

**WEST KNOX UTILITY DISTRICT OF  
KNOX COUNTY, TENNESSEE**

**BUDGET**

**Fiscal Year Ending June 30, 2027**

*Providing quality water and sewer services with financial transparency and accountability.*

West Knox Utility District  
2328 Lovell Road • P.O. Box 51370  
Knoxville, TN 37950

**WEST KNOX UTILITY DISTRICT**  
**BUDGET SUMMARY**  
**FISCAL YEAR ENDING JUNE 30, 2027**

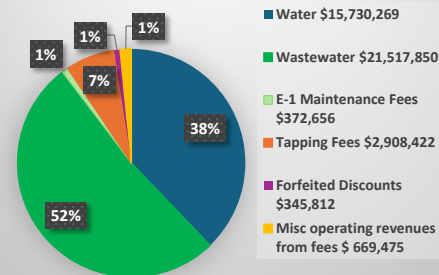
<b>TOTAL REVENUE</b>	<b>\$ 48,485,637</b>
<b>LESS: EXPENSES FOR OPERATION, MAINTENANCE &amp; ADMINISTRATION</b>	<b>(22,969,279)</b>
<b>LESS: BOND INTEREST &amp; OTHER RELATED EXPENSES</b>	<b>(5,361,542)</b>
<b>LESS: DEPRECIATION EXPENSE</b>	<b><u>(10,120,684)</u></b>
<b>NET POSITION</b>	<b>\$ 10,034,132</b>

# WEST KNOX UTILITY DISTRICT BUDGET FY 2027

## REVENUES OVERVIEW

	Audited Financials 6/30/2025	Budget Fiscal Year 6/30/2026	Projected Fiscal Year 6/30/2026	Budget Fiscal Year 6/30/2027
Total Operating Revenue	\$ 39,132,787	\$ 39,238,788	\$ 40,349,352	\$ 41,544,311
Other Revenues	12,475,783	8,820,700	6,856,866	6,941,326
<b>TOTAL REVENUE</b>	<b>\$ 51,608,570</b>	<b>\$ 48,059,488</b>	<b>\$ 47,206,218</b>	<b>\$ 48,485,637</b>
Total Expenses	36,725,625	38,432,683	36,223,002	38,451,505
<b>INCREASE IN NET POSITION (GAAP BASIS)</b>	<b>\$ 14,882,945</b>	<b>\$ 9,626,805</b>	<b>\$ 10,983,216</b>	<b>\$ 10,034,132</b>

## OPERATING REVENUES BY CATEGORY FY 2027



Total Operating Revenue FY 2027 \$41,544,311

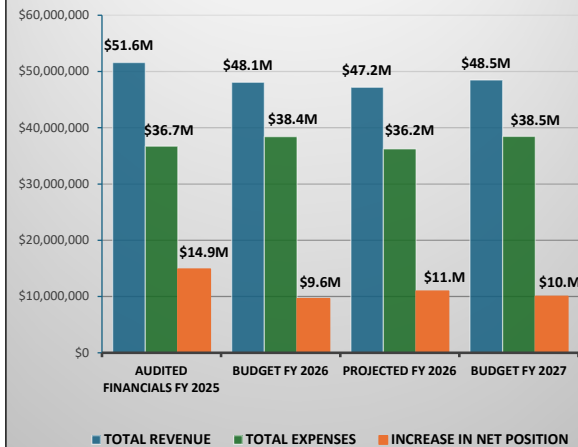
## CAPITAL BUDGET SUMMARY FY 2027

Category	Net Amount
Water Distribution System	\$5,392,932
Wastewater Collection & Treatment	