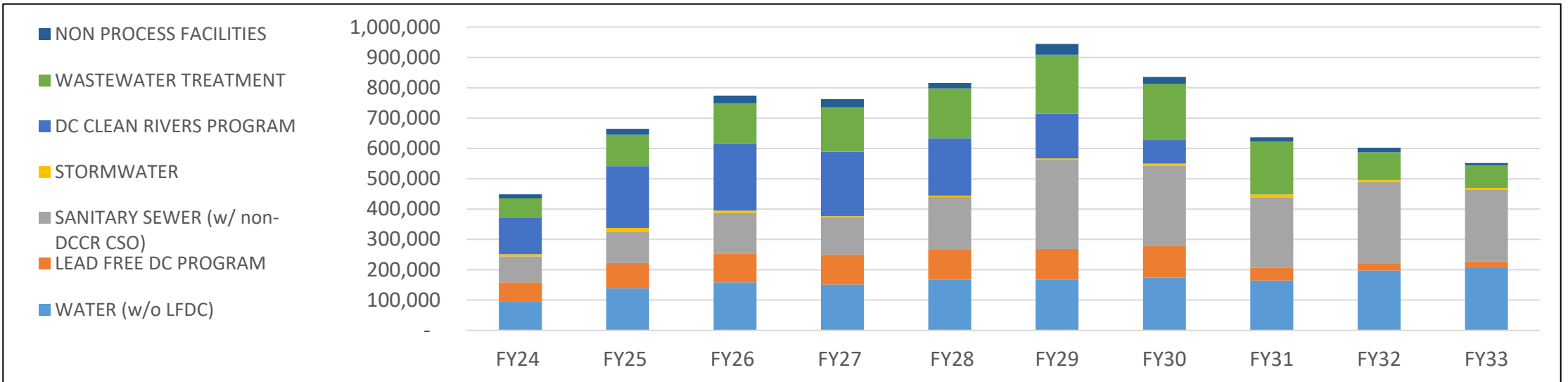
Lifetime Project \$16.1 Billion





Proposed 10-year CIP for Capital Projects

	FY 2024 -2033 (\$1,000s)										
(Cash Disbursements \$ in thousands)	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	10-yr Total
NON PROCESS FACILITIES	13,074	19,900	25,190	27,461	17,775	35,413	23,100	13,283	14,977	7,345	197,518
WASTEWATER TREATMENT	65,150	103,291	133,487	146,143	164,601	194,637	185,233	174,807	91,587	74,666	1,333,603
DC CLEAN RIVERS PROGRAM	118,913	204,033	220,390	212,583	189,057	147,147	77,719	-	-	-	1,169,843
STORMWATER	7,293	13,565	7,958	3,804	4,532	3,268	6,697	9,432	6,772	5,231	68,551
SANITARY SEWER (w/ non-DCCR CSO)	85,479	101,610	134,787	122,671	173,731	295,469	264,115	231,811	269,312	236,846	1,915,829
LEAD FREE DC PROGRAM	62,339	83,333	93,925	98,921	99,443	101,674	104,867	42,753	22,166	22,166	731,587
WATER (w/o LFDC)	96,398	139,161	158,469	151,357	166,813	166,917	174,317	164,482	197,714	205,813	1,621,441
CAPITAL PROJECTS	448,646	664,893	774,206	762,940	815,951	944,526	836,048	636,568	602,528	552,067	7,038,373



DC Water Budget Overview

FY2024-2033 Proposed Capital Investments of \$7.7 billion

\$1.17 billion



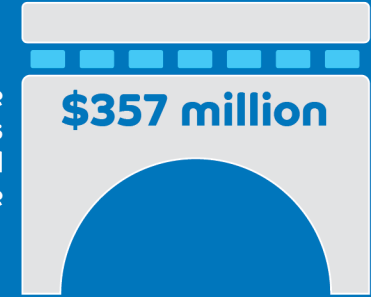
Fully funds DC Clean Rivers projects to meet Consent Decree requirements



\$347 million

Invests in process equipment, specialized vehicles, and information technology infrastructure

Invests in the Aqueduct's capital infrastructure



\$357 million

Continues investment in Water & Sewer infrastructure



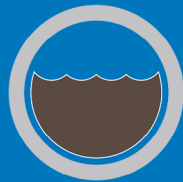
\$732M

To continue lead service line replacements



\$1.62 billion

Ramps up to 1.5% replacement for small diameter water mains per year



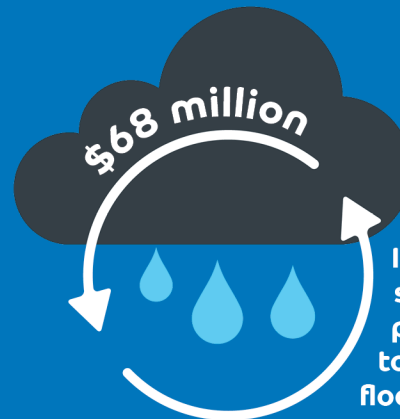
\$1.92 billion

Ramps up to 1% rehabilitation for small/local sewer lines per year

\$197 million



Renovates Non-Process Facilities including the Historic Main Pump Station, Bryant Street Pump Station, non-process buildings at Blue Plains, laboratory upgrades, and solar installations



\$68 million

Improves stormwater pump stations to relieve local flooding

\$1.33 billion



Funds rehabilitation and upgrades at Blue Plains

Goal: Achieve a balance between asset age and remaining useful life

- Median asset age is approaching end of expected service life
- Higher replacement rate needed to address historical under investment
- Target value: median remaining service life is 40-60% of expected service life

Replacement Rate	Sweet spot reached in Year ...	
	Water	Sewer
1%	2113	2117*
1.5%	2066*	2073
2.5%	2042	2046

*Proposed budget includes ramping up to 1.5% and 1% per year, respectively, for small diameter water main and small local sewers

Projects in Construction:

Div PRT-B, Potomac River Tunnel (NTP 11/9/2023)

Div J, Northeast Boundary Tunnel (Site Restoration)

Upcoming Projects:

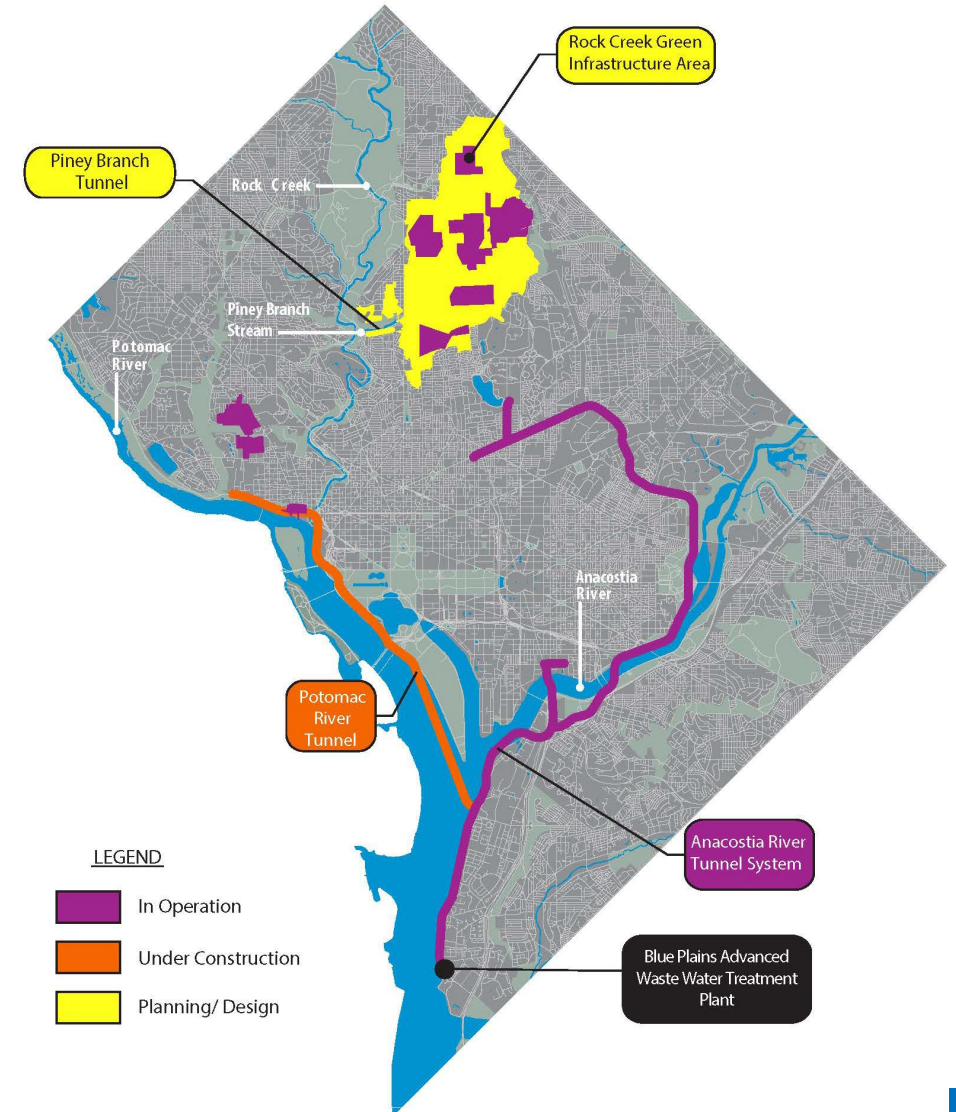
Div RC-C, Green Infrastructure (Procurement 2024)

Div RC-T, Piney Branch Tunnel (Procurement 2025)

Div RC-D, Green Infrastructure (Procurement 2027)

Clean Rivers 10-year spending increase of +\$207M

- Reflects Potomac Tunnel Contract awarded in November 2023
- Market conditions have resulted in significantly higher bid proposals/construction costs since 2020/2021



Replace/Rehabilitate

Primary Sludge/Scum Replacement



Innovate/Enhance

Solar Phase II



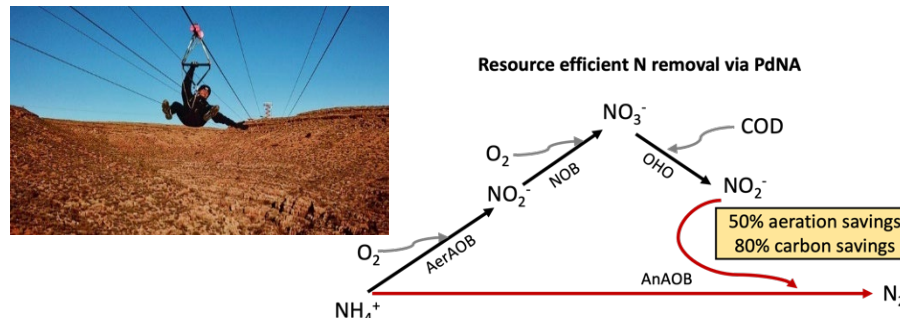
10-year CIP addresses:

- 💧 Aging infrastructure
- 💧 Regulatory requirements
- 💧 Level of service
- 💧 Risk management
- 💧 Asset management
- 💧 Resiliency
- 💧 Industry leader in innovation
- 💧 Sustainability

Filter Underdrain Replacement



PdNA – Shortcut Nitrogen



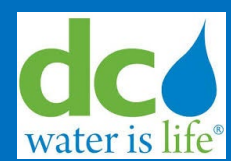
PdNA - Partial Denitrification-Annamox

- 💧 Stormwater System Performance
 - New MS4 permit requirements and Cost of service study for stormwater is currently underway
- 💧 Water Supply (Source & Storage Volume; Reliability and Resilience)
- 💧 Unfunded Major Buried Infrastructure Needs
- 💧 Regulatory
 - Per- and Polyfluoroalkyl Substances (PFAS) (Water and Biosolids)
 - New National Pollutant Discharge Elimination System (NPDES) Permit
 - New DOEE Odor Control Regulations
 - New Lead and Copper Rule Improvements
- 💧 Climate Change – Seawalls, Facility Hardening, CSO Program, Stormwater Capacity
- 💧 Washington Aqueduct Capital Program Uncertainties (PFAS & Future Capital Expenses)
- 💧 Anacostia river sediment contamination (PCBs)
- 💧 Cured In Place Pipe curing methods

- 💧 Programmatic Approach to capture Federal and Industry Funding Opportunities
- 💧 Blue Plains Process Pilot for Intensification with Granulated Sludge (Increasing sludge density) Technologies to Reduce Cost of Future Capacity
- 💧 Blue Plains PdNA (Partial Denitrification-Annamox) Pilot to Reduce Cost and Dependence on Chemicals
- 💧 Fats/Oils/Grease/Food Waste Receiving to Enhance Biogas Production
- 💧 Implement Resource Recovery Options
 - Opportunities for Renewable Natural Gas (RNG)
 - Expansion of Solar Power Generation
 - Heat Recovery Options at Blue Plains / Sewer Heat Recovery for District Heating
- 💧 Implement a Microgrid within Blue Plains - Optimal Renewable Energy Distribution
- 💧 Diversify Bloom Products Marketing and storage for optimum sales
- 💧 CIP execution Improvements – Move from Design Bid Build to Collaborative Delivery

Water Break

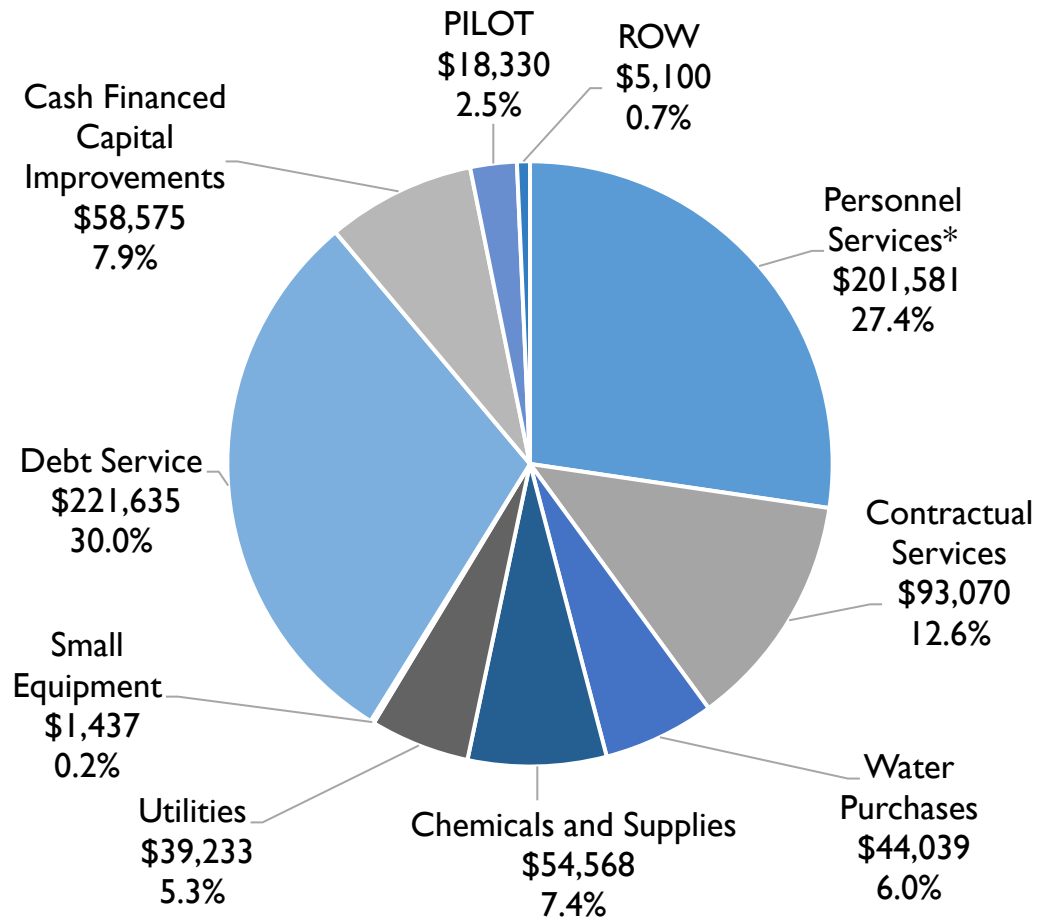
Operating Budget & Senior Executive Team Roundtable



