



# Fiscal Year 2025

---

Adopted Annual Budget

Rely on us.

# Board of Commissioners



# TABLE OF CONTENTS

Letter to the Board of Commissioners .....1

Attachment 1  
2025 Adopted Budgets .....7

Attachment 2  
Division Operations & Maintenance Budgets ..... 12

Attachment 3  
Labor and Employee Benefit Costs ..... 24

Attachment 4  
Projected Reserves ..... 26

Attachment 5  
Projected Financial Ratios and Statistics ..... 28

# LETTER TO THE BOARD OF COMMISSIONERS

## Board of Commissioners,

The 2025 Eugene Water & Electric Board Operations & Maintenance (O&M) and Capital & Debt Service budgets are submitted for your consideration and approval. The combined total for both Utilities is \$489.6 million, representing an increase of 3.8% compared to the 2024 budget. Individual utility budgets are \$406.1 million for the Electric Utility and \$83.5 million for the Water Utility. Both Utilities' have increases in the overall revenue requirement and, accordingly, price increases are proposed among customer classes.

Financial planning is a means of targeting EWEB's strategic direction to *Foster Customer Confidence, Position for Flexibility, and Actualize Resilient Delivery*. Organizational values are also modeled through the allocation of resources in the proposed budgets for 2025.

**Safe** — Through best practice methods and continuous improvement, we prioritize employee and community safety. Our budget reflects investments in providing clean, healthy water, safeguarding the community during power outages, and preparing for emergencies.

**Reliable** — The electric grid and drinking water systems our customers rely on everyday are threatened by aging infrastructure, natural disasters, and climate change. Our budget reflects necessary investments to provide constant, reliable power and water under both normal operating conditions and disruptive events.

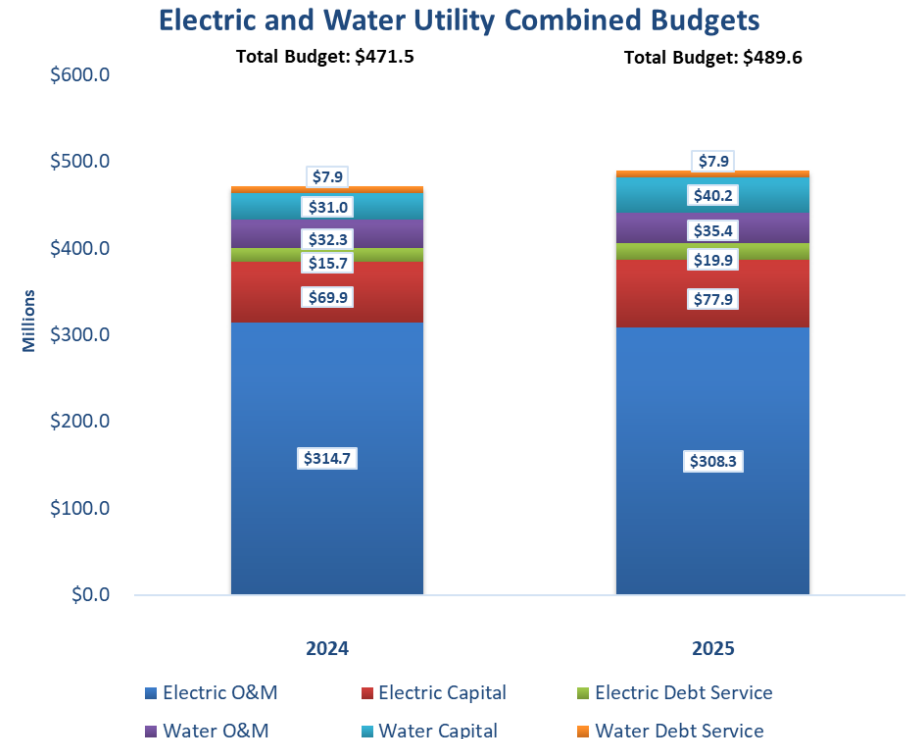
**Affordable** — We understand the economic pressures facing so many customers and we work hard to control costs and operate as efficiently as possible.

**Environmental** — Our environmentally-conscious community values that we provide clean, renewable energy and protect our watersheds. We continue to offer comprehensive incentives for energy and water efficiency programs, along with voluntary programs designed to help customers reduce greenhouse gas emissions and finance environmentally sustainable projects.

**Community** — We contribute a portion of revenues to local schools, programs to support limited income customers, and the Cities of Eugene and Springfield General Funds to help pay for services such as police, fire, and parks.

EWEB continues to be a strong community partner as evidenced by its Customer Care Program, which seeks to mitigate the utility burden of annual average water and electric expenses for at least 5% of the residential customer base. EWEB also provides \$450,000 annually in grants to local schools and \$230,000 annually for Greenpower and solar programs. In addition, incentive programs to encourage electrification of the transportation sector as well as building heating and cooling systems continue in 2025.

The following chart depicts the combined Electric and Water budgets for 2024 and 2025.



# ELECTRIC UTILITY

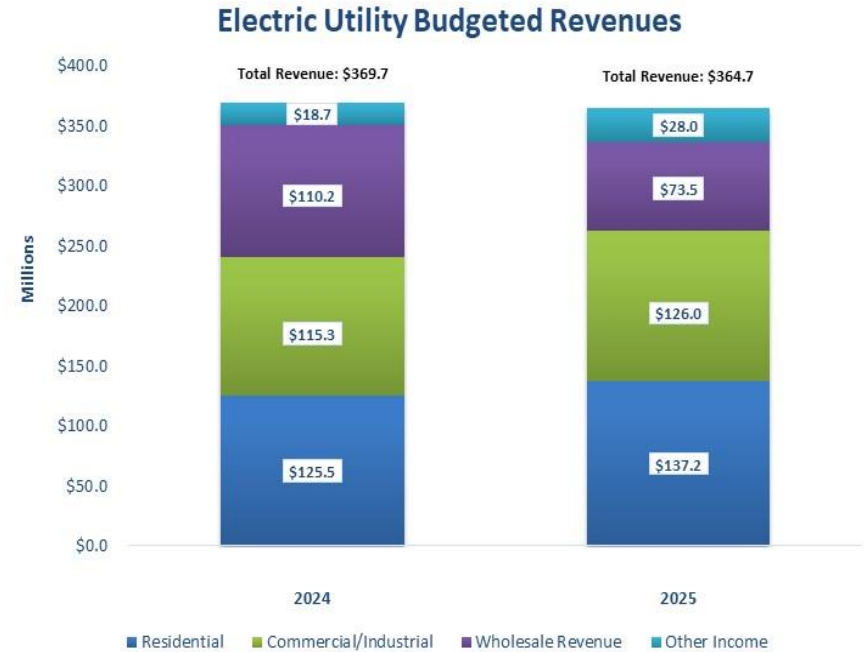
## Overview and Revenue

The Electric Utility faces challenges related to evolving retail demand patterns, infrastructure investment and replacement needs, and volatile power markets in which it buys and sells energy. To navigate these challenges EWEB has invested in energy efficiency and electrification incentive programs, employed conservative demand and hydro assumptions, increased capital budgets for aging infrastructure replacement, and continued an active hedging and risk management program to mitigate market risk.

For the 2025 Budgets, electric retail load increased 0.4% relative to 2024. The 2025 budget assumes a contribution margin risk tolerance of \$10.5 million, which mitigates risk the Utility will experience revenue declines beyond its control. Given its surplus power position, EWEB has a strong hedging program designed to protect the Utility from falling wholesale prices and budget impacts. In recent years, extreme weather events have led to changing demand for electricity. Summer temperatures have consistently exceeded historical conditions, and cooling loads from air conditioning have approached winter peaks. These weather patterns also affect hydroelectric generation. Wholesale revenue decreased by \$36.7 million between 2024 and 2025. The decrease is due to lower wholesale market price assumptions year-over-year. Other income increased by \$9.1 million between 2024 and 2025. The increase is due to higher contracted REC sales.

