

# FY 2027 Budget and Capital Improvement Plan

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# FY 2027 Budget Assumptions

## Macro-Financial Drivers



**2.2%**  
Inflation on O&M



**5.0%**  
Interest Rates for  
Long-Term Debt

## Workforce Investments



**17**  
New Operational  
FTEs in FY27



**5.0%**  
Average Merit  
Increase  
(Personnel Budget)

## Aging Infrastructure



**2.5%**  
of Plant in Service  
Target

### Mission

Strengthening our community by providing resilient essential services



### Vision

Be a trusted community partner dedicated to excellence in service

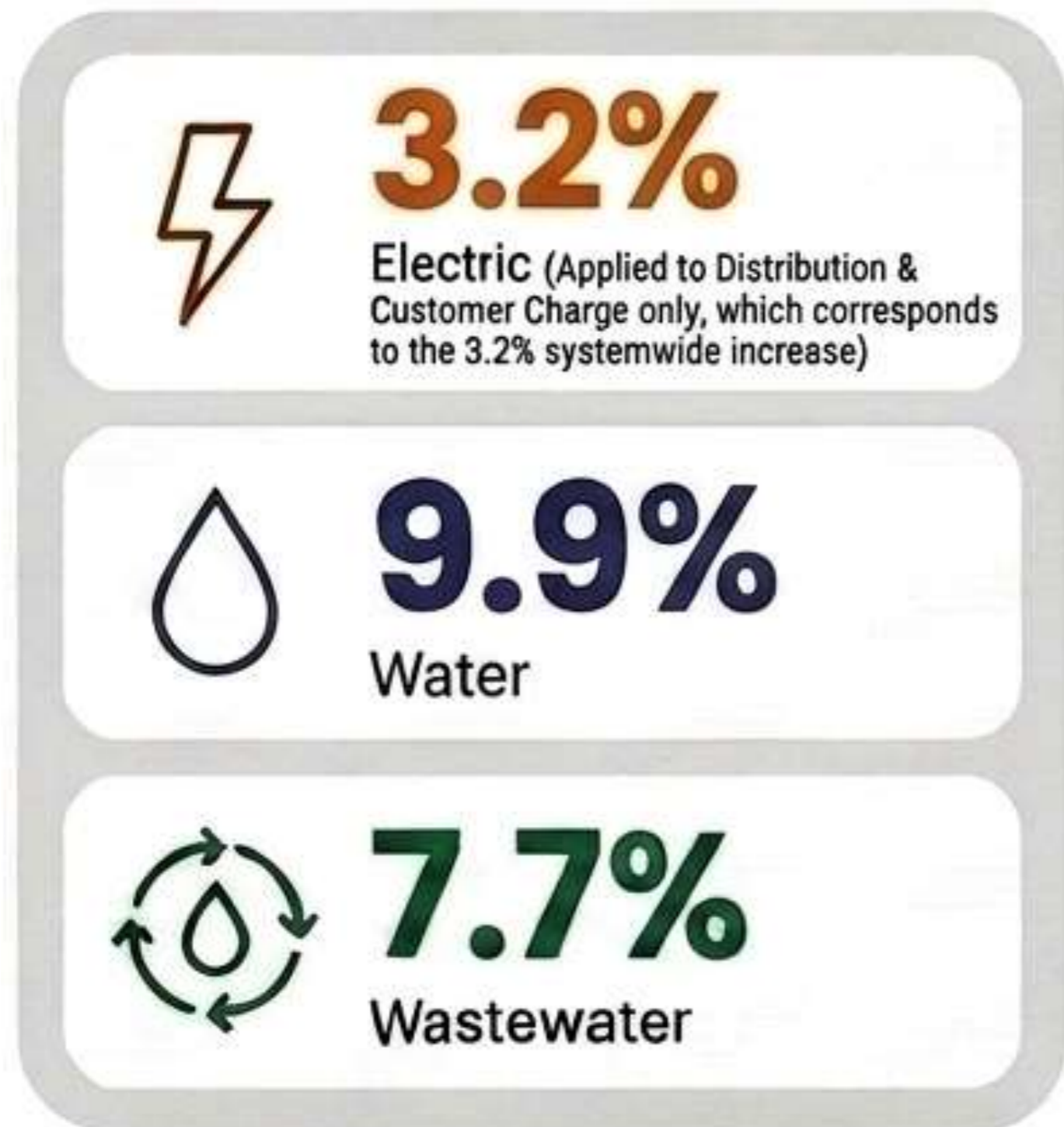


### Core Values

Safety, Team, Integrity, Culture, and Stewardship

# Revenue Sufficiency

## Utility Revenue Sufficiency



## Total Bill Impact

 Electric	FY26: \$146.23	FY27: \$151.85	Delta: +\$5.62
 Water	FY26: \$41.85	FY27: \$46.03	Delta: +\$4.18
 Wastewater	FY26: \$75.34	FY27: \$81.11	Delta: +\$5.77
$\Sigma$ <b>Total Impact</b>	FY26: \$263.42	FY27: \$278.99	<b>Total Delta:</b> +\$15.57

\*Bill calculation based on 1,200 kWh electric usage, 6,000 gallons water usage, and 4,600 gallons wastewater usage



**The proposed budget remains within the approved FY2027 rate parameters.**

\*Minor discrepancies in totals are due to independent rounding.

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# 5 Year Proforma

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
<b>1. Operating Revenues</b>					
Electric Services	240,359	261,579	280,209	297,733	324,801
Water Services	58,219	63,609	66,536	73,711	80,016
