

2026 Approved Budget



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About the Budget

Current Status

- Water Sales: FY 2025 water sales are projected to increase by 8–10% compared to FY 2024 actuals. This growth is driven by the addition of new customers to the system. Overall, the Authority anticipates a 6% increase in the number of customers served in 2025.
- Sewer Sales: FY 2025 sewer sales are expected to rise by approximately 22% compared to FY 2024 actuals. This increase reflects the growth in customer base. An 11% increase in sewer customers is anticipated in 2025.
- **New Connections**: At the close of 2024, the Authority added 549 new water connections and 351 new sewer connections. By the end of the second quarter of 2025, an additional 272 water and 148 sewer connections were recorded.

Future Outlook

• Rate Study Implementation:

The 2023 Rate Study, completed in 2024, recommended annual increases of 10% to both base and usage fees for water customers starting in 2025 and going through 2030. The study also recommended a 10% annual increase to base rates and 10% to usage fees for sewer customers over the same period.

To mitigate customer impact, the Authority Board implemented 5% of the recommended increase in April 2024. The remaining 5% will take effect in 2025 through the Conservation Rate Schedule. These measures are essential to offset rising repair and maintenance costs, expand the distribution system, and fund a portion of capital improvements identified in the 2023 Authority Water and Sewer Master Plans.

• FY 2026 Budget Overview:

The proposed FY 2026 Annual Budget is \$26,285,108, representing an increase of \$4,055,722 (18.3%) compared to FY 2025. Key drivers include:

Major Changes in FY 2026 Budget

- Debt Service: Increased by \$996,718 (49.8%), primarily due to the addition of note payable obligations for the UOBWA Plant Expansion.
- Operating Expenses (Net): Increased by \$2,248,402 (21.6%), reflecting system growth.
 - Repairs and Maintenance (+\$937,000):
 - Replacement of aging meters per Georgia state guidelines and annual water audit requirements.
 - Expansion of in-house backflow prevention program.
 - Ongoing line breaks, pumping station repairs, and GDOT relocation projects (budgeted at \$500,000).
 - Continued high costs for sewer lift station cleanouts due to nonflushable waste and construction debris.
 - Headworks screens (\$500,000) budgeted for 2026.
 - Emergency contingency maintained at 3% of the operating budget, with a long-term goal of 5%.
 - Other Cost of Sales (+\$535,000):
 - Increased sewer lab services and sludge handling (+\$127,000).
 - Expanded safety program and supplies (+\$50,000).
 - Higher water pumping and pumping station maintenance costs (+\$200,000).
 - Water tank maintenance for Dry Pond Rd. and Hwy. 60 tanks (+\$80,000).
 - **Professional Services** (+\$400,000):
 - Expanded legal services to meet operational needs.
 - Additional auditing and accounting services for GASB compliance.
 - Other Operating Expenses (+\$296,402).
- Salaries and Benefits: Increased by \$733,460 (14%) to support growing staffing needs. Four new positions are proposed:
 - Two engineering employees to facilitate necessary capital improvement projects.
 - One full-time customer service representative (replacing two part-time roles) to better serve our customers.
 - One wastewater employee to cover expanding wastewater needs because of increased flow.
- o **Other Income (Expenses)**: Projected to increase by \$500,000, reflecting conservative estimates of GF1 account interest earnings, with expected rate declines in 2026.
- o Construction-Related Income (Expense): Projected decrease of \$301,140.
 - \$75,000 expected in state grant funding.
 - Increased donated water/sewer assets from development projects.
 - Higher bond issuance expenses from the 2024 Bear Creek Expansion project.

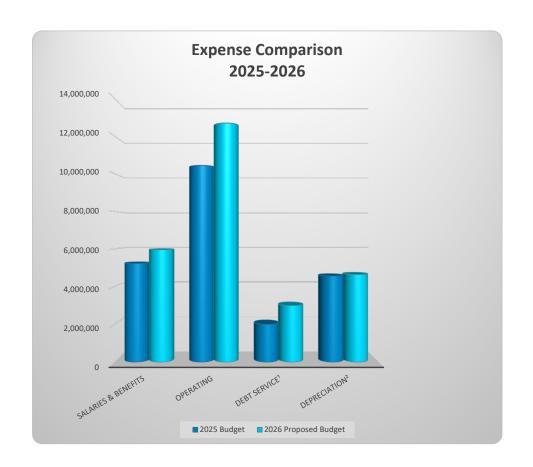
Financial Strategy

- Historically, annual revenues have exceeded both expenses and expectations. Net income is allocated to the Renewal and Extension Fund to address depreciation and system expansion. Going forward, any surplus will be used to reduce debt, complete system repairs, replacements, and capital improvement projects.
- The FY 2026 Approved Budget is fully balanced in compliance with Georgia state law.

