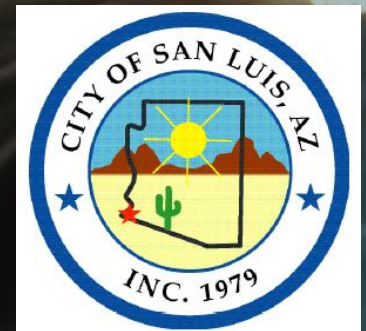


Wastewater Fund — Budget FY2026—FY2030

City of San Luis — LongRange Financial Plan



Wastewater Fund — What to Know



- Purpose: Treat wastewater safely and maintain/expand plant capacity.



- Funding: Includes a Water Infrastructure Finance Authority (WIFA) loan for plant expansion.



- Rates: Scheduled increase in January 2027; rate study in FY2027 with updated targeted for January 2028.



- Policy: Maintain operational reserves equal to six months of operating expenditures.



- Focus: Manage large capital years while protecting reserves and service levels.

The Wastewater Fund Budget FY2026:

1

Total Revenues
= \$27.0M

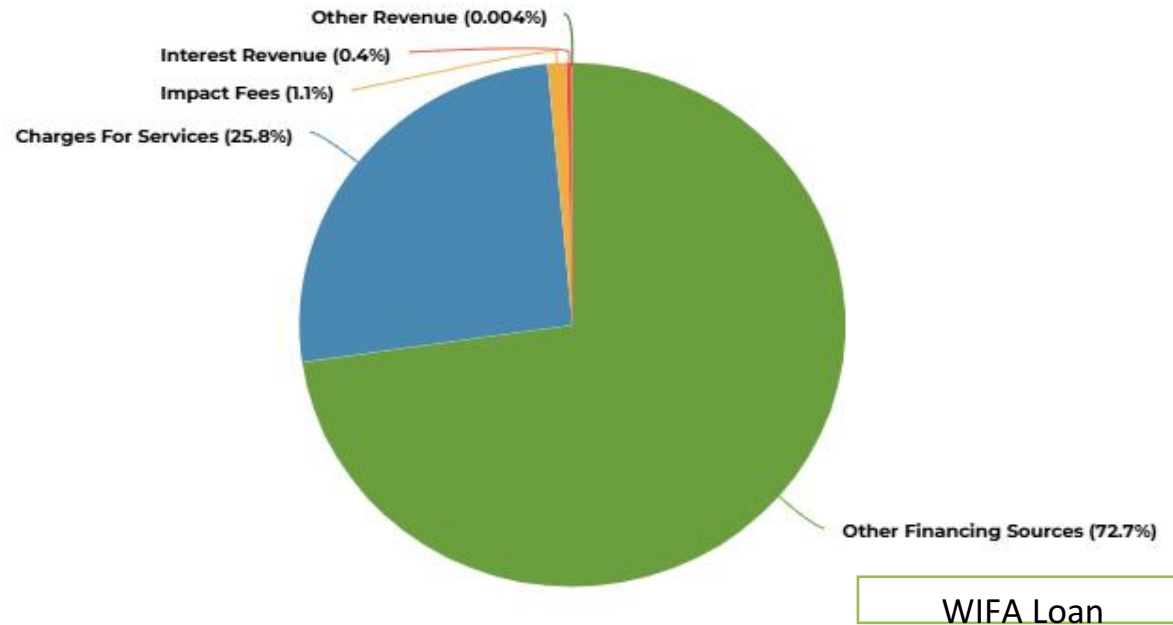
2

Total
Expenditures =
\$26.5M

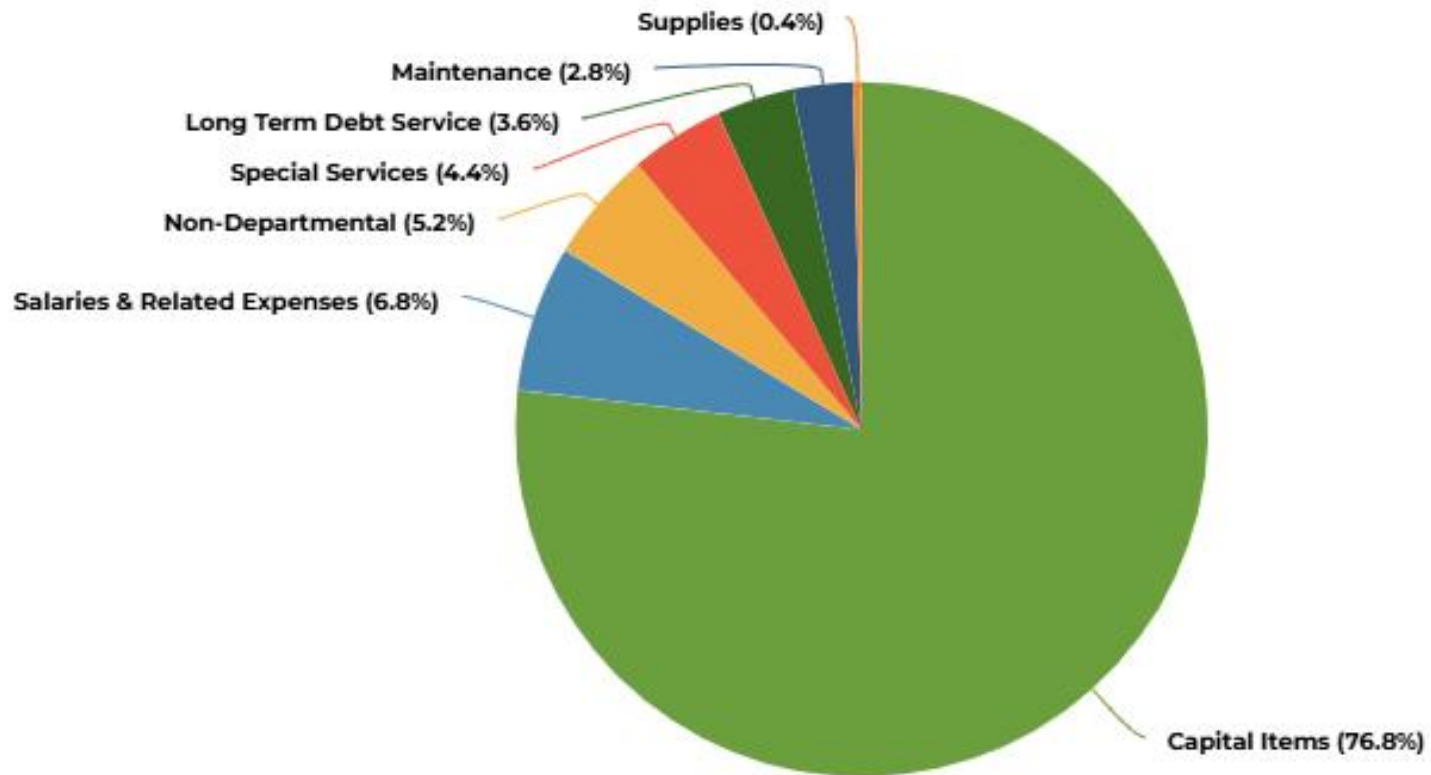
3

Net Results =
\$520,690

FY2026 Revenues - \$27.0M



FY2026 Expenditures - \$25.7M

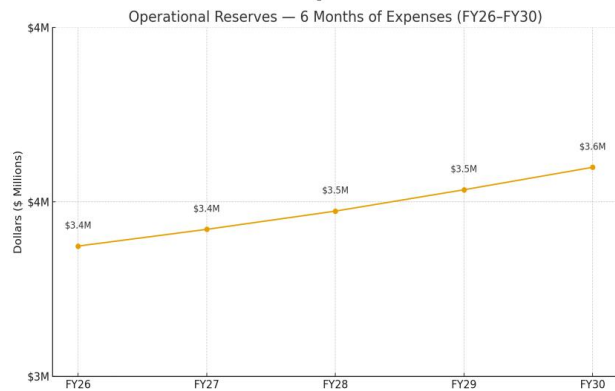


5-Year Projections (FY26- FY30)