In the future, as EWEB continues to assist customers with achieving their greenhouse gas (GHG) emission reduction goals as directed by EWEB's Climate Change Policy, there will likely be impacts on retail demand for electricity. Long-term conservation, energy efficiency, and demand-response goals are established as part of the Utility's Energy Resource Plan process, and EWEB will continue to monitor the impacts on peak demand and energy sales.

The following chart presents the Electric 2024 and 2025 revenue budgets.

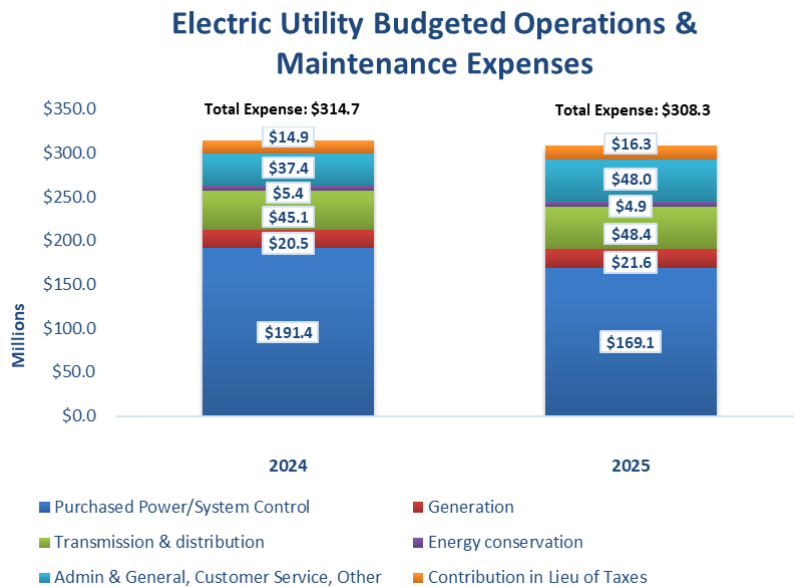


## Operations & Maintenance Budget

The 2025 Electric O&M budget is \$308.3 million compared to the 2024 O&M budget of \$314.7 million. The budget for purchased power and system control expense represents the majority of costs and decreased by \$22 million year-over-year as a result of lower wholesale market price assumptions. Increases in other operational areas are driven by labor market changes and resources to support new technology, services, and infrastructure. The O&M budget projects a \$3.1 million deposit to reserves.

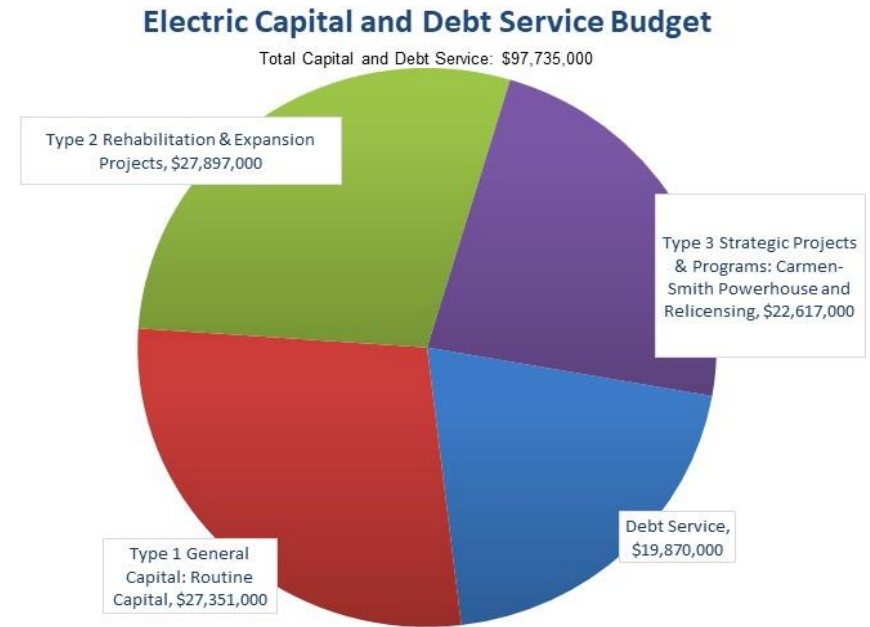


The following chart presents the Electric 2024 and 2025 O&M expense budgets.



The 2025 budget includes \$19.9 million to service existing debt and the overall debt amount will be approximately \$255 million in principal at the end of 2025.

The following chart details the budget by type of cost.



## Capital and Debt Service Budget

The Electric Utility installed significant distribution infrastructure in the 1960s and 1970s. The service life of these assets is ending, and therefore, EWEB needs to manage the replacement of these aging assets while maintaining reliability and increasing resiliency during disruptive events. The electric system investments will be prioritized by managing high customer-impact assets and systems that increase resiliency to critical locations. The Capital budget anticipates a \$41 million draw on reserves including use of bond proceeds.

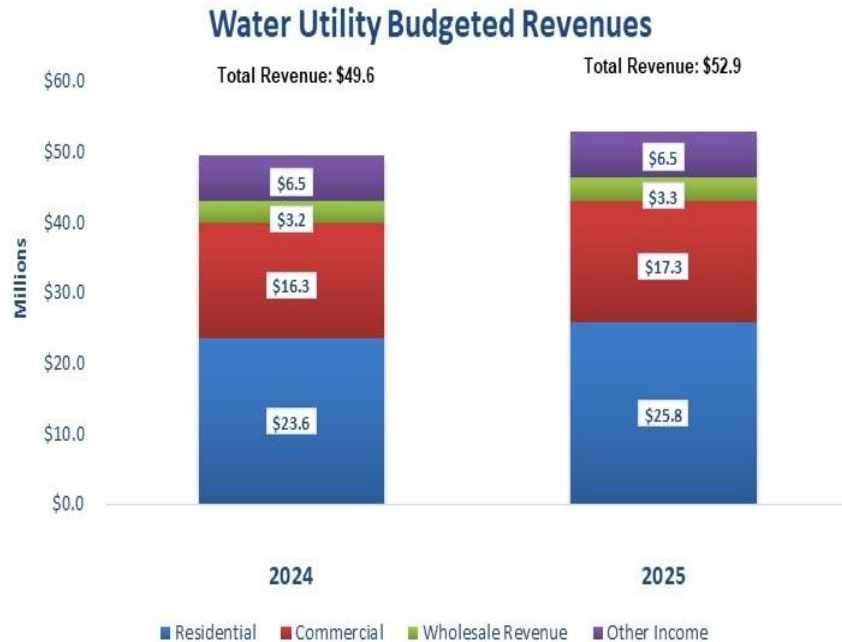
The 2025 Electric Capital & Debt Service budget of \$97.7 million is \$12.0 million higher than the 2024 budget, aimed at addressing near-term regulatory requirements and risk mitigation efforts. \$33.5 million of the 2025 capital work is funded with electric retail revenue, which is a \$1.4 million increase from \$32.1 million funded from retail revenue in 2024. Additional detail on the capital budget is included in Attachment 1.

# WATER UTILITY

## Overview and Revenue

The Water Utility faces challenges such as replacement of aging infrastructure, water source protection, and developing a second source water treatment facility.

The budgeted sales for 2025 are 7.8 billion gallons, remaining flat to sales budgeted in 2024. The long-term financial plan sales forecast assumes 95% of historical 5-year average water consumption for the first five years, resulting in a contribution margin risk tolerance of approximately \$1.3 million in 2025. Residential revenue makes up 52% of the Water Utility's total revenues, while 48% is from commercial, sales for resale and other operating revenue.

