

# Austin Water

## Austin Water Forecast Operating Requirements Cost Drivers

<b>FY2026 Forecast</b>	<b>\$831.7 M</b>
<b>FY2025 Amended Budget</b>	<b><u>\$773.6 M</u></b>
	<b>\$58.1 M</b>

### **City-wide cost drivers**

- \$4.4 million increase in City-wide wage adjustment
- \$1.1 million increase in Health Insurance
- \$0.6 million increase in Employee retirement contribution
- \$0.4 million increase in Fleet Fuel and Maintenance

### **Department-wide cost drivers**

- \$21.0 million increase in Transfers Out primarily due to increased CIP Cash Financing transfers
- \$15.0 million increase in Debt Service Requirements resulting from capital spending plan growth and increases in scheduled debt service payments
- \$8.4 million increase in wages due to unbudgeted retention stipend conversion
- \$1.9 million increase in chemical and electric services costs
- \$1.6 million increase in contractual and commodities inflation cost
- \$1.1 million increase in commercial paper admin expenses and bond issuance cost
- \$1.0 million increase in uniform and signage costs for City-wide branding transition
- \$0.7 million increase in wildland conservation land management and conservation plan consulting services cost
- \$0.6 million increase in large diameter valves, pump, and electric motor replacement and maintenance cost
- \$0.6 million increase in Wastewater treatment filter media replacement cost
- \$0.6 million increase in bio-solid reuse services
- (\$2.4) million decrease in utility billing system support

### **Impact of new positions**

- \$1.5 million increase for 13 new Temp Conversion FTEs