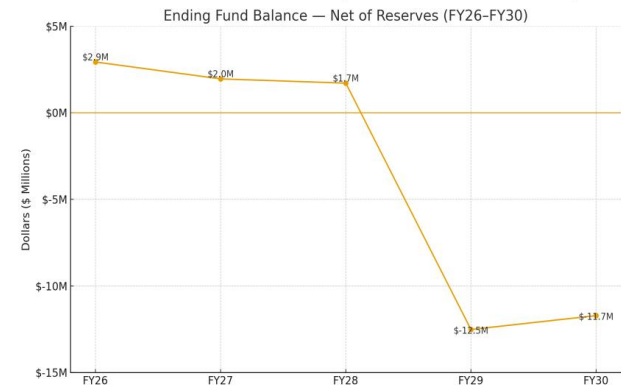
	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Wastewater					
Revenues					
Charges For Services	\$ 7,289,230	\$ 7,507,907	\$ 7,658,065	\$ 7,811,226	\$ 7,967,451
Debt Proceeds	19,700,000	6,540,000	-	-	-
Interest Revenue	95,000	95,000	95,000	95,000	95,000
Other Financing Sources	0	0	0	0	0
Other Revenue	1,000	1,000	1,000	1,000	1,000
Total Revenues	\$ 27,085,230	\$ 14,143,907	\$ 7,754,065	\$ 7,907,226	\$ 8,063,451
		-48%	-45%	2%	2%
Expenditures					
Long Term Debt Service	1,697,960	1,675,210	1,684,230	1,682,760	1,684,590
Maintenance	725,280	739,786	728,571	743,142	758,005
Non-Departmental	1,330,130	1,356,733	1,383,867	1,411,545	1,439,775
Other Financing Sources - Uses	0	0	0	0	0
Salaries & Related Expenses	1,756,840	1,809,545	1,863,832	1,919,747	1,977,339
Special Services	1,137,630	1,160,383	1,183,590	1,207,262	1,231,407
Supplies	98,700	100,674	102,687	104,741	106,836
Total Expenditures	\$ 6,746,540	\$ 6,842,330	\$ 6,946,778	\$ 7,069,196	\$ 7,197,953
		1%	2%	2%	2%
Operating Result	\$ 20,338,690	\$ 7,301,577	\$ 807,287	\$ 838,030	\$ 865,498
Capital Items	\$ 19,818,000	\$ 8,230,000	\$ 1,000,000	\$ 15,000,000	\$ -
Net Result	\$ 520,690	\$ (928,423)	\$ (192,713)	\$ (14,161,970)	\$ 865,498
Beginning Fund Balance	5,781,336	6,302,026	5,373,603	5,180,890	-8,981,080
Ending Balance	6,302,026	5,373,603	5,180,890	-8,981,080	-8,115,581
Operational Reserves	3,373,270	3,421,165	3,473,389	3,534,598	3,598,976
Ending Fund Balance net of reserves	\$ 2,928,756	\$ 1,952,438	\$ 1,707,502	\$ (12,515,678)	\$ (11,714,558)

Operational Reserves (Six Months) and Ending Fund Balance, Net of Reserves

Operational Reserves — Six Months of Expenses



Ending Fund Balance — Net of Reserves (FY26–FY30)




Key Takeaways


- Debt Proceeds fund the plant expansion; operations rely on charge for services.



- Operating results are positive, but large capital years drive cash drawdowns.



- Operational Reserves (six months) are maintained; net of reserves turns negative by FY29-30



- Scheduled January 2027 increase and FY2027 rate study (updates targeted for January 2028) are key to long-term stability.