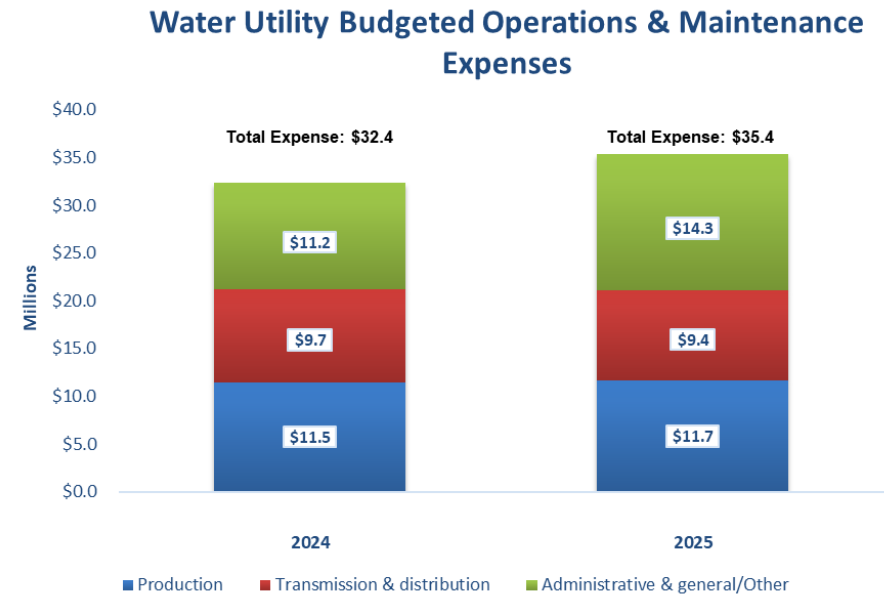


## Operations & Maintenance Budget

The 2025 Water Utility O&M budget is \$35.4 million compared to \$32.4 million in 2024. The budget assumes \$2.4 million for Watershed Recovery work, to be funded by Watershed Restoration Fee revenues.

The O&M budget projects a \$5.8 million draw from reserves. The 2025 budget does not include potential funding from grants not yet awarded to support watershed restoration projects. In the event project grants are secured, a budget amendment would be proposed to the Board to accommodate increased spending. Year-over-year increases are driven by labor market changes and resources to support new technology, services, and infrastructure.

The following chart compares the 2024 and 2025 Water Utility Operations & Maintenance budgets.





## Capital and Debt Service Budget

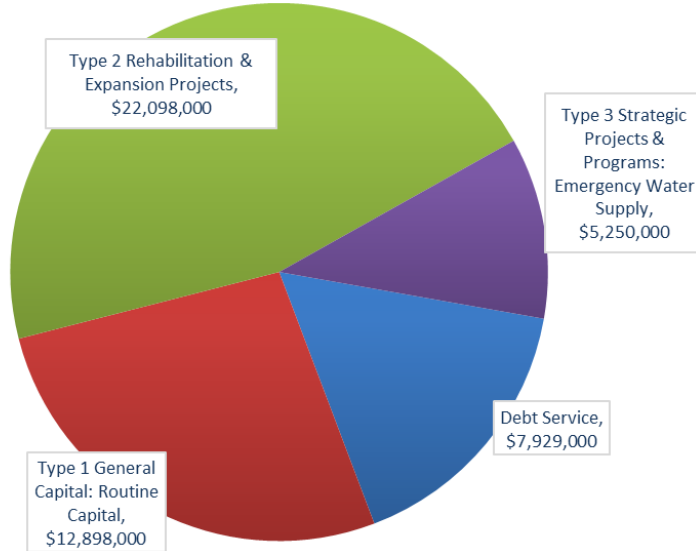
The Water Utility prioritizes investments in base-level storage and in-town transmission infrastructure. Construction will ramp up in 2025 and 2026 for the College Hill Reservoirs as well as the Alder Street transmission main. In addition, 2025 budgets incorporate plans for EWEB to continue design and permitting efforts for construction of a treatment plant on the Willamette River. The Capital budget projects a draw of \$22.7 million on reserves including the use of bond proceeds.

The Water Capital & Debt Service budget of \$48.2 million reflects a \$9.3 million increase from the 2024 budget. Depending on the type of project, funding is through water retail prices, customer contributions, or bonds.

The 2025 budget includes \$7.9 million for servicing existing debt, with the total principal debt expected to be around \$104 million at the end of 2025.

### Water Capital and Debt Service Budget

Total Capital and Debt Service: \$48,175,000



The 2025 budgets position both the Electric and Water Utilities to maintain their financial resiliency and flexibility. EWEB faces the challenge of effectively planning and operating in an environment of inflationary pressures, a changing climate, new technology, developing markets, political and regulatory flux, natural and human-caused threats, and evolving community expectations. In this environment, we need to embed resiliency into all our operations, processes, and decision making – from how we upgrade aging infrastructure, to planning for our community’s energy future, and transforming the technology and programs that build customer trust and enable operational consumption flexibility. I am pleased how EWEB has rallied around this focus, and I want to thank EWEB management, staff, and Commissioners for their assistance in helping EWEB achieve its mission “to enhance our community’s vitality by delivering drinking water and electric services consistent with the values of our customer-owners”.

Respectfully submitted,

Frank Lawson, General Manager

# DID YOU KNOW?



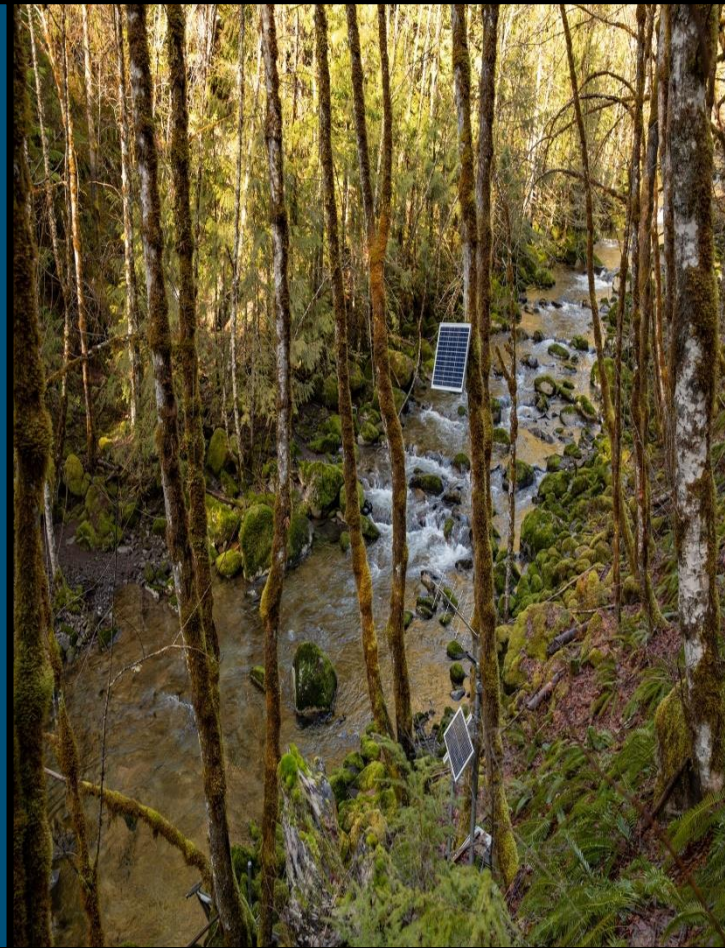
## Carmen-Smith Relicensing

EWEB recently finished upgrading the Spawning Channel as part of relicensing the Carmen-Smith Hydroelectric Project. Habitat improvements include improving spawning gravels for adults to lay their eggs, creating riffles to oxygenate the water for egg development, and pools to slow the flow for juvenile fish once they've hatched.