2026 BUDGET SUMMARY

Expense Totals

	2025 Budget	2026 Budget	Percent of Total 2026 Budget	Difference 2025-2026	Percent Change
Salaries & Benefits	5,228,019	5,961,479	22.7%	733,460	14.03%
Operating	10,431,650	12,680,052	48.2%	2,248,402	21.55%
Debt Service ¹	2,001,859	2,998,577	11.4%	996,718	49.79%
Depreciation ²	4,567,858	4,645,000	17.7%	77,142	1.69%
TOTAL	22,229,386	26,285,108	100.0%	4,055,722	18.24%



¹ Debt service Includes amortization of bond premium/discount & amortization of deferred refunding The operating budget of an enterprise fund includes only interest expense and amortization of premium/discount.

² Depreciation is a non-cash expense. JCWSA budgets for depreciation with intent to reserve cash for repair, maintenance and replacement of aging assets.

Jackson County Water & Sewerage Authority
Operating Budget

	2025	2026
REVENUES		
WATER SALES-METERED	\$ 10,022,599	\$ 11,402,500
WATER SALES - WHOLESALE	1,451,000	1,350,500
SEWER SALES-METERED	3,400,000	4,292,500
DAMAGE/TAMPERING/THEFT	50,000	65,000
SERVICE FEES (Includes new connection fees)	5,489,787	5,403,608
OTHER REVENUES	15,000	25,000
TOTAL REVENUES	20,428,386	22,539,108
COST OF SALES		
WATER PURCHASES	3,200,000	3,210,000
REPAIRS/MAINTENANCE	2,596,504	3,533,504
OTHER COST OF SALES	1,862,900	2,397,900
TOTAL COST OF SALES	7,659,404	9,141,404
GROSS PROFIT	12,768,982	13,397,704
EXPENSES		
SALARIES & BENEFITS	5,228,019	5,961,479
PROFESSIONAL SERVICES	150,000	550,000
OTHER OPERATING EXPENSES	1,791,246	2,087,648
CONTINGENCY EXPENSES	750,000	750,000
TOTAL EXPENSES	7,919,265	9,349,127
NET INCOME FROM OPERATIONS	4,849,717	4,048,577
OTHER INCOME/EVRENCES)		
OTHER INCOME(EXPENSES) INTEREST INCOME-CASH ACCOUNTS	50,000	550,000
INTEREST INCOME - 2018 BONDS	100,000	100,000
INTEREST INCOME - 2016 BONDS	100,000	100,000
INTERGOVT. REVNON-OPERATING	- -	- -
TOTAL OTHER INCOME(EXPENSE)	150,000	650,000
TOTAL OTTLEN MODIFICENT ENGLY	130,000	030,000
CONSTRUCTION RELATED INCOME(EXPENSE)		
SPLOST PROCEEDS	-	
STATE & FEDERAL GOVERNMENT GRANTS - CAPITAL	-	75,000
DONATED WATER/SEWER SYSTEM	1,650,000	3,000,000
BOND INTEREST & ISSUANCE EXPENSE*	(2,001,859)	(2,998,577)
ASSET DEPRECIATION/AMORTIZATION EXPENSE	(4,200,000)	(4,200,000)
INTANGIBLE ASSET AMORTIZATION	(367,858)	(445,000)
PROJECT COST ABANDONED CAPITAL CONTRIBUTION	(80,000)	(150,000) 20,000
CAFTIAL CONTRIBUTION	-	20,000
TOTAL CONSTRUCTION RELATED	(4,999,717)	(4,698,577)
NET INCOME	\$ -	\$ -
	<u> </u>	