Sewer Services	49,618	53,578	57,835	62,492	67,513
Power Stabilization Fund	15,000	15,000	-	-	-
Other Operating Revenue	7,302	7,454	7,612	7,777	7,950
<b>Total Operating Revenues</b>	<b>370,498</b>	<b>401,220</b>	<b>412,193</b>	<b>441,713</b>	<b>480,280</b>
<b>2. Operating Expenses</b>					
Purchased Power	160,061	174,869	185,839	195,393	214,441
Purchased Water	16,164	15,553	15,939	18,309	19,276
Operating Expenses	76,444	78,644	83,917	88,120	93,397
Depreciation	56,966	67,189	76,820	86,972	91,429
<b>Total Operating Expenses</b>	<b>309,635</b>	<b>336,254</b>	<b>362,514</b>	<b>388,794</b>	<b>418,542</b>
<b>3. Net Position &amp; Adjustments</b>					
Net Operating Income	60,863	64,966	49,679	52,918	61,737
Total Nonoperating Rev/(Exp)	(23,147)	(19,160)	(23,235)	(23,661)	(21,679)
<b>Change in Net Position</b>	<b>37,716</b>	<b>45,806</b>	<b>26,444</b>	<b>29,258</b>	<b>40,059</b>
<b>4. Add Back Adjustments</b>					
Depreciation	56,966	67,189	76,820	86,972	91,429
Interest Expense	42,015	43,643	49,694	51,962	51,396
Debt Service	(53,535)	(56,528)	(64,905)	(68,653)	(68,773)
Restricted Funds	(22,976)	(29,503)	(35,639)	(39,138)	(40,965)
Power Stabilization Fund	(15,000)	(15,000)	-	-	-
Contingency Reserve	(2,922)	(606)	(2,481)	(1,766)	(2,367)
Liquidity Fund	(17,481)	(18,794)	(23,599)	(3,487)	(5,562)
<b>Net Revenues Available for Capital</b>	<b>24,784</b>	<b>36,207</b>	<b>26,333</b>	<b>55,147</b>	<b>65,217</b>

\*Minor discrepancies in totals are due to independent rounding.

Consistent Revenue Growth pacing ahead of Operating Expenses, driving margin stability.