# ATTACHMENT 1

## 2025 ADOPTED BUDGET

DID YOU  
KNOW?



### Carmen-Smith Relicensing

In a partnership with USGS, EWEB installed a water and weather station at Smith River below the reservoir. The system will help monitor turbidity and other effects when water is released from Smith's spillway. There is another monitoring station at the bottom of Smith's reach just above Trail Bridge Reservoir.



# EUGENE WATER & ELECTRIC BOARD

## ELECTRIC UTILITY OPERATIONS & MAINTENANCE BUDGET AND REVENUE REQUIREMENTS

### 2025 ADOPTED BUDGET COMPARED WITH PRIOR YEARS

	2025 Adopted Budget		2024 Adopted Budget		2023 Actual	
	MWH	Revenue and Expense	MWH	Revenue and Expense	MWH	Revenue and Expense
Residential	981,000	\$ 137,209,000	970,000	\$ 125,450,000	984,000	\$ 120,206,000
Commercial	868,000	99,334,000	873,000	90,281,000	840,000	83,398,000
Industrial	494,000	26,685,000	490,000	25,023,000	490,000	21,702,000
Retail sales	2,343,000	263,228,000	2,333,000	240,754,000	2,314,000	225,306,000
Wholesale sales	1,165,000	73,468,000	1,351,000	110,202,000	1,038,000	64,994,000
Other Operating Revenues		19,094,000		9,991,000		11,485,000
Operating revenues	3,508,000	355,790,000	3,684,000	360,947,000	3,352,000	301,785,000
Other revenue		1,945,000		1,857,000		4,523,000
Interest earnings		7,010,000		6,850,000		6,843,000
Non-operating revenues		8,955,000		8,707,000		11,366,000
<b>Total revenues</b>		<b>364,745,000</b>		<b>369,654,000</b>		<b>313,151,000</b>
Purchased Power		162,768,000		184,937,000		148,313,000
System control		6,304,000		6,438,000		4,588,000
Generation		21,595,000		20,497,000		16,461,000
Wheeling		15,062,000		12,840,000		13,189,000
Transmission & distribution		33,331,000		32,365,000		30,366,000
Customer accounting		10,756,000		9,973,000		10,004,000
Energy conservation		6,821,000		6,972,000		5,397,000
Administrative & general		38,109,000		28,459,000		27,509,000
Operating expenses		294,746,000		302,481,000		255,827,000
Contributions in lieu of taxes		16,315,000		14,851,000		13,450,000
Change in balance sheet accounts/ other expenses		(2,806,000)		(2,650,000)		30,471,000 <sup>1</sup>
Non-operating expenses		13,509,000		12,201,000		43,921,000
<b>Total operations and maintenance expenses</b>		<b>308,255,000</b>		<b>314,682,000</b>		<b>299,748,000</b>
Rate funded capital		33,529,000		32,100,000		
Rate funded debt service		19,870,000		15,727,000		
Total rate funded capital related expenses		53,399,000		47,827,000		
<b>Total rate funded expenses</b>		<b>361,654,000</b>		<b>362,509,000</b>		
<b>Revenues over/(under) expenses</b>		<b>\$ 3,091,000</b>		<b>\$ 7,145,000</b>		
Deposit to Leaburg Reserve		2,160,000		4,200,000		
Deposit to / (Draw from) Unrestricted Reserves		931,000 <sup>3</sup>		2,945,000		
<b>Net change in reserves from operations</b>		<b>\$ 3,091,000</b>		<b>\$ 7,145,000</b>		
<b>Change in Net Position</b>						<b>\$ 13,403,000<sup>2</sup></b>

<sup>1</sup> Includes depreciation, other revenue deductions, interest and amortization expense, contribution in aid, and contributed plant assets

<sup>2</sup> Actual results are not directly comparable to budget due to a difference in accounting treatment

<sup>3</sup> Board will allocate working cash above target to specific designated funds after annual audit

Dollars rounded to nearest thousand.

# EUGENE WATER & ELECTRIC BOARD

## ELECTRIC UTILITY CAPITAL AND DEBT SERVICE BUDGET

### 2025 ADOPTED BUDGET COMPARED WITH 2024 ADOPTED BUDGET

	2025 Adopted Budget	2024 Adopted Budget
<b>Funding Source by Type</b>		
<u>Source of Funds</u>		
Retail Revenue	\$ 33,529,000	\$ 32,100,000
Draw on Rate Stabilization Reserves	7,166,000	9,336,000
Bond Proceeds	33,854,000	24,255,000
Customer Contributions in Aid	2,276,000	3,019,000
Grant Funding	1,040,000	1,213,000
<b>Total Source of Funds</b>	<b>77,865,000</b>	<b>69,923,000</b>
 <b>Expenditures by Type</b>		
<u>Type 1- General Capital</u> <sup>1</sup>		
Electric Infrastructure- Generation	1,307,000	1,937,000
Electric Infrastructure- Substations	4,016,000	2,966,000
Electric Infrastructure- Transmission & Distribution	9,641,000	8,561,000
Downtown Network	1,092,000	1,198,000
Telecommunications	1,106,000	940,000
General Plant- Information Technology	6,632,000	4,039,000
General Plant- Buildings & Land	430,000	233,000
General Plant- Fleet	3,127,000	2,790,000
<b>Total Type 1</b>	<b>27,351,000</b>	<b>22,664,000</b>
 <u>Type 2- Rehabilitation &amp; Expansion Projects</u> <sup>2</sup>		
Electric Infrastructure- Generation	6,857,000	1,050,000
Electric Infrastructure- Resiliency & Reliability Projects	2,205,000	3,717,000
Electric Meters	2,471,000	3,961,000
General Plant- Information Technology	8,187,000	9,006,000
General Plant- Buildings & Land	8,177,000	5,270,000
<b>Total Type 2</b>	<b>27,897,000</b>	<b>23,004,000</b>
 <u>Type 3- Strategic Projects &amp; Programs</u> <sup>3</sup>		
Carmen-Smith Relicensing	22,617,000	24,255,000
<b>Total Type 3</b>	<b>22,617,000</b>	<b>24,255,000</b>
 <b>Total Electric Capital Budget</b>	<b>77,865,000</b>	<b>69,923,000</b>
<b>Rate Funded Debt Service</b>	<b>19,870,000</b>	<b>15,727,000</b>
<b>Total Electric Capital and Debt Service Budget</b>	<b>\$ 97,735,000</b>	<b>\$ 85,650,000</b>

<sup>1</sup> Type 1 capital is routine capital work for projects totaling less than \$1 million and is primarily funded with rates and customer contributions

<sup>2</sup> Type 2 capital projects are discrete, with a defined completion period, and lifetime expenditures over \$1 million. Depending on the project, this work may be funded with rates, customer contributions, or bond funds

<sup>3</sup> Type 3 capital projects are large strategic programs with long-term impacts, and are generally bond funded

Dollars rounded to the nearest thousand

**EUGENE WATER & ELECTRIC BOARD**  
**WATER UTILITY OPERATIONS & MAINTENANCE BUDGET AND REVENUE REQUIREMENTS**  
**2025 ADOPTED BUDGET COMPARED WITH PRIOR YEARS**

