



# AGENDA

**Finance/Audit Committee Meeting**

March 4, 2026

12:00 noon GUC Board Room

---

**Call to Order and Ascertain Quorum**

*[Committee Chair Dillon Godley]*

**Safety Brief**

*[Tony Cannon]*

**Acceptance of the Agenda**

*[Committee Chair Dillon Godley]*

1. Approval of Minutes

*[Committee Chair Dillon Godley]*

October 2, 2025

2. End-of-Year Projection/Draft Revenues and Expenditures Proposal for Upcoming Fiscal Year

*[Jeff McCauley]*

3. Recommendation to Award Auditing Services Contract

*[Jeff McCauley : Amanda Wall]*

**Adjournment**



# Agenda Item # 1

Meeting Date: March 4, 2026

---

<b>Board Committee:</b>	<b>Finance/Audit Committee</b>
<b>Item:</b>	Approval of Minutes
<b>Contact:</b>	Committee Chair Dillon Godley
<b>Explanation:</b>	Finance/Audit Committee Meeting: October 2, 2025
<b>Strategic Plan Elements:</b>	Strategic Themes: <ul style="list-style-type: none"><li>• Exceptional Customer Service</li><li>• Shaping Our Future</li></ul> Objectives: <ul style="list-style-type: none"><li>• Exceeding customer expectations</li><li>• Embracing change to ensure organizational alignment and efficiency</li></ul> Core Values: <ul style="list-style-type: none"><li>• Exceed customers' expectations</li><li>• Support the community</li><li>• Deliver reliable services</li></ul>
<b>Previous Board Actions:</b>	N/A
<b>Fiscal Note:</b>	N/A
<b>Recommended Action(s):</b>	Approval of minutes as presented or amended

GREENVILLE UTILITIES COMMISSION  
FINANCE/AUDIT COMMITTEE  
GREENVILLE, NORTH CAROLINA  
October 2, 2025

The Finance/Audit Committee of the Greenville Utilities Commission met on Thursday, October 2, 2025, at 12 noon in the Board Room with the following members and others present.

Committee Members Present:

Dillon Godley, Committee Chair  
Justin Fuller  
Dr. Bob Shaw

Ferrell L. Blount III, Committee Vice-Chair was absent.

GUC Staff Present:

Tony Cannon, General Manager/CEO	Lou Norris
Chris Padgett	Freddie Martin
Phil Dixon	Robby Bright
Jeff McCauley	Amanda Wall
Anthony Miller	Jessica Hardy
Durk Tyson	Paige Wallace
Steve Hawley	
Amy Wade	

Others Present:

Mark Garner, Chair  
Dr. Wanda Carr, Secretary

Committee Chair Godley called the meeting to order at 12:00 noon and ascertained that a quorum was present.

A motion was made by Dr. Shaw, seconded by Mr. Fuller, to accept the agenda as presented. The motion carried unanimously.

Safety Brief

Tony Cannon, General Manager/CEO, provided a safety brief and explained the plan of action should there be an emergency at today's meeting.

APPROVAL OF MINUTES (Agenda Item 1)

A motion was made by Dr. Shaw, seconded by Mr. Fuller to approve the March 6, 2025, Finance/Audit Committee minutes as presented. The motion carried unanimously.

CONSIDERATION OF ADOPTION OF RESOLUTION AUTHORIZING NEGOTIATION AND EXECUTION OF NATURAL GAS SUPPLY AGREEMENT WITH PUBLIC ENERGY AUTHORITY OF KENTUCKY (Agenda Item 2)

Mr. Anthony Miller, Director of Gas Systems, introduced Mr. Freddie Martin, Natural Gas Supply Officer, to share information on pre-paid natural gas agreements.

Mr. Martin explained that to further diversify Greenville Utilities Commission's (GUC's) natural gas supply portfolio and reduce costs, staff have evaluated the option of GUC participating in a natural gas pre-payment (prepay) transaction with Public Energy Authority of Kentucky (PEAK) and BP Energy Company (BPEC). A prepay is a transaction where a municipal utility can issue tax-exempt bonds to prepay for delivery of gas on a long-term basis to achieve an ongoing discount to the prevailing market price. Under the proposed agreement, PEAK will be the issuer of the bonds. In executing such an agreement, GUC would be a purchaser of gas from PEAK at a discount to prevailing market prices and would not have any liability associated with the bonds issued by PEAK.

GUC is currently in year 7 of a 30-year prepay with Black Belt Energy (BBE) and year 6 of a 36-year prepay with Public Energy Authority of Kentucky (PEAK). Delivery under the BBE prepay began on November 1, 2018, with projected savings of \$8,071,106 over the term of the agreement. Delivery under the PEAK prepay began on July 1, 2019, with projected savings of \$5,637,289 over the term of the agreement.

Mr. Martin stated that the GUC Board of Commissioners previously adopted a Resolution on Thursday, July 18, 2024, authorizing the General Manager/CEO to negotiate and execute a similar unexecuted Natural Gas Supply Agreement with Gulf States Gas District for a volume up to, but not to exceed, 3,000 dekatherms per day over 30 years. However, the Gulf States offer did not close and now we have an opportunity to use these same volumes in a new deal.

GUC now has an opportunity to participate in a new 30-year natural gas pre-payment deal with PEAK. The closing of this agreement is targeted for the month of November 2025, with initial delivery beginning in May 2026. To participate in the prepay, GUC will need approval to execute a gas supply contract with PEAK prior to October 31, 2025.

The key provisions of the proposed agreement are listed below:

- GUC enters the agreement to purchase volume up to, but not to exceed, 3,000 dekatherms per day for a term of 30 years.
- GUC receives a discount of \$0.20 or more per dekatherm from the applicable first-of-the-month gas index price.
- Remarketing provision - If demand drops PEAK will use commercially reasonable efforts to remarket the gas for an administrative charge of \$0.05 per dekatherm.
- Limited Liability Clause that keeps GUC from being obligated financially except as expressly described in contract.
- Compensation for failure to perform.
- Termination rights (bankruptcy, failure to issue bonds, etc.)

By executing the agreement Greenville Utilities Commission and its customers will be positioned to save up to \$273,798 annually from May 2026 to April 2056 for a total of \$8,213,940 in reduced natural gas cost depending on future interest rates.

Following discussion, a motion was made by Mr. Fuller, seconded by Dr. Shaw, for the Finance/Audit Committee members to adopt the resolution authorizing negotiation and execution of Natural Gas Supply Agreement with Public Energy Authority of Kentucky for a volume up to, but not to exceed 3,000 dekatherms per day over 30 years and recommend similar action by the full Board of Commissioners. The motion passed unanimously.

### ANNUAL REVIEW OF INVESTMENT POLICY (Agenda Item 3)

Mr. Jeff McCauley, Chief Financial Officer, expressed that GUC's investment policy received a certificate of excellence award from the Association of Public Treasurers of the United States and Canada in May of 2024. The policy is certified every three years by the Association of Public Treasurers, and it must remain in conformance with 18 points of criteria outlined by the Association.

Mr. McCauley stated that it is the policy of GUC to invest public funds in a manner which will provide the highest return with the maximum security while meeting the daily cash flow demands of GUC and conforming to all state and local statutes governing the investment of public funds. To that end, GUC's Investment Policy requires that a review of the investment policy be conducted on an annual basis by the Finance/Audit Committee.

Mr. McCauley shared the allowed investments and the financial institutions currently used by GUC. In summary, investments are being made in accordance with the policy and GUC utilizes the financial institutions that participate in the State Treasurer's Office pooling method of collaboration for its investments with \$56 million of GUC's portfolio managed by First Citizens Bank in accordance with the investment policy and State general statutes. GUC's current investment yield is 3.57%, and options continue to be reviewed to diversify and remain in compliance with State statutes and policy guidelines.

Mr. McCauley confirmed that staff does not recommend any changes to the existing policy at this time.

### FY 2024-2025 AUDIT UPDATE (Agenda Item 4)

Mr. McCauley stated that the 2025 fiscal year-end audit has been progressing nicely, and it is anticipated that the Commission will receive a clean audit opinion.

He reminded the committee that GASB Statement 101, Compensated Absences, was implemented which is a new accounting standard reflecting the accrual of various types of leave, including sick leave and shared leave for fiscal year 2025. To comply, it was necessary for the Commission to make a restatement to net position after the books closed for fiscal year 2024 to retroactively adjust for the beginning liability balance for the newly accrued leave types- this restatement was approximately \$3.6 million in liability.

GUC has no applicable note disclosures necessary regarding GASB Statement 102, Certain Risk Disclosures.

Based on Generally Accepted Accounting Principles (GAAP), preliminary net income for the Commission is \$8.7 million for the fiscal year-ended June 30, 2025, inclusive of the leave accrual restatement. Staff is on track to deliver the audited financial statements to the State Treasurer's Office by October 31, 2025, and to present the full audit report to the Board in December.

ADJOURNMENT

A motion was made by Mr. Fuller, seconded by Dr. Shaw, to adjourn the Finance/Audit Committee meeting at 12:37 p.m. The motion carried unanimously.

