



Water and Sewer Revenue and Expense Summary
Second Quarter
March 1, 2026, through August 31, 2026

Water Billed

Budgeted billed water for FY 2026-27 is 35.0 billion gallons. Actual YTD through August 31, 2026, was 18.17 billion gallons, a 1.9% increase compared with the prior fiscal year.

Water Revenues

Water revenues of \$140.7 million increased by \$16.4 million, or 13.2%, compared with last year. The increase is mainly due to the approved 12% rate increase effective March 1, 2026. Total retail and wholesale water customers increased by 2,369 compared with the prior fiscal year.

Wastewater Revenues

Wastewater revenues of \$96.8 million increased by \$12.3 million, or 14.6%, compared with last year, driven by the 15% rate increase effective March 1, 2026. Total retail and wholesale wastewater customers increased by 3,075 compared with the prior fiscal year.

Total Operating Revenues

Total operating revenues of \$247.7 million increased by \$31.1 million, or 14.4%, compared with the prior fiscal year, driven by the approved rate increases and customer growth.

Total Water & Wastewater Operating Expenses

Total operating expenses of \$88.3 million increased by \$1.6 million, or 1.8%, compared with last year, mainly due to the following:

- \$3.7 million increase in salaries and wages
- \$1.7 million decrease in professional services
- \$442,000 decrease in maintenance of the water and sewer system.

Debt Service

Debt service payments, including bond reserve funding and Extendable Commercial Paper interest and financing fees, totaled \$72.3 million, an increase of \$5.0 million compared with last year, mainly due to higher bond principal and interest payments, reserve funding, and Extendable Commercial Paper interest and financing fees.

Total Non-Operating Revenues

Non-operating revenues increased by \$0.5 million, or 2.2%, to \$24.8 million. The increase was primarily due to a \$3.6 million increase in land-sale revenue, partially offset by a \$2.8 million decrease in interest income and a \$0.4 million decrease in annexation fees.

Capital Expenditures

Capital expenditures of \$173.6 million are \$7.2 million less than last year. Capital expenditures vary widely from year to year depending on the size and complexity of specific water, wastewater, and reclaimed water projects.

Major capital expenditures through the second quarter of FY 2026-27 include:

- \$35.4 million for the Roberto R. Bustamante WWTP upgrades and expansion
- \$14.5 million for the Pure Water Center
- \$12.8 million for SB3 energy system upgrades
- \$12 million for the meter replacement program

Debt Service Coverage

Debt service coverage of 2.59 times exceeds the bond covenant requirement of 1.50 times and is very healthy and above the budgeted 2.0 times coverage.

Water & Wastewater Summary

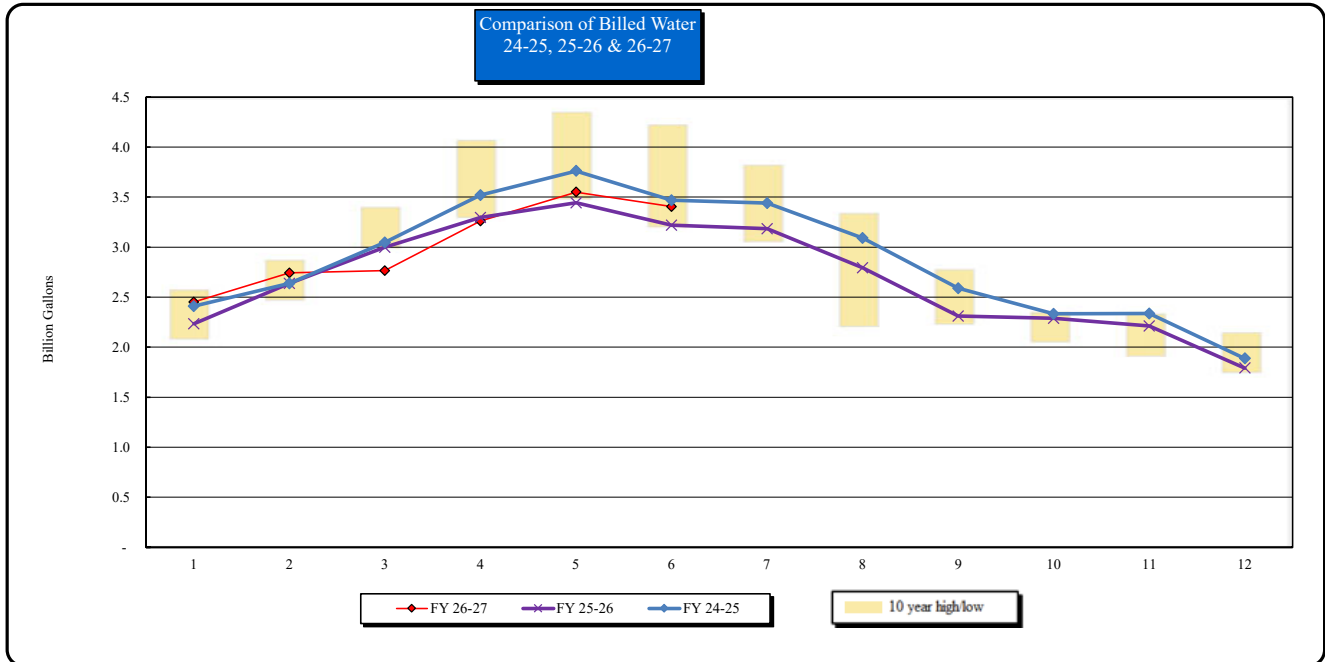
Operating revenues through the second quarter were \$247.7 million, \$31.1 million more than the prior fiscal year, mainly due to the approved water and wastewater rate increases effective March 1, 2026, and an increase in customers. The Utility is on track to meet all of its operating, capital, and debt service obligations for this year.