	2025 Adopted Budget		2024 Adopted Budget		2023 Actual	
	Gal (000)	Revenue and Expense	Gal (000)	Revenue and Expense	Gal (000)	Revenue and Expense
Residential	3,830,000	\$ 25,778,000	3,835,000	\$ 23,556,000	4,010,000	\$ 22,494,000
Commercial	3,304,000	17,342,000	3,305,000	16,316,000	3,608,000	16,927,000
Sales for Resale and Other	642,000	6,813,000	646,000	6,666,000	674,000	6,770,000
Operating revenues	<u>7,776,000</u>	<u>49,933,000</u>	<u>7,786,000</u>	<u>46,538,000</u>	<u>8,292,000</u>	<u>46,191,000</u>
Other revenue		1,061,000		547,000		3,869,000
Interest earnings		<u>1,914,000</u>		<u>2,541,000</u>		<u>2,550,000</u>
Non-operating revenues		2,975,000		3,088,000		6,419,000
<b>Total revenues</b>		<b><u>52,908,000</u></b>		<b><u>49,626,000</u></b>		<b><u>52,610,000</u></b>
Production		11,677,000		11,520,000		13,059,000
Transmission & distribution		9,402,000		9,687,000		7,663,000
Customer accounting		2,934,000		3,000,000		2,484,000
Conservation		1,075,000		933,000		649,000
Administrative & general		<u>10,688,000</u>		<u>7,590,000</u>		<u>7,310,000</u>
Operating expenses		<u>35,776,000</u>		<u>32,730,000</u>		<u>31,165,000</u>
Change in balance sheet accounts/ other expenses		(419,000)		(408,000)		9,536,000 <sup>1</sup>
Non-operating expenses		<u>(419,000)</u>		<u>(408,000)</u>		<u>9,536,000</u>
<b>Total operations and maintenance expenses</b>		<b><u>35,357,000</u></b>		<b><u>32,322,000</u></b>		<b><u>40,701,000</u></b>
Rate funded capital		15,991,000		4,927,000		
Rate funded debt service		<u>7,329,000</u>		<u>7,020,000</u>		
Total rate funded capital related expenses		23,320,000		11,947,000		
<b>Total rate funded expenses</b>		<b><u>58,677,000</u></b>		<b><u>44,269,000</u></b>		
<b>Revenues over expenses</b>		<b><u>\$ (5,769,000)</u></b>		<b><u>\$ 5,357,000</u></b>		
Deposit to / (Draw from) Unrestricted Reserves		(5,669,000)		4,407,000		
Deposit to / (Draw from) Rate Stabilization Fund		<u>(100,000)</u>		<u>950,000</u>		
<b>Net change in reserves from operations</b>		<b><u>\$ (5,769,000)</u></b>		<b><u>\$ 5,357,000</u></b>		
<b>Change in Net Position</b>						<b><u>\$ 11,909,000</u></b> <sup>2</sup>

<sup>1</sup> Includes depreciation, other revenue deductions, interest and amortization expense, contribution in aid, and contributed plant assets

<sup>2</sup> Actual results are not directly comparable to budget due to a difference in accounting treatment

Dollars rounded to nearest thousand.



# EUGENE WATER & ELECTRIC BOARD

## WATER UTILITY CAPITAL AND DEBT SERVICE BUDGET

### 2025 ADOPTED BUDGET COMPARED WITH 2024 ADOPTED BUDGET

	2025 Adopted Budget	2024 Adopted Budget
<b>Funding Source by Type</b>		
<u>Source of Funds</u>		
Retail Revenue	\$ 15,991,000	\$ 4,927,000
Draw on Alternative Water Supply Reserve	1,752,000	1,625,000
Draw on Capital Reserve	380,000	350,000
Draw on Rate Stabilization Reserves	-	7,320,000
Bond Proceeds	20,541,000	15,294,000
Customer Contributions in Aid	1,166,000	1,166,000
System Development Charges, Improvements	416,000	291,000
<b>Total Source of Funds</b>	<b>40,246,000</b>	<b>30,973,000</b>
<b>Expenditures by Type</b>		
<u>Type 1 - General Capital</u> <sup>1</sup>		
Source- Water Intakes & Filtration Plant	1,443,000	1,075,000
Water Infrastructure- Distribution & Pipe Services	7,855,000	7,155,000
Water Infrastructure- Distribution Facilities	1,197,000	987,000
General Plant- Information Technology	1,562,000	1,070,000
General Plant- Buildings, Land & Fleet	841,000	923,000
<b>Total Type 1</b>	<b>12,898,000</b>	<b>11,210,000</b>
<u>Type 2- Rehabilitation &amp; Expansion Projects</u> <sup>2</sup>		
Water Infrastructure- Distribution	15,750,000	11,760,000
Water Meters	2,327,000	1,500,000
General Plant- Information Technology	2,586,000	2,844,000
General Plant- Buildings, Land & Fleet	1,435,000	1,034,000
<b>Total Type 2</b>	<b>22,098,000</b>	<b>17,138,000</b>
<u>Type 3- Strategic Projects &amp; Programs</u> <sup>3</sup>		
Willamette Water Treatment Plant	5,250,000	2,625,000
<b>Total Type 3</b>	<b>5,250,000</b>	<b>2,625,000</b>
<b>Total Water Capital Budget</b>	<b>40,246,000</b>	<b>30,973,000</b>
<b>Rate Funded Debt Service</b>	<b>7,329,000</b>	<b>7,020,000</b>
<b>SDC Reimbursement Funded Debt Service</b>	<b>600,000</b>	<b>910,000</b>
<b>Total Water Capital and Debt Service Budget</b>	<b>\$ 48,175,000</b>	<b>\$ 38,903,000</b>

<sup>1</sup> Type 1 capital is routine capital work for projects totaling less than \$1 million and is primarily funded with rates and customer contributions

<sup>2</sup> Type 2 capital projects are discrete, with a defined completion period, and lifetime expenditures over \$1 million. Depending on the project, this work may be funded with rates, customer contributions, or bond funds

<sup>3</sup> Type 3 capital projects are large strategic programs with long-term impacts, and are generally bond funded  
Dollars rounded to the nearest thousand

## ATTACHMENT 2

# DIVISION OPERATIONS & MAINTENANCE

DID YOU  
KNOW?



### College Hill Reservoir

EWEB is replacing an 80-year-old 15-million-gallon drinking water reservoir with new earthquake-proof tanks that will store and protect drinking water for all Eugene residents. The College Hill Reservoir was fully drained at the beginning of 2024 after EWEB finished construction on the new earthquake-proof drinking water storage tanks near East 40th Ave. and Patterson St.

## Eugene Water & Electric Board – Division Operations & Maintenance Budget Summary

	2025 Adopted Budget Dollars	2024 Adopted Budget Dollars	2023 Actual Dollars
Business Continuity	\$8,609,000	\$8,231,000	\$6,497,000
Customer Service	22,373,000	21,302,000	17,983,000
Electric	31,316,000	30,074,000	28,918,000
Energy	204,920,000	223,742,000	181,806,000
Finance	7,490,000	7,605,000	6,310,000
General Manager	1,827,000	2,029,000	1,697,000
Human Resources	4,144,000	3,685,000	3,393,000
Information Services	23,697,000	14,242,000	13,587,000
Support Services	19,034,000	18,359,000	16,357,000
Water	20,510,000	20,197,000	20,376,000
<b>Total Operations and Maintenance Budget</b>	<b>\$343,920,000</b>	<b>\$349,466,000</b>	<b>\$296,924,000</b>

Note: Due to re-organization, prior year numbers have been restated for comparability.