Respectfully submitted,

---

Amy Carson Wade  
Executive Secretary



# Agenda Item # 2

Meeting Date: March 4, 2026

**Board  
Committee:**

**Finance/Audit Committee**

**Item:**

End-of-Year Projection/Draft Revenues and Expenditures Proposal for Upcoming Fiscal Year

**Contact:**

Jeff McCauley

**Explanation:**

The Finance/Audit Committee will meet on March 4, 2026, with GUC staff to discuss the end-of-year financial projection and the preliminary revenues and expenditures proposal for FY 2026-27. Attached for your review are a memorandum and supplemental materials.

The presentation will focus on end-of-year performance for FY 2025-26, and the key elements of the proposed FY 2026-27 budget. These areas include current status, capital investment, five-year capital plans, rate models, and the long-term financial forecasts.

**Strategic Plan  
Elements:**

Strategic Themes:

- Exceptional Customer Service
- Safety, Reliability & Value
- Shaping Our Future

Objectives:

- Safely providing reliable and innovative utility solutions
- Exceeding customer expectations
- Providing competitive rates, while maintaining the financial stability of the utility
- Developing and enhancing strategic partnerships
- Embracing change to ensure organizational alignment and efficiency

Core Values:

- Exceed Customers' Expectations
- Act with Integrity
- Value Employees
- Deliver Reliable Services
- Prioritize Safety
- Support the Community

**Previous Board  
Actions:**

N/A

**Fiscal Note:**

N/A

**Recommended  
Action(s):**

Endorsement for the Board to move forward with appropriate actions related to the current end-of-year financial projection and preparation of the proposed preliminary FY 2026-27 budget as presented.

OFFICE OF THE  
GENERAL MANAGER

MEMORANDUM

TO: GUC Board of Commissioners Finance/Audit Committee

FROM: Anthony C. Cannon, General Manager/CEO 

DATE: February 27, 2026

SUBJECT: Updated End-of-Year Projections/Draft Revenues and Expenditures Proposal for Upcoming Fiscal Year

At the Board Finance/Audit Committee meeting on Wednesday, March 4, 2026, staff will review the end-of-year financial projections for FY 2025-26 and the proposed budget for FY 2026-27. In preparation for the meeting, supplemental information is attached for your review, which highlights the items listed below:

- End-of-year Projections for FY 2025-26 (current year)
- Proposed FY 2026-27 Budget
- FY 2027-31 Financial Forecasts
- FY 2027-31 Capital Improvement Plan

Key metrics, such as fund balance and debt-service coverage ratios, are also included in the attached documents.

The remainder of this memorandum provides a historical reference regarding the major influences and highlights of the current budget, status of GUC's FY 2025-26 financial projections, and proposed revenues and expenditures for FY 2026-27.

**End-of-Year Projections**

The current budget adopted for FY 2025-26 provided appropriations of \$19.8M in capital outlay improvements, more than \$98.4M in operations, and transfers of \$2.5M to the capital projects fund. The FY 2025-26 original budget was 3.9% more than the previous year's budget and provided funding for operating and capital infrastructure improvements while maintaining competitive rates.

Total adjustments of \$6.2M to the original budget are due to increases in Purchased Commodities and a transfer to the Electric Rate Stabilization Fund.

In reviewing the end-of-year projection, the financial viability of each fund is considered to ensure that GUC is positioned to meet its mission and future financial obligations. ***Key Performance Indicators such as debt-service coverage ratios, fund balances, and days cash on hand are primary components of the review.*** These factors are also monitored by the NC

Local Government Commission (LGC) and credit rating agencies in determining GUC's ability to borrow funds at a favorable interest rate.

GUC's current credit ratings are Aa1 with Moody's and AA- with Fitch. These high ratings enable GUC to borrow funds at lower interest rates, thereby lowering the cost of borrowing for necessary investments in infrastructure to maintain our systems.

- **End-of-Year Projection for Electric Fund After Transfers**  
It is anticipated the Electric Fund will end the fiscal year with \$174k in fund equity, a debt-service coverage ratio of 3.86x, and a fund balance of 11.1%, or \$24.0M.
- **End-of-Year Projection for Water Fund After Transfers**  
It is projected that the Water Fund will end the fiscal year with approximately \$289k in fund equity, a debt-service coverage ratio of 1.44x, and a fund balance of 25.7%, or \$7.2M.
- **End-of-Year Projection for Sewer Fund After Transfers**  
It is projected that the Sewer Fund will end the fiscal year with approximately \$18k in fund equity, a debt-service coverage ratio of 1.35x, and a fund balance of 26.8%, or \$7.7M.
- **End-of-Year Projection for Gas Fund After Transfers**  
It is projected that the Gas Fund will end the fiscal year with \$73k in fund equity, a debt-service coverage ratio of 3.0x, and a fund balance of 37.1%, or \$17.3M.
- **End-of-Year Projection for the Combined Enterprise Operation After Transfers**  
The combined funds are expected to realize revenues of approximately \$320.8M, an increase of \$6.7M, or 2.1%, from the original budget. Expenditures, not including transfers, are projected to total approximately \$315.0M, a \$3.6M, or 1.2%, increase from the original budget. The combined funds' revenues, after \$4.9M in net transfers, are projected to end the year \$553k higher than expenditures.

### **Proposed FY 2026-27 Budget**

The proposed FY 2026-27 Budget was developed in alignment with the values and objectives outlined in our "Blueprint – GUC's Strategic Plan." At the core of everything we do is a focus on facilitating regional growth, safely providing reliable and innovative utility solutions, and providing exceptional customer service.

The Commission's budget maintains several key financial metrics including debt-service coverage ratios, fund balance (as defined by the NC Local Government Commission), and days cash on hand. These metrics are reviewed for each fund and at the enterprise level. Maintaining these metrics at the fund level ensures the long-term sustainability of GUC to continue meeting its mission and future financial objectives.

Guiding all budgetary decisions is GUC's Strategic Plan, which emphasizes our commitment to provide exceptional service while maintaining a viable financial position. The Commission

utilizes Key Performance Indicators at the corporate level on a consistent basis to monitor our effectiveness in implementing the objectives identified in the Strategic Plan. Therefore, GUC's budget goals are designed to achieve the following:

- Safely provide reliable utility solutions at the lowest reasonable cost
- Provide exceptional customer service in an environmentally responsible manner
- Position GUC to achieve greater efficiencies
- Continue to meet regulatory requirements
- Minimize rate increases
- Avoid future rate shock
- Maintain Key Performance Indicators for each fund
- Be operationally and financially prepared for emergency situations
- Be prepared for growth and expansion opportunities
- Preserve and/or improve bond ratings
- Support economic development in our community

The balancing process for the proposed budget addressed several areas, including the review and analysis of the following:

- All four funds ability to be self-supporting on a sustained basis
- Continued investment in infrastructure
- Appropriate timing of expenditures for capital projects
- Revenues
- Personnel and staffing
- Cost-saving opportunities
- The updated financial models, with a focus on keeping rates as affordable as possible, while maintaining financial stability

Highlights of the FY 2026-27 proposed budget are listed below:

- Expenditures budgeted for FY 2026-27 have increased by 5.1%, or \$15.9M, when compared to the FY 2025-26 budget. Key points are:
  - \$8.7M increase in operations
  - \$3.3M increase in purchased power
  - \$1.6M increase in capital outlay
  - \$1.3M increase in purchased gas
  - \$29k increase in debt service
  - \$315k decrease in City turnover
  - \$869k increase in transfers to capital projects
- 1.9% rate increase for the Electric Fund, a 0.2% increase from last year's forecast
- 3.7% rate increase for the Water Fund, a 0.5% increase from last year's forecast
- 3.9% rate increase for the Sewer Fund, a 1.2% increase from last year's forecast
- 4.0% rate increase for the Gas Fund, a 0.2% decrease from last year's forecast
- Funding for a 4.3% employee merit/market adjustment
- Funding for 5.0% employer 401(k) contribution

- Continuation of a self-insured health insurance plan which includes a high-deductible Health Savings Account option
- Continuation of self-insured dental insurance plan
- Funding to hire replacements prior to the retirement of key personnel to facilitate succession planning, leverage the knowledge and experience of long-term employees for training on critical issues and ensure smooth transitions
- Continuation of investment in the Greenville ENC Alliance to promote economic development in our region
- Transfer to Other Post-Employment Benefits (OPEB) of \$500K
- Transfer of \$150K to City's Energy Efficiency Partnership
- Investment of \$21.4M for capital outlay to maintain system reliability and comply with regulatory requirements
- Annual turnover or transfer of \$8.7M to the City of Greenville in accordance with the Charter issued by the North Carolina General Assembly

## **Summary**

The FY 2026-27 proposed balanced budget reflects the dedicated efforts of our staff to manage costs effectively while maintaining a high level of service for GUC's customers. This budget not only ensures stability in the short term but also incorporates key initiatives that will position GUC for long-term sustainability. This budget supports GUC's vision to provide safe, innovative, and sustainable utility solutions that serve as the foundation of growth for the Greenville region. GUC is dedicated to enhancing the quality of life for those we serve by safely providing reliable utility solutions at the lowest reasonable cost, with exceptional customer service, in an environmentally responsible manner.