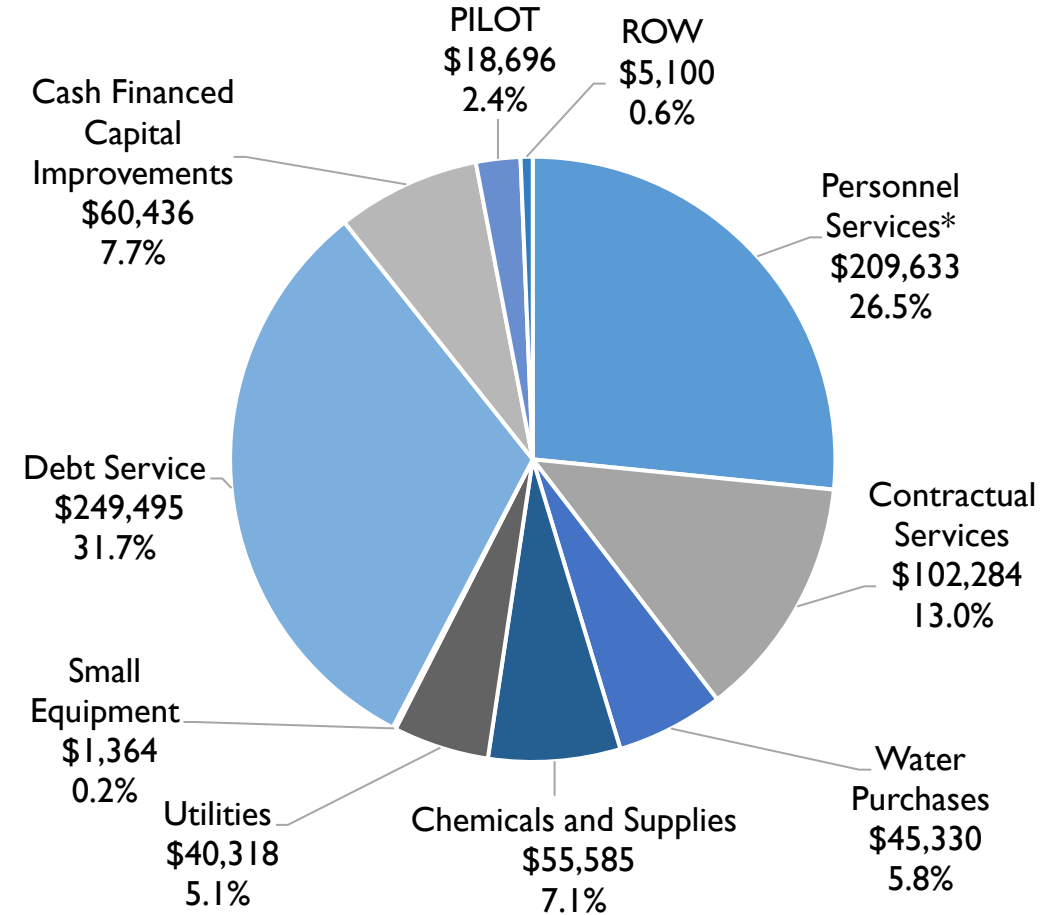
FY 2024 vs. FY 2025 Expenditure Budgets

\$ in thousands

Amended FY 2024 \$737,567



Proposed FY 2025 \$788,241



* Personnel Services include capital labor charges

Reflects updated changes based on cost of service study completed

Operating Budget Comparison by Cost Category

- 💧 **FY 2024** – Amended budget reflects reprogramming of \$10.3 million from debt service to CFCI. The estimated underspending from debt service is mainly because no new debt was issued in FY 2023 and the release of the 1998 debt service reserves. Overall budget remains the same and increase in PAYGO reduces future borrowing costs
- 💧 **FY 2025** – Proposed overall operating budget is \$788.3 million, an increase of \$50.7 million or 6.9%

(\$000's)	FY 2023			FY 2024		FY 2024	FY 2025	(Increase)/ Decrease	
	Revised	Actuals	Variance	Adopted Budget	Reprogramming	Amended Budget	Proposed Budget	\$	%
Regular Pay	\$ 137,044	\$ 132,720	\$ 4,324	\$ 147,203		\$ 147,203	\$ 154,120	\$ (6,918)	-4.7%
Benefits	40,960	40,756	204	45,869		45,869	46,409	(541)	-1.2%
Overtime	8,218	9,840	(1,622)	8,509		8,509	9,103	(594)	-7.0%
Total Personnel Services	186,222	183,316	2,906	201,581	-	201,581	209,633	(8,052)	-4.0%
Chemical and Supplies	54,628	53,082	1,546	54,568		54,568	55,585	(1,017)	-1.9%
Utilities	37,799	37,361	438	39,233		39,233	40,318	(1,085)	-2.8%
Contractual Services	88,504	88,309	195	93,070		93,070	102,284	(9,213)	-9.9%
Water Purchases	40,334	33,609	6,725	44,039		44,039	45,330	(1,291)	-2.9%
Small Equipment	1,108	1,244	(136)	1,437		1,437	1,364	73	5.1%
Total Non-Personnel Services	222,373	213,605	8,768	232,347	-	232,347	244,881	(12,533)	-5.4%
Total Operations & Maintenance	\$ 408,595	\$ 396,921	\$ 11,674	\$ 433,928	\$ -	\$ 433,928	\$ 454,513	\$ (20,586)	-4.7%
Debt Service	231,232	225,852	5,380	231,953	(10,318)	221,635	249,495	(27,860)	-12.6%
PILOT & ROW	23,070	23,070	-	23,430		23,430	23,796	(367)	-1.6%
Cash Financed Capital Improvements (CFCI)	23,505	35,730	(12,225)	48,256	10,318	58,575	60,503	(1,928)	-3.3%
Total Non-O&M	277,807	284,652	(6,845)	303,639	-	303,639	333,794	(30,155)	-9.9%
Total Operating Expenditure	\$ 686,402	\$ 681,573	\$ 4,829	\$ 737,567	\$ -	\$ 737,567	\$ 788,307	\$ (50,740)	-6.9%
Capital Labor Charges	(30,435)	(27,813)	(2,622)	(31,974)		(31,974)	(34,087)	2,113	-6.6%
Net Operating Expenditure	\$ 655,967	\$ 653,760	\$ 2,207	\$ 705,593	\$ -	\$ 705,593	\$ 754,220	\$ (48,627)	-6.9%

FY 2025 Operating Budget Drivers



Personnel Services – Increase of \$8.1 million mainly for salary adjustments including steps and merit increases, and bonus payments consistent with previous union agreement (expired September 2023). Funds the Apprenticeship and Summer Internship programs, overtime and employee health benefit costs



Headcount - 11 new positions were added by reallocating existing hard to fill vacancies for a net-zero increase to the authorized headcount of 1325 FTEs. Overall target vacancy rate of 7%



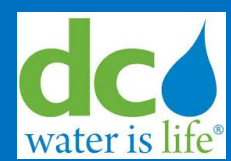
Contractual Services - Increase of \$9.2 million for maintenance requirements (operational facilities, critical equipment and software systems), insurance premiums, various professional services, strategic initiatives and new programs including the leak assessment program



Utilities – Increase of \$1.1 million is for electricity, water usage and telecommunications costs



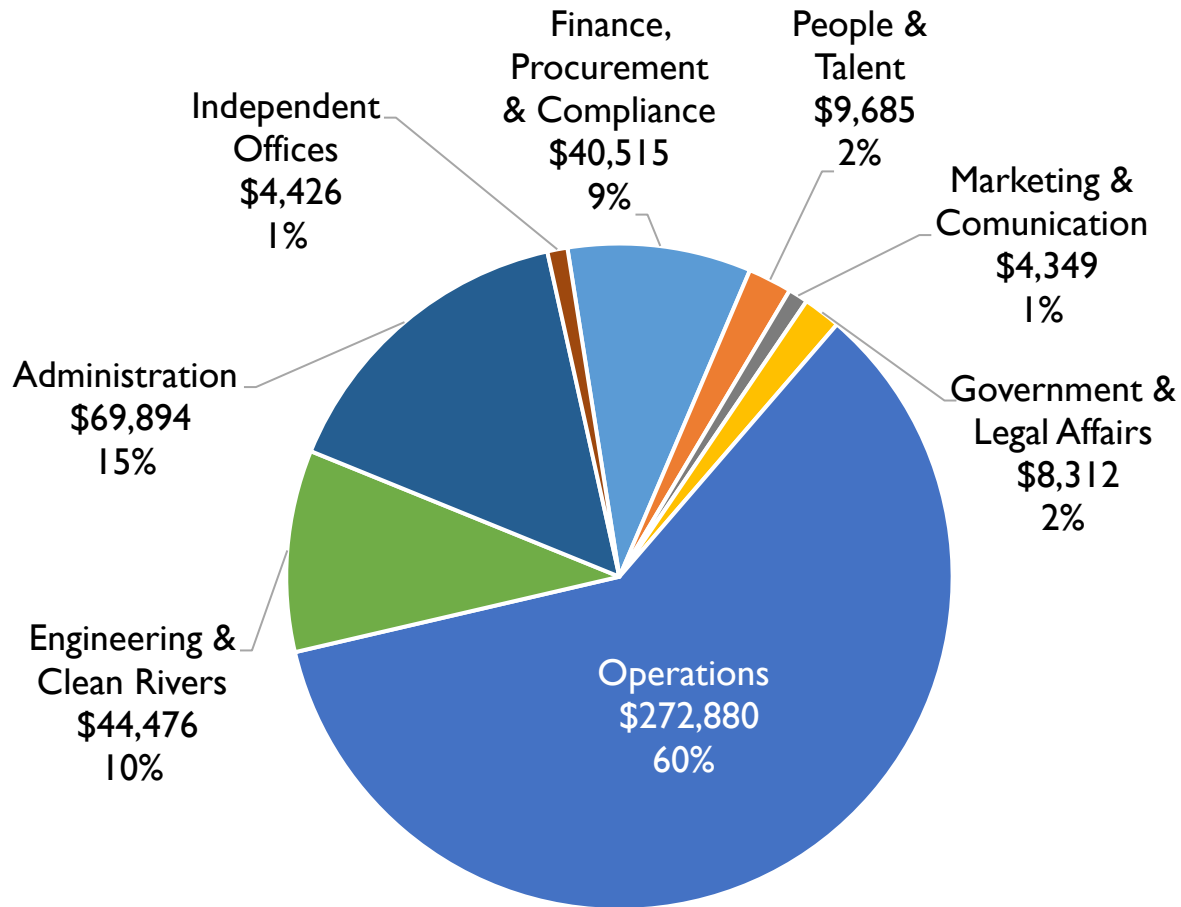
Water Purchases - Increase of \$1.3 million for purchase of drinking water from the Washington Aqueduct. The budget also funds DC Water's share of the McMillan Sewer backwash (\$2.6 million) with offsetting revenue opportunity



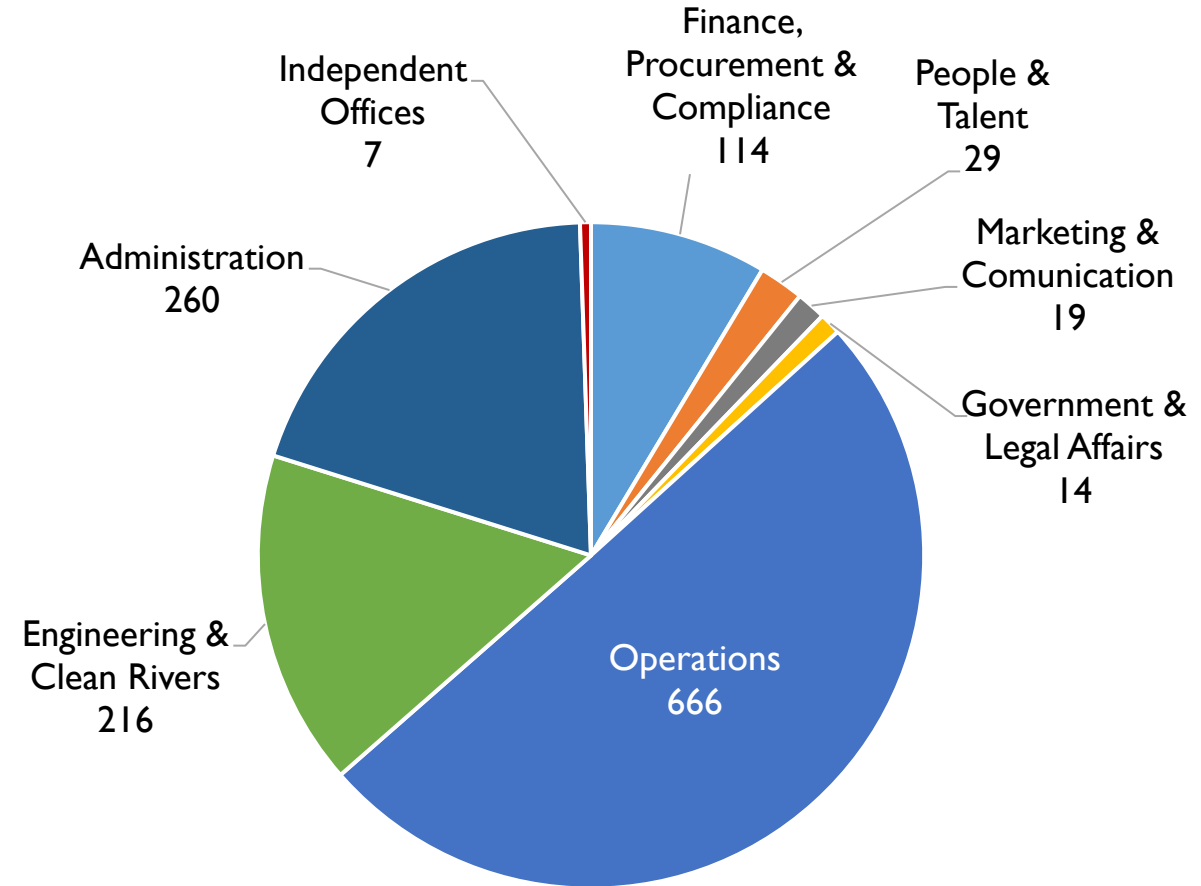
Proposed FY 2025 O&M Budget by Cluster

\$ in thousands

Operations & Maintenance Budget - \$454,513



Authorized Headcount 1,325 FTEs

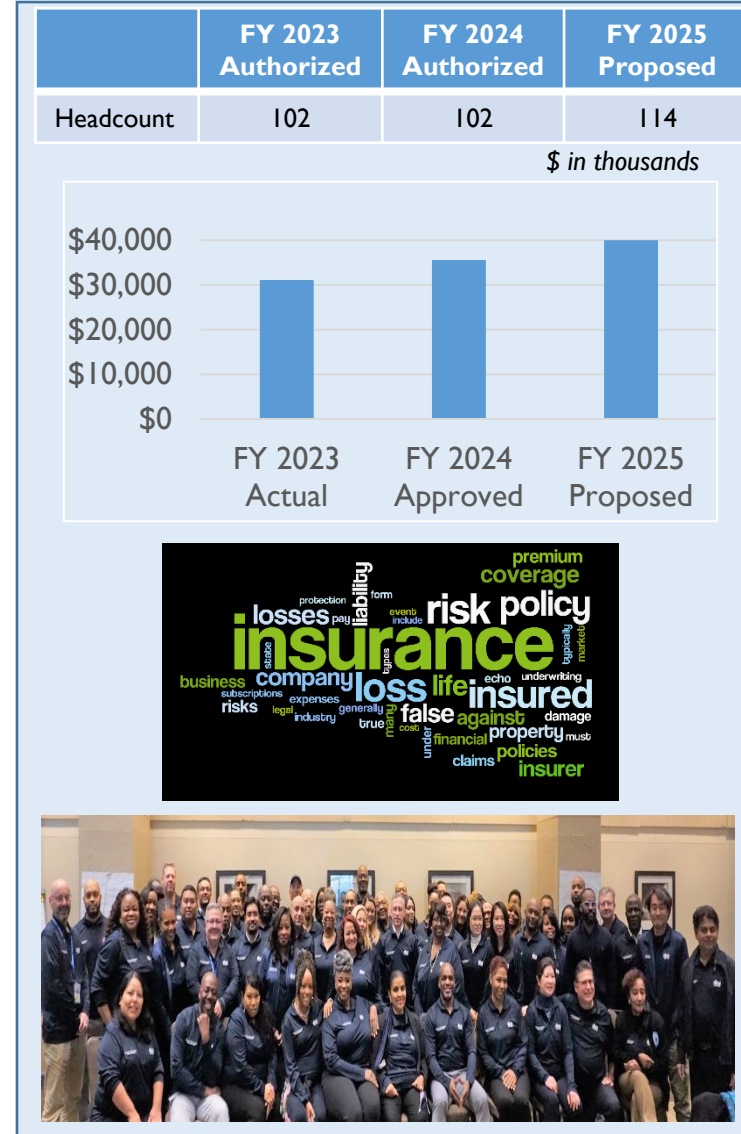


Chief Financial Office: Budget Highlights

- 💧 This cluster consists of the Finance, Procurement and Compliance Departments
- 💧 Proposed FY 2025 Operating Budget is \$40.5 million, an increase of \$4.9 million
 - Funds salaries and benefits for 114 FTEs including the summer internship program
 - Pays increased costs for Authority-wide insurance premiums
 - Funds various professional services such as financial advisory, bond counsel, cost of service and rate studies, financial audit, ERP optimization and strategic programs
 - Continues Procurement process improvements to increase efficiency and timely support for critical projects
 - Budget supports DC Water’s diversity and equity programs to enhance certified business and local residents’ participation