El Paso Water Utilities - Public Service Board
Water & Wastewater
Revenues & Expenses
March 1, 2026, through August 31, 2026
(In 1000's)
UNAUDITED

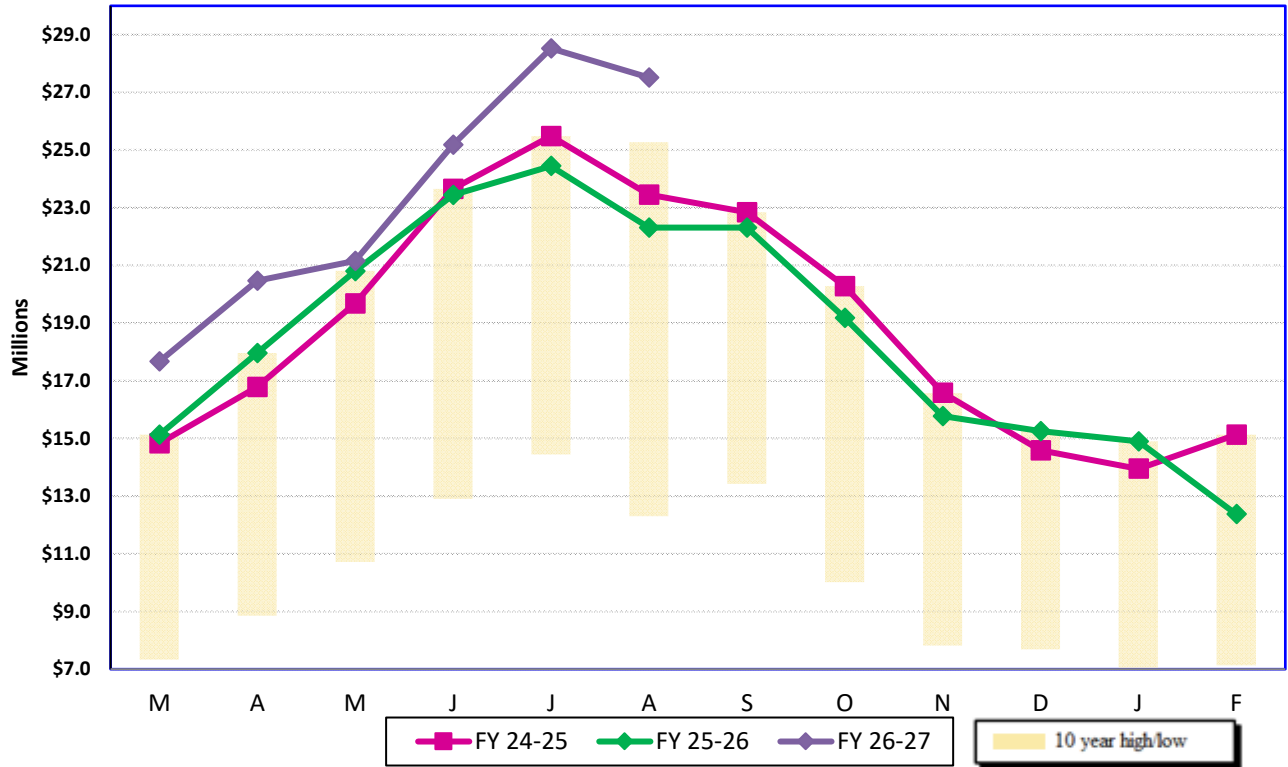
	Budget FY 26-27	Actual FY 26-27	Actual FY 25-26	Variance (+/-)	%
Water Billed (In Billion Gallons)	35.00	18.17	17.83	0.34	1.9%
Revenue					
Water	205,741	112,578	98,785	13,793	14.0%
Water Supply Replacement Charge	45,471	23,404	20,662	2,742	13.3%
Reclaimed Water	7,392	3,619	3,829	(209)	-5.5%
Fire Protection	2,167	1,112	990	122	12.4%
Total Water & Reclaimed Water	260,771	140,714	124,266	16,448	13.2%
Wastewater Service	194,595	96,663	84,325	12,338	14.6%
Pretreatment Surcharge	230	98	93	5	5.7%
Total Wastewater	194,825	96,761	84,418	12,343	14.6%
Total Water and Wastewater Revenue	455,596	237,475	208,684	28,791	13.8%
City of El Paso Franchise Fee	6,550	3,275	3,275	-	0.0%
Farm Lease Revenue	1,500	545	311	234	75.4%
Lease Revenue, Service Charges and Misc. Fees	9,018	6,378	4,304	2,075	48.2%
Total Miscellaneous Revenue	17,068	10,199	7,890	2,309	29.3%
Total Operating Revenues	472,664	247,674	216,574	31,100	14.4%
Operations and Maintenance	199,300	84,916	83,378	1,537	1.8%
Farm Lease Expenditures	150	170	41	129	311.5%
City of El Paso Franchise Fee	6,550	3,210	3,275	(65)	-2.0%
Total Operating Expenses	206,000	88,295	86,694	1,601	1.8%
Miscellaneous Non-Operating Revenues					
Sale of Assets	500	146	189	(43)	-22.9%