## Business Continuity Operations & Maintenance Budget

	2025 Adopted Budget Dollars	2024 Adopted Budget Dollars	2023 Actual Dollars
Wages / Benefits	\$4,865,000	\$4,790,000	\$3,725,000
<u>Purchases</u>			
Stores Materials and Supplies	2,000	3,000	1,000
EWEB Equipment	110,000	94,000	87,000
Materials and Supplies	113,000	107,000	99,000
Technology / Office Equipment	93,000	95,000	111,000
<b>Total Purchases</b>	<b>\$318,000</b>	<b>\$299,000</b>	<b>\$298,000</b>
<u>Services</u>			
Contract Labor	5,000	5,000	-
Miscellaneous Services	178,000	143,000	96,000
Professional and Technical Services	428,000 <sup>1</sup>	376,000	190,000
Software/Hardware Maintenance and Services	19,000	16,000	7,000
Legal Services	120,000	95,000	105,000
Insurance	2,561,000 <sup>2</sup>	2,385,000	1,986,000
Training and Travel	115,000	122,000	90,000
<b>Total Services</b>	<b>\$3,426,000</b>	<b>\$3,142,000</b>	<b>\$2,474,000</b>
<b>Total</b>	<b>\$8,609,000</b>	<b>\$8,231,000</b>	<b>\$6,497,000</b>

<sup>1</sup> Includes employee wellness events, safety program, cyber security, and resiliency and fire mitigation initiatives

<sup>2</sup> Insurance premium increases for property, liability, and cyber security coverages

## Customer Service Operations & Maintenance Budget

	2025 Adopted Budget Dollars	2024 Adopted Budget Dollars	2023 Actual Dollars
Wages / Benefits	\$12,248,000	\$10,745,000	\$8,711,000
<u>Purchases</u>			
EWEB Equipment	22,000	16,000	19,000
Materials and Supplies	16,000	12,000	5,000
Technology / Office Equipment	37,000	18,000	2,000
<b>Total Purchases</b>	<b>\$75,000</b>	<b>\$46,000</b>	<b>\$26,000</b>
<u>Services</u>			
Contract Labor	12,000	10,000	10,000
Conservation Measures and Incentives <sup>1</sup>	3,650,000	3,650,000	2,845,000
Electrification Incentive <sup>2</sup>	1,110,000	1,530,000	1,031,000
Miscellaneous Services	44,000	80,000	26,000
Professional and Technical Services	2,095,000 <sup>3</sup>	2,424,000	1,455,000
Property Rent	10,000	-	-
Printing and Postage	47,000	44,000	24,000
Training and Travel	129,000	115,000	73,000
Grants	978,000	958,000	1,670,000 <sup>4</sup>
Uncollectable Accounts	400,000	400,000	381,000
Limited Income Services	1,575,000 <sup>5</sup>	1,300,000	1,731,000
<b>Total Services</b>	<b>\$10,050,000</b>	<b>\$10,511,000</b>	<b>\$9,246,000</b>
<b>Total</b>	<b>\$22,373,000</b>	<b>\$21,302,000</b>	<b>\$17,983,000</b>

Note: Due to re-organization, prior year numbers have been restated for comparability

<sup>1</sup> Conservation Incentives are based on eligibility for reimbursement by Bonneville Power Administration (BPA)

<sup>2</sup> Load Growth Incentives for Transportation and Building Electrification programs are supplemented by Clean Fuel Credit revenue

<sup>3</sup> Merchant processing and collection services fees; 2025 lower due to one-time consultation services for IRP initiative, Demand Side Potential Assessment (DSPA)

<sup>4</sup> Includes grants issued for Holiday Farm Fire recovery, reimbursable by Lane County and the Department of Environmental Quality (DEQ)

<sup>5</sup> Increased Customer Care payments, supplemented by customer donations

## Electric Operations & Maintenance Budget

	2025 Adopted Budget Dollars	2024 Adopted Budget Dollars	2023 Actual Dollars
Wages / Benefits	\$21,962,000	\$21,270,000	\$18,732,000
<u>Purchases</u>			
Stores Materials and Supplies	741,000	689,000	729,000
EWEB Equipment	2,024,000	1,860,000	1,915,000
Maintenance and Repairs	25,000	19,000	52,000
Equipment	10,000	5,000	11,000
Materials and Supplies	547,000	413,000	672,000
Technology / Office Equipment	43,000	61,000	12,000
<b>Total Purchases</b>	<b>\$3,390,000</b>	<b>\$3,047,000</b>	<b>\$3,391,000</b>
<u>Services</u>			
Construction Agreements	4,380,000	4,211,000	5,129,000 <sup>1</sup>
Miscellaneous Services	178,000	166,000	166,000
Professional and Technical Services	698,000 <sup>2</sup>	734,000 <sup>2</sup>	342,000
Software/Hardware Maintenance and Services	69,000	70,000	56,000
Property Rent	16,000	15,000	15,000
Legal Services	2,000	2,000	584,000 <sup>3</sup>
Fees and Licenses	255,000	260,000	201,000
Training and Travel	366,000	299,000	302,000
<b>Total Services</b>	<b>\$5,964,000</b>	<b>\$5,757,000</b>	<b>\$6,795,000</b>
<b>Total</b>	<b>\$31,316,000</b>	<b>\$30,074,000</b>	<b>\$28,918,000</b>

<sup>1</sup> One-time increase in scale of services to address vegetation management work. 2023 cost driven by efforts to catch-up on backlog of work

<sup>2</sup> Wildfire mitigation initiative and resiliency program

<sup>3</sup> 2023 legal service expenses related to the Holiday Farm Fire now covered by insurance due to self-insurance coverage limit reached



## Energy Operations & Maintenance Budget

	2025 Adopted Budget Dollars	2024 Adopted Budget Dollars	2023 Actual Dollars
Wages / Benefits	\$13,046,000	\$11,852,000	\$10,306,000
<u>Purchases</u>			
Stores Materials and Supplies	5,000	7,000	17,000
EWEB Equipment	765,000	690,000	573,000
Maintenance and Repairs	85,000	126,000	88,000
Equipment	34,000	44,000	28,000
Energy	162,989,000 <sup>1</sup>	185,127,000	148,504,000
Fuels <sup>2</sup>	2,272,000	2,678,000	1,997,000
Materials and Supplies	265,000	241,000	233,000
<b>Total Purchases</b>	<b>\$166,415,000</b>	<b>\$188,913,000</b>	<b>\$151,440,000</b>
<u>Services</u>			
Contract Labor	170,000	195,000	99,000
Wheeling	15,062,000 <sup>3</sup>	12,840,000	13,189,000
Construction Agreements	3,347,000 <sup>4</sup>	3,407,000	2,945,000
Miscellaneous Services	104,000	82,000	123,000
Professional and Technical Services	3,609,000 <sup>5</sup>	3,509,000	1,593,000
Software/Hardware Maintenance and Services	779,000	816,000	451,000
Memberships and Dues	752,000	748,000	518,000
Legal Services	895,000 <sup>6</sup>	684,000	539,000
Fees and Licenses	446,000	451,000	425,000
Training and Travel	295,000	245,000	178,000
<b>Total Services</b>	<b>\$25,459,000</b>	<b>\$22,977,000</b>	<b>\$20,060,000</b>
<b>Total</b>	<b>\$204,920,000</b>	<b>\$223,742,000</b>	<b>\$181,806,000</b>

<sup>1</sup> Lower wholesale market prices

<sup>2</sup> Fuel cost for shared co-generation facility; year-over-year changes driven by fluctuations in fuel prices and generation schedules

<sup>3</sup> Increased transmission costs due to BPA rate increases

<sup>4</sup> Contracted costs for wind and co-generation facilities and Trail Bridge sinkhole remediation

<sup>5</sup> BPA contract negotiation, organized market readiness, and Leaburg decommissioning engineering

<sup>6</sup> Increased Leaburg decommissioning support

## Finance Operations & Maintenance Budget

	2025 Adopted Budget Dollars	2024 Adopted Budget Dollars	2023 Actual Dollars
Wages / Benefits	\$6,628,000	\$6,675,000	\$5,770,000
<u>Purchases</u>			
Stores Materials and Supplies	4,000	12,000	3,000
EWEB Equipment	40,000	27,000	28,000
Materials and Supplies	31,000	40,000	22,000
Technology / Office Equipment	28,000	38,000	18,000
<b>Total Purchases</b>	<b>\$103,000</b>	<b>\$117,000</b>	<b>\$71,000</b>
<u>Services</u>			
Contract Labor	75,000	90,000	32,000
Miscellaneous Services	26,000	26,000	17,000
Professional and Technical Services	387,000	342,000	311,000
Software/Hardware Maintenance and Services	10,000	40,000	8,000
Legal Services	35,000	35,000	11,000
Fees and Licenses	75,000	90,000	33,000
Training and Travel	151,000	190,000	57,000
<b>Total Services</b>	<b>\$759,000</b>	<b>\$813,000</b>	<b>\$469,000</b>
<b>Total</b>	<b>\$7,490,000</b>	<b>\$7,605,000</b>	<b>\$6,310,000</b>