💧 Major Program Highlights and Budget Changes

- Reflects reduced credit card fees due to elimination of use by non-residential customers
- Adds 4 new positions in Procurement Department (succession planning in materials management and the increased demand for capital projects procurement) and 4 new positions in Contract Compliance (support succession planning and DC Waterwork programs)
- Creation of Oracle ERP Center of Excellence, including transfer of 4 positions transferred from People & Talent to optimize efficiency and better align resources



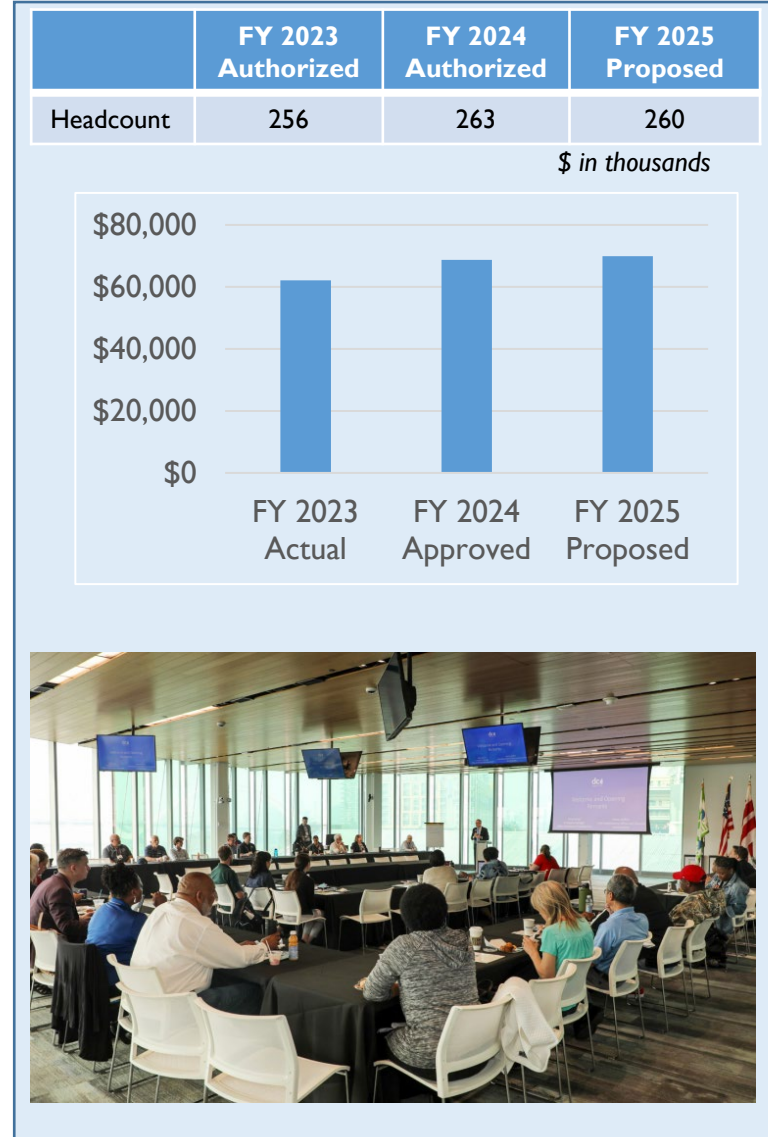
- Proposed FY 2025 Operating Budget is \$9.7 million, a net decrease of \$0.2 million
 - Funds 29 FTEs including positions for recruitment and onboarding activities, training, benefits, and labor relations and compliance programs
 - Earmarks funding requirements for workers compensation claims
 - Provides funding for various employee related activities such as the employment screening, recruitment, benefits and wellness programs and the Employee Assistance Program
 - Covers various professional services for HR advisory, labor arbitrations and grievance resolution and market pricing initiatives (software and survey data)

Major Program Highlights and Changes

- Advance recommendations of the Enterprise Human Capital Management Strategy Development program
- Reduced headcount reflects transfer of FTES for HCM Systems functions to Finance Department as part of the consolidation of ERP Center of Excellence team

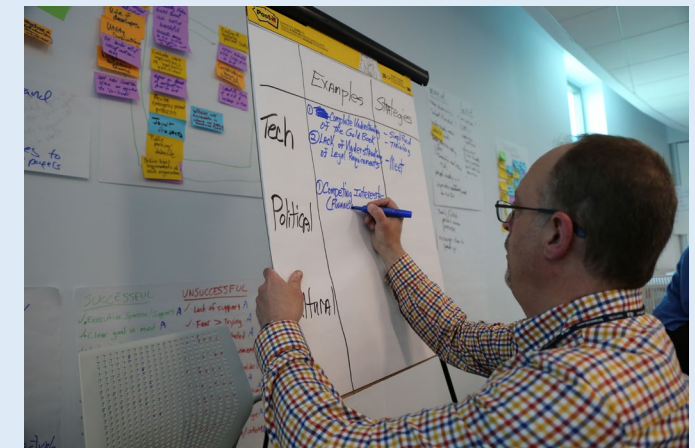
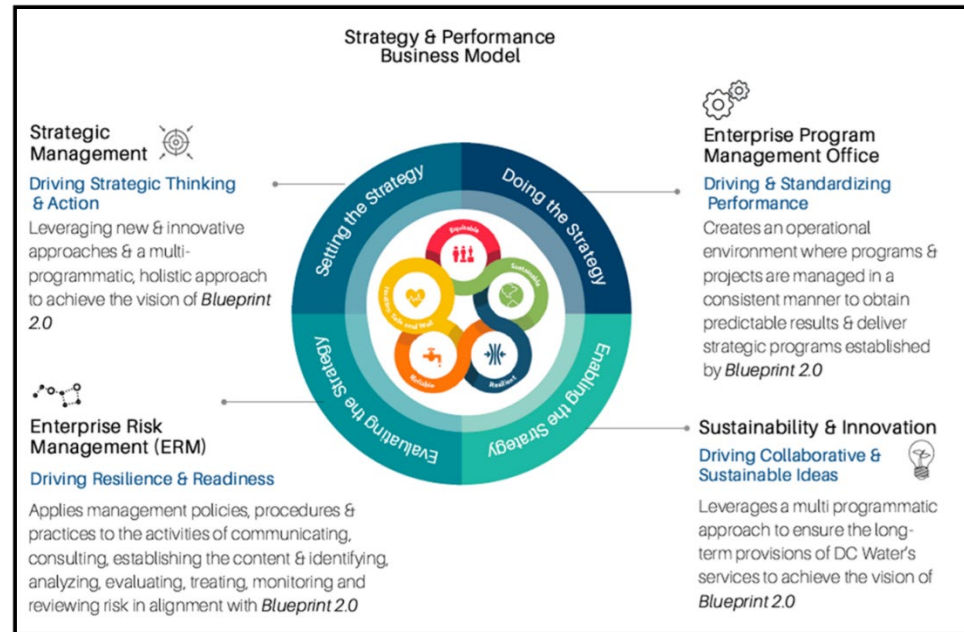
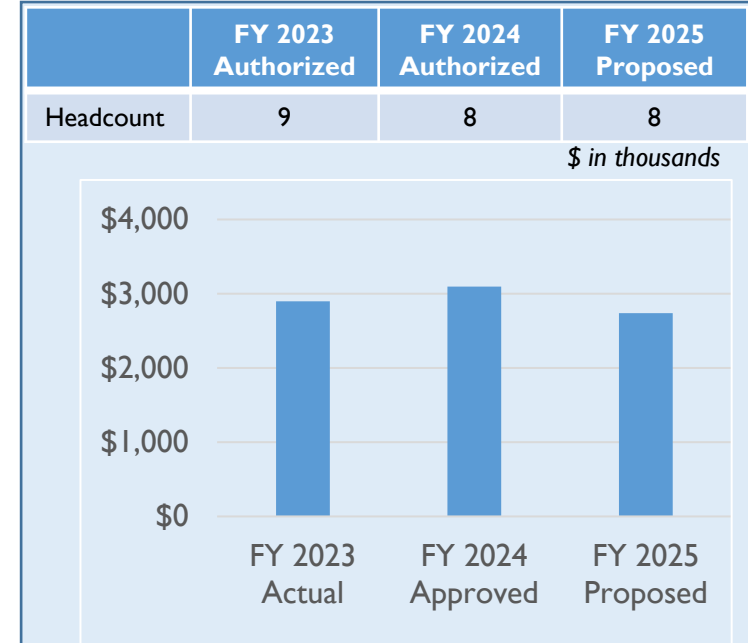


- 💧 This cluster comprises of Shared Services, Information Technology, Customer Care, Strategy & Performance, Office of the Chief Administrative Officer (OCAO) and Internal Audit Departments
- 💧 The Proposed FY 2025 Operating Budget is \$69.9 million, a net increase of \$1.2 million for the entire cluster
- 💧 The budget for the OCAO Department is \$1.5 million
 - Pays salaries and benefits for 2 FTEs transferred from the Strategy & Performance
 - Supports the Enterprise Resiliency Planning including non-revenue water and implementation of the Executive Dashboard



Strategy & Performance and Internal Audit

- 💧 The Proposed FY 2025 Operating Budget is \$3.6 million, a decrease of \$0.6 million mainly due to the transfer of 2 FTEs to OCAO
 - Funds salaries and benefits for 8 FTEs
 - Supports various enterprise-wide programs such as the implementation of Building Information Management (BIM) system, Enterprise Risk Management (ERM), production of the annual Environmental, Social, and Corporate Governance (ESG) report, Blueprint 2.0 and continuation of Strategic Advisory Services, innovation, strategic analytics, sustainability education, and outreach efforts
 - Allocates funding for the outsourced internal audit contract and ethics hotline subscription services

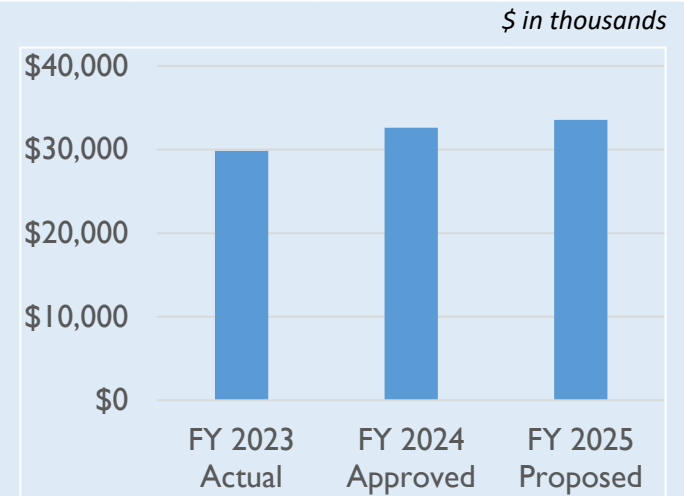


- ◆ **Shared Services** comprises of the Office of Emergency Management, Fleet, Occupational Safety & Health, Facilities Management, and Security Departments

- ◆ The Proposed FY 2025 Operating Budget is \$33.6 million, a net increase of \$0.9 million
 - Funds salaries, benefits and overtime for 93 FTEs
 - Earmarks funding for outsourced contract services for maintenance of the authority’s fleet equipment
 - Funds critical requirements to optimally maintain and repair HVAC and elevators, and support various professional services such as enhanced cleaning, janitorial, trash removal, pest control, and mail courier activities at all DC Water facilities
 - Covers management of the Authority’s safety program, safety training, in compliance with environmental health and safety management regulations
 - Supports security guards and fire systems that safeguard and protect DC Water’s employees and infrastructure
 - Allocates funding for Authority-wide risk and resiliency, emergency response, and recovery efforts

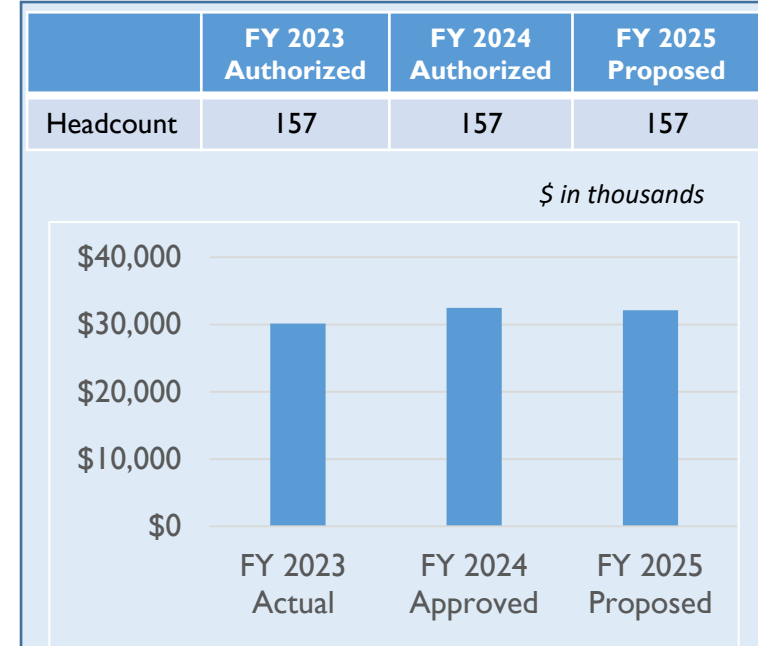
- ◆ **Major Program Highlights and Budget Changes**
 - Conversion of contract funding to establish 2 new positions to support in-house security training and electronic systems functions
 - Transition to outsourced facilities management of the HQO building to enhance performance, maintain LEED certifications and ensure compliance with Building Energy Performance Standard laws

	FY 2023 Authorized	FY 2024 Authorized	FY 2025 Proposed
Headcount	87	94	93



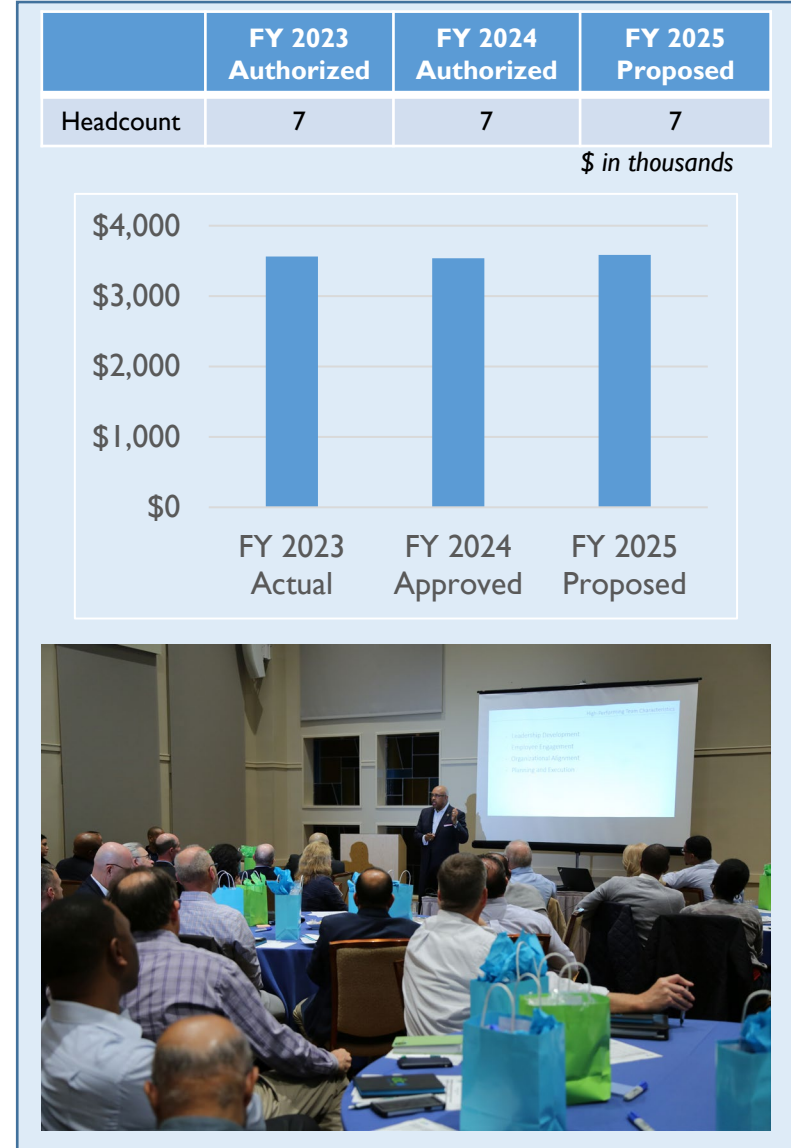
- ◆ The Proposed FY 2025 Operating Budget is \$32.1 million, a decrease of \$0.3 million
 - Funds salaries, benefits, and overtime for 157 FTEs
 - Provides funding for various software and hardware systems including the customer billing system, and the day-to-day technical support to internal and external users
 - Earmarks funding for printing and postage of customer bills, customer surveys and various customer outreach efforts
 - Supports delinquency account collections, escalations, liens and receivership activities
 - Funds various professional services support for IT infrastructure such as Local Area Network (LAN)/ Wide Area Network (WAN), Maximo, GIS and other temporary staffing