Interest Income	14,426	10,404	13,247	(2,844)	-21.5%
Revenues Available for Debt Service	281,588	169,928	143,315	26,613	18.6%
Debt Service - Water and Wastewater	140,987	65,658	61,607	4,051	6.6%
Debt Service Reserve Fund	6,000	3,261	2,724	537	19.7%
Commercial Paper - Interest and Financing Fees	5,657	3,333	2,914	419	14.4%
Payment to City Per Bond Covenants	25,260	13,651	11,781	1,870	15.9%
Revenues Available For Capital Rehab/Impr.	103,685	84,024	64,290	19,735	30.7%
Restricted Non-Operating Revenues					
Contribution of New Customers	18,975	1,105	838	268	31.9%
Sale of Land	20,000	11,362	7,747	3,615	46.7%
Impact Fees	2,935	1,743	1,767	(24)	-1.3%
Annexation Fees	900	51	477	(426)	-89.4%
Total Restricted Non-Operating Revenues	42,810	14,261	10,829	3,432	31.7%
Total Revenues Available for Capital Rehab/Impr.	146,495	98,286	75,119	23,167	30.8%
Capital Expenditures					
Capital Projects - Water	381,593	87,803	100,811	(13,008)	-12.9%
Capital Projects - Wastewater	381,645	83,419	75,365	8,054	10.7%
Capital Equipment	7,223	2,354	4,558	(2,203)	-48.3%
Total Capital Expenditures	770,461	173,577	180,734	(7,157)	-4.0%
Contingencies	4,983	-	-	-	-
Capital Funding Sources					
Improvement, Construction and ECP Funds	744,766	164,535	174,015	(9,480)	-5.4%
Grants	25,695	9,041	6,719	2,323	34.6%
Total Capital Funding Sources	770,461	173,577	180,734	(7,157)	-4.0%
Debt Service Coverage	2.00	2.59	2.33		