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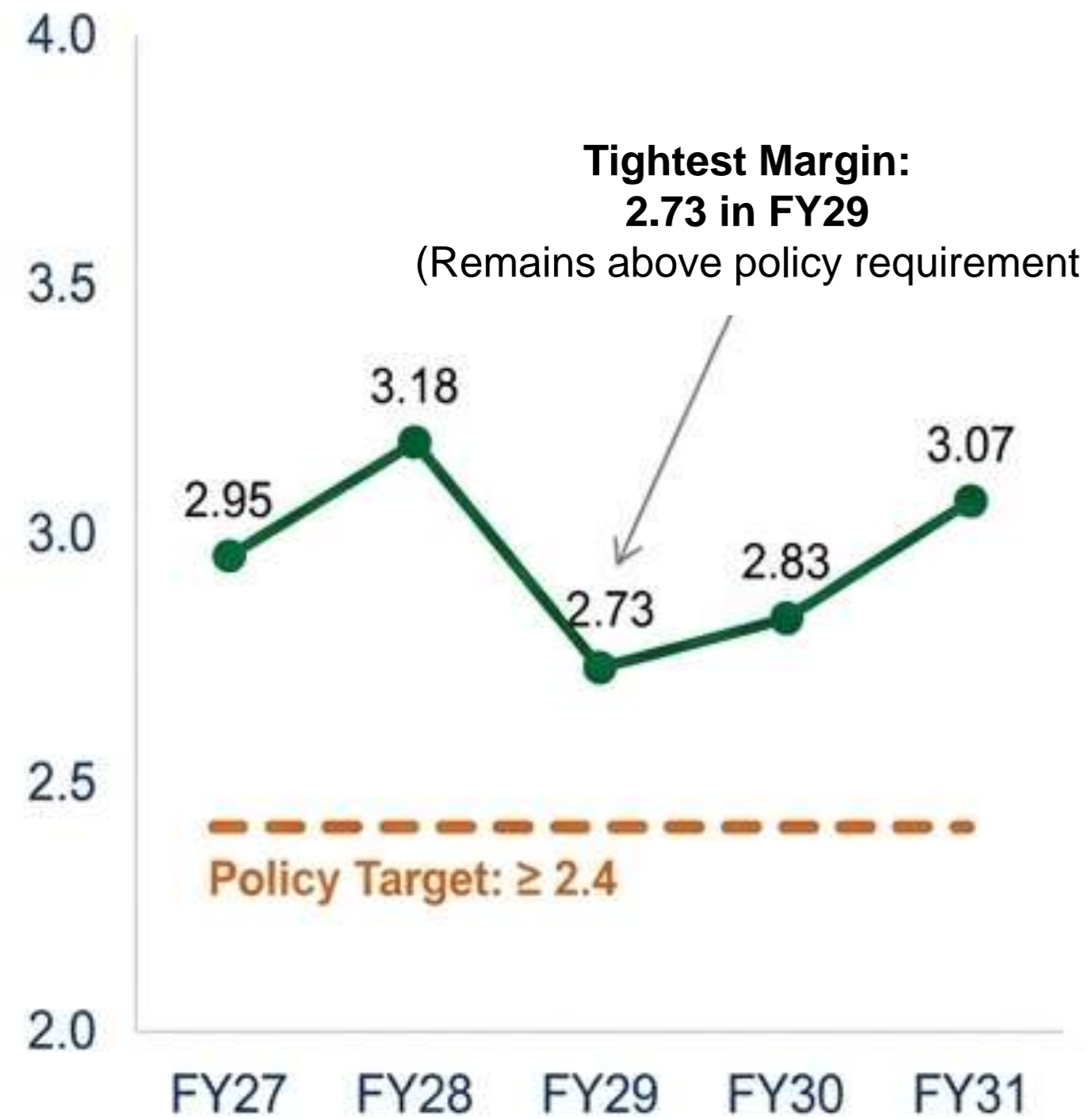
Safety, Team, Integrity, Culture, and Stewardship