		Previou	sly Approved Budg	et for FY 2025		Additional Funding for Future Five Years							
		Approved Budg for 2025	et Budget Spent @ 9/30/25	Remaining Budget @ 9/30/25	2026	2027	2028	2029	2030	Proposed Additional Funding	Proposed Funding Source	(Includ	tal Capital Budget des Remaining Budget Proposed Amounts)
	SPLOST 6 Hwy 129 Loop	2,400,0	00 1,225,938	1,174,062.25	=	-	-	-	ş	; -	SPLOST Fund	\$	1,174,062
	Water Administration/Operating Facility	14,048,5	91 11,843,253	2,205,338.05	-	-	-	-	Ş		2021 Bond Issue	\$	2,205,338
	Parks Creek Reservoir (construction phase)	5,000,0	- 00	5,000,000.00	5,000,000	-	5,500,000	-	\$	10,500,000	2021 Bond Issue	\$	15,500,000
	Parks Creek Reservoir (ancillary costs)	2,083,7	39 1,593,247	490,492.14	-	-	-	-	\$	-	Renewal & Extension	\$	490,492
	Hightower Water Tank Site Improvements A	200,0	00 7,199	192,801.50	-	-	-	-	\$	-	Renewal & Extension	\$	192,802
cts	Water Resources Devt/Planning	1,861,3	862,750	998,632.66	500,000	500,000	500,000		\$		Renewal & Extension Renewal & Extension/	\$	2,498,633
ġ.	Water System Improvements c	9,364,9	97 -	9,364,997.00	1,560,000	43,798,000	27,266,500	13,340,400	48,854,900 \$	134,819,800	Possible Bond	\$	144,184,797
<u>.</u>	Sample Station Updates	55,0	00 570	54,430.00					\$	-	Renewal & Extension	\$	54,430
Water Projects	UOBWA Plant Expansion 🔸	16,125,0	00 1,330,892	14,794,108.00	16,094,613	16,094,613	17,410,875	17,410,875	- \$	67,010,976	Renewal & Extension	\$	81,805,084
>	Replace JCWSA Servers (IT)	100,0	00	100,000.00	136,000	-	-	=	\$	136,000	Renewal & Extension	\$	236,000
	Vehicles - Water, Finance, & Engineering	300,0	00 222,128	77,872.03	275,000	-	-	-	\$	275,000	Renewal & Extension	\$	352,872
	Construction Equipment	500,0	00	500,000.00	300,000	150,000	-	-	\$	450,000	Renewal & Extension	\$	950,000
	Talmo Pump Generator	200,0	00	200,000.00	=	-	-	-	\$	-	Renewal & Extension	\$	200,000
	Water Total	\$ 52,238,7	.0 \$ 17,085,976	\$ 35,152,734	\$ 23,865,613 \$	60,542,613	\$ 50,677,375	30,751,275	\$ 48,854,900	214,691,776	 =	\$	249,844,510
	Doster Creek Sewer Upgrades										2021 Bond Issue	Ś	
	Sewer Planning/Modeling	3,384,4			-	-	-	-	\$	•	Renewal & Extension	\$	3,087,394
	Regional WWTP & Interceptor Line (Eng.RW/Legal phase) 8	280,0			-	-	-	-	\$, -	Renewal & Extension	*	23,433
		462,2			-	-	-	-	\$		Renewal & Extension	\$	405,516
	Middle Oconee LS Flygt Pump 2 Wastewater Operations Admin Building/Turn Lane	70,0		70,000.00	-	-	-	-	ş		Renewal & Extension	\$	70,000 326,940
cts	Gravity Mains	425,0			4 000 000	4 000 000	4 000 000	4 474 000			Renewal & Extension	\$	
oje	Doster Creek Sewer Upgrades	1,425,0		1,425,000.00	1,000,000	1,000,000	1,000,000	4,471,800	17,863,950 \$. 25,335,750	Renewal & Extension	\$	26,760,750
Wastewater Projects	Floating aerator	2,000,0		2,000,000.00 60,000.00	-	-	-	-	\$		Renewal & Extension	\$	2,000,000 60,000
vate	Wastewater Department Vehicles	60,0	50	60,000.00		-	-	-	3		Renewal & Extension	ş Ś	
ste	Middle Oconee WWTP 2.6	-		-	100,000	30,888,000	30,888,000	-	\$		2026 Bond Issue	\$	100,000 68,640,000
×	Middle Oconee Lift Station Expansion	-	-	-	6,864,000	8,063,350	9,155,350	-	÷ \$		2026 Bond Issue	\$	17,218,700
	Convert Pumps at Dry Pond LS with VFDs	-	-	-	-	0,003,330	3,133,330	-	585,000 \$		Renewal & Extension	ş Ś	585,000
	Traditions 1 Flyght Pump	-	-	-	170,000				\$85,000 \$			\$	170,000
	Wastewater Total	\$ 8,106,70	3 \$ 708,419	\$ 7,398,284	\$ 8,134,000 \$	39,951,350	\$ 41,043,350 \$	4,471,800	\$ 18,448,950	112,049,450	_	\$	119,447,734

Clarifications* & Items for the Boards Approval:

- ⚠ The 'Arcade Water Tank' which was approved on the 2024 Budget will be renamed to 'Hightower Water Tank Site Improvements' going forward.
- c The 'Hightower Water Tank and Line' project has been grouped with 'Water System Imrovements', previously known as 'Water Transmission Lines'.
- UOBWA Plant Expansion The amounts shown in the 5-year Capital Plan indicate the project costs that are expected to be paid in the associated years and represents JCWSA's 46.429% of the full project costs. The cash outlay for the bond debt will be paid as a contract payable according to the amortization schedule for the bond issue at approximately \$1.3M for 2025, \$2.26M for 2026 and \$2.26M for 2027. The remaining years of debt service is estimated at \$3.03M per year through 2055.
- The 'Mulberry Regional WWTP (Eng.RW/Legal)' going forward. The previously approved budget for 2025 has now been reallocated to the Wastewater Operations Admin Building/Turn Lane

 project.
- The 'Gravity Main' project has been renames as 'Sewer System Improvements' for further clarity.

Summary:	Арр	oroved Budget	Е	Budget Spent	Re	maining Budget	2026	2027	2028	2029	2030	Proposed Additional Funding	Re	Capital Budget (Includes maining Budget and Proposed Amounts)
Total per Year	\$	60,345,413	\$	17,794,396	\$	42,551,017	\$ 31,999,613	\$ 100,493,963	\$ 91,720,725	\$ 35,223,075	\$ 67,303,850	\$ 326,741,226	\$	369,292,243
						Funding Required by R&M	18,405,613.00	17,744,613.00	18,910,875.00	21,882,675.00	18,448,950.00	95,392,726.00	ı	Possible 2026 Bond 170,263,600.00
						Less Possible Bond		(43,798,000)			=	(43,798,000.00) 51,594,726.00		

RECONCILIATION OF CAPITAL IMPROVEMENT PLAN AND FUNDING SOURCE(S) 2026

Net Income	\$ -
Cash - Approved Ongoing - Renewal & Extension Fund	-
Cash - Renewal & Extension Fund (reserved for 2026 Capital Outlay)	18,300,613
Cash - SPLOST Fund (reserved for 2026 Capital Outlay)	1,174,088
Total cash and cash equivalents	19,474,701

Reconciliation of Cash Needs for Approved Ongoing Projects & New Requests

Renewal and Extension Fund

Projected Cash Available - Renewal and Extension Fund @ YE	34,524,788
Ongoing Projects Remaining	-
Debt payments for 2026	(2,335,677)
2026 Capital Requests	(18,300,613)
Transfers to Renewal & Extension Fund - Budgeted 2025	4,954,108
Projected Cash available at 2026 YE	18,842,606
,	

SPLOST Fund

Projected Cash Available - 2016 SPLOST Fund @ YE	916,291
SPLOST Approved Ongoing Projects	(1,174,088)
SPLOST Proceeds - Budgeted 2026	
Projected SPLOST available for completion of projects	(257,797)
(to be paid from JCWSA Operating or R&E funds)	

Note: Remaining cash available for future use assumes all projects listed will be complete by the end of 2026. Transfers for 2026 are budgeted using a conservative approach



2026 WATER/SEWER RATE SCHEDULE Approved 11/13/2025 Effective 1/1/2026

JCWSA CONSERVATION RATES

RESIDENTIAL CUSTOMERS	BASE	ALLOWANCE	TIER 1 0- 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
5/8" or 3/4" Metered Connection	\$15.74	0	\$8.92	\$13.55	\$17.80
1" Metered Connection	\$19.95	0	\$8.92	\$13.55	\$17.80
1.5" Metered Connection	\$31.19	0	\$8.92	\$13.55	\$17.80
2" Metered Connection	\$48.03	0	\$8.92	\$13.55	\$17.80