We look forward to meeting with the Board Finance/Audit Committee on Wednesday and presenting a more in-depth review of GUC's FY 2025-26 end-of-year projections and the FY 2026-27 proposed balanced budget. If you have questions prior to the meeting, please do not hesitate to contact us.

Attachments



**ALL FUNDS**  
**REVENUES & EXPENDITURES**  
**DRAFT: 02/23/2026**

	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>	<b>FY 2031</b>
	<b>Actuals</b>	<b>Original Budget</b>	<b>Year-End Projection</b>	<b>Working Budget</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
<b>REVENUE:</b>								
1 Rates & Charges	\$ 290,769,578	\$ 301,497,899	\$ 303,744,286	\$ 313,243,885	\$ 326,361,293	\$ 337,843,587	\$ 349,308,799	\$ 356,610,447
2 Fees & Charges	3,990,009	3,384,586	3,166,650	3,229,980	3,295,120	3,360,350	3,427,630	3,496,150
3 U. G. & Temp. Ser. Chgs.	518,928	623,059	305,000	503,500	514,220	523,910	534,330	545,020
4 Miscellaneous	4,626,650	5,213,137	10,074,723	5,682,735	2,746,004	2,811,488	2,865,010	2,919,535
5 Interest on Investments	3,187,147	2,764,275	3,182,000	3,245,040	3,312,170	3,374,950	3,441,850	3,510,140
6 FEMA/Insurance Reimbursement	-	-	-	-	-	-	-	-
7 Contributed Capital	-	-	-	-	-	-	-	-
8 Bond Proceeds	622,849	-	-	611,914	-	480,203	-	404,884
9 Installment Purchases	-	-	-	-	-	-	-	-
10 Transfer from Cap Projects	-	-	-	-	-	-	-	-
11 Transfer from Rate Stabilization	4,000,000	-	-	3,500,000	-	-	-	-
12 Transfer from Capital Reserves	-	-	-	-	-	-	-	-
13 Transfer from Designated Reserve	-	625,000	375,000	-	-	-	-	-
14 Appropriated Fund Balance	-	-	-	-	-	-	-	-
15	<b>\$ 307,715,161</b>	<b>\$ 314,107,956</b>	<b>\$ 320,847,659</b>	<b>\$ 330,017,054</b>	<b>\$ 336,228,807</b>	<b>\$ 348,394,488</b>	<b>\$ 359,577,619</b>	<b>\$ 367,486,176</b>
<b>EXPENDITURES:</b>								
16 Operations	\$ 92,286,600	\$ 98,407,648	\$ 98,985,167	\$ 107,076,258	\$ 108,309,308	\$ 111,650,087	\$ 113,944,089	\$ 116,283,971
17 Purchased Commodities	164,817,626	161,956,442	165,768,499	166,564,186	168,378,713	175,350,789	181,959,149	186,635,732
18 Capital Outlay	14,959,246	19,772,800	19,321,981	21,376,001	22,231,041	22,897,972	23,584,911	24,292,459
19 Debt Service	16,160,797	20,048,658	19,851,160	19,931,899	22,486,324	22,900,105	25,436,808	24,857,716
20 Debt Service - Leases & SBITAs	918,922	1,660,638	1,514,949	1,806,830	1,672,316	1,734,450	1,799,580	1,867,958
21 City Turnover - General	7,564,107	7,930,933	7,930,933	7,388,820	7,618,236	7,770,588	7,926,012	8,084,532
22 Street Light Reimbursement	1,123,471	1,122,758	1,123,475	1,350,000	1,121,004	1,144,896	1,171,464	1,200,708
23 Transfer to OPEB Trust	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
24 Transfer to Rate Stabilization	750,000	-	3,500,000	-	-	-	-	-
25 Transfer to Capital Projects	2,450,000	2,496,184	1,798,200	3,364,850	3,572,030	3,573,100	2,884,000	3,038,000
26 Transfer to Designated Reserve	-	-	-	75,000	100,000	100,000	100,000	100,000
27 Operating Contingencies	-	211,894	-	-	-	-	-	-
28	<b>\$ 301,530,768</b>	<b>\$ 314,107,956</b>	<b>\$ 320,294,363</b>	<b>\$ 329,433,843</b>	<b>\$ 335,988,972</b>	<b>\$ 347,621,987</b>	<b>\$ 359,306,013</b>	<b>\$ 366,861,076</b>
29 Fund Equity / (Deficit)	\$ 6,184,392	\$ 0	\$ 553,296	\$ 583,211	\$ 239,835	\$ 772,501	\$ 271,606	\$ 625,100

	<b>FY 2025 Actuals</b>	<b>FY 2026 Original Budget</b>	<b>FY 2026 Year-End Projection</b>	<b>FY 2027 Working Budget</b>	<b>FY 2028 Forecast</b>	<b>FY 2029 Forecast</b>	<b>FY 2030 Forecast</b>	<b>FY 2031 Forecast</b>
30 <b>Projected All Debt Coverage Ratio</b>	2.72	2.42	2.58	2.44	2.44	2.49	2.31	2.41
31 <b>Projected Fund Balance</b>	19.2%	15.6%	17.6%	17.1%	16.4%	15.6%	14.8%	14.4%
32 <b>Projected Days Cash On Hand</b>	128	113	126	122	121	117	114	112
33 <b>Projected Equity/Capitalization</b>	64%	64%	66%	62%	63%	61%	62%	61%
<b>Typical Residential Bills</b>								
Electric, Annualized	\$119.22	\$123.94	\$124.01	\$125.66	\$129.75	\$134.16	\$138.91	\$141.78
Water	\$39.30	\$39.30	\$39.30	\$40.76	\$43.05	\$44.12	\$45.05	\$45.51
Sewer	\$47.07	\$50.12	\$50.12	\$52.10	\$53.91	\$54.98	\$56.64	\$56.64
Gas	\$102.12	\$111.06	\$109.42	\$117.62	\$123.26	\$127.14	\$130.22	\$133.66
<b>Total Monthly Bill</b>	<b>\$307.70</b>	<b>\$324.42</b>	<b>\$322.85</b>	<b>\$336.14</b>	<b>\$349.97</b>	<b>\$360.40</b>	<b>\$370.82</b>	<b>\$377.59</b>
<b>Increase on Monthly Bill</b>								
Electric, Base Rate	\$4.31	\$4.03	\$4.03	\$2.34	\$2.46	\$1.08	\$0.99	\$1.02
Electric, PPA-weighted	\$0.00	\$0.69	\$0.77	-\$0.69	\$1.63	\$3.34	\$3.75	\$1.85
Water	\$0.00	\$0.00	\$0.00	\$1.46	\$2.29	\$1.07	\$0.93	\$0.46
Sewer	\$2.27	\$3.04	\$3.04	\$1.98	\$1.82	\$1.07	\$1.66	\$0.00
Gas, Base Rate	\$0.00	\$5.21	\$5.21	\$4.41	\$4.53	\$2.74	\$1.94	\$2.27
Gas, PGA	\$0.09	\$3.74	\$2.10	\$3.79	\$1.11	\$1.13	\$1.15	\$1.17
<b>Total Increase on Monthly Bill</b>	<b>\$6.68</b>	<b>\$16.71</b>	<b>\$15.14</b>	<b>\$13.29</b>	<b>\$13.84</b>	<b>\$10.42</b>	<b>\$10.42</b>	<b>\$6.77</b>
Monthly Bill % Increase			4.9%	4.1%	4.1%	3.0%	2.9%	1.8%