EL PASO WATER UTILITIES / PUBLIC SERVICE BOARD
WATER & WASTEWATER
As of August 31, 2026 & 2025

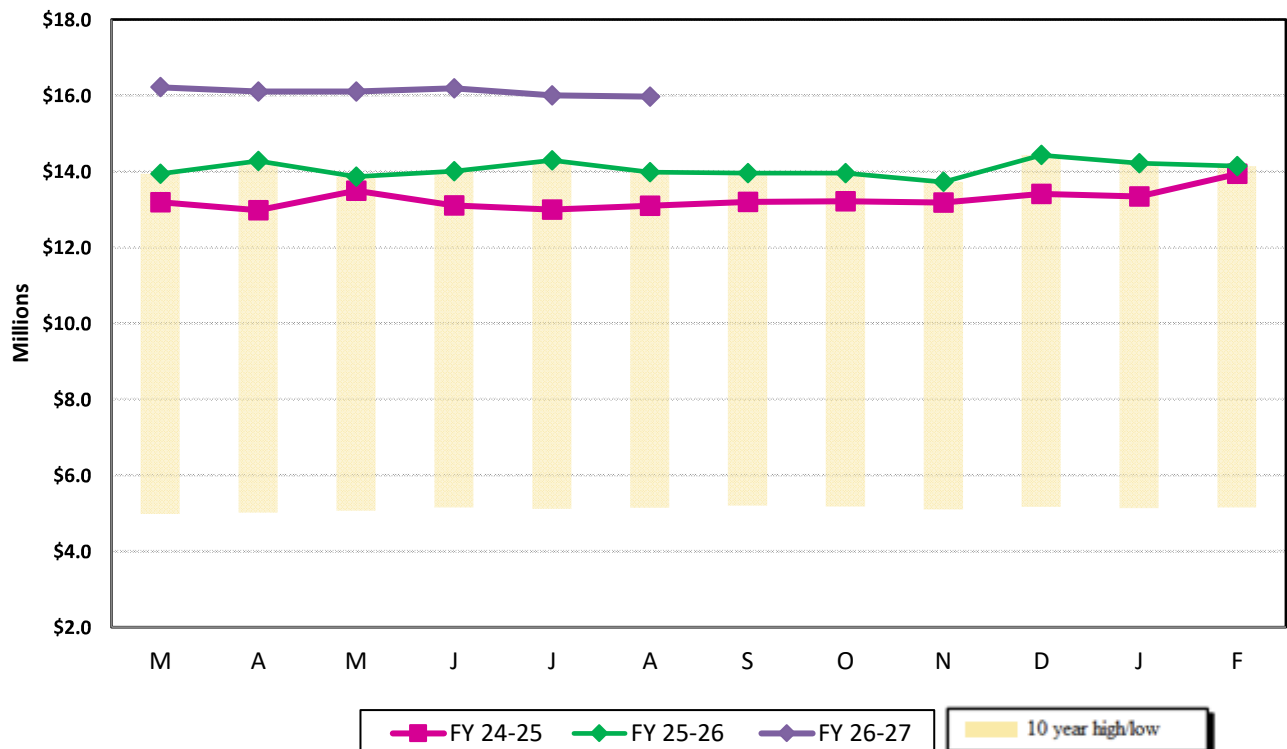
ADDITIONAL STATISTICAL DATA				
	2026-27 YTD	2025-26 YTD	Difference	% Inc(Dec)
Water Billed (1,000 Gallons)	18,173,783	17,830,960	342,823	1.9%
Average Temperature (°F) August	86.8	86.7	0.1	0.1%
Average High Temperature (°F) August	99.7	98.4	1.3	1.3%
Rainfall - Inches	3.76	3.31	0.45	13.6%
EPWater - Water Customers	226,837	225,148	1,689	0.8%
LVWD - Water Cust (Wholesale)	21,955	21,680	275	1.3%
Paseo Del Este - Water Cust (Wholesale)	10,882	10,546	336	3.2%
East Montana - Consolidated Water Customers	2,515	2,500	15	0.6%
Haciendas del Norte - Water Customers	345	345	-	0.0%
Village of Vinton	667	613	54	8.8%
Total Water Customers	263,201	260,832	2,369	0.9%
EPWater- Sewer Customers	217,126	215,144	1,982	0.9%
Paseo De Este - (Wholesale)	10,882	10,546	336	3.2%
LVWDA - Sewer Cust (Wholesale)	19,649	19,007	642	3.4%
Vinton- Sewer Cust (Wholesale)	402	298	104	34.9%
County of El Paso- Sewer Cust (Wholesale)	285	274	11	4.0%
Total Wastewater Customers	248,344	245,269	3,075	1.3%
Personnel (Active)	1,077	1,068	9	0.8%



WATER & RECLAIMED WATER REVENUE



WASTEWATER REVENUE





Stormwater Revenue and Expense Summary
Second Quarter
March 1, 2026, through August 31, 2026

Stormwater Revenues

Stormwater revenues of \$22.4 million increased by \$202,000, or 0.9%, compared with the prior fiscal year. No significant changes were experienced from the prior fiscal year, as no fee changes were adopted for the current fiscal year.

