



**Jackson
Water
Authority**

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.
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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 non-flushable 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.
- **Other Income (Expenses):** Projected to increase by \$500,000, reflecting conservative estimates of GF1 account interest earnings, with expected rate declines in 2026.
- **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.

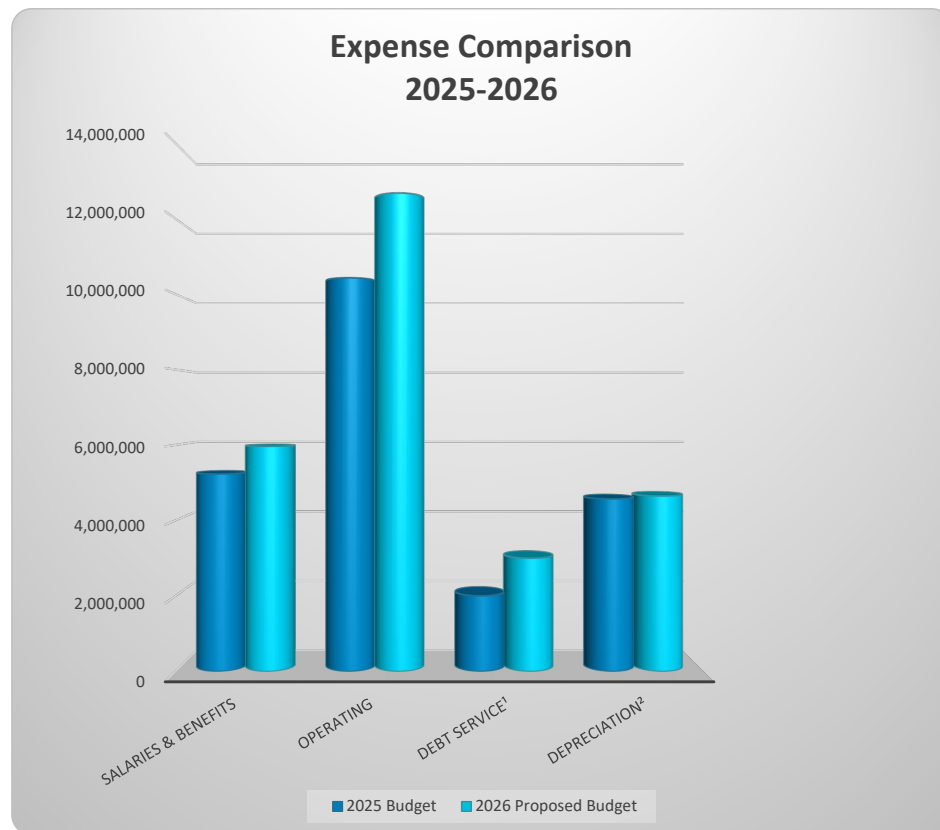
Financial Strategy

- 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	<u>20,428,386</u>	<u>22,539,108</u>
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	<u>7,659,404</u>	<u>9,141,404</u>
GROSS PROFIT	<u>12,768,982</u>	<u>13,397,704</u>
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	<u>7,919,265</u>	<u>9,349,127</u>
NET INCOME FROM OPERATIONS	<u>4,849,717</u>	<u>4,048,577</u>
OTHER INCOME(EXPENSES)		
INTEREST INCOME-CASH ACCOUNTS	50,000	550,000
INTEREST INCOME - 2018 BONDS	100,000	100,000
INTEREST INCOME - UOBWA BONDS	-	-
INTERGOVT. REV.-NON-OPERATING	-	-
TOTAL OTHER INCOME(EXPENSE)	<u>150,000</u>	<u>650,000</u>
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	(80,000)	(150,000)
CAPITAL CONTRIBUTION	-	20,000
TOTAL CONSTRUCTION RELATED	<u>(4,999,717)</u>	<u>(4,698,577)</u>
NET INCOME	<u>\$ -</u>	<u>\$ -</u>

**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)	<u>1,174,088</u>
Total cash and cash equivalents	<u>19,474,701</u>

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	<u>4,954,108</u>
Projected Cash available at 2026 YE	<u>18,842,606</u>

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	<u>(257,797)</u>
(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

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

FIRE LINE CUSTOMERS	BASE	ALLOWANCE	TIER 1 0 - 31,000	TIER 2 31,001 - 82,000	TIER 3 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

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

SENIOR CUSTOMERS (60 YEARS & BETTER)

WATER RATES	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 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



**Jackson
Water
Authority**

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