**ELECTRIC FUND  
REVENUES & EXPENDITURES  
DRAFT: 02/23/2026**

	<b>FY 2025 Actuals</b>	<b>FY 2026 Original Budget</b>	<b>FY 2026 Year-End Projection</b>	<b>FY 2027 Working Budget</b>	<b>FY 2028 Forecast</b>	<b>FY 2029 Forecast</b>	<b>FY 2030 Forecast</b>	<b>FY 2031 Forecast</b>
<b>REVENUE:</b>								
1 Rates & Charges	\$ 195,091,652	\$ 201,519,191	\$ 203,926,134	\$ 208,872,361	\$ 217,727,296	\$ 226,531,884	\$ 235,221,334	\$ 241,227,469
2 Fees & Charges	2,370,242	1,658,944	1,560,650	1,591,860	1,623,690	1,656,120	1,689,280	1,723,070
3 U. G. & Temp. Ser. Chgs.	417,548	513,663	185,000	381,100	388,720	396,560	404,430	412,520
4 Miscellaneous	4,028,341	4,928,920	9,764,381	5,379,743	2,435,704	2,495,228	2,542,030	2,589,765
5 Interest on Investments	1,779,955	1,559,467	1,830,000	1,866,000	1,902,720	1,940,170	1,978,370	2,017,340
6 FEMA/Insurance Reimbursement	-	-	-	-	-	-	-	-
7 Contributed Capital	-	-	-	-	-	-	-	-
8 Bond Proceeds	335,570	-	-	446,875	-	290,000	-	153,634
9 Installment Purchases	-	-	-	-	-	-	-	-
10 Transfer from Cap Projects	-	-	-	-	-	-	-	-
11 Transfer from Rate Stabilization	4,000,000	-	-	3,500,000	-	-	-	-
12 Transfer from Capital Reserves	-	-	-	-	-	-	-	-
13 Transfer from Designated Reserve	-	-	-	-	-	-	-	-
14 Appropriated Fund Balance	-	-	-	-	-	-	-	-
15	<b>\$ 208,023,309</b>	<b>\$ 210,180,185</b>	<b>\$ 217,266,165</b>	<b>\$ 222,037,939</b>	<b>\$ 224,078,130</b>	<b>\$ 233,309,962</b>	<b>\$ 241,835,444</b>	<b>\$ 248,123,798</b>
<b>EXPENDITURES:</b>								
16 Operations	\$ 40,045,154	\$ 41,244,837	\$ 41,461,702	\$ 46,514,303	\$ 45,302,375	\$ 46,753,622	\$ 47,750,144	\$ 48,766,597
17 Purchased Power	143,418,479	138,014,255	141,485,501	141,311,243	142,620,713	149,077,589	155,160,549	159,301,132
18 Capital Outlay	10,376,883	13,170,424	12,941,038	14,887,624	15,483,129	15,947,623	16,426,052	16,918,833
19 Debt Service	5,560,582	7,693,392	7,588,770	7,906,401	9,779,511	10,076,297	11,685,457	11,833,509
20 Debt Service - Leases & SBITAs	640,825	1,149,105	1,207,712	1,440,363	1,184,049	1,233,597	1,285,591	1,340,184
21 City Turnover - General	5,488,749	5,710,863	5,710,863	5,246,936	5,351,880	5,458,908	5,568,096	5,679,456
22 Street Light Reimbursement	1,123,471	1,122,758	1,123,475	1,350,000	1,121,004	1,144,896	1,171,464	1,200,708
23 Transfer to OPEB Trust	275,000	275,000	275,000	275,000	275,000	275,000	275,000	275,000
24 Transfer to Rate Stabilization	-	-	3,500,000	-	-	-	-	-
25 Transfer to Capital Projects	-	1,798,000	1,798,200	2,729,700	2,900,000	2,900,000	2,400,000	2,400,000
26 Transfer to Designated Reserve	-	-	-	-	-	-	-	-
27 Operating Contingencies	-	1,551	-	-	-	-	-	-
28	<b>\$ 206,929,143</b>	<b>\$ 210,180,185</b>	<b>\$ 217,092,261</b>	<b>\$ 221,661,570</b>	<b>\$ 224,017,661</b>	<b>\$ 232,867,531</b>	<b>\$ 241,722,353</b>	<b>\$ 247,715,419</b>
29 Fund Equity / (Deficit)	<b>\$ 1,094,166</b>	<b>\$ 0</b>	<b>\$ 173,904</b>	<b>\$ 376,369</b>	<b>\$ 60,469</b>	<b>\$ 442,431</b>	<b>\$ 113,091</b>	<b>\$ 408,379</b>

	FY 2025 Actuals	FY 2026 Original Budget	FY 2026 Year-End Projection	FY 2027 Working Budget	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	
30	<b>Projected All Debt Coverage Ratio</b>	3.37	3.45	3.86	3.36	3.26	3.34	2.97	3.03
31	<b>Projected Fund Balance</b>	12.4%	10.5%	11.1%	11.0%	10.5%	9.8%	9.0%	8.7%
32	<b>Projected Days Cash On Hand</b>	100	94	100	99	99	96	92	91
33	<b>Projected Equity/Capitalization</b>	58%	60%	60%	54%	55%	53%	55%	55%
34	<b>Typical Residential @ 1,000 kwh</b>	<b>\$119.22</b>	<b>\$123.94</b>	<b>\$124.01</b>	<b>\$125.66</b>	<b>\$129.75</b>	<b>\$134.16</b>	<b>\$138.91</b>	<b>\$141.78</b>
	<b>Q1 (Jul - Sep)</b>	<b>\$117.21</b>	<b>\$124.34</b>	<b>\$124.34</b>	<b>\$125.38</b>	<b>\$130.34</b>	<b>\$133.07</b>	<b>\$138.45</b>	<b>\$141.31</b>
	<i>Rider No. 1 Impact (\$)</i>								
	<i>Rider No. 1 Impact (%)</i>								
	<i>PPA Impact (\$)</i>		\$0.42	\$0.42					
	<i>PPA Impact (%)</i>		0.3%	0.3%					
	<i>Base Rate Impact (\$)</i>	\$4.31	\$4.03	\$4.03	\$2.34	\$2.46	\$1.08	\$0.99	\$1.02
	<i>Base Rate Impact (%)</i>	3.7%	3.2%	3.2%	1.9%	1.9%	0.8%	0.7%	0.7%
	<b>Q2 (Oct - Dec)</b>	<b>\$119.89</b>	<b>\$124.34</b>	<b>\$124.34</b>	<b>\$124.70</b>	<b>\$128.34</b>	<b>\$133.07</b>	<b>\$138.45</b>	<b>\$141.31</b>
	<i>Rider No. 1 Impact (\$)</i>	\$2.68			-\$0.68	-\$2.00			
	<i>Rider No. 1 Impact (%)</i>	2.2%			-0.5%	-1.6%			
	<i>PPA Impact (\$)</i>								
	<i>PPA Impact (%)</i>								
	<i>Base Rate Impact (\$)</i>								
	<i>Base Rate Impact (%)</i>								
	<b>Q3 (Jan - Mar)</b>	<b>\$119.89</b>	<b>\$124.34</b>	<b>\$124.34</b>	<b>\$124.70</b>	<b>\$128.34</b>	<b>\$133.07</b>	<b>\$138.45</b>	<b>\$141.31</b>
	<i>Rider No. 1 Impact (\$)</i>								
	<i>Rider No. 1 Impact (%)</i>								
	<i>PPA Impact (\$)</i>								
	<i>PPA Impact (%)</i>								
	<i>Base Rate Impact (\$)</i>								
	<i>Base Rate Impact (%)</i>								
	<b>Q4 (Apr - Jun)</b>	<b>\$119.89</b>	<b>\$122.75</b>	<b>\$123.04</b>	<b>\$127.88</b>	<b>\$131.99</b>	<b>\$137.46</b>	<b>\$140.29</b>	<b>\$143.19</b>
	<i>Rider No. 1 Impact (\$)</i>		-\$1.59	-\$3.04	-\$0.55				
	<i>Rider No. 1 Impact (%)</i>		-1.3%	-2.5%	-0.4%				
	<i>PPA Impact (\$)</i>			\$1.74	\$3.73	\$3.65	\$4.39	\$1.84	\$1.88
	<i>PPA Impact (%)</i>			1.4%	2.9%	2.8%	3.2%	1.3%	1.3%
	<i>Base Rate Impact (\$)</i>								
	<i>Base Rate Impact (%)</i>								
	<b>Typical Residential Bill Increase</b>		\$4.72	\$4.80	\$1.65	\$4.09	\$4.41	\$4.74	\$2.87
	<b>Typical Residential Bill % Increase *</b>		4.0%	4.0%	1.3%	3.3%	3.4%	3.5%	2.1%
	<i>*Includes Load Management Credits</i>								
	<b>Last Year's Forecast</b>				4.1%	4.8%	4.0%	3.4%	
	<b>RSF Balance</b>	\$ 10,581,355	\$ 19,881,045	\$ 14,434,911	\$ 11,417,226	\$ 11,798,711	\$ 12,192,943	\$ 12,600,347	\$ 13,021,364