- ◆ **Major Program Highlights and Budget Changes**
 - Advance the implementation of the Leak Assessment Program, to provide water audits to help customers identify the source of leaks and high bills
 - Continue to leverage data analytics to aid with non-revenue water



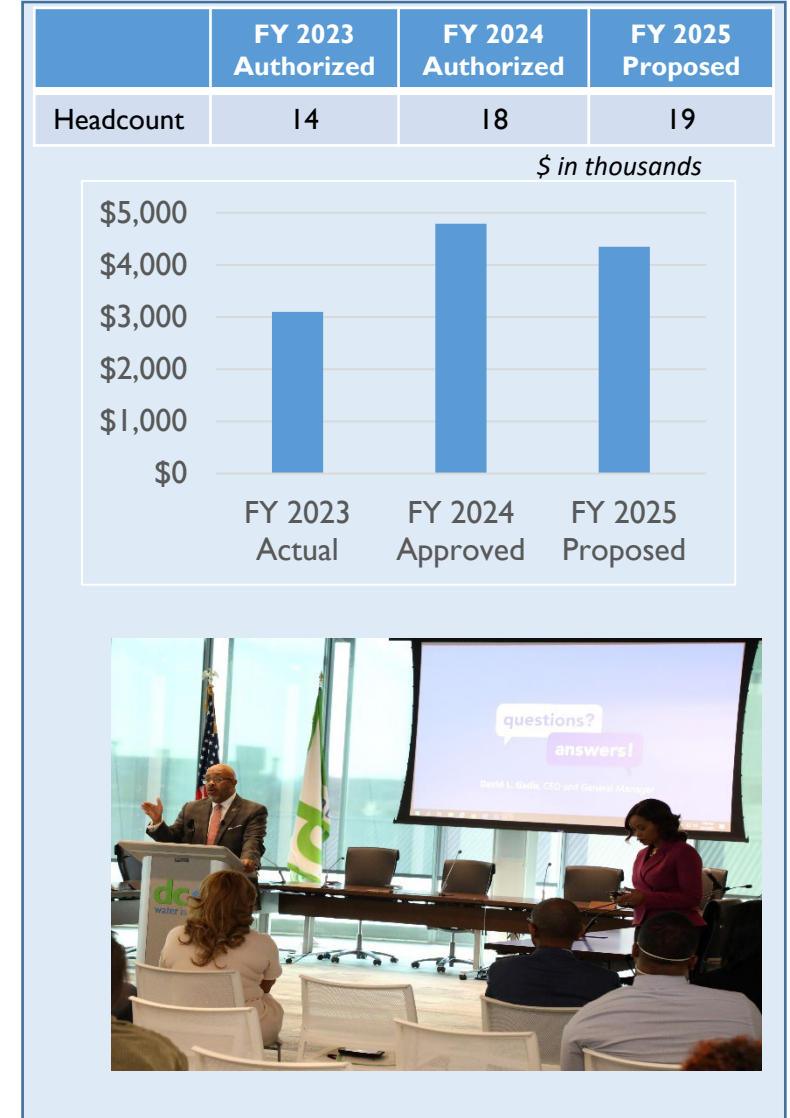
Independent Offices : Budget Highlights

- 💧 This cluster consists of the Offices of the Chief Executive Officer and Board Secretary departments
- 💧 The Proposed FY 2025 Operating Budget is relatively flat at \$3.6 million
 - Pays salaries and benefits for 7 FTEs in both departments
 - Funds various Board programs such as translation and transcription services, maintenance of Board e-books, and facilitation and advisory services for strategic retreats
 - Earmarks funding for organizational memberships, employee recognition and appreciation events, and leadership programs for senior management staff



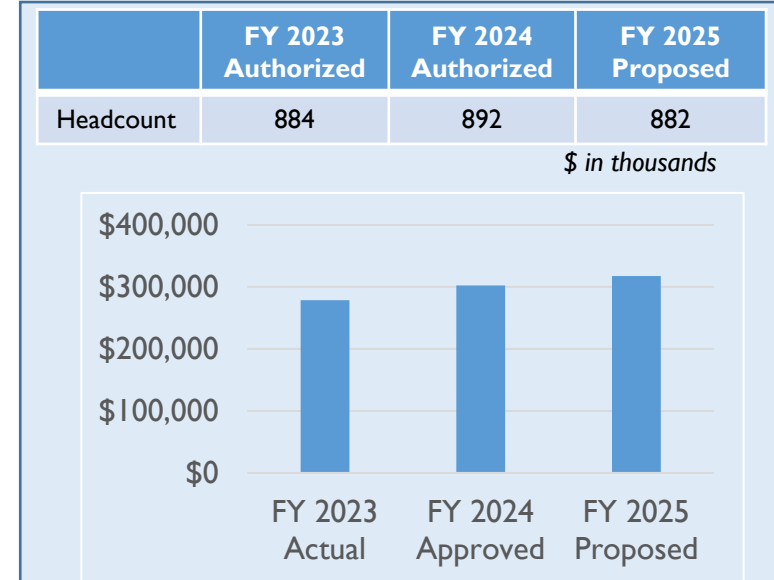
💧 Proposed FY 2025 Operating Budget is \$4.3 million, a net decrease of \$0.4 million

- Funds salaries and benefits for 19 FTEs to support customer communications, social media, graphics and video design activities
- Earmarks funding for the production and publication of mandated materials which includes the Annual Report, Water Quality Report, Newsletters, Leadership Updates, and the website
- Continues outreach programs to improve engagement with various community stakeholders, Advisory Neighborhood Commissioners, civic associations, residents and local businesses
- Continues engagement on public relations consulting, DC Water Branding and executive elevation activities



Operations & Engineering: Budget Highlights

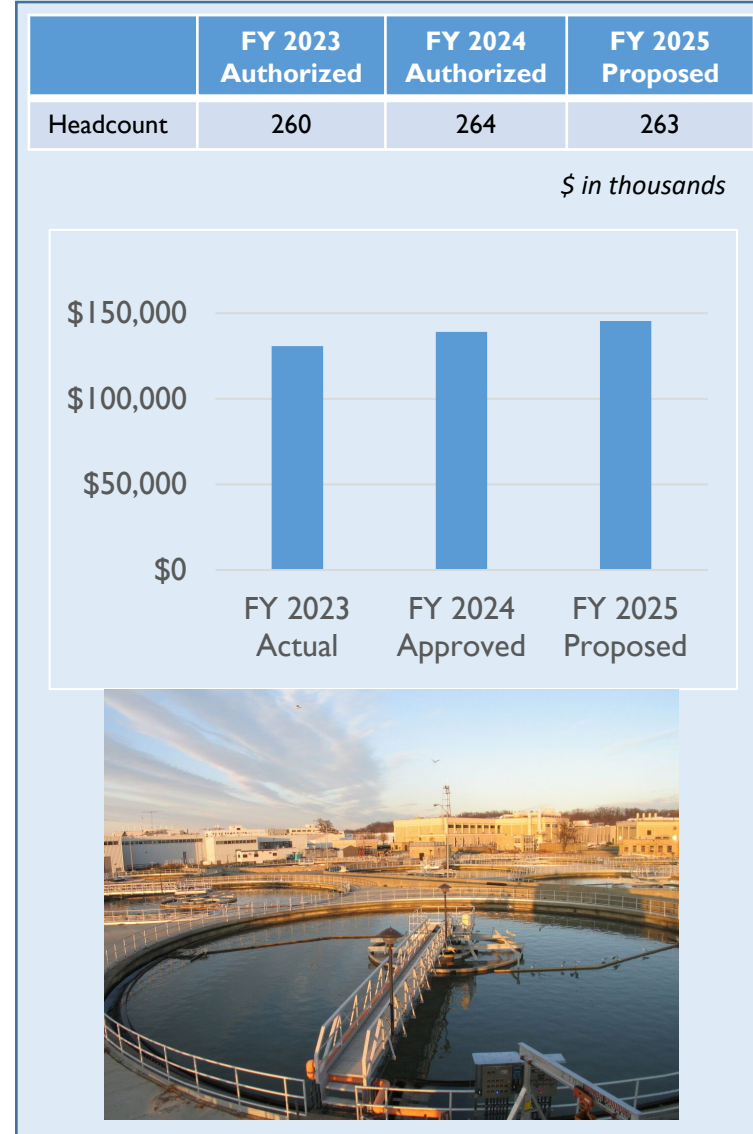
- 💧 This cluster comprises of the Operations, Engineering, Clean Rivers and the Office of the Chief Operating Officer's (OCOO) Departments
- 💧 The Proposed FY 2025 Operating Budget is \$317.4 million, a net increase of \$15.1 million for the entire cluster
- 💧 The budget for the OCOO Department is \$1.7 million
 - Pays salaries and benefits for 4 FTEs
 - Optimize CIP Planning and Reporting
 - Advance K2i platform for Interagency Knowledge Sharing
 - Implementation of Digital Twins, connecting real-world assets with real-world data for better visualization
 - Implementation of a GIS Centric Asset Management platform



- 💧 **Wastewater Treatment** comprises of the Departments of Wastewater Treatment Operations, Maintenance Services, Process Engineering, Clean Water & Technology and Resource Recovery

- 💧 The Proposed FY 2025 Operating Budget is \$145.3 million, a net increase of \$6.2 million
 - The budget allocates funds for salaries, benefits, and overtime for a workforce of 263 full-time employees (FTEs), 8 apprentices, and the career workforce advancement program
 - Earmarks funding for fixed costs such as electricity, chemicals and water usage needed for wastewater treatment processes
 - Allocates funding for the preliminary Per- and Polyfluoroalkyl Substances (PFAS) monitoring program at Blue Plains to meet emerging regulations and new permit requirements

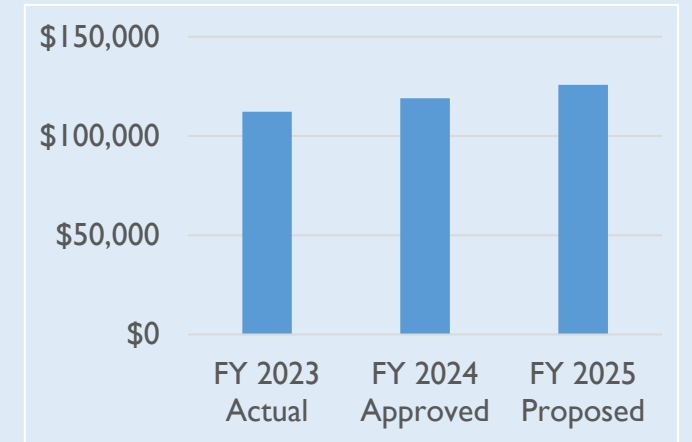
- 💧 **Major Program Highlights and Budget Changes**
 - Reflects significant cost increases for critical spare parts and various professional services including the high-pressure high vacuum, industrial cleaning, biosolids hauling contract, and maintenance of the Combined Heat & Power (CHP) facility
 - Replacement of nutrient analysis equipment which is critical for sampling instrumentation consistent with National Pollutant Discharge Elimination System (NPDES) requirement
 - Implementation of Laboratory Information Management System (LIMS) for the certification of the lab at Blue Plains



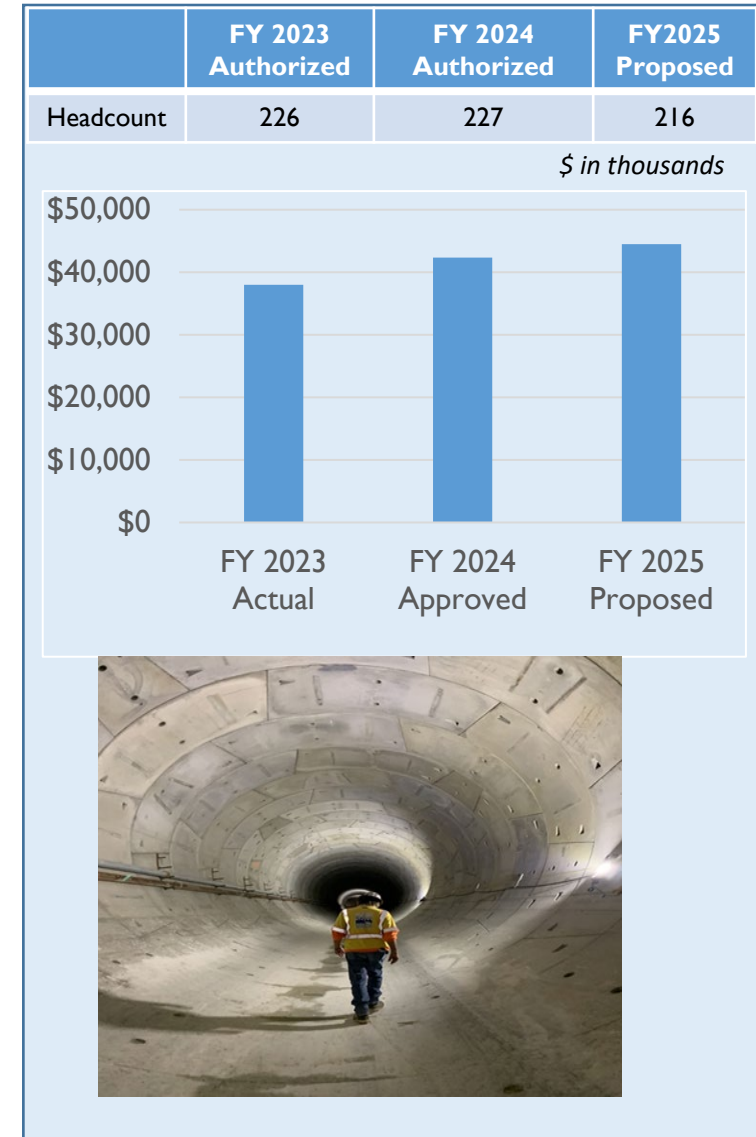
💧 The combined Proposed FY 2025 Operating Budget is \$125.8 million, a net increase of \$6.8 million

- Funds salaries, benefits, and overtime for 397 FTEs for both departments
- Reflects DC Water’s share of the Aqueduct’s operating costs for the purchase of drinking water due to increased costs for personnel, chemical and supplies
- Funds the increased costs for energy, water usage and proportionate share of software maintenance costs for GIS, Maximo, SCADA, and other IT systems
- Pays for increased costs for critical parts and supplies and various professional services to respond to emergencies and perform other critical activities such as hauling and disposal, Fats Rags Oils & Grease (FROG) management, root foaming, odor control and other asset management activities

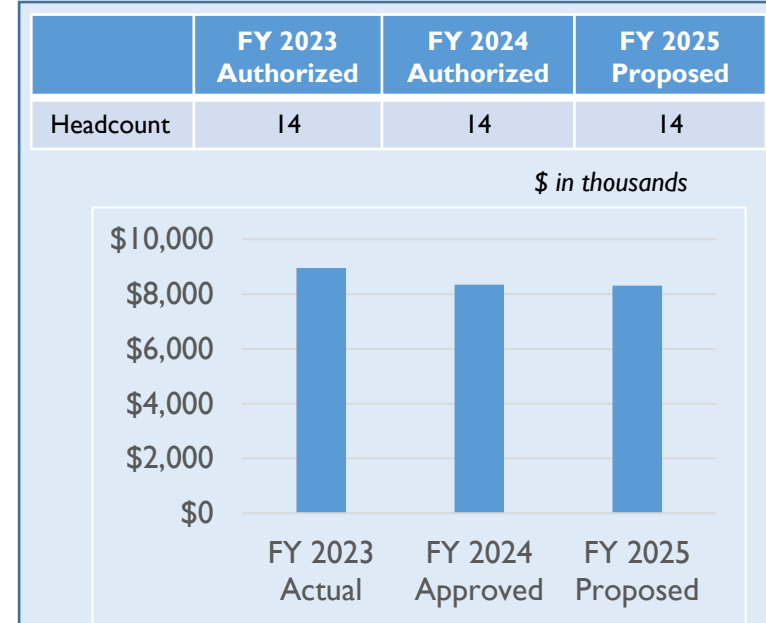
	FY 2023 Authorized	FY 2024 Authorized	FY 2025 Proposed
Headcount	395	397	397



