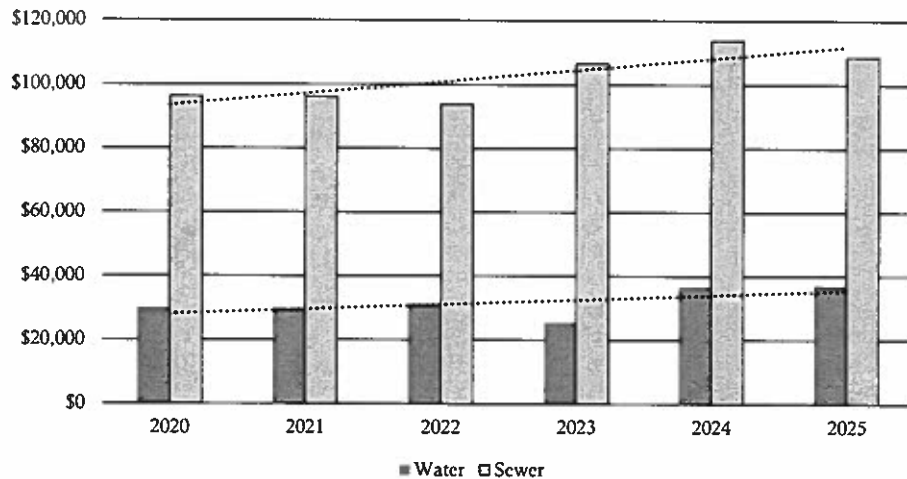
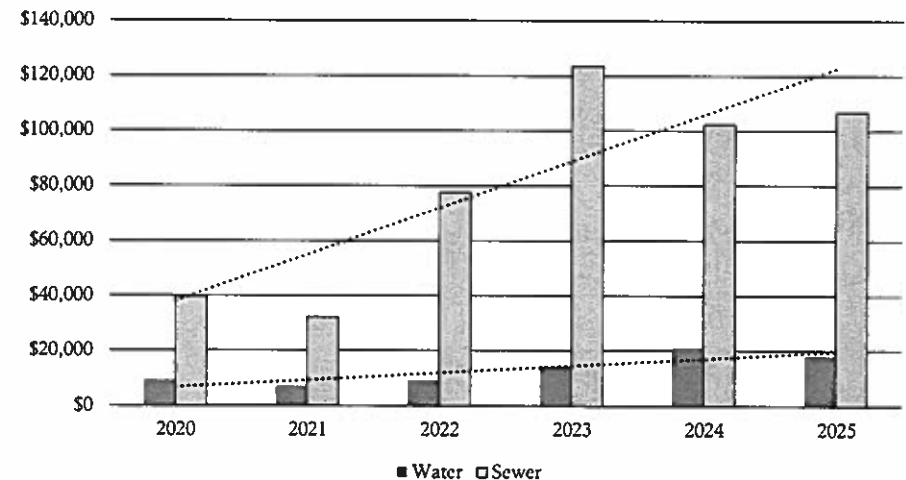


- The Town of Denton's priorities and responsibilities are...
 - *to provide safe, reliable, uninterrupted drinking water service to our users;*
 - *to provide a safe, reliable sewer collection and treatment system for our users;*
 - *to comply with State and Federal regulations at all times.*
- The Town will take on a \$5.6 Million loan to upgrade the Sludge Management System at the Wastewater Treatment Facility in the next few years. The current system was built in 1999.
- Electricity costs have increased by 20% on the water system and 11% on the sewer system since 2020.
- Chemical costs have increased by 48% on the water system and 63% on the sewer system since 2020.
- Proposed 3-year rate increases account for increased operational costs largely due to electric, chemicals, capital improvements, and regulation.

ELECTRIC COSTS



CHEMICAL COSTS



WATER RATES

- EFFECTIVE JANUARY 1, 2026: Administrative Base Fee \$26.00. An additional \$3.59 will be assessed for each 1,000 gallons. Equates to a 4% increase from current rates.
- EFFECTIVE JANUARY 1, 2027: Administrative Base Fee \$27.04. An additional \$3.73 will be assessed for each 1,000 gallons. Equates to a 4% increase from 2026.
- EFFECTIVE JANUARY 1, 2028: Administrative Base Fee \$28.12. An additional \$3.88 will be assessed for each 1,000 gallons. Equates to a 4% increase from 2027.
- Water rates for out-of-Town users are doubled.

SEWER RATES

- EFFECTIVE JANUARY 1, 2026: Administrative Base Fee \$60.50. An additional \$9.68 will be assessed for each 1,000 gallons. Equates to a 21% increase from current rates.
- EFFECTIVE JANUARY 1, 2027: Administrative Base Fee \$62.92. An additional \$10.07 will be assessed for each 1,000 gallons. Equates to a 4% increase from 2026.
- EFFECTIVE JANUARY 1, 2028: Administrative Base Fee \$65.44. An additional \$10.47 will be assessed for each 1,000 gallons. Equates to a 4% increase from 2027.
- Sewer rates for out-of-Town users are doubled.

ESTIMATED FUTURE BILLING

Average Home / 1-User:

- 2025 = \$168 (Current)
- 2026 = \$191 (12%)
- 2027 = \$198 (3%)
- 2028 = \$205 (3%)

Average Home / 2-Users:

- 2025 = \$237 (Current)
- 2026 = \$270 (12%)
- 2027 = \$280 (4%)
- 2028 = \$290 (4%)

Average Home / 3-Users:

- 2025 = \$306 (Current)
- 2026 = \$350 (13%)
- 2027 = \$363 (4%)
- 2028 = \$377 (4%)

Average Home / 4-Users:

- 2025 = \$375 (Current)
- 2026 = \$430 (13%)
- 2027 = \$446 (4%)
- 2028 = \$463 (4%)