**WATER FUND  
REVENUES & EXPENDITURES  
DRAFT: 02/23/2026**

	<b>FY 2025 Actuals</b>	<b>FY 2026 Original Budget</b>	<b>FY 2026 Year-End Projection</b>	<b>FY 2027 Working Budget</b>	<b>FY 2028 Forecast</b>	<b>FY 2029 Forecast</b>	<b>FY 2030 Forecast</b>	<b>FY 2031 Forecast</b>
<b>REVENUE:</b>								
1 Rates & Charges	\$ 26,301,440	\$ 26,569,587	\$ 26,646,588	\$ 27,727,095	\$ 29,286,588	\$ 30,118,165	\$ 30,907,396	\$ 31,195,655
2 Fees & Charges	860,785	874,181	808,000	824,160	841,250	857,460	874,620	892,110
3 U. G. & Temp. Ser. Chgs.	101,381	109,396	120,000	122,400	125,500	127,350	129,900	132,500
4 Miscellaneous	191,201	100,923	100,692	95,120	98,330	100,150	102,700	105,290
5 Interest on Investments	376,940	331,027	360,000	367,200	377,400	382,030	389,670	397,470
6 FEMA/Insurance Reimbursement	-	-	-	-	-	-	-	-
7 Contributed Capital	-	-	-	-	-	-	-	-
8 Bond Proceeds	3,950	-	-	119,688	-	71,453	-	75,000
9 Installment Purchases	-	-	-	-	-	-	-	-
10 Transfer from Cap Projects	-	-	-	-	-	-	-	-
11 Transfer from Rate Stabilization	-	-	-	-	-	-	-	-
12 Transfer from Capital Reserves	-	-	-	-	-	-	-	-
13 Transfer from Designated Reserve	-	-	-	-	-	-	-	-
14 Appropriated Fund Balance	-	-	-	-	-	-	-	-
15	<b>\$ 27,835,696</b>	<b>\$ 27,985,114</b>	<b>\$ 28,035,280</b>	<b>\$ 29,255,663</b>	<b>\$ 30,729,068</b>	<b>\$ 31,656,608</b>	<b>\$ 32,404,286</b>	<b>\$ 32,798,025</b>
<b>EXPENDITURES:</b>								
16 Operations	\$ 19,629,263	\$ 20,726,048	\$ 21,203,952	\$ 21,617,607	\$ 22,489,811	\$ 23,164,280	\$ 23,627,416	\$ 24,099,814
17 Capital Outlay	1,793,605	2,035,000	1,801,519	2,276,227	2,367,276	2,438,294	2,511,443	2,586,786
18 Debt Service	4,582,128	4,588,643	4,589,125	4,602,211	5,185,198	5,231,903	5,585,233	5,365,650
19 Debt Service - Leases & SBITAs	114,889	148,397	76,908	91,812	139,145	142,297	145,585	149,035
20 Transfer to OPEB Trust	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
21 Transfer to Rate Stabilization	-	-	-	-	-	-	-	-
22 Transfer to Capital Projects	1,000,000	400,000	-	485,000	466,000	466,000	372,000	375,000
23 Transfer to Designated Reserve	-	-	-	-	-	-	-	-
24 Operating Contingencies	-	12,026	-	-	-	-	-	-
25	<b>\$ 27,194,885</b>	<b>\$ 27,985,114</b>	<b>\$ 27,746,503</b>	<b>\$ 29,147,856</b>	<b>\$ 30,722,429</b>	<b>\$ 31,517,774</b>	<b>\$ 32,316,677</b>	<b>\$ 32,651,285</b>
26 Fund Equity / (Deficit)	\$ 640,811	\$ 0	\$ 288,777	\$ 107,807	\$ 6,639	\$ 138,834	\$ 87,609	\$ 146,740

	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>	<b>FY 2031</b>	
	<b>Actuals</b>	<b>Original Budget</b>	<b>Year-End Projection</b>	<b>Working Budget</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	
27	<b>Projected All Debt Coverage Ratio</b>	1.73	1.51	1.44	1.62	1.53	1.57	1.51	1.57
28	<b>Projected Fund Balance</b>	25.5%	21.3%	25.7%	24.6%	22.9%	22.4%	21.9%	21.9%
29	<b>Projected Days Cash On Hand</b>	180	151	174	172	166	163	161	160
30	<b>Projected Equity/Capitalization</b>	64%	63%	65%	62%	63%	62%	63%	62%
31	<b>3/4 " Residential @ 6,000 gallons</b>	\$39.30	\$39.30	\$39.30	\$40.76	\$43.05	\$44.12	\$45.05	\$45.51
32	<b>Typical Residential Bill Increase</b>	\$0.00	\$0.00	\$0.00	\$1.46	\$2.29	\$1.07	\$0.93	\$0.46
33	<b>Typical Residential Bill % Increase</b>	0.0%	0.0%	0.0%	3.7%	5.6%	2.5%	2.1%	1.0%
	<b>Last Year's Forecast</b>				3.2%	3.2%	2.4%	3.6%	



**SEWER FUND  
REVENUES & EXPENDITURES  
DRAFT: 02/23/2026**

	<b>FY 2025 Actuals</b>	<b>FY 2026 Original Budget</b>	<b>FY 2026 Year-End Projection</b>	<b>FY 2027 Working Budget</b>	<b>FY 2028 Forecast</b>	<b>FY 2029 Forecast</b>	<b>FY 2030 Forecast</b>	<b>FY 2031 Forecast</b>
<b>REVENUE:</b>								
1 Rates & Charges	\$ 25,501,632	\$ 27,372,721	\$ 27,426,644	\$ 28,647,168	\$ 29,751,504	\$ 30,472,888	\$ 31,527,805	\$ 31,527,805
2 Fees & Charges	628,031	723,412	658,000	671,160	684,580	698,270	712,230	726,470
3 U. G. & Temp. Ser. Chgs.	-	-	-	-	-	-	-	-
4 Miscellaneous	123,649	117,670	78,700	80,270	81,870	83,510	85,180	86,880
5 Interest on Investments	380,127	331,134	375,000	382,500	390,150	397,950	405,910	414,030
6 FEMA/Insurance Reimbursement	-	-	-	-	-	-	-	-
7 Contributed Capital	-	-	-	-	-	-	-	-
8 Bond Proceeds	149,910	-	-	21,913	-	106,250	-	85,000
9 Installment Purchases	-	-	-	-	-	-	-	-
10 Transfer from Cap Projects	-	-	-	-	-	-	-	-
11 Transfer from Rate Stabilization	-	-	-	-	-	-	-	-
12 Transfer from Capital Reserves	-	-	-	-	-	-	-	-
13 Transfer from Designated Reserve	-	625,000	375,000	-	-	-	-	-
14 Appropriated Fund Balance	-	-	-	-	-	-	-	-
15	<b>\$ 26,783,349</b>	<b>\$ 29,169,937</b>	<b>\$ 28,913,344</b>	<b>\$ 29,803,011</b>	<b>\$ 30,908,104</b>	<b>\$ 31,758,868</b>	<b>\$ 32,731,125</b>	<b>\$ 32,840,185</b>
<b>EXPENDITURES:</b>								
16 Operations	\$ 18,877,919	\$ 20,897,764	\$ 20,847,824	\$ 22,363,160	\$ 23,265,186	\$ 23,962,917	\$ 24,442,025	\$ 24,930,716
17 Capital Outlay	1,419,960	2,415,506	2,328,725	1,899,380	1,975,355	2,034,616	2,095,654	2,158,524
18 Debt Service	4,712,229	5,614,926	5,565,483	5,281,567	5,338,666	5,395,542	5,864,074	5,266,731
19 Debt Service - Leases & SBITAs	66,579	148,352	78,363	93,267	140,658	143,856	147,175	150,657
20 Transfer to OPEB Trust	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
21 Transfer to Rate Stabilization	-	-	-	-	-	-	-	-
22 Transfer to Capital Projects	700,000	-	-	-	-	-	-	150,000
23 Transfer to Designated Reserve	-	-	-	75,000	100,000	100,000	100,000	100,000
24 Operating Contingencies	-	18,389	-	-	-	-	-	-
25	<b>\$ 25,851,687</b>	<b>\$ 29,169,937</b>	<b>\$ 28,895,394</b>	<b>\$ 29,787,374</b>	<b>\$ 30,894,865</b>	<b>\$ 31,711,930</b>	<b>\$ 32,723,928</b>	<b>\$ 32,831,627</b>
26 Fund Equity / (Deficit)	\$ 931,661	\$ 0	\$ 17,950	\$ 15,637	\$ 13,239	\$ 46,938	\$ 7,197	\$ 8,558

	<b>FY 2025 Actuals</b>	<b>FY 2026 Original Budget</b>	<b>FY 2026 Year-End Projection</b>	<b>FY 2027 Working Budget</b>	<b>FY 2028 Forecast</b>	<b>FY 2029 Forecast</b>	<b>FY 2030 Forecast</b>	<b>FY 2031 Forecast</b>
27 <b>Projected All Debt Coverage Ratio</b>	1.65	1.31	1.35	1.37	1.38	1.40	1.36	1.45
28 <b>Projected Fund Balance</b>	30.5%	23.2%	26.8%	25.8%	24.6%	23.9%	23.0%	22.9%
29 <b>Projected Days Cash On Hand</b>	189	151	173	162	156	152	149	146
30 <b>Projected Equity/Capitalization</b>	71%	70%	72%	72%	73%	70%	71%	69%
31 <b>3/4 " Residential @ 5,610 gallons</b>	\$47.07	\$50.12	\$50.12	\$52.10	\$53.91	\$54.98	\$56.64	\$56.64
32 <b>Typical Residential Bill Increase</b>	\$2.27	\$3.04	\$3.04	\$1.98	\$1.82	\$1.07	\$1.66	\$0.00
33 <b>Typical Residential Bill % Increase</b>	5.1%	6.5%	6.5%	3.9%	3.5%	2.0%	3.0%	0.0%
<b>Last Year's Forecast</b>				2.7%	3.4%	2.0%	3.0%	