# Financial Policy Compliance

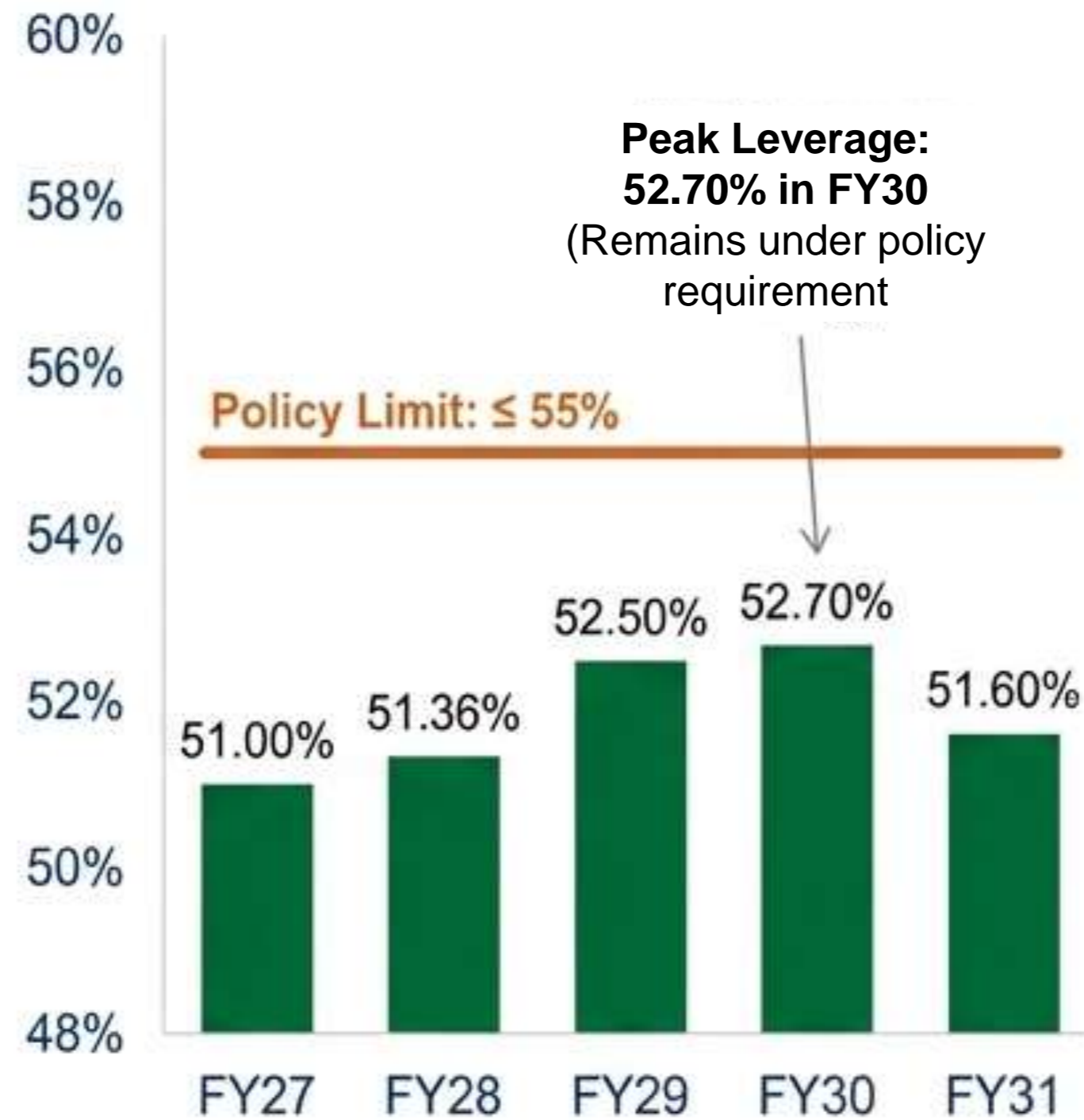
NBU maintains strong financial health, with all key metrics safely meeting or exceeding policy requirements through FY 2031.