Note: Due to re-organization, prior year numbers have been restated for comparability

## General Manager Operations & Maintenance Budget

	2025 Adopted Budget Dollars	2024 Adopted Budget Dollars	2023 Actual Dollars
Wages / Benefits	\$1,702,000	\$1,845,000	\$1,563,000
<u>Purchases</u>			
Materials and Supplies	14,000	21,000	7,000
Technology / Office Equipment	6,000	6,000	1,000
<b>Total Purchases</b>	<b>\$20,000</b>	<b>\$27,000</b>	<b>\$8,000</b>
<u>Services</u>			
Miscellaneous Services	47,000	39,000	39,000
Professional and Technical Services	8,000	46,000	38,000
Training and Travel	40,000	62,000	38,000
Grants	10,000	10,000	11,000
<b>Total Services</b>	<b>\$105,000</b>	<b>\$157,000</b>	<b>\$126,000</b>
<b>Total</b>	<b>\$1,827,000</b>	<b>\$2,029,000</b>	<b>\$1,697,000</b>

## Human Resources Operations & Maintenance Budget

	2025 Adopted Budget Dollars	2024 Adopted Budget Dollars	2023 Actual Dollars
Wages / Benefits	\$3,526,000	\$3,126,000	\$2,955,000
<u>Purchases</u>			
EWEB Equipment	-	-	2,000
Materials and Supplies	37,000	38,000	12,000
Technology / Office Equipment	3,000	2,000	3,000
<b>Total Purchases</b>	<b>\$40,000</b>	<b>\$40,000</b>	<b>\$17,000</b>
<u>Services</u>			
Contract Labor	10,000	10,000	39,000
Miscellaneous Services	67,000	65,000	49,000
Professional and Technical Services	259,000	202,000	208,000
Software/Hardware Maintenance and Services	9,000	9,000	1,000
Legal Services	130,000	130,000	83,000
Training and Travel	103,000	103,000	41,000
<b>Total Services</b>	<b>\$578,000</b>	<b>\$519,000</b>	<b>\$421,000</b>
<b>Total</b>	<b>\$4,144,000</b>	<b>\$3,685,000</b>	<b>\$3,393,000</b>

## Information Services Operations & Maintenance Budget

	2025 Adopted Budget Dollars	2024 Adopted Budget Dollars	2023 Actual Dollars
Wages / Benefits	\$13,404,000 <sup>1</sup>	\$8,683,000	\$7,210,000
<u>Purchases</u>			
Stores Materials and Supplies	405,000	405,000	392,000
Technology / Office Equipment	186,000	510,000	2,019,000 <sup>2</sup>
<b>Total Purchases</b>	<b>\$591,000</b>	<b>\$915,000</b>	<b>\$2,411,000</b>
<u>Services</u>			
Contract Labor	25,000	25,000	3,000
Miscellaneous Services	461,000	486,000	380,000
Professional and Technical Services	1,108,000 <sup>3</sup>	608,000	575,000
Software/Hardware Maintenance and Services	2,200,000	2,925,000	2,514,000
SBITA Services	5,243,000 <sup>2</sup>	-	-
Printing and Postage	414,000	420,000	383,000
Fees and Licenses	11,000	11,000	10,000
Training and Travel	240,000	169,000	101,000
<b>Total Services</b>	<b>\$9,702,000</b>	<b>\$4,644,000</b>	<b>\$3,966,000</b>
<b>Total</b>	<b>\$23,697,000</b>	<b>\$14,242,000</b>	<b>\$13,587,000</b>

<sup>1</sup> Transfers from other divisions and increases in staffing with specialized technical expertise to provide ongoing infrastructure support for modernizing technology

<sup>2</sup> New cost category following implementation of a new accounting standard for Subscription-Based Information Technology Arrangements (SBITA). Consolidates Software as a Services (SaaS) contracts, some subscription contracts were previously captured in capital budgets and/or in other divisions, others will expire as applications are retired due to EWEB Enterprise Solutions

<sup>3</sup> Includes new service maintenance contract

## Support Services Operations & Maintenance Budget

	2025 Adopted Budget Dollars	2024 Adopted Budget Dollars	2023 Actual Dollars
Wages / Benefits	\$11,843,000	\$11,558,000	\$10,806,000
<u>Purchases</u>			
Stores Materials and Supplies	59,000	71,000	12,000
EWEB Equipment	1,733,000	1,514,000	1,675,000
Maintenance and Repairs	18,000	23,000	10,000
Energy	392,000	252,000	391,000
Water	164,000	102,000	157,000
Fuels	100,000	110,000	102,000
Vehicle Fuel and Oil	732,000	713,000	627,000
Materials and Supplies	521,000	434,000	406,000
Technology / Office Equipment	70,000	60,000	-
<b>Total Purchases</b>	<b>\$3,789,000</b>	<b>\$3,279,000</b>	<b>\$3,380,000</b>
<u>Services</u>			
Construction Agreements	1,848,000	2,067,000 <sup>1</sup>	974,000
Miscellaneous Services	216,000	199,000	206,000
Professional and Technical Services	525,000	483,000	422,000
Software/Hardware Maintenance and Services	111,000	110,000	78,000
Property Rent	146,000	134,000	139,000
Legal Services	90,000	90,000	63,000
Printing and Postage	20,000	17,000	19,000
Fees and Licenses	214,000	208,000	200,000
Training and Travel	232,000	214,000	70,000
<b>Total Services</b>	<b>\$3,402,000</b>	<b>\$3,522,000</b>	<b>\$2,171,000</b>
<b>Total</b>	<b>\$19,034,000</b>	<b>\$18,359,000</b>	<b>\$16,357,000</b>

Note: Due to re-organization, prior year numbers have been restated for comparability

<sup>1</sup> Shift of capital activity to Operations & Maintenance



## Water Operations & Maintenance Budget

	2025 Adopted Budget Dollars	2024 Adopted Budget Dollars	2023 Actual Dollars
Wages / Benefits	\$11,360,000	\$11,050,000	\$10,723,000
<u>Purchases</u>			
Stores Materials and Supplies	326,000	285,000	249,000
EWEB Equipment	1,161,000	1,130,000	1,240,000
Maintenance and Repairs	71,000	52,000	60,000
Equipment	19,000	19,000	16,000
Energy	1,321,000 <sup>1</sup>	1,195,000	1,181,000
Water	31,000	18,000	17,000
Materials and Supplies	976,000	917,000	970,000
Technology / Office Equipment	29,000	44,000	12,000
<b>Total Purchases</b>	<b>\$3,934,000</b>	<b>\$3,660,000</b>	<b>\$3,745,000</b>
<u>Services</u>			
Contract Labor	47,000	62,000	3,000
Conservation Measures and Incentives	35,000	35,000	9,000
Construction Agreements <sup>2</sup>	2,291,000	2,250,000	3,010,000
Miscellaneous Services	158,000	130,000	195,000
Professional and Technical Services	2,253,000	2,596,000 <sup>3</sup>	2,441,000
Software/Hardware Maintenance and Services	152,000	134,000	92,000
Printing and Postage	22,000	25,000	21,000
Fees and Licenses	116,000	109,000	63,000
Training and Travel	124,000	128,000	74,000
Grants	18,000	18,000	-
<b>Total Services</b>	<b>\$5,216,000</b>	<b>\$5,487,000</b>	<b>\$5,908,000</b>
<b>Total</b>	<b>\$20,510,000</b>	<b>\$20,197,000</b>	<b>\$20,376,000</b>

<sup>1</sup> Increased energy rate for self-consumption

<sup>2</sup> Watershed recovery and water quality monitoring and analytical work

<sup>3</sup> One-time increase for updates to 10-year Water Master Plan

# LABOR AND EMPLOYEE BENEFIT COSTS

DID YOU  
KNOW?