**GAS FUND**  
**REVENUES & EXPENDITURES**  
**DRAFT: 02/23/2026**

	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>	<b>FY 2031</b>
	<b>Actuals</b>	<b>Original Budget</b>	<b>Year-End Projection</b>	<b>Working Budget</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
<b>REVENUE:</b>								
1 Rates & Charges	\$ 43,874,854	\$ 46,036,400	\$ 45,744,920	\$ 47,997,261	\$ 49,595,905	\$ 50,720,650	\$ 51,652,264	\$ 52,659,518
2 Fees & Charges	130,952	128,049	140,000	142,800	145,600	148,500	151,500	154,500
3 U. G. & Temp. Ser. Chgs.	-	-	-	-	-	-	-	-
4 Miscellaneous	283,459	65,624	130,950	127,602	130,100	132,600	135,100	137,600
5 Interest on Investments	650,125	542,647	617,000	629,340	641,900	654,800	667,900	681,300
6 FEMA/Insurance Reimbursement	-	-	-	-	-	-	-	-
7 Contributed Capital	-	-	-	-	-	-	-	-
8 Bond Proceeds	133,418	-	-	23,438	-	12,500	-	91,250
9 Installment Purchases	-	-	-	-	-	-	-	-
10 Transfer from Cap Projects	-	-	-	-	-	-	-	-
11 Transfer from Rate Stabilization	-	-	-	-	-	-	-	-
12 Transfer from Capital Reserves	-	-	-	-	-	-	-	-
13 Transfer from Designated Reserve	-	-	-	-	-	-	-	-
14 Appropriated Fund Balance	-	-	-	-	-	-	-	-
15	<b>\$ 45,072,808</b>	<b>\$ 46,772,720</b>	<b>\$ 46,632,870</b>	<b>\$ 48,920,441</b>	<b>\$ 50,513,505</b>	<b>\$ 51,669,050</b>	<b>\$ 52,606,764</b>	<b>\$ 53,724,168</b>
<b>EXPENDITURES:</b>								
16 Operations	\$ 13,734,263	\$ 15,539,000	\$ 15,471,689	\$ 16,581,188	\$ 17,251,936	\$ 17,769,269	\$ 18,124,504	\$ 18,486,844
17 Purchased Gas	21,399,147	23,942,187	24,282,998	25,252,943	25,758,000	26,273,200	26,798,600	27,334,600
18 Capital Outlay	1,368,798	2,151,870	2,250,699	2,312,770	2,405,281	2,477,439	2,551,762	2,628,315
19 Debt Service	1,305,858	2,151,697	2,107,782	2,141,720	2,182,949	2,196,363	2,302,044	2,391,826
20 Debt Service - Leases & SBITAs	96,629	214,784	151,968	181,388	208,465	214,701	221,229	228,083
21 City Turnover - General	2,075,358	2,220,070	2,220,070	2,141,884	2,266,356	2,311,680	2,357,916	2,405,076
22 Transfer to OPEB Trust	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
23 Transfer to Rate Stabilization	750,000	-	-	-	-	-	-	-
24 Transfer to Capital Projects	750,000	298,184	-	150,150	206,030	207,100	112,000	113,000
25 Transfer to Designated Reserve	-	-	-	-	-	-	-	-
26 Operating Contingencies	-	179,928	-	-	-	-	-	-
27	<b>\$ 41,555,054</b>	<b>\$ 46,772,720</b>	<b>\$ 46,560,205</b>	<b>\$ 48,837,043</b>	<b>\$ 50,354,016</b>	<b>\$ 51,524,752</b>	<b>\$ 52,543,055</b>	<b>\$ 53,662,744</b>
28 Fund Equity / (Deficit)	\$ 3,517,754	\$ 0	\$ 72,665	\$ 83,398	\$ 159,489	\$ 144,298	\$ 63,709	\$ 61,424

	<b>FY 2025 Actuals</b>	<b>FY 2026 Original Budget</b>	<b>FY 2026 Year-End Projection</b>	<b>FY 2027 Working Budget</b>	<b>FY 2028 Forecast</b>	<b>FY 2029 Forecast</b>	<b>FY 2030 Forecast</b>	<b>FY 2031 Forecast</b>
29 <b>Projected All Debt Coverage Ratio</b>	7.59	3.04	3.00	3.03	3.10	3.13	3.01	3.05
30 <b>Projected Fund Balance</b>	42.0%	29.9%	37.1%	35.0%	33.7%	32.8%	32.1%	31.3%
31 <b>Projected Days Cash On Hand</b>	214	161	190	181	176	172	169	165
32 <b>Projected Equity/Capitalization</b>	67%	66%	68%	68%	68%	69%	69%	65%
33 <b>Typical Residential @ 66 CCF*</b>	\$102.12	\$111.06	\$109.42	\$117.62	\$123.26	\$127.14	\$130.22	\$133.66
34 <b>Typical Residential Bill Increase</b>	\$0.09	\$8.95	\$7.30	\$8.20	\$5.64	\$3.87	\$3.09	\$3.44
35 <b>Typical Residential Bill % Increase</b>	0.1%	8.8%	7.2%	7.5%	4.8%	3.1%	2.4%	2.6%
36 <i>Base Rate Impact (\$)</i>	\$0.00	\$5.21	\$5.21	\$4.41	\$4.53	\$2.74	\$1.94	\$2.27
37 <i>Base Rate Impact (%)</i>	0.0%	5.1%	5.1%	4.0%	3.9%	2.2%	1.5%	1.7%
38 <i>Estimated Annual PGA Impact (\$)</i>	\$0.09	\$3.74	\$2.10	\$3.79	\$1.11	\$1.13	\$1.15	\$1.17
39 <i>Estimated Annual PGA Impact (%)</i>	0.1%	3.7%	2.1%	3.5%	0.9%	0.9%	0.9%	0.9%
<b>Last Year's Forecast</b>				4.2%	3.6%	3.1%	3.6%	
<b>RSF Balance</b>	\$ 7,649,643	\$ 703,574	\$ 7,953,112	\$ 8,268,620	\$ 8,596,645	\$ 8,937,682	\$ 9,292,249	\$ 9,660,881

## CAPITAL SPENDING PLAN

### ELECTRIC

CAPITAL PROJECTS	2027	2028	2029	2030	2031	5-Year Spending
1 Hollywood Substation - 115 kV Conversion	\$0	\$3,000,000	\$0	\$0	\$0	\$3,000,000
2 ECP10248 - POD Transformer Replacement	\$0	\$0	\$4,260,370	\$0	\$0	\$4,260,370
3 ECP10265 - Radial Substation Conversion	\$300,000	\$400,000	\$0	\$0	\$0	\$700,000
4 ECP10276 - Boviet Peaking Generators	\$4,300,000	\$0	\$0	\$0	\$0	\$4,300,000
5 ECP10277 - Boviet Phase II Substation	\$6,000,000	\$0	\$0	\$0	\$0	\$6,000,000
6 Eastside to Simpson - 115 kV Transmission Re-Conductor	\$0	\$0	\$5,200,000	\$0	\$0	\$5,200,000
7 ECP10282 - Distribution Substation Transformer Replacements	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$1,104,500	\$9,104,500
8 ECP10168 - POD #3 to Simpson Substation 115 kV Transmission Loop	\$4,000,000	\$3,996,579	\$0	\$0	\$0	\$7,996,579
9 ECP10220 - Transmission Structure Replacement(s)	\$1,408,580	\$0	\$0	\$0	\$0	\$1,408,580
10 Wellcome to Eastern Bypass Transmission Structure Replacement	\$0	\$0	\$2,000,000	\$0	\$0	\$2,000,000
11 Peak Shaving Generator Plant - Phase 2	\$6,600,000	\$0	\$0	\$0	\$0	\$6,600,000
<b>TOTAL CAPITAL PROJECTS</b>	<b>\$24,608,580</b>	<b>\$9,396,579</b>	<b>\$13,460,370</b>	<b>\$2,000,000</b>	<b>\$1,104,500</b>	<b>\$50,570,029</b>
<b>CAPITAL OUTLAY</b>	<b>\$13,504,424</b>	<b>\$14,044,601</b>	<b>\$14,465,939</b>	<b>\$14,899,917</b>	<b>\$15,346,915</b>	<b>\$72,261,796</b>
<b>TOTAL CAPITAL</b>	<b>\$38,113,004</b>	<b>\$23,441,180</b>	<b>\$27,926,309</b>	<b>\$16,899,917</b>	<b>\$16,451,415</b>	<b>\$122,831,825</b>

## CAPITAL SPENDING PLAN

### ELECTRIC

FUNDING SOURCE		2027	2028	2029	2030	2031	5-Year Spending
	<i>Pay Go</i>	\$13,504,424	\$14,044,601	\$14,465,939	\$14,899,917	\$15,346,915	\$72,261,796
	<i>Transfers</i>						\$0
	<i>Fund Balance</i>	\$1,408,580	\$0	\$0	\$0	\$0	\$1,408,580
	<i>Revenue Bonds</i>	\$21,200,000	\$9,396,579	\$13,460,370	\$2,000,000	\$1,104,500	\$47,161,449
	<i>SRF/Installment Loans</i>						\$0
	<i>Grants</i>	\$2,000,000					\$2,000,000
<b>TOTAL</b>		<b>\$38,113,004</b>	<b>\$23,441,180</b>	<b>\$27,926,309</b>	<b>\$16,899,917</b>	<b>\$16,451,415</b>	<b>\$122,831,825</b>

% Paid Pay Go/Operating Transfers	39.13%	59.91%	51.80%	88.17%	93.29%	59.98%
% Paid from Bonds and Loans	55.62%	40.09%	48.20%	11.83%	6.71%	38.40%
% Paid from Grants	5.25%					1.63%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**CAPITAL SPENDING PLAN**