Stormwater Operating Expenses

Operating expenses of \$5.7 million decreased by \$479,000, or 7.8%, compared with the prior fiscal year, mainly due to an \$858,000 increase in salaries and wages, a \$379,000 increase in indirect cost allocations, and a decrease of \$1.7 million in drainage maintenance costs.

Debt Service

Debt service payments, including bond principal and interest payments, bond reserve funding costs, and Extendable Commercial Paper interest and financing fees, decreased by \$343,000 compared with last year, mainly due to lower bond principal and interest payments, reserve funding costs, and Extendable Commercial Paper interest and financing fees.

Stormwater Capital Expenditures

CIP expenditures through the second quarter of \$10.4 million are \$2.4 million less than last fiscal year.

Major capital expenditures through the second quarter include:

- \$5 million for Will Ruth Pond
- \$1.3 million in Natural Open Space purchases
- \$980,000 in citywide land acquisitions
- \$725,000 for the JT Hickerson Stormwater Basin

Debt Service Coverage

Debt service coverage of 2.08 times exceeds the bond covenant requirement of 1.25 times.

Summary

In summary, total operating revenues through the second quarter for the Stormwater Utility were \$135,000 more than in the prior fiscal year. Operating expenses decreased by \$479,000, mainly due to lower drainage maintenance costs, partially offset by higher salaries and indirect cost allocations. The Utility is on track to meet all of its operating, capital, and debt service obligations this year.

El Paso Water Utilities - Public Service Board
Municipal Drainage Utility
Revenues & Expenses
March 1, 2026 through August 31, 2026
(In 1000's)
UNAUDITED

	Budget FY 26-27	Actual FY 26-27	Actual FY 25-26	Variance (+/-)	%
Operating Revenues					
Stormwater	44,750	22,400	22,198	202	0.9%
Total Stormwater Revenues	44,750	22,400	22,198	202	0.9%
Misc. Operating Revenues					
Misc. Operating Revenues	1,356	674	555	119	21.4%
Interest Revenue	375	130	316	(186)	-58.8%
Total Misc. Operating Revenues	1,731	804	871	(67)	-7.7%
Total Operating Revenues	46,481	23,204	23,069	135	0.6%
Total Operating Expenses	12,987	5,697	6,176	(479)	-7.8%
Net Operating Revenues Available	33,493	17,507	16,893	615	3.6%
Interest Revenue on Restricted Funds	2,070	1,150	1,261	(111)	-8.8%
Revenues Available for Debt Service	35,563	18,657	18,154	504	2.8%
Debt Service - Stormwater Bonds	20,249	8,952	9,207	(255)	-2.8%
Debt Service Reserve Fund	865	414	432	(18)	-4.2%
ECP- Interest and finance fees	600	205	275	(70)	-25.5%
Revenues Available for Capital Rehab/Impr.	13,850	9,087	8,240	846	10.3%
Restricted Non-Operating Revenues					
Sale of Land	-	-	-	-	-
Total Non-Operating Revenues	-	-	-	-	-
Total Revenues Available for Capital Rehab/Impr.	13,850	9,087	8,240	846	10.3%
Capital Expenditures					
Capital Projects - Stormwater	59,347	10,381	12,745	(2,364)	-18.6%
Capital Equipment - Stormwater	841	45	81	(36)	-44.6%
Total Capital Expenditures	60,188	10,425	12,826	(2,400)	-18.7%
Contingencies	649	-	-	-	
Capital Funding Sources					
Improvement, Construction Funds, ECP	60,188	10,425	12,826	(2,400)	-18.7%
Total Capital Funding Sources	60,188	10,425	12,826	(2,400)	-18.7%
Debt Service Coverage	1.76	2.08	1.97	0.11	5.7%