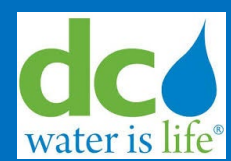
- 💧 This includes Engineering & Technical Services, CIP Infrastructure Management, Wastewater Engineering, Permit Operations and Clean Rivers departments
- 💧 The Proposed FY 2025 Operating Budget is \$44.5 million, a net increase of \$2.1 million
 - Funds salaries, benefits and overtime for 216 FTEs. Total personnel services costs account for 84 % of the total operating budget for these departments
 - Covers proportionate share of software maintenance costs for various systems such as Unifier, Water Gems, AutoCAD, permits etc.
 - Allocates funding for DC Water’s participation in Metropolitan Washington Council of Governments program and the printing and advertisement services for solicitation of engineering contracts
 - Pays for Green Infrastructure Maintenance - Alleys Permeable Pavements (APPs), Planter and curb extension Bioretention, Green Roofs, Parks, Kennedy Streetscape, etc. Additional facilities include Rock Creek B and the Northeast Boundary Tunnel
- 💧 **Major Program Highlights and Budget Changes**
 - Finalize implementation of the Permits Information Management System (PIMS) and development of related Standards of Operating Procedures (SOPs)
 - Reduced headcount reflects vacant positions reallocated to other departments



- Proposed FY 2025 Operating Budget is relatively flat at \$8.3 million
 - Funds salaries and benefits for 14 FTEs
 - Covers Authority-wide fees for environmental, employment labor, construction matters, and general litigation matters
 - Provides funding for litigation contingencies based on current case load
 - Continues support for expanded government affairs coverage



Operating Revenues, Rates and Fees

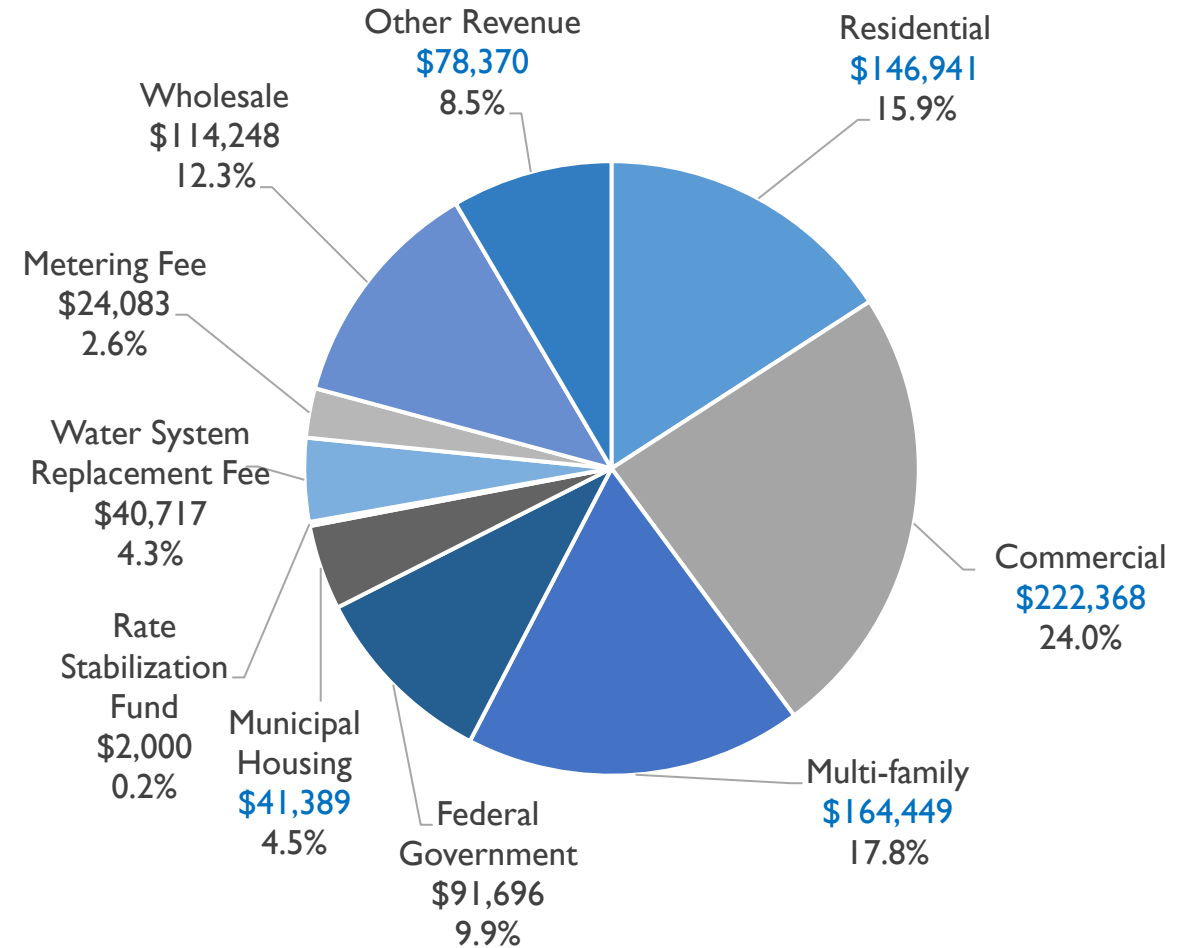
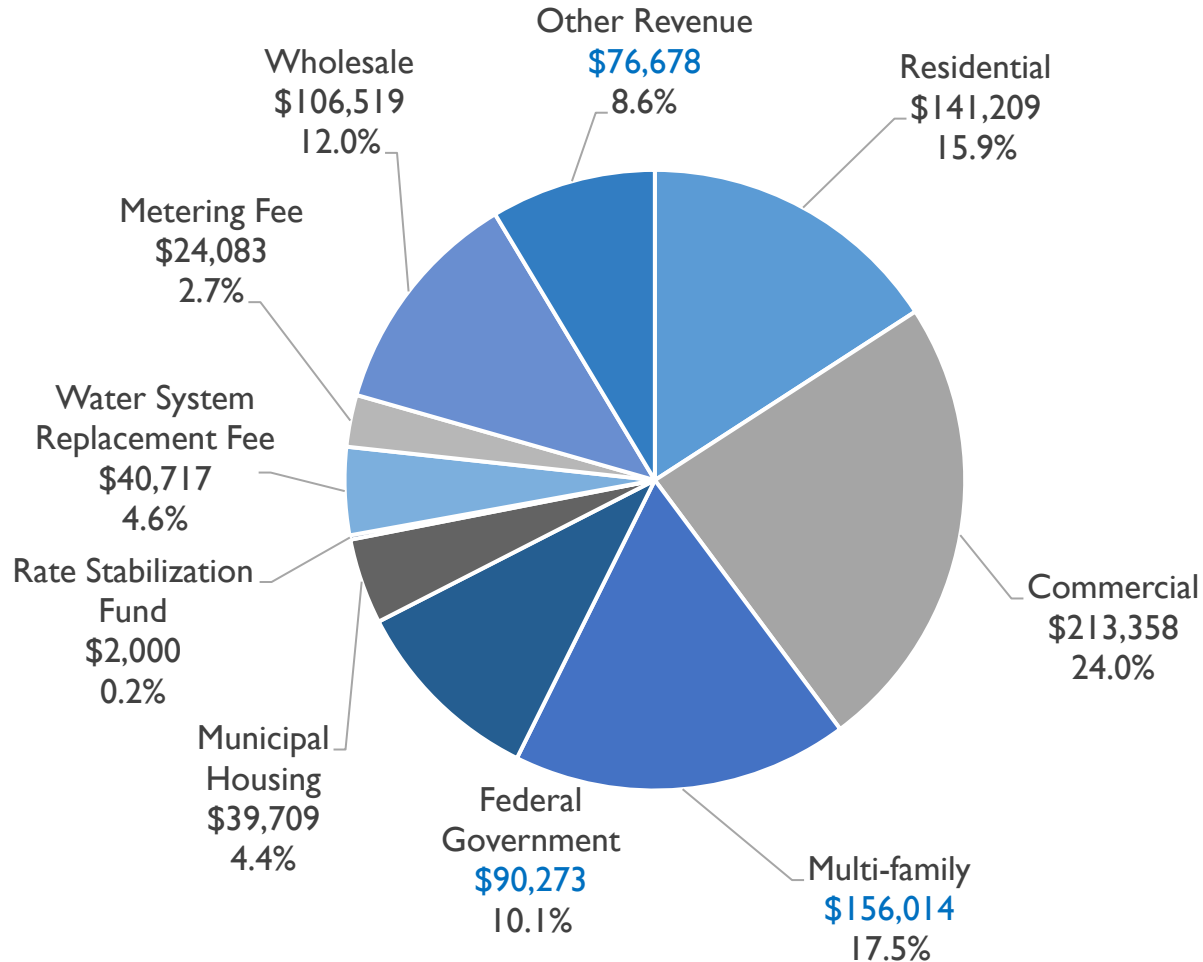


FY 2024 vs. FY 2025 Operating Revenues

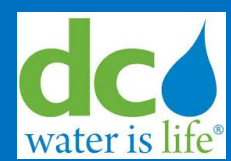
\$ in thousands

Revised FY 2024 \$890.6 million

Proposed FY 2025 \$926.3 million

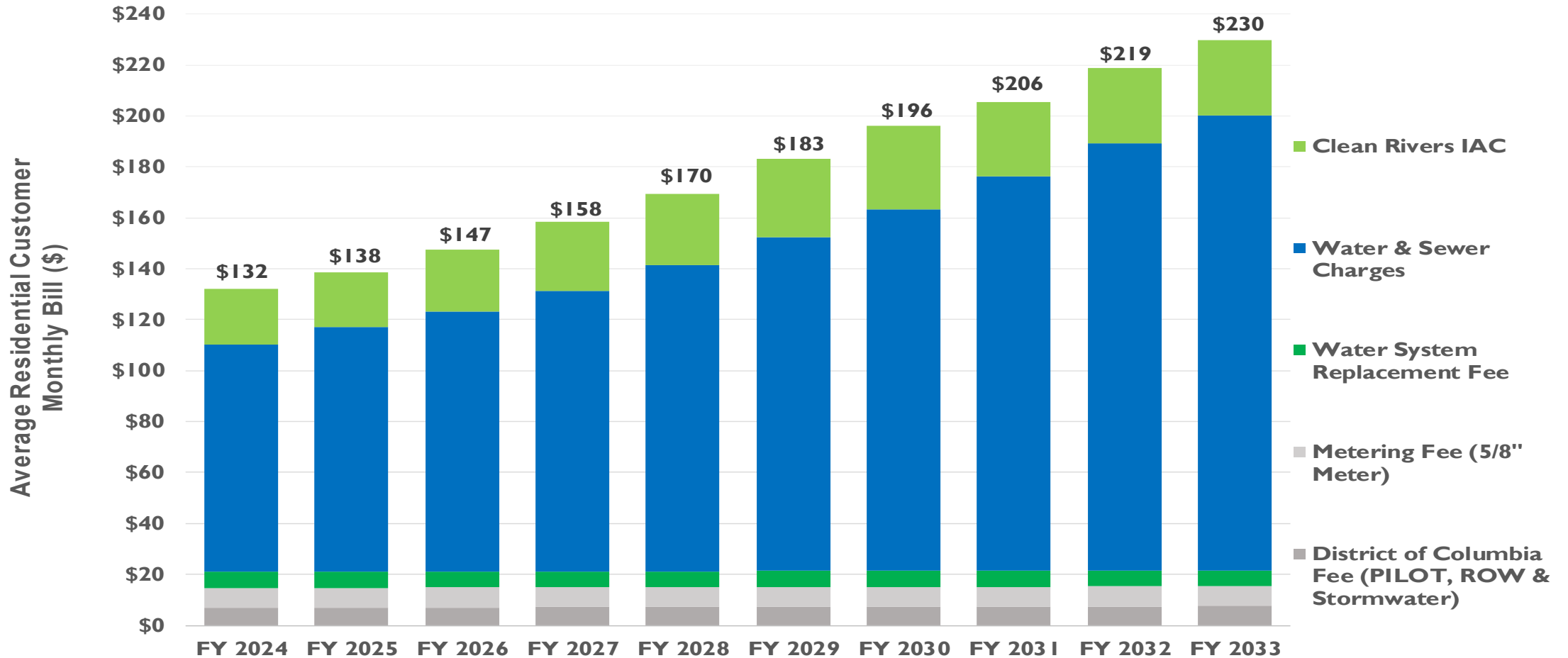


Reflects updated changes based on cost of service study completed

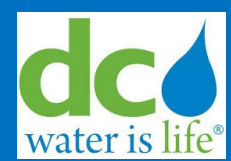


Projected Average Residential Customer Bill

Projected average monthly residential customer bill ranges from \$132 in FY 2024 to \$230 in FY 2033



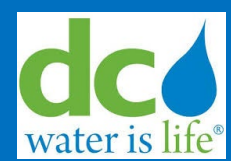
* Assumes average residential consumption of 5.42 Ccf, or 4,054 gallons, per month. Ccf = hundred cubic feet, or 748 gallons



Proposed FY 2025 & FY 2026 Rates, Charges & Fees

	Units	Current FY 2024	Proposed FY 2025	Proposed FY 2026	Incr. /(Decr.) FY 2025		Incr. /(Decr.) FY 2026	
					\$	%	\$	%
DC Water Retail Rates – Water:								
Residential – Lifeline (0- 4 Ccf)	Ccf	\$4.38	\$5.21	\$5.78	\$0.83	18.9%	\$0.57	10.9%
Residential – (> 4 Ccf)	Ccf	5.70	6.81	7.60	1.11	19.5	0.79	11.6
Multi-family	Ccf	5.00	5.82	6.47	0.82	16.4	0.65	11.2
Non-Residential	Ccf	5.89	7.03	7.84	1.14	19.4	0.81	11.5
DC Water Retail Rates – Sewer	Ccf	11.70	12.07	12.52	0.37	3.2	0.45	3.7
DC Water Clean Rivers IAC	ERU	21.86	21.23	24.23	-0.63	-2.9	3.00	14.1
DC Water Customer Metering Fee	5/8”	7.75	7.75	7.75	-	-	-	-
DC Water System Replacement Fee	5/8”	6.30	6.30	6.30	-	-	-	-
District of Columbia PILOT Fee	Ccf	0.61	0.61	0.62	-	-	0.01	1.6
District of Columbia Right of Way Fee	Ccf	0.19	0.19	0.20	-	-	0.01	5.3
District of Columbia Stormwater Fee	ERU	2.67	2.67	2.67	-	-	-	-

*Rate impact in FY2025 is 8.0% and 6.0% in FY2026 and that has bill impact of 4.9% in FY2025 and 6.4% in FY2026. The shift in the balance between water and sewer rates has been determined by the recent cost of service study.