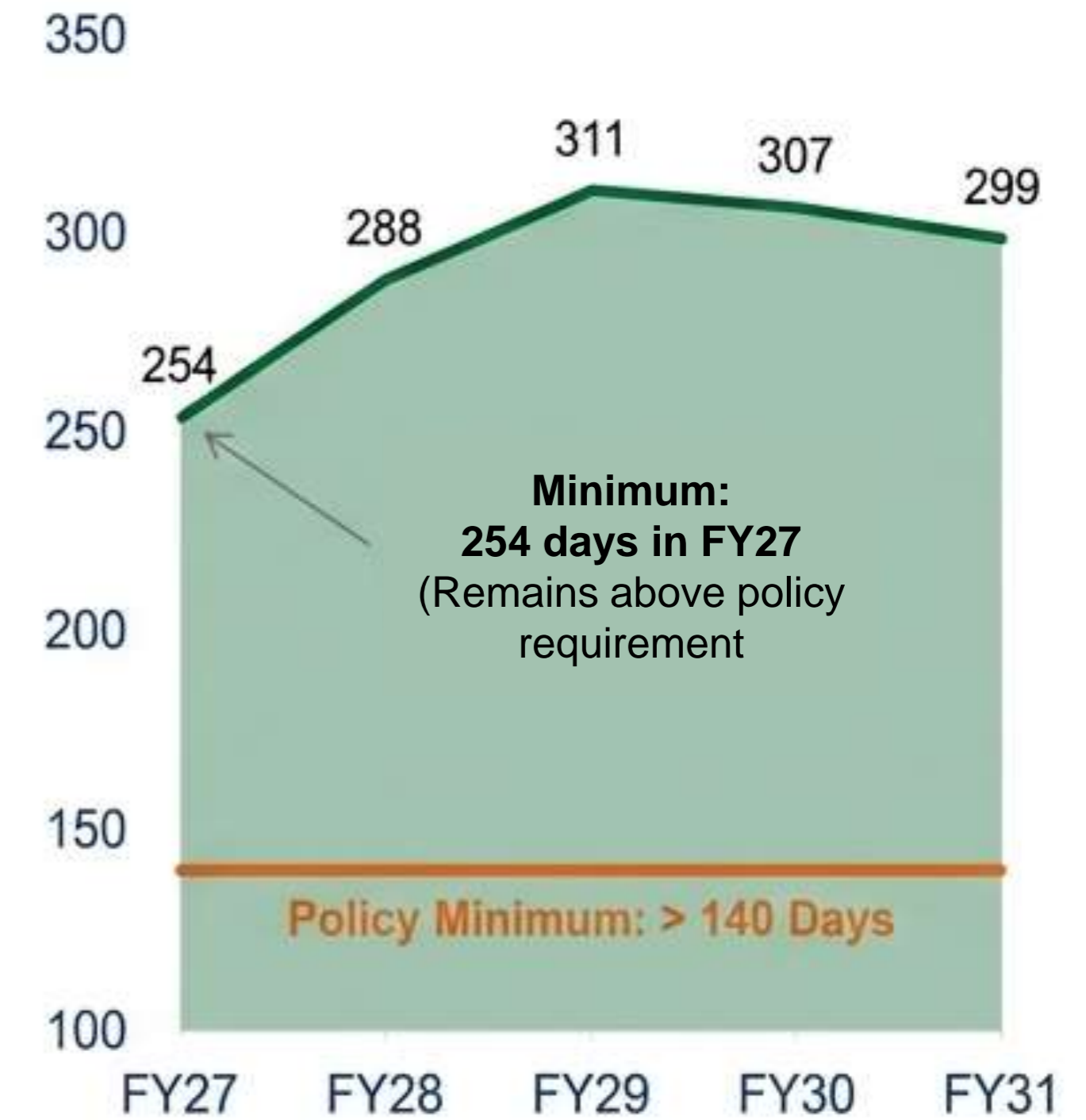
## DSC Remains Above Target



## Leverage Well Within Policy



## Liquidity Remains Strong



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# FY 2027 Budget Timeline

- June 2, 2026 – Budget Committee
  - Presentation and Discussion of NBU Draft FY27 Budget & Strategic Plan
- June 11, 2026 – Budget Workshop
  - Report From Budget Committee
  - Presentation and Discussion of NBU Draft FY27 Budget & Strategic Plan
- June 24, 2026 – Investment Committee
  - Review of Financial Policy & Investment Policy Updates
- June 25, 2026 – NBU Board Meeting
  - Report From Investment Committee
  - FY27 Budget & Strategic Plan
  - Financial Policy & Investment Policy
- August 1, 2026 – Start of FY27

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# Questions?

# Thank you!

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