**WATER**

<b>CAPITAL PROJECTS</b>		<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>5-Year Spending</b>
1	WCP10030 - Water Distribution System Improvements	\$7,000,000	\$6,000,000	\$0	\$0	\$0	\$13,000,000
2	WCP10037 - NCDOT Memorial Dr. Bridge Water Main Relocation	\$510,000	\$0	\$0	\$0	\$0	\$510,000
3	WCP10040 - WTP Lab Upgrades	\$1,353,700	\$0	\$0	\$0	\$0	\$1,353,700
4	WCP10049 - WTP Lagoon and Impoundment Improvements	\$500,000	\$0	\$0	\$0	\$0	\$500,000
5	WCP10046 - NCDOT Allen Rd	\$0	\$0	\$0	\$295,000	\$0	\$295,000
6	WCP10045 - NCDOT 14th Street	\$0	\$0	\$0	\$45,000	\$0	\$45,000
7	WCP10053 - NCDOT Evans St	\$125,000	\$0	\$0	\$0	\$2,500,000	\$2,625,000
8	WCP10048 - NCDOT Firetower/Portertown	\$0	\$0	\$65,000	\$0	\$0	\$65,000
9	WCP10055 - WTP Filter Improvements	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$4,000,000
10	WCP10054 - NCDOT Dickinson Ave Water Improvements	\$250,000	\$0	\$0	\$0	\$0	\$250,000
11	Water Distribution System Improvements Phase II	\$0	\$1,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$16,000,000
12	Backwash Pump Replacement	\$400,000	\$0	\$0	\$0	\$0	\$400,000

**CAPITAL SPENDING PLAN**

**WATER**

<b>TOTAL CAPITAL PROJECTS</b>	<b>\$11,138,700</b>	<b>\$8,000,000</b>	<b>\$6,065,000</b>	<b>\$6,340,000</b>	<b>\$7,500,000</b>	<b>\$39,043,700</b>
<b>CAPITAL OUTLAY</b>	<b>\$1,541,027</b>	<b>\$1,602,668</b>	<b>\$1,650,748</b>	<b>\$1,700,270</b>	<b>\$1,751,278</b>	<b>\$8,245,991</b>
<b>TOTAL CAPITAL</b>	<b>\$12,679,727</b>	<b>\$9,602,668</b>	<b>\$7,715,748</b>	<b>\$8,040,270</b>	<b>\$9,251,278</b>	<b>\$47,289,691</b>

<b>FUNDING SOURCE</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>5-Year Spending</b>
<i>Pay Go</i>	\$1,541,027	\$1,602,668	\$1,650,748	\$1,700,270	\$1,751,278	\$8,245,991
<i>Transfers</i>						\$0
<i>System Development Fees</i>	\$1,600,000	\$1,800,000				\$3,400,000
<i>Fund Balance</i>	\$3,613,700	\$5,200,000	\$283,764	\$295,000		\$9,392,464
<i>Revenue Bonds</i>	\$5,525,000	\$1,000,000	\$5,781,236	\$6,045,000	\$7,500,000	\$25,851,236
<i>SRF/Installment Loans</i>						\$0
<i>Grants/Contributions</i>	\$400,000					\$400,000
<b>TOTAL</b>	<b>\$12,679,727</b>	<b>\$9,602,668</b>	<b>\$7,715,748</b>	<b>\$8,040,270</b>	<b>\$9,251,278</b>	<b>\$47,289,691</b>

<b>% Paid Pay Go/Operating Transfers</b>	<b>53.27%</b>	<b>89.59%</b>	<b>25.07%</b>	<b>24.82%</b>	<b>18.93%</b>	<b>44.49%</b>
<b>% Paid from Bonds and Loans</b>	<b>43.57%</b>	<b>10.41%</b>	<b>74.93%</b>	<b>75.18%</b>	<b>81.07%</b>	<b>54.67%</b>
<b>% Paid from Grants</b>	<b>3.15%</b>					<b>0.85%</b>
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**CAPITAL SPENDING PLAN**

**WASTEWATER**

<b>CAPITAL PROJECTS</b>		<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>5-Year Spending</b>
1	Sewer Outfall Rehabilitation Phase 5	\$2,000,000	\$2,000,000	\$1,000,000	\$0	\$0	\$5,000,000
2	Northside Collection System Improvements	\$0	\$1,000,000	\$4,000,000	\$4,000,000	\$0	\$9,000,000
3	Southside PS Generator	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000
4	Reedy Branch Outfall	\$0	\$0	\$0	\$2,000,000	\$2,000,000	\$4,000,000
5	SCP10250 - NCDOT Allen Rd	\$0	\$0	\$0	\$330,000	\$0	\$330,000
6	SCP10251 - NCDOT Firetower/Portertown Rd	\$0	\$0	\$30,000	\$0	\$0	\$30,000
7	SCP10252 - NCDOT 14th Street	\$0	\$0	\$0	\$15,000	\$0	\$15,000
8	SCP10255 - NCDOT Evans St	\$50,000	\$0	\$0	\$0	\$750,000	\$800,000
9	SCP10244 - Sewer System Extensions Phase I	\$1,200,000	\$334,240	\$0	\$0	\$0	\$1,534,240
10	Greene Street Pump Station	\$1,500,000	\$2,000,000	\$0	\$0	\$0	\$3,500,000
<b>TOTAL CAPITAL PROJECTS</b>		<b>\$4,750,000</b>	<b>\$5,334,240</b>	<b>\$5,030,000</b>	<b>\$6,345,000</b>	<b>\$4,750,000</b>	<b>\$26,209,240</b>
<b>CAPITAL OUTLAY</b>		<b>\$1,324,180</b>	<b>\$1,377,147</b>	<b>\$1,418,462</b>	<b>\$1,461,015</b>	<b>\$1,504,846</b>	<b>\$7,085,650</b>
<b>TOTAL CAPITAL</b>		<b>\$6,074,180</b>	<b>\$6,711,387</b>	<b>\$6,448,462</b>	<b>\$7,806,015</b>	<b>\$6,254,846</b>	<b>\$33,294,890</b>

## CAPITAL SPENDING PLAN

### WASTEWATER

FUNDING SOURCE		2027	2028	2029	2030	2031	5-Year Spending
	<i>Pay Go</i>	\$1,324,180	\$1,377,147	\$1,418,462	\$1,461,015	\$1,504,846	\$7,085,650
	<i>Transfers</i>						\$0
	<i>System Development Fees</i>		\$500,000				\$500,000
	<i>Fund Balance</i>	\$700,000	\$834,240	\$1,000,000	\$330,000		\$2,864,240
	<i>Revenue Bonds</i>	\$4,050,000	\$4,000,000	\$4,030,000	\$6,015,000	\$4,750,000	\$22,845,000
	<i>SRF/Installment Loans</i>						\$0
	<i>Grants or Contributions</i>						\$0
<b>TOTAL</b>		<b>\$6,074,180</b>	<b>\$6,711,387</b>	<b>\$6,448,462</b>	<b>\$7,806,015</b>	<b>\$6,254,846</b>	<b>\$33,294,890</b>

<b>% Paid Pay Go/Operating Transfers</b>	<b>33.32%</b>	<b>40.40%</b>	<b>37.50%</b>	<b>22.94%</b>	<b>24.06%</b>	<b>31.39%</b>
<b>% Paid from Bonds and Loans</b>	<b>66.68%</b>	<b>59.60%</b>	<b>62.50%</b>	<b>77.06%</b>	<b>75.94%</b>	<b>68.61%</b>
<b>% Paid from Grants</b>						
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**CAPITAL SPENDING PLAN**

GAS

CAPITAL PROJECTS		2027	2028	2029	2030	2031	5-Year Spending
1	LNG Expansion Project Phase II	\$0	\$0	\$0	\$3,400,000	\$3,400,000	\$6,800,000
2	GCP10123 - Integrity Management Replacement Project Phase II	\$2,500,000	\$0	\$0	\$0	\$0	\$2,500,000
3	Mobley's Bridge Rd Interconnect	\$0	\$0	\$700,000	\$0	\$0	\$700,000
4	NC102 Interconnect	\$0	\$320,000	\$1,280,000	\$0	\$0	\$1,600,000
5	GCP10128 - Integrity Management Replacement Project Phase III	\$650,000	\$0	\$0	\$0	\$0	\$650,000
6	GCP10099 - High-Pressure Multiple Gas Facilities Relocation	\$300,000	\$0	\$0	\$0	\$0	\$300,000
7	GCP10101 - Firetower Road Widening	\$0	\$0	\$0	\$500,000	\$0	\$500,000
8	GCP10108 - Allen Road Widening (NCDOT U-5875)	\$0	\$0	\$0	\$2,200,000	\$0	\$2,200,000
9	GCP10113 - Evans St Widening (NCDOT U-2817)	\$136,000	\$1,000,000	\$0	\$0	\$0	\$1,136,000
10	GCP10114 - 14th Street Widening (NCDOT U-5917)	\$0	\$101,958	\$250,000	\$0	\$0	\$351,958
11	Northwestern Loop High-Pressure Gas Main Extension Phase II	\$300,000	\$0	\$0	\$0	\$0	\$300,000
<b>TOTAL CAPITAL PROJECTS</b>		<b>\$3,886,000</b>	<b>\$1,421,958</b>	<b>\$2,230,000</b>	<b>\$6,100,000</b>	<b>\$3,400,000</b>	<b>\$17,037,958</b>
<b>CAPITAL OUTLAY</b>		<b>\$1,363,370</b>	<b>\$1,417,905</b>	<b>\$1,460,442</b>	<b>\$1,504,255</b>	<b>\$1,549,383</b>	<b>\$7,295,355</b>
<b>TOTAL CAPITAL</b>		<b>\$5,249,370</b>	<b>\$2,839,863</b>	<b>\$3,690,442</b>	<b>\$7,604,255</b>	<b>\$4,949,383</b>	<b>\$24,333,313</b>