Revenue Comparison by Customer Class

- Total revenue is projected to increase by \$35.7 million or 4.0% for FY 2025 and \$51.2 million or 5.5% for FY 2026 mainly due to rate increase
 - Retail Revenue – Increase by \$26.3 million or 3.7% in FY 2025 and \$43.5 million or 5.9% in FY 2026
 - Wholesale Revenue – Increase by \$7.7 million or 7.3% in FY 2025 and \$6.7 million or 5.8% for FY 2026 due to operations and maintenance expense projection. Revenue estimates are based on most recent flow data

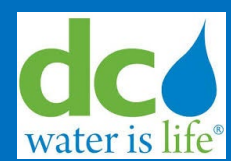
\$ in thousands	Revised FY 2024	Proposed FY 2025	Proposed FY 2026	FY 2025 vs FY 2024		FY 2026 vs FY 2025	
				Incr/(Decr)		Incr/(Decr)	
				\$	%	\$	%
Retail Revenue	\$705,362	\$731,643	\$775,094	\$26,281	3.7%	\$43,451	5.9%
Wholesale Revenue							
Potomac Interceptor (PI)	3,547	3,547	3,547	-	0.0%	-	0.0%
Loudoun County Sanitation Authority (LCSA)	9,539	10,450	11,045	911	9.6%	595	5.7%
Washington Suburban Sanitary Commission (WSSC)	74,959	79,591	84,441	4,632	6.2%	4,850	6.1%
Fairfax County	18,475	20,660	21,872	2,185	11.8%	1,212	5.9%
Total Wholesale Revenue	\$106,520	\$114,248	\$120,905	\$7,728	7.3%	6,657	5.8%
Other Revenue	76,678	78,370	81,456	1,692	2.2%	3,086	3.9%
Rate Stabilization Fund (RSF)	2,000	2,000	-	-	0.0%	(2,000)	-100.0%
Total Revenues	\$890,560	\$926,261	\$977,455	\$35,701	4.0%	\$51,194	5.5%

Reflects updated changes based on cost of service study completed

Financial Plan

Metrics	Indenture Requirement	Board Policy	Management Target	Financial Plan
Days of Cash on Hand (excluding RSF)	60 days	250 Days	—	267 - 267 Days
Combined Coverage Ratio	—	1.6X	—	1.81X – 2.13X
Senior Coverage	1.2X	—	—	5.79X – 8.18X
Subordinate Coverage	1.0X	—	—	2.15X – 2.52X
Debt Service as a % of Revenue	—	—	33% of Revenue or Less	25.2% - 33.0%
Rate Stabilization Fund (RSF)	—	—	—	—

* Board of Directors added to the cash balance at the end of FY2023 to reach 267 Days of Cash



Ten-Year Financial Plan

\$ in thousands

DISTRICT OF COLUMBIA WATER & SEWER AUTHORITY FY 2024 - FY 2033 FINANCIAL PLAN

OPERATING	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
Retail	728,792	755,456	799,250	854,603	911,660	980,556	1,043,786	1,090,013	1,154,059	1,204,514
Wholesale	106,519	114,248	120,905	125,741	130,771	136,001	141,441	147,099	152,983	159,102
Other	53,249	54,557	57,301	62,364	67,922	70,592	69,584	70,092	65,216	64,505
RSF	2,000	2,000	-	-	-	-	-	-	-	-
Operating Receipts ⁽¹⁾	\$ 890,560	\$ 926,261	\$ 977,455	\$ 1,042,708	\$ 1,110,352	\$ 1,187,149	\$ 1,254,812	\$ 1,307,204	\$ 1,372,258	\$ 1,428,121
Operating Expenses	425,383	444,207	464,947	482,959	501,685	521,151	541,388	562,427	584,299	607,038
Debt Service	221,635	249,495	277,000	307,289	340,180	372,492	402,816	425,524	446,587	462,941
Cash Financed Capital Improvement	\$ 58,575	\$ 60,436	\$ 71,932	\$ 76,914	\$ 82,049	\$ 88,250	\$ 93,941	\$ 98,101	\$ 103,865	\$ 108,406
Net Revenues After Debt Service	\$ 184,967	\$ 172,123	\$ 163,576	\$ 175,546	\$ 186,439	\$ 205,256	\$ 216,667	\$ 221,152	\$ 237,507	\$ 249,736
Operating Reserve-Beg Balance	286,889	296,600	309,600	324,600	337,600	351,600	365,600	380,600	395,600	411,600
Other Misc (Disbursements)/Receipts										
Wholesale/Federal True Up	(15,256)	(21,513)	(15,100)	-	-	-	-	-	-	-
Project Billing Refunds	(2,000)	(2,000)	-	-	-	-	-	-	-	-
Transfers to RSF										
Pay-Go Financing	(158,000)	(135,609)	(133,476)	(162,546)	(172,439)	(191,256)	(201,667)	(206,152)	(221,507)	(233,736)
Operating Reserve - Ending Balance	\$ 296,600	\$ 309,600	\$ 324,600	\$ 337,600	\$ 351,600	\$ 365,600	\$ 380,600	\$ 395,600	\$ 411,600	\$ 427,600
Rate Stabilization Fund Balance RSF ⁽²⁾	\$ 33,644	\$ 31,644	\$ 31,644	\$ 31,644	\$ 31,644	\$ 31,644	\$ 31,644	\$ 31,644	\$ 31,644	\$ 31,644
Senior Debt Service Coverage	818%	753%	651%	607%	635%	628%	589%	616%	591%	579%
Combined Debt Service Coverage	213%	193%	188%	190%	186%	186%	183%	181%	182%	183%
Actual/Projected Water/Sewer Rate Increases	3.25%	8.00%	6.00%	8.00%	9.00%	9.00%	8.50%	9.00%	8.50%	6.50%
Operating Receipts \$ Increase/Decrease										
Retail	26,565	26,664	43,794	55,353	57,057	68,896	63,230	46,227	64,047	50,455
Wholesale	1,269	7,729	6,657	4,836	5,030	5,231	5,440	5,658	5,884	6,119
Operating Receipts % Increase/Decrease										
Retail	3.8%	3.7%	5.8%	6.9%	6.7%	7.6%	6.4%	4.4%	5.9%	4.4%
Wholesale	1.2%	7.3%	5.8%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

⁽¹⁾ Includes interest earnings on senior lien revenue bonds' debt service reserve fund

⁽²⁾ FY 2025 planned transfer of \$0.0 million to Rate Stabilization Fund and \$2.0 million utilization will keep the total fund balance at \$31.644 million.

Next Steps



Board Member Questions & Follow-Up



January 12 Wholesale Customer Briefing



January 19 Office of People's Counsel Briefing



January & February Committee Reviews, Recommendations & Actions



March 7 Board Adoption

- Submit budget-related questions to Board Secretary at michelle.rhodd@dcwater.com
- Questions will be distributed to appropriate staff with formal response to the full Board
- Budget materials will be published on the website for customers

	Environmental Quality & Operations	DC Retail Water & Sewer Rates	Finance & Budget
FY 2024 - FY 2033 Capital Budget (<i>Disbursements & Lifetime</i>)	Action Required		Action Required
FY 2025 Operating Expenditure Budget			Action Required
Intent to Reimburse Capital Expenditures with Proceeds of a Borrowing			Action Required
FY 2024 - FY 2033 Financial Plan		Action Required	Action Required
FY 2025 & FY 2026 Revenues, Rates, Charges and Fees		Action Required	

Complete Budget Briefing available online at <https://www.dcwater.com/budget-and-rate-review-documents-0>

Navigation menu: My Accounts, Pay Your Bill, Dispute a Bill, Report a Problem, Find a Job, Get a Permit, Contact Us, View Customer Center

Secondary menu: About DC Water, Projects, Resources, What's Going On, Work with Us, Search the site

Breadcrumbs: Home > About DC Water > Finance > Ratemaking Process

Social media icons: Facebook, Twitter, Instagram, YouTube, LinkedIn

Ratemaking Process

The Board's Strategic Plan and 10-year financial plan provide the framework for the formulation, prioritization, implementation and monitoring of the annual budget process.

The annual budget process typically begins with planning in June and official kickoff in July of each year for the Operating and Capital Budgets. Plans and budgets are prepared at an appropriate level of detail for each management level. Assumptions inherent in the plans and budgets reflect the entity's historical experience, current conditions and Executive Team's directives. Once decisions are finalized for the operating and capital budgets, management develops the financial plan and rate model including various scenarios to ensure a balanced budget for recovery of costs. Further review is undertaken with independent consultants including benchmarking our proposed rates with peers in the industry. DC Water develops two-year rate proposals. The benefits of multi-year rates include greater revenue certainty, increased budget discipline and better alignment between revenues and expenditures.

IN THIS SECTION

- [FY 2024 Approved Budget >](#)
- [FY 2023 Approved Budget >](#)
- [FY 2023 and FY 2024 Approved Rates >](#)
- [Budget and Rate Review Documents >](#)

OTHER LINKS & DOCUMENTS

Online Tools

- [Rate Comparison Tool](#)
- [Impervious Area Calculator](#)

Navigation menu: My Accounts, Pay Your Bill, Dispute a Bill, Report a Problem, Find a Job, Get a Permit, Contact Us, View Customer Center

Secondary menu: About DC Water, Projects, Resources, What's Going On, Work with Us, Search the site

Breadcrumbs: Home > About DC Water > Finance > Ratemaking Process > Budget and Rate Review Documents

Social media icons: Facebook, Twitter, Instagram, YouTube, LinkedIn

Budget and Rate Review Documents

Budget Review Documents

Date	Title
February 28, 2023	D.C. Retail Water and Sewer Rates Committee The Proposed FY 2024 Budget
February 23, 2023	Finance and Budget Committee The Proposed FY 2024 Budget
January 24, 2023	Joint DC Retail Water & Sewer Rates and Finance & Budget Committees The Proposed FY 2024 Budget
January 19, 2023	Environmental Quality and Operations Committee Proposed FY 2023 - FY 2032 Capital Improvement Program
January 5, 2023	Budget Workshop with the Board FY 2024 Proposed Budget

Appendix

New Position Requests

STRATEGIC DIRECTION – ACHIEVE A NET-ZERO INCREASE TO AUTHORIZED HEADCOUNT

- 💧 45 new position requests were submitted for consideration
 - 11 positions were deemed crucial to reduce continued reliance on contractors for day-to-day activities, address succession planning concerns and redistribute the impact of increased workload
 - Equivalent number (11) of existing vacant positions without active recruitment were reallocated/repurposed to areas of need

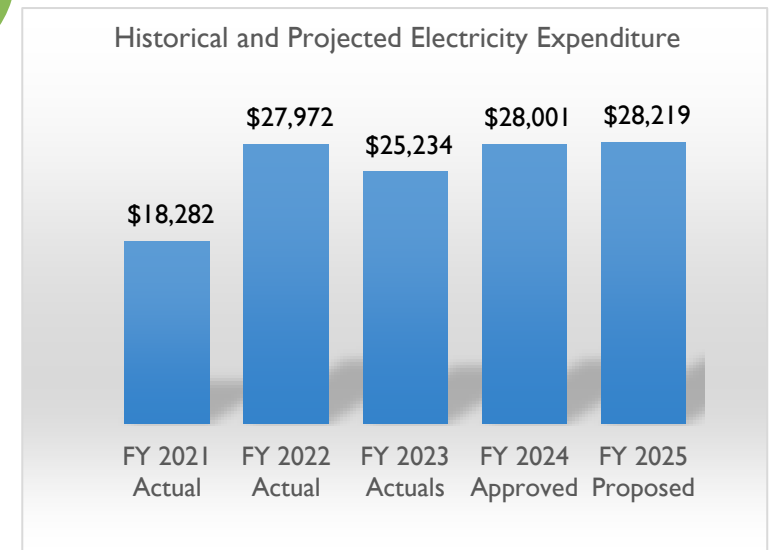
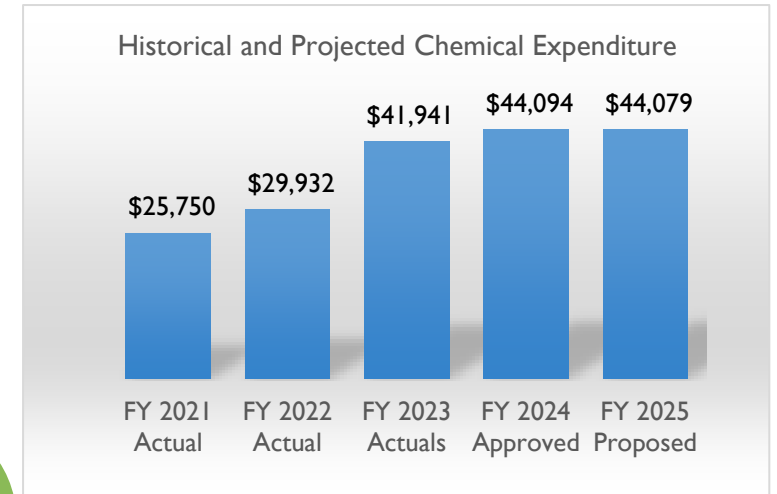
Dept.	Proposed Request	Program/Positions
Security	2	<ul style="list-style-type: none"> • Convert contract funding to support in-house security training and electronic security functions
Procurement	4	<ul style="list-style-type: none"> • Material Management – Succession Planning • Capital Procurement – increased demand for capital project procurement activities
Compliance	4	<ul style="list-style-type: none"> • Succession planning and career advancement for contract compliance • Establish in-house team for the DC Water Works program
Pumping & Sewer Operations	1	<ul style="list-style-type: none"> • Director, Pumping - Succession planning
Subtotal	11	

💧 Changes from the approved FY 2024 Budget are:

- Personnel Services up by \$8.1 million or 4% compared to the FY 2024 budget
- Chemicals and supplies up by \$1 million mainly for critical parts and supplies
- Utilities up \$1.1 million, or 3% over the approved FY 2024 budget
- Contractual Services increase of \$9.2 million or 10% over the approved FY 2024 budget
- Water purchases increase of \$1.3 million, or 3% over the approved FY 2024 budget
- Small equipment is relatively flat compared to the approved FY 2024 budget



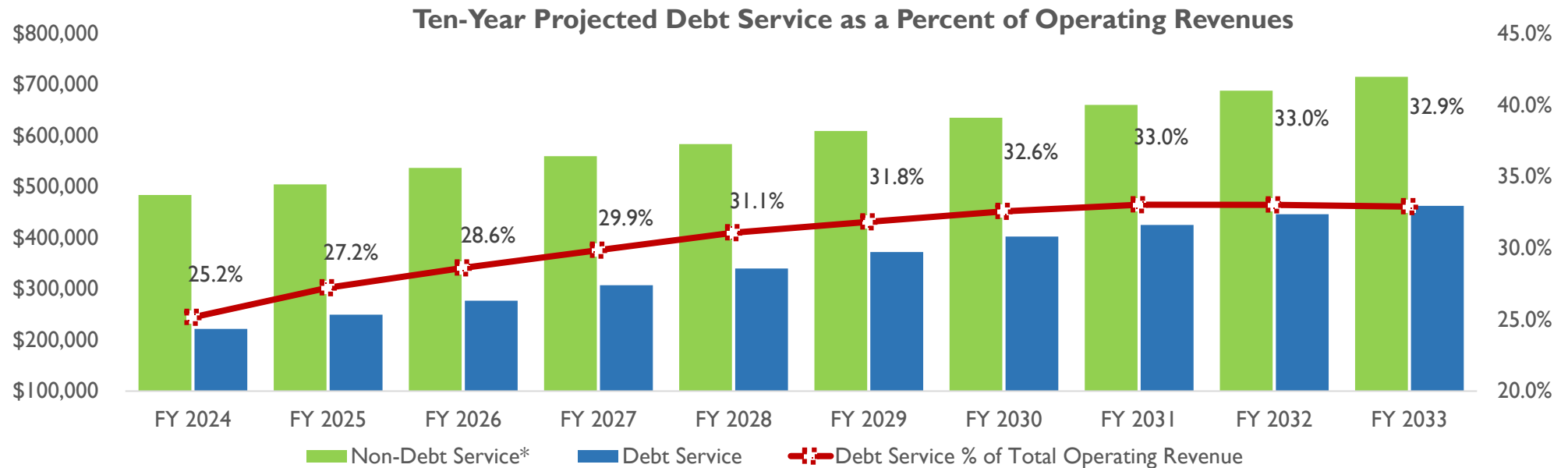
\$ in thousands



💧 Debt service is the largest driver in the operating budget

- Represents 33.1% of the net operating expenditure budget and 27.2% of operating revenue in FY 2025
- Over the next ten years, about \$3.4 billion is anticipated to be borrowed to fund the capital program
- Debt service cost is projected to grow from \$221.6 million in FY 2024 to \$462.8 million by FY 2033 (approximately 109% increase)

\$ in thousands



* Non-Debt Service includes O&M, PILOT, ROW and CFCI estimates

💧 **Personnel Services – \$209.6 million or increase of \$8.0 million**

- *Regular Pay* – The increase of \$6.9 million is mainly for salary adjustments, step increases, merit increases and bonus payments consistent with historical union agreements (expired September 2023)
- *Benefits* – The increase of \$0.5 million is mainly for the increase in employee health benefits based on current forecasts
- *Overtime* – The slight increase of \$0.6 million is due to the increase in salaries with overtime mainly used for emergency repairs of our ageing infrastructure
- *Headcount* – 11 new positions were added by reallocating existing hard to fill vacancies for a net-zero increase to the authorized headcount of 1325
- *Vacancy Rate* – 7% assumed in FY 2024 and FY 2025

💧 **Chemicals & Supplies – \$55.6 million or increase of \$1 million**

- *Chemicals* – Relatively flat compared to the FY 2024 budget
- *Supplies* – \$1 million increase is for parts and supplies needed for the maintenance of DC Water equipment and facilities

💧 **Contractual Services – \$102.3 million or increase of \$9.2 million**

- Funds various professional services including hauling and disposal, biosolids hauling, high pressure high vacuum and industrial cleaning, tree root foaming, security guards, etc.
- Rising cost of insurance premiums
- Reflects cost increases for the maintenance of operational facilities, critical equipment and software systems
- Allocates funding for various strategic and new programs including leak assessment program

💧 **Utilities – \$40.3 million or increase of \$1 million**

- *Electricity* – \$0.2 million increase for energy needed to operate the Plant, Pump Stations and Operational facilities. Onsite electric generation of 7MW from the Combined Heat & Power Facility continues to reduce the rate of growth of electricity costs and DC Water’s reliance on the power grid
- *Water Usage* – Increase of \$0.7 million is due to changes made in the treatment process at the Plant (industrial screen cleaning)
- *Gas & Automotive Fuel* – relatively flat based on current forecasts for fuel prices driven by the energy market
- *Telecommunications* – Increase of \$0.2 million based on spending trends

💧 **Water Purchase – \$45.3 million or an increase of \$1.3 million**

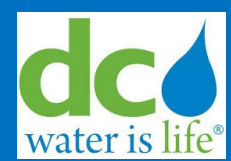
- DC Water purchases drinking water from the Washington Aqueduct and is responsible for approximately 75% of the Aqueduct’s projected operating costs
- This includes funding for DC Water’s share of the McMillan Sewer backwash (\$2.6 million) with offsetting revenue opportunity

💧 **Small Equipment – \$1.4 million relatively flat**

- This is mainly for the purchase of small items such as office equipment, cameras, small appliances and tools, rental of postage machines, etc.