## Emergency Water Stations

Completed in 2024, the Amazon Park Emergency Water Station is the sixth such site established and operated by EWEB. Once the seventh and final station at Kennedy Middle School is completed at the end of 2024, Eugene will have a full network of geographically distributed Emergency Water Stations. Together, the stations have the capacity to provide immediate and reliable access to two gallons of water per person per day to everyone in Eugene following a disaster.

**EUGENE WATER & ELECTRIC BOARD  
LABOR AND EMPLOYEE BENEFIT COSTS  
2025 ADOPTED BUDGET COMPARED WITH PRIOR YEARS**

	2025 Adopted Budget		2024 Adopted Budget		2023 Actual	
	Budget	% of Total wages	Budget	% of Total wages	Actual	% of Total wages
<b>Wages &amp; benefits</b>						
Regular Wages	\$ 71,321,000	98.0%	\$ 62,771,000	97.7%	\$ 53,493,000	91.9%
Premium Wages	1,420,000	2.0%	1,468,000	2.3%	4,709,000	8.1%
<b>Total wages</b>	<b><u>72,741,000</u></b>	<b><u>100.0%</u></b>	<b><u>64,239,000</u></b>	<b><u>100.0%</u></b>	<b><u>58,202,000</u></b>	<b><u>100.0%</u></b>
Public employees retirement fund	18,434,000	25.3%	15,825,000	24.6%	15,407,000	26.5%
Other benefits – employer contribution <sup>1</sup>	6,963,000	9.6%	6,311,000	9.8%	5,398,000	9.3%
Health insurance <sup>2</sup>	16,258,000	22.4%	15,162,000	23.6%	13,163,000	22.6%
Post-retirement medical	154,000	0.2%	279,000	0.4%	447,000	0.8%
Long-term disability	383,000	0.5%	367,000	0.6%	375,000	0.6%
Life insurance	547,000	0.8%	443,000	0.7%	526,000	0.9%
<b>Total benefits</b>	<b><u>42,739,000</u></b>	<b><u>58.8%</u></b>	<b><u>38,387,000</u></b>	<b><u>59.7%</u></b>	<b><u>35,316,000</u></b>	<b><u>60.7%</u></b>
<b>Total wages &amp; benefits</b>	<b><u>\$ 115,480,000</u></b>		<b><u>\$ 102,626,000</u></b>		<b><u>\$ 93,518,000</u></b>	

<sup>1</sup> Includes Social Security/Medicare tax, Unemployment Insurance, Workers' Compensation Insurance

<sup>2</sup> Includes Voluntary Employee's Beneficiary Association (VEBA) expense

# PROJECTED RESERVES

DID YOU  
KNOW?



## Currin Substation

Originally constructed over 60 years ago, the Currin Substation rebuild is anticipated to be completed by year-end 2024, marking a significant milestone in EWEB's investment in major infrastructure modernizations. The rebuilt Currin substation will contribute to improved future reliability by minimizing the frequency of outages resulting from equipment failure or routine maintenance. The substation's new design will also meet modern earthquake standards for infrastructure to withstand the Cascadia Subduction Zone earthquake.

**EUGENE WATER & ELECTRIC BOARD**  
**PROJECTED RESERVES, DESIGNATED, UNRESTRICTED AND RESTRICTED FUNDS**  
**(\$000s omitted)**

	Electric System			Water System		
	<i>Target</i>	12/31/24 Projected <sup>1</sup>	12/31/25 Projected <sup>1</sup>	<i>Target</i>	12/31/24 Projected <sup>1</sup>	12/31/25 Projected <sup>1</sup>
<b>Reserves</b>						
Operating and Self-Insurance	\$ 5,720	\$ 5,720	\$ 5,720	\$ 1,280	\$ 1,280	\$ 1,280
Power Operating <sup>2</sup>	25,000	25,000	20,900			
Capital Improvement	26,000	26,000	26,000	9,000	9,380	9,000
Total Reserves	56,720	56,720	52,620	10,280	10,660	10,280
<b>Board Designated Funds <sup>3</sup></b>						
Rate Stabilization Fund	5,000	13,000	5,800	1,000	3,450	3,350
Water Stewardship Fund - Septic Repairs					90	90
Alternative Water Supply					2,100	350
Leaburg Decommissioning		5,700	7,900			
Emergent Regulatory Mitigation Fund		-	5,000			
Pension and Medical Funds		1,600	1,600		840	840
Total Designated Funds	5,000	20,300	20,300	1,000	6,480	4,630
Working Cash <sup>4</sup>	45,000	40,800	45,000	3,400	9,070	3,400
<b>Total Working Cash and Unrestricted Funds</b>	<b>\$ 106,720</b>	<b>\$ 117,820</b>	<b>\$ 117,920</b>	<b>\$ 14,680</b>	<b>\$26,210</b>	<b>\$18,310</b>
<b>Legally Restricted</b>						
Bond Funds - Capital		\$ 39,900	\$ 6,000		\$ 25,340	\$ 4,800
Harvest Wind Reserve		500	500			
System Development Charge Reserves <sup>5</sup>					230	120
Reserves for Debt Service		5,600	5,600		1,160	1,160
Customer Care/Customer Deposit		2,500	2,500			
<b>Total Restricted Funds</b>		<b>\$ 48,500</b>	<b>\$ 14,600</b>		<b>\$ 26,730</b>	<b>\$ 6,080</b>

\* After completion of the annual audit, the Board of Commissioners reviews cash balances and may make transfers between funds.

<sup>1</sup> Projections as of November 2024

<sup>2</sup> Power Operating reserves projection for 2025 includes using funds to re-establish Working Cash reserves to target. It is anticipated that Power Operating reserves will be replenished in 2026

<sup>3</sup> Designated funds are used for one-time expenses

<sup>4</sup> 2024 changes to unrestricted reserves are included in working cash. The Board will officially transfer funds in the second quarter of 2025

<sup>6</sup> SDC Reimbursement Reserve is funding \$600,000 of debt service payments in 2025



## ATTACHMENT 5

# PROJECTED FINANCIAL RATIOS & STATISTICS

DID YOU  
KNOW?



### Wildfire Mitigation Initiatives

EWEB crews installed 150 fault indicators on power lines. When an outage occurs on a section of line, these indicators light up, helping crews locate the specific location of the issue, even at night. This technology should significantly reduce outage patrol time and speed up the restoration process.

**EUGENE WATER & ELECTRIC BOARD  
PROJECTED FINANCIAL RATIOS  
December 31, 2025**

	Electric Utility	Water Utility
<b>Financial Ratios</b>		
Debt Service Coverage Ratio <sup>1</sup>	3.06	2.33
Days Cash <sup>2</sup>	147	189
<b>Target</b>		
Debt Service Coverage Ratio	1.75 to 2.00	2.00 to 2.50
Days Cash	> 150 days	> 150 days

NOTE: A higher number for Debt Service Coverage Ratio and Days Cash and reflects a stronger financial position.

<sup>1</sup> Ratio of net revenues available for debt service to total long-term debt service costs for the year. This ratio measures the utility's ability to meet its annual long-term debt obligation

<sup>2</sup> Ratio of total available cash to adjusted average daily cash requirements for operating and other non-capital expenses. This measures the length of time the utility can carry projected non-capital related operations with readily available cash. Calculations include rate stabilization funds. In 2025, Management will recommend options for the Board to consider for reserves above Board target



# EWEB