			TIER 1	TIER 2	TIER 3
COMMERCIAL CUSTOMERS	BASE	ALLOWANCE	0 - 14,600	14,601 - 60,000	OVER 60,000
5/8" or 3/4" Metered Connection	\$15.74	0	\$10.67	\$16.25	\$21.37
			TIER 1	TIER 2	TIER 3
	BASE	ALLOWANCE	0 - 14,000	14,001 - 50,000	OVER 50,000
1" Metered Connection	\$19.95	0	\$10.67	\$16.25	\$21.37
			TIER 1	TIER 2	TIER 3
	BASE	ALLOWANCE	0 - 31,000	31,001 - 82,000	OVER 82,000
1.5" Metered Connection	\$31.19	0	\$10.67	\$16.25	\$21.37
			TIER 1	TIER 2	TIER 3
	BASE	ALLOWANCE	0 - 35,000	35,001 - 291, 000	OVER 291,000
2" Metered Connection	\$48.03	0	\$10.67	\$16.25	\$21.37
			TIER 1	TIER 2	TIER 3
	BASE	ALLOWANCE	0 - 100,000	100,001 - 500,000	OVER 500,000
3" Metered Connection	\$283.93	0	\$10.67	\$16.25	\$21.37
4" Metered Connection	\$393.46	0	\$10.67	\$16.25	\$21.37
6" Metered Connection	\$679.91	0	\$10.67	\$16.25	\$21.37
8" Metered Connection	\$869.24	0	\$10.67	\$16.25	\$21.37
10" Metered Connection	\$1,059.06	0	\$10.67	\$16.25	\$21.37
12" Metered Connection	\$1,307.79	0	\$10.67	\$16.25	\$21.37

INDUSTRIAL CUSTOMERS	BASE	ALLOWANCE	TIER 1
3/4" Metered Connection (low flow meters)	\$15.74	0	\$15.18
1" Metered Connection (low flow meters)	\$19.95	0	\$15.18
1.5" Metered Connection (low flow meters)	\$31.19	0	\$15.18
2" Metered Connection	\$48.03	0	\$15.18
3" Metered Connection	\$283.93	0	\$15.18
4" Metered Connection	\$393.46	0	\$15.18
6" Metered Connection	\$679.91	0	\$15.18
8" Metered Connection	\$869.24	0	\$15.18
10" Metered Connection	\$1,059.06	0	\$15.18
12" Metered Connection	\$1,307.79	0	\$15.18

2026 WATER/SEWER RATE SCHEDULE (continued) Approved 11/13/2025 Effective 1/1/2026

			TIER 1	TIER 2	TIER 3
FIRE LINE CUSTOMERS	BASE	ALLOWANCE	0 - 31,000	31,001 - 82,000	OVER 82,000
3" Fire line Connection	\$283.93	0	\$10.67	\$16.25	\$21.37
4" Fire line Connection	\$393.46	0	\$10.67	\$16.25	\$21.37
6" Fire line Connection	\$679.91	0	\$10.67	\$16.25	\$21.37
8" Fire line Connection	\$869.24	0	\$10.67	\$16.25	\$21.37
10" Fire line Connection	\$1,059.06	0	\$10.67	\$16.25	\$21.37
12" Fire line Connection	\$1,307.79	0	\$10.67	\$16.25	\$21.37

HYDRANT METER RENTALS	BASE	ALLOWANCE	TIER 1
Small Hydrant Meter (3/4')	\$181.91	1,500	\$17.80
Large Hydrant Meter (1.5" or larger)	\$181.91	1,500	\$17.80

IRRIGATION CUSTOMERS	BASE	ALLOWANCE	TIER 1
3/4" Metered Connections	\$15.74	0	\$17.80
1" Metered Connections	\$19.95	0	\$17.80
1.5" Metered Connections	\$31.19	0	\$17.80
2" Metered Connections	\$48.03	0	\$17.80
3" Metered Connections	\$283.93	0	\$17.80

			TIER 1
SEWER CUSTOMERS	BASE	ALLOWANCE	OVER 1,500
			TIER 1
SEWER CUSTOMERS	BASE	ALLOWANCE	OVER 1,500
All classes of sewer customers	\$30.96	1,500	\$12.56

SENIOR CUSTOMERS (60 YEARS & BETTER)

			TIER 1	TIER 2	TIER 3
WATER RATES	BASE	ALLOWANCE	0- 5,700	5,701 - 7,500	OVER 7,500
All Residential Customers Only (No irrigation meters)	\$8.53	0	\$8.92	\$13.55	\$17.80

SEWER RATES	BASE	ALLOWANCE	TIER 1
All Residential Customers Only	\$18.19	1,500	\$12.56



Effective April 11, 2024 Water Connection Fees

Meter Size	Connection Fee
3/4"	\$9,500
1"	\$23,750
1.5"	\$47,500
2"	\$76,000
3"	\$152,000
4"	\$237,500
6"	\$475,000
8"	\$760,000
10"	\$1,995,000
12"	\$2,517,500

Fire Line Connection Fees

Meter Size	Connection Fee
2"	\$6,000
3"	\$7,500
4"	\$11,250
6"	\$15,000
8"	\$18,750
10"	\$37,500
12"	\$52,300

Sewer Connection Fees (per ERU)

Connection Fee
\$10,000