- 💧 **Debt Service** – \$249.5 million or increase of \$27.9 million
 - Planned debt with an increase in principal payments for Series 2014 C and Series 2019 bonds
- 💧 **PILOT & ROW** – \$23.8 million or increase of \$0.4 million consistent with MOUs
 - PILOT – Increase of \$0.4 million for payments to the District
 - ROW – Remains at the FY 2024 level of \$5.1 million for payments to the District
- 💧 **Cash Financed Capital Improvements** – \$60.5 million or increase of \$1.9 million
 - PAYGO funding
- 💧 **Capital Labor Charges** – \$34.1 million or increase of \$2.1 million
 - Funds personnel costs incurred to support the capital program

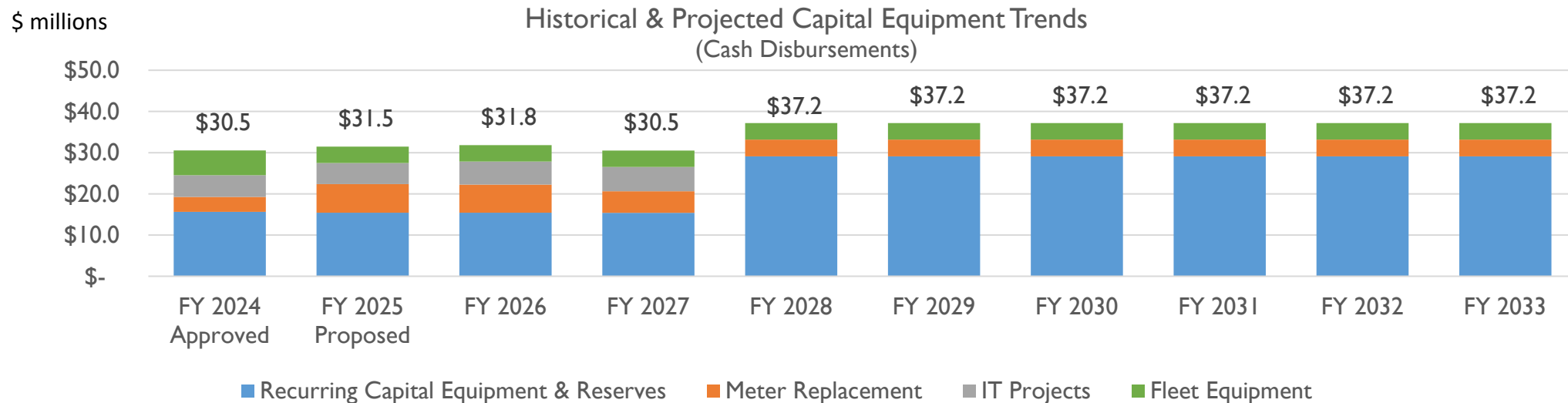
- 💧 Personnel - Overtime during emergencies, increased healthcare cost, lower than anticipated vacancy rate, outcome of compensation assessments and other leave adjustments typically funded by vacancies
- 💧 Union Agreement – Impacts of any changes to the Labor Compensation Agreement with the five unions which expired September 30, 2023
- 💧 Chemicals - Market volatilities, unit prices, rain events, process optimization
- 💧 Utilities - Market volatilities, onsite energy optimization, solar project output & timeline
- 💧 New Facilities - Parts, equipment and maintenance requirement for tunnels, treatment facilities and the new buildings for Fleet Services and Sewer Services that recently became operational
- 💧 Biosolids/BLOOM - Hauling/marketing of 70,000 tons
- 💧 Litigation & Insurance - Impacts of unanticipated legal cases and insurance policy requirements



CIP by Program Area

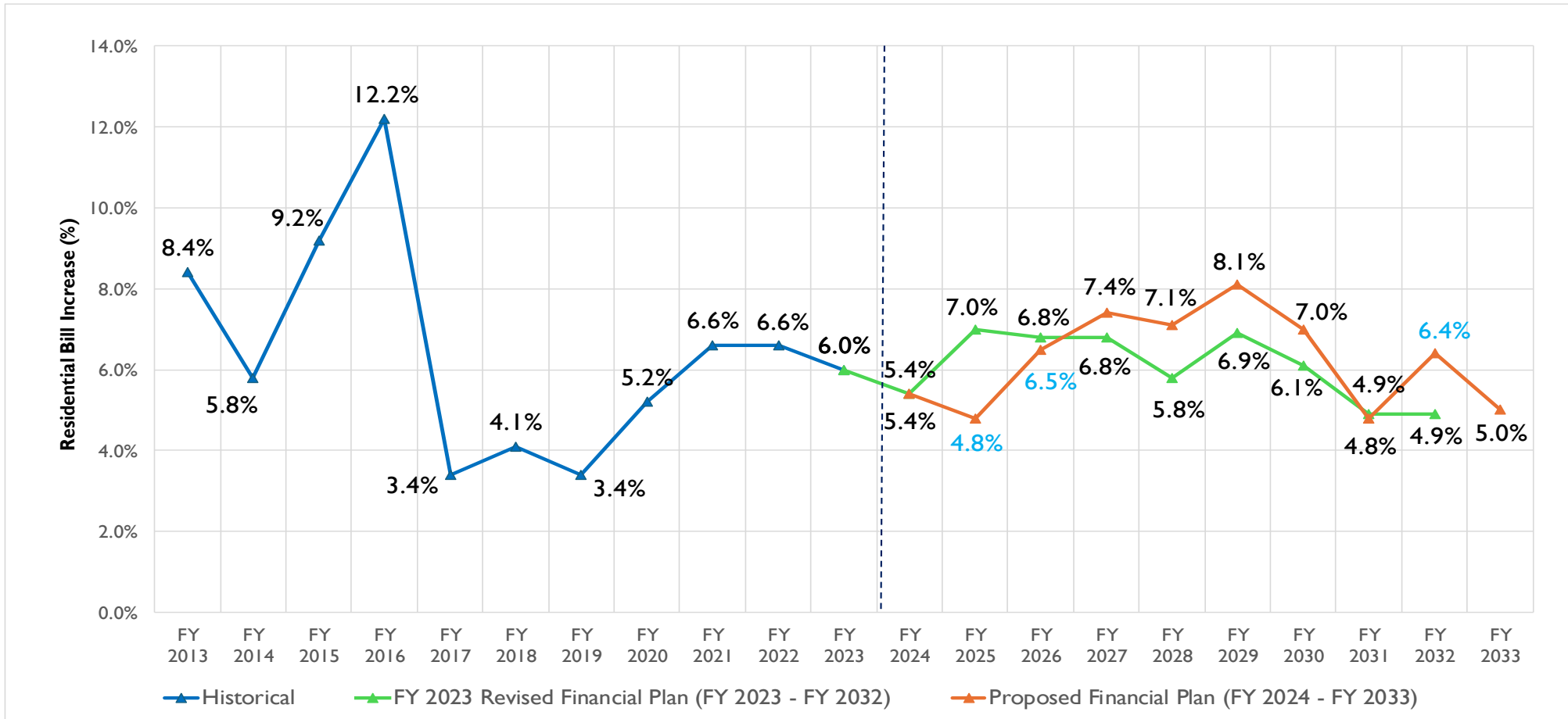
	FY 2024 - FY 2033 Disbursement Plan											Last Years 10-yr	(Increase)/ Decrease	Lifetime Budget
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	10-yr Total			
NON PROCESS FACILITIES														
Facility Land Use	\$13,074,148	\$19,899,722	\$25,189,941	\$27,460,830	\$17,774,560	\$35,413,360	\$23,100,090	\$13,282,590	\$14,977,360	\$7,345,430	\$197,518,032	\$141,245,733	(\$56,272,299)	\$362,044,066
	\$13,074,148	\$19,899,722	\$25,189,941	\$27,460,830	\$17,774,560	\$35,413,360	\$23,100,090	\$13,282,590	\$14,977,360	\$7,345,430	\$197,518,032	\$141,245,733	(\$56,272,299)	\$362,044,066
WASTEWATER TREATMENT														
Liquid Processing	\$31,048,728	\$37,484,373	\$62,214,984	\$82,863,496	\$90,298,000	\$109,684,150	\$99,566,930	\$106,730,770	\$64,331,770	\$59,904,400	\$744,127,601	\$625,265,688	(\$118,861,913)	\$1,383,302,353
Plantwide	\$21,440,084	\$35,956,649	\$43,146,688	\$49,890,832	\$43,836,600	\$45,110,650	\$27,192,330	\$18,601,890	\$3,488,790	\$3,152,650	\$291,817,163	\$301,808,762	\$9,991,599	\$542,511,511
Solids Processing	\$11,166,208	\$28,652,274	\$27,041,176	\$10,790,136	\$29,141,904	\$31,597,830	\$34,274,930	\$38,154,170	\$23,316,940	\$11,608,670	\$245,744,238	\$203,857,210	(\$41,887,028)	\$985,127,586
Enhanced Nitrogen Removal Facilities	\$1,495,382	\$1,198,170	\$1,084,272	\$2,598,760	\$1,324,256	\$8,244,470	\$24,198,440	\$11,320,200	\$449,580	\$0	\$51,913,531	\$49,948,854	(\$1,964,676)	\$437,837,932
	\$65,150,402	\$103,291,467	\$133,487,120	\$146,143,224	\$164,600,760	\$194,637,100	\$185,232,630	\$174,807,030	\$91,587,080	\$74,665,720	\$1,333,602,533	\$1,180,880,515	(\$152,722,018)	\$3,348,779,382
COMBINED SEWER OVERFLOW														
DC Clean Rivers Program	\$118,913,096	\$204,033,452	\$220,390,158	\$212,583,113	\$189,056,663	\$147,147,462	\$77,719,333	\$0	\$0	\$0	\$1,169,843,276	\$962,607,417	(\$207,235,859)	\$3,266,221,697
Combined Sewer Overflow Program	\$4,879,708	\$9,374,524	\$10,932,822	\$4,031,919	\$4,693,032	\$7,652,799	\$14,643,837	\$4,040,802	\$0	\$0	\$60,249,443	\$100,267,378	\$40,017,935	\$164,526,690
	\$123,792,803	\$213,407,976	\$231,322,980	\$216,615,032	\$193,749,695	\$154,800,261	\$92,363,170	\$4,040,802	\$0	\$0	\$1,230,092,719	\$1,062,874,795	(\$167,217,924)	\$3,430,748,387
STORMWATER														
Storm Local Drainage Program	\$491,379	\$3,461,292	\$2,886,366	\$430,646	\$424,035	\$226,443	\$264,562	\$302,681	\$324,394	\$302,681	\$9,114,479	\$10,920,503	\$1,806,024	\$38,639,859
Storm On-Going Program	\$224,568	\$574,996	\$642,534	\$846,220	\$1,083,740	\$1,287,260	\$935,100	\$500,000	\$500,000	\$500,000	\$7,094,418	\$7,566,163	\$471,745	\$11,553,151
Storm Pumping Facilities	\$4,847,323	\$8,068,698	\$2,692,739	\$1,050,183	\$3,024,225	\$1,754,650	\$5,497,260	\$8,490,700	\$5,507,390	\$3,747,260	\$44,680,428	\$46,083,172	\$1,402,744	\$64,226,628
Stormwater Program Management	\$1,287,865	\$851,352	\$337,770	\$0	\$0	\$0	\$0	\$138,240	\$439,760	\$680,880	\$3,735,867	\$3,242,574	(\$493,293)	\$13,678,204
Stormwater Trunk/Force Sewers	\$441,724	\$608,525	\$1,398,672	\$1,477,017	\$0	\$0	\$0	\$0	\$0	\$0	\$3,925,938	\$4,428,226	\$502,288	\$28,976,732
	\$7,292,860	\$13,564,862	\$7,958,081	\$3,804,066	\$4,532,000	\$3,268,353	\$6,696,922	\$9,431,621	\$6,771,544	\$5,230,821	\$68,551,129	\$72,240,638	\$3,689,509	\$157,074,574
SANITARY SEWER														
Sanitary Collection System	\$6,087,171	\$26,323,390	\$36,509,534	\$26,783,380	\$35,728,446	\$108,246,910	\$82,941,630	\$61,528,530	\$113,098,870	\$95,611,860	\$592,859,721	\$491,829,019	(\$101,030,702)	\$774,096,236
Sanitary On-Going Projects	\$13,397,969	\$14,489,438	\$13,643,343	\$13,383,880	\$16,037,200	\$29,818,230	\$26,474,270	\$26,465,890	\$26,963,810	\$26,176,970	\$206,851,000	\$155,609,676	(\$51,241,324)	\$292,096,297
Sanitary Pumping Facilities	\$3,639,346	\$7,259,350	\$9,040,344	\$5,374,521	\$9,016,038	\$18,035,170	\$20,116,590	\$20,951,460	\$32,230,670	\$27,351,080	\$153,014,569	\$201,000,160	\$47,985,591	\$236,064,444
Sanitary Program Management	\$7,495,225	\$3,382,364	\$5,193,600	\$7,889,814	\$10,130,481	\$9,192,210	\$6,269,290	\$748,620	\$0	\$0	\$50,301,604	\$77,312,817	\$27,011,213	\$171,900,257
Interceptor/Trunk Force Sewers	\$49,979,621	\$40,780,436	\$59,467,004	\$65,207,396	\$98,125,320	\$122,523,184	\$113,669,300	\$18,076,130	\$97,018,750	\$87,705,880	\$852,553,020	\$870,364,234	\$17,811,215	\$1,423,347,320
	\$80,599,332	\$92,234,977	\$123,853,825	\$118,638,991	\$169,037,485	\$287,815,704	\$249,471,080	\$227,770,630	\$269,312,100	\$236,845,790	\$1,855,579,913	\$1,796,115,906	(\$59,464,007)	\$2,897,504,554
WATER														
Water Distribution Systems	\$59,596,455	\$99,259,710	\$117,420,426	\$96,830,370	\$106,484,688	\$113,946,380	\$130,215,120	\$133,780,750	\$141,443,600	\$152,827,460	\$1,151,804,959	\$1,033,288,738	(\$118,516,220)	\$2,152,848,712
Lead Free DC Program	\$62,338,564	\$83,332,632	\$93,925,392	\$98,920,812	\$99,443,200	\$101,674,367	\$104,866,870	\$42,753,261	\$22,166,058	\$22,166,058	\$731,587,214	\$611,671,598	(\$119,915,616)	\$1,827,131,910
Water On-Going Projects	\$14,106,682	\$15,339,404	\$15,041,104	\$16,157,640	\$15,132,392	\$20,691,000	\$21,601,000	\$20,878,810	\$22,622,770	\$20,403,590	\$181,974,392	\$194,234,952	\$12,260,560	\$280,813,438
Water Pumping Facilities	\$6,276,940	\$8,130,624	\$8,562,160	\$6,142,860	\$7,451,730	\$5,688,940	\$3,625,010	\$1,785,530	\$0	\$0	\$47,663,793	\$57,295,042	\$9,631,249	\$84,432,273
Water Storage Facilities	\$7,461,655	\$5,812,826	\$7,836,632	\$21,093,345	\$31,911,237	\$26,562,030	\$18,875,870	\$8,037,130	\$33,647,710	\$32,582,080	\$193,820,515	\$59,898,591	(\$133,921,925)	\$306,733,553
Water Service Program Management	\$8,955,788	\$10,618,571	\$9,608,800	\$11,132,559	\$5,833,053	\$28,750	\$0	\$0	\$0	\$0	\$46,177,521	\$55,412,240	\$9,234,719	\$86,144,167
	\$158,736,084	\$222,493,766	\$252,394,514	\$250,277,586	\$266,256,300	\$268,591,467	\$279,183,870	\$207,235,481	\$219,880,138	\$227,979,188	\$2,353,028,393	\$2,011,801,161	-\$341,227,232	\$4,738,104,052
CAPITAL PROJECTS														
METER REPLACEMENT	\$3,598,042	\$6,944,106	\$6,829,280	\$5,233,416	\$4,067,184	\$4,067,184	\$4,067,184	\$4,067,184	\$4,067,184	\$4,067,184	\$47,007,950	\$37,831,067	(\$9,176,883)	\$47,007,950
ERP System (Project Zeus)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$350,000	\$350,000	\$0
CAPITAL EQUIPMENT	\$26,937,000	\$24,532,395	\$25,009,725	\$25,289,725	\$33,102,229	\$33,102,229	\$33,102,229	\$33,102,229	\$33,102,229	\$33,102,229	\$300,382,217	\$309,209,100	\$8,826,883	\$300,382,217
WASHINGTON AQUEDUCT	\$35,546,040	\$35,769,600	\$35,769,600	\$35,769,600	\$35,769,600	\$35,769,600	\$35,769,600	\$35,769,600	\$35,769,600	\$35,769,600	\$357,472,440	\$338,518,000	(\$18,954,440)	\$357,472,440
ADDITIONAL CAPITAL PROJECTS	\$66,081,082	\$67,246,101	\$67,608,605	\$66,292,741	\$72,939,013	\$72,939,013	\$72,939,013	\$72,939,013	\$72,939,013	\$72,939,013	\$704,862,607	\$685,908,167	-\$18,954,440	\$704,862,607
LABOR														
TOTAL CAPITAL BUDGETS	\$514,726,712	\$732,138,870	\$841,815,066	\$829,232,469	\$888,889,813	\$1,017,465,258	\$908,986,776	\$709,507,167	\$675,467,235	\$625,005,962	\$7,743,235,326	\$6,951,066,916	(\$792,168,410)	16,082,284,099
Prior Year Board Approved CIP	\$604,670,700	\$784,063,681	\$838,249,154	\$859,187,756	\$892,646,051	\$841,454,213	\$677,036,073	\$507,646,685	\$444,676,243	\$0	\$6,951,066,916			
Delta (inc)/dec	\$89,943,988	\$51,924,811	(\$3,565,912)	\$29,955,287	\$3,756,238	(\$176,011,045)	(\$231,950,703)	(\$201,860,482)	(\$230,790,992)	(\$625,005,962)	(\$792,168,410)			