**CAPITAL SPENDING PLAN**

GAS

FUNDING SOURCE		2027	2028	2029	2030	2031	5-Year Spending
	<i>Pay Go</i>	\$1,363,370	\$1,417,905	\$1,460,442	\$1,504,255	\$1,549,383	\$7,295,355
	<i>Transfers</i>						\$0
	<i>Fund Balance</i>	\$1,386,000	\$1,000,000		\$700,000		\$3,086,000
	<i>Revenue Bonds</i>	\$0	\$421,958	\$2,230,000	\$5,400,000	\$3,400,000	\$11,451,958
	<i>SRF/Installment Loans</i>						\$0
	<i>Grants</i>	\$2,500,000					\$2,500,000
<b>TOTAL</b>		<b>\$5,249,370</b>	<b>\$2,839,863</b>	<b>\$3,690,442</b>	<b>\$7,604,255</b>	<b>\$4,949,383</b>	<b>\$24,333,313</b>

% Paid Pay Go/Operating Transfers	52.38%	85.14%	39.57%	28.99%	31.30%	42.66%
% Paid from Bonds and Loans		14.86%	60.43%	71.01%	68.70%	47.06%
% Paid from Grants	47.62%					10.27%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

## CAPITAL SPENDING PLAN

### FACILITIES & OTHER SUPPORT GROUPS

CAPITAL PROJECTS		2027	2028	2029	2030	2031	5-Year Spending
1	FCP10245 - Admin HVAC Upgrades	\$3,000,000	\$0	\$0	\$0	\$0	\$3,000,000
2	FCP10265 - Operations Renovations	\$1,800,000	\$0	\$0	\$0	\$0	\$1,800,000
3	MCP10267 - Advanced Metering Infrastructure	\$7,869,148	\$8,738,828	\$7,020,694	\$7,397,398	\$8,174,803	\$39,200,871
<b>TOTAL CAPITAL PROJECTS</b>		<b>\$12,669,148</b>	<b>\$8,738,828</b>	<b>\$7,020,694</b>	<b>\$7,397,398</b>	<b>\$8,174,803</b>	<b>\$44,000,871</b>
<b>CAPITAL OUTLAY</b>		<b>\$3,643,000</b>	<b>\$3,788,720</b>	<b>\$3,902,381</b>	<b>\$4,019,453</b>	<b>\$4,140,036</b>	<b>\$19,493,590</b>
<b>TOTAL CAPITAL</b>		<b>\$16,312,148</b>	<b>\$12,527,548</b>	<b>\$10,923,075</b>	<b>\$11,416,851</b>	<b>\$12,314,839</b>	<b>\$63,494,461</b>

FUNDING SOURCE		2027	2028	2029	2030	2031	5-Year Spending
	<i>Pay Go</i>	\$3,643,000	\$3,788,720	\$3,902,381	\$4,019,453	\$4,140,036	\$19,493,590
	<i>Transfers</i>	\$1,798,200	\$3,362,200	\$2,500,000	\$3,000,000	\$2,800,000	\$13,460,400
	<i>Fund Balance</i>	\$3,370,948	\$1,376,628	\$520,694	\$397,398	\$2,374,803	\$8,040,471
	<i>Revenue Bonds</i>	\$7,500,000	\$4,000,000	\$4,000,000	\$4,000,000	\$3,000,000	\$22,500,000
	<i>SRF/Installment Loans</i>						\$0
	<i>Grants</i>						\$0
<b>TOTAL</b>		<b>\$16,312,148</b>	<b>\$12,527,548</b>	<b>\$10,923,075</b>	<b>\$11,416,851</b>	<b>\$12,314,839</b>	<b>\$63,494,461</b>

% Paid Pay Go/Operating Transfers	54.02%	68.07%	63.38%	64.96%	75.64%	64.56%
% Paid from Bonds and Loans	45.98%	31.93%	36.62%	35.04%	24.36%	35.44%
% Paid from Grants						
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

## Capital Improvements Funding Plan

<b>GUC TOTAL</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>5-Year Total</b>
Capital Projects	\$57,052,428	\$32,891,605	\$33,806,064	\$28,182,398	\$24,929,303	\$176,861,799
Capital Outlays	21,376,001	22,231,041	22,897,972	23,584,910	24,292,458	114,382,382
	<u>\$78,428,429</u>	<u>\$55,122,646</u>	<u>\$56,704,036</u>	<u>\$51,767,308</u>	<u>\$49,221,761</u>	<u>\$291,244,181</u>
<b>Funding - Debt Financing</b>						
Revenue Bonds	\$38,275,000	\$18,818,537	\$29,501,606	\$23,460,000	\$19,754,500	\$129,809,643
SRF/Installment Loans	-	-	-	-	-	-
	<u>\$38,275,000</u>	<u>\$18,818,537</u>	<u>\$29,501,606</u>	<u>\$23,460,000</u>	<u>\$19,754,500</u>	<u>\$129,809,643</u>
<b>% to Total Capital</b>	<b>48.8%</b>	<b>34.1%</b>	<b>52.0%</b>	<b>45.3%</b>	<b>40.1%</b>	<b>44.6%</b>
<b>Funding - Cash</b>						
Pay Go	\$21,376,001	\$22,231,041	\$22,897,972	\$23,584,910	\$24,292,458	\$114,382,382
Capital Project Transfer	1,798,200	3,362,200	2,500,000	3,000,000	2,800,000	13,460,400
Acreage & Capacity Fees	1,600,000	2,300,000	-	-	-	3,900,000
Fund Balance	10,479,228	8,410,868	1,804,458	1,722,398	2,374,803	24,791,755
Grants and Contributions	4,900,000	-	-	-	-	4,900,000
	<u>\$40,153,429</u>	<u>\$36,304,109</u>	<u>\$27,202,430</u>	<u>\$28,307,308</u>	<u>\$29,467,261</u>	<u>\$161,434,537</u>
<b>% to Total Capital</b>	<b>51.2%</b>	<b>65.9%</b>	<b>48.0%</b>	<b>54.7%</b>	<b>59.9%</b>	<b>55.4%</b>
<b>Total Funding</b>	<u>\$78,428,429</u>	<u>\$55,122,646</u>	<u>\$56,704,036</u>	<u>\$51,767,308</u>	<u>\$49,221,761</u>	<u>\$291,244,180</u>



# Agenda Item # 3

Meeting Date: March 4, 2026

**Board  
Committee:**

**Finance/Audit Committee**

**Item:**

Recommendation to Award Auditing Services Contract

**Contact:**

Jeff McCauley : Amanda Wall

**Explanation:**

In accordance with the Commission's charter, a single auditing firm must be used to perform the City's and the Commission's financial statement audits. Costs associated with the audits are based on the number of hours expended for each organization's audit engagement.

In 2024, an RFP for auditing services was issued requesting proposals for a five-year engagement. The City and Commission staff recommended Cherry Bekaert, LLP for another five-year term, subject to approval of a contract on an annual basis.

**Strategic Plan  
Elements:**

Strategic Themes:

- Exceptional Customer Service
- Safety, Reliability & Value
- Shaping Our Future

Objectives:

- Safely providing reliable and innovative utility solutions
- Exceeding customer expectations
- Providing competitive rates, while maintaining the financial stability of the utility
- Developing and enhancing strategic partnerships
- Embracing change to ensure organizational alignment and efficiency

Core Values:

- Exceed Customers' Expectations
- Act with Integrity
- Value Employees
- Deliver Reliable Services
- Support the Community

**Previous Board  
Actions:**

March 2024 – Received as information and recommended that the Board execute contract with Cherry Bekaert, LLP for auditing services.

March 2025 – Received as information and recommended that the Board execute contract with Cherry Bekaert, LLP for auditing services.

**Fiscal Note:**

<b>Cherry Bekaert</b>			
<b>Fiscal Year</b>	<b>Greenville Utilities Fee</b>	<b>Estimated Hourly Rate</b>	<b>Estimated No. of Hours</b>
2026	\$ 66,840	\$ 235	285
2027	\$ 70,835	\$ 249	285
2028	\$ 74,835	\$ 263	285

*\*Fiscal year 2025 auditing services fee was \$62,840*

**Recommended  
Action(s):**

The GUC Finance team requests that the Finance/Audit Committee recommend Board approval to execute the fiscal year 2026 auditing services contract with Cherry Bekaert LLP.