- 💧 The Proposed FY 2025 budget is \$31.5 million, a net increase of \$1 million compared to the FY 2024 budget
- 💧 Ten-year disbursements of \$347.4 million for capital equipment includes :
 - **Recurring Capital Equipment and Reserves** – This covers the purchase/replacement of pumps, motors, HVACs, roof, renovations, laptops, computers, servers, fire hydrants and includes the Authority-wide reserves for new facilities and unplanned equipment needs
 - **Information Technology (IT) Projects** – Funds new projects and upgrades to various Authority-wide technology systems
 - **Fleet Equipment** – Earmarks funding to ensure that crews have the required equipment such as backhoes, jet-vacs, small and large dump trucks to meet operational needs

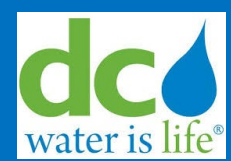


Historical and Projected Combined Rate Increases

- FY 2025 and FY 2026 are proposed rates, which are slightly lower than previously estimated because of increase in projected revenues mainly due to higher consumption forecast
- In FY 2027 and beyond, forecasted rates are slightly higher than previously estimated due to higher costs



Reflects updated changes based on cost of service study completed



Average Residential Customer Monthly Bill

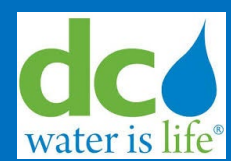
	Units	Current FY 2024	Proposed FY 2025	Proposed FY 2026
DC Water Water and Sewer Retail Rates ⁽¹⁾	Ccf	\$ 89.03	\$ 95.93	\$ 101.77
DC Water Clean Rivers IAC ⁽²⁾	ERU	21.86	21.23	24.23
DC Water Customer Metering Fee	5/8"	7.75	7.75	7.75
DC Water Water System Replacement Fee ⁽⁴⁾	5/8"	6.30	6.30	6.30
Subtotal DC Water Rates & Charges		\$ 124.94	\$ 131.21	\$ 140.05
Increase / Decrease		\$ 6.68	\$ 6.27	\$ 8.84
District of Columbia PILOT Fee ⁽¹⁾	Ccf	\$ 3.31	\$ 3.31	\$ 3.36
District of Columbia Right-of-Way Fee ⁽¹⁾	Ccf	1.03	1.03	1.08
District of Columbia Stormwater Fee ⁽³⁾	ERU	2.67	2.67	2.67
Subtotal District of Columbia Charges		\$ 7.01	\$ 7.01	\$ 7.11
Total Amount Appearing on DC Water Bill		\$ 131.95	\$ 138.22	\$ 147.16
Increase / Decrease Over Prior Year		\$ 6.79	\$ 6.27	\$ 8.94
Percent Increase in Total Bill		5.4%	4.8%	6.5%

(1) Assumes average monthly consumption of 5.42 Ccf, or (4,054 gallons)

(2) Assumes average 1 Equivalent Residential Unit (ERU)

(3) District Department of the Environment stormwater fee of \$2.67 effective November 1, 2010

(4) DC Water "Water System Replacement Fee" of \$6.30 for 5/8" meter size effective October 1, 2015



Average CAP Customer Monthly Bill

	Units	Current FY 2024	Proposed FY 2025	Proposed FY 2026
DC Water Water and Sewer Retail Rates ⁽¹⁾	Ccf	\$ 89.03	\$ 95.93	\$ 101.77
DC Water Clean Rivers IAC ⁽⁵⁾	ERU	21.86	21.23	24.23
DC Water Customer Metering Fee	5/8"	7.75	7.75	7.75
DC Water Water System Replacement Fee ⁽³⁾	5/8"	6.30	6.30	6.30
Subtotal DC Water Rates & Charges		\$ 124.94	\$ 131.21	\$ 140.05
Increase / Decrease		\$ 6.68	\$ 6.27	\$ 8.84
District of Columbia PILOT Fee ⁽²⁾	Ccf	\$ 3.31	\$ 3.31	\$ 3.36
District of Columbia Right-of-Way Fee ⁽²⁾	Ccf	1.03	1.03	1.08
District of Columbia Stormwater Fee ⁽⁴⁾	ERU	2.67	2.67	2.67
Subtotal District of Columbia Charges		\$ 7.01	\$ 7.01	\$ 7.11
Total Amount		\$ 131.95	\$ 138.22	\$ 147.16
Less: CAP Discount (4Ccf per month)		(67.52)	(72.32)	(76.48)
CAP Discount (100% WSRF per month)		(6.30)	(6.30)	(6.30)
CAP Discount (50% CRIAC per month)		(16.40)	(15.92)	(18.17)
Total CAP Discount		(90.22)	(94.54)	(100.95)
Total Amount Appearing on DC Water Bill		\$ 41.73	\$ 43.68	\$ 46.21
Increase / Decrease Over Prior Year		\$ 1.76	\$ 1.95	\$ 2.53
CAP Customer Discount as a Percent of Total Bill		-68.37%	-68.40%	-68.60%

(1) Assumes average monthly consumption of 5.42 Ccf, or (4,054 gallons)

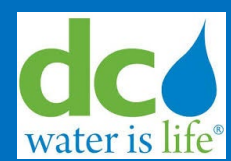
(2) Expansion of CAP program in FY2009 assumes discount to first 4 Ccf of water, sewer, PILOT and ROW fee to first 4 Ccf of PILOT and ROW in FY2020

(3) Assumes 100 percent discount for Water System Replacement Fee (WSRF) to CAP customers effective October 1, 2015

(4) District Department of the Environment stormwater fee of \$2.67 effective November 1, 2010

(5) Assumes 75% discount for the Clean Rivers IAC effective October 1, 2020

Detailed Cluster Budget Trends



Historical & Projected Operating Expenditure

\$ in thousands

Finance, Procurement and Compliance

	FY 2022	FY 2023	FY 2024	FY 2025	
	Actuals	Actuals	Approved	Proposed Budget	vs FY 2024
Regular pay	\$ 12,559	\$ 12,927	\$ 13,508	\$ 16,169	\$ (2,661)
On-Call Time	2	-	-	-	-
Overtime	173	186	132	173	(41)
Toral Fringe Benefits	3,544	3,614	4,161	4,479	(318)
Total Personnel Services	16,279	16,726	17,802	20,822	(3,020)
Total Chemicals	-	-	-	-	-
Total Supplies	85	44	29	43	(13)
Total Chemicals & Supplies	85	44	29	43	-13
Total Contractual Services	9,924	13,902	17,648	19,522	(1,875)
Total Utilities & Rent	92	123	108	101	7
Total Water Purchased	-	-	-	-	0
Total Small Equipment	-	-	3	3	-
Total Non-Personnel Services	10,100	14,070	17,787	19,669	(1,881)
Subtotal O&M (PS+NPS)	\$ 26,379	\$ 30,796	\$ 35,589	\$ 40,490	\$ (4,902)

Historical & Projected Operating Expenditure

\$ in thousands

People and Talent

	FY 2022	FY 2023	FY 2024	FY 2025	
	Actuals	Actuals	Approved	Proposed vs FY 2024 Budget	
Regular pay	\$ 4,119	\$ 4,236	\$ 4,511	\$ 4,286	\$ 225
On-Call Time	-	-	-	-	-
Overtime	6	5	5	-	5
Total Fringe Benefits	1,028	1,011	1,209	1,016	193
Total Personnel Services	5,153	5,252	5,724	5,302	422
Total Chemicals	-	-	-	-	-
Total Supplies	2	2	3	4	(1)
Total Chemicals & Supplies	2	2	3	4	-1
Total Contractual Services	1,348	2,885	4,165	4,354	(190)
Total Utilities & Rent	24	30	27	24	2
Total Water Purchased	-	-	-	-	0
Total Small Equipment	-	-	3	3	-
Total Non-Personnel Services	1,374	2,917	4,197	4,385	(189)
Subtotal O&M (PS+NPS)	\$ 6,527	\$ 8,169	\$ 9,921	\$ 9,687	\$ 234

Historical & Projected Operating Expenditure

\$ in thousands

Administration

	FY 2022	FY 2023	FY 2024	FY 2025	
	Actuals	Actuals	Approved	Proposed vs FY 2024 Budget	
Regular pay	\$ 22,681	\$ 24,757	\$ 28,117	\$ 28,230	\$ (113)
On-Call Time	-	-	37	24	13
Overtime	688	743	792	641	151
Total Fringe Benefits	6,986	7,296	9,080	8,239	841
Total Personnel Services	30,355	32,795	38,025	37,133	892
Total Chemicals	-	-	-	-	-
Total Supplies	1,804	1,313	2,284	1,582	702
Total Chemicals & Supplies	1,804	1,313	2,284	1,582	702
Total Contractual Services	24,755	26,352	26,061	28,752	(2,692)
Total Utilities & Rent	1,916	2,267	2,104	2,264	(160)
Total Water Purchased	-	-	-	-	-
Total Small Equipment	243	238	227	162	64
Total Non-Personnel Services	28,719	30,170	30,676	32,761	(2,085)
Subtotal O&M (PS+NPS)	\$ 59,075	\$ 62,965	\$ 68,701	\$ 69,894	\$ (1,193)

The administration cluster comprises of OCAO, Shared Services, Strategy and Performance, IT, Customer Care departments

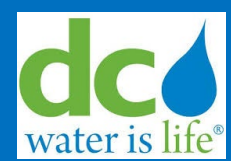
Historical & Projected Operating Expenditure

\$ in thousands

Independent Offices

	FY 2022	FY 2023	FY 2024	FY 2025	
	Actuals	Actuals	Approved	Proposed vs FY 2024 Budget	
Regular pay	\$ 1,806	\$ 1,286	\$ 1,676	\$ 1,523	\$ 153
On-Call Time	-	-	-	-	-
Overtime	-	-	-	-	-
Total Fringe Benefits	406	296	395	325	70
Total Personnel Services	2,212	1,582	2,072	1,848	223
Total Chemicals	-	-	-	-	-
Total Supplies	11	9	16	17	(1)
Total Chemicals & Supplies	11	9	16	17	(1)
Total Contractual Services	1,306	1,936	1,422	1,702	(280)
Total Utilities & Rent	32	35	28	20	9
Total Water Purchased	-	-	-	-	0
Total Small Equipment	-	-	-	-	0
Total Non-Personnel Services	1,348	1,980	1,466	1,739	(272)
Subtotal O&M (PS+NPS)	\$ 3,561	\$ 3,562	\$ 3,538	\$ 3,587	\$ (49)

The independent cluster comprises of the Office of the CEO, and Office of the Board Secretary



Historical & Projected Operating Expenditure

\$ in thousands

Marketing and Communications

	FY 2022	FY 2023	FY 2024	FY 2025	
	Actuals	Actuals	Approved	Proposed vs FY 2024 Budget	
Regular pay	\$ 1,851	\$ 1,922	\$ 2,833	\$ 2,608	\$ 225
On-Call Time	-	-	-	-	-
Overtime	2	2	-	-	-
Total Fringe Benefits	452	474	810	664	146
Total Personnel Services	2,305	2,397	3,643	3,271	371
Total Chemicals	-	-	-	-	-
Total Supplies	8	6	11	8	3
Total Chemicals & Supplies	8	6	11	8	3
Total Contractual Services	861	668	1,109	1,044	65
Total Utilities & Rent	19	32	18	17	2
Total Water Purchased	-	-	-	-	0
Total Small Equipment	16	-	12	9	3
Total Non-Personnel Services	904	705	1,150	1,078	72
Subtotal O&M (PS+NPS)	\$ 3,209	\$ 3,102	\$ 4,793	\$ 4,349	\$ 444

Historical & Projected Operating Expenditure

\$ in thousands

Operations

	FY 2022	FY 2023	FY 2024	FY 2025	
	Actuals	Actuals	Approved	Proposed vs FY 2024 Budget	
Regular pay	\$ 59,272	\$ 61,075	\$ 66,220	\$ 69,988	\$ (3,767)
On-Call Time	713	785	802	788	14
Overtime	7,308	8,049	6,576	7,278	(702)
Total Fringe Benefits	19,975	20,640	22,653	22,530	122
Total Personnel Services	87,268	90,549	96,251	100,584	(4,332)
Total Chemicals	29,932	41,941	44,094	44,079	16
Total Supplies	7,262	9,574	7,951	9,645	(1,694)
Total Chemicals & Supplies	37,194	51,515	52,045	53,723	(1,678)
Total Contractual Services	26,479	29,896	30,248	34,556	(4,308)
Total Utilities & Rent	35,249	34,048	36,122	37,497	(1,375)
Total Water Purchased	33,345	33,609	44,039	45,330	(1,291)
Total Small Equipment	601	986	1,196	1,190	5
Total Non-Personnel Services	132,870	150,054	163,649	172,297	(8,647)
Subtotal O&M (PS+NPS)	\$ 220,138	\$240,603	\$ 259,901	\$ 272,880	\$ (12,980)

The operations cluster comprises of Wastewater (Operations, Maintenance, Process Engineering, Resource Recovery and Clean Water & Technology), OCOO, Water Operations and Pumping & Sewer Operations departments

Historical & Projected Operating Expenditure

\$ in thousands

Engineering & Clean Rivers

	FY 2022 Actuals	FY 2023 Actuals	FY 2024 Approved	FY 2025 Proposed vs FY 2024 Budget	
Regular pay	\$ 20,306	\$ 23,149	\$ 27,123	\$ 27,886	\$ (763)
On-Call Time	-	-	-	-	-
Overtime	1,009	854	1,002	1,008	(7)
Total Fringe Benefits	5,898	6,781	6,892	8,514	(1,622)
Total Personnel Services	27,213	30,784	35,016	37,408	(2,392)
Total Chemicals	-	-	-	-	-
Total Supplies	83	191	177	201	(24)
Total Chemicals & Supplies	83	191	177	201	(24)
Total Contractual Services	5,955	6,202	6,345	6,495	(151)
Total Utilities & Rent	612	796	801	372	429
Total Water Purchased	-	-	-	-	-
Total Small Equipment	1	21	-	-	-
Total Non-Personnel Services	6,650	7,210	7,322	7,068	254
Subtotal O&M (PS+NPS)	\$ 33,863	\$ 37,993	\$ 42,338	\$ 44,476	\$ (2,138)

Historical & Projected Operating Expenditure

\$ in thousands

Government and Legal Affairs

	FY 2022	FY 2023	FY 2024	FY 2025	
	Actuals	Actuals	Approved	Proposed vs FY 2024 Budget	
Regular pay	\$ 1,861	\$ 2,585	\$ 2,375	\$ 2,604	\$ (229)
On-Call Time	-	-	-	-	-
Overtime	1	1	3	3	-
Total Fringe Benefits	582	645	669	658	11
Total Personnel Services	2,444	3,231	3,047	3,264	(217)
Total Chemicals	-	-	-	-	-
Total Supplies	2	1	3	7	(4)
Total Chemicals & Supplies	2	1	3	7	-4
Total Contractual Services	4,500	5,688	5,269	5,017	252
Total Utilities & Rent	23	31	25	24	1
Total Water Purchased	-	-	-	-	0
Total Small Equipment	-	-	-	-	-
Total Non-Personnel Services	4,524	5,720	5,297	5,048	249
Subtotal O&M (PS+NPS)	\$ 6,968	\$ 8,951	\$ 8,345	\$ 8,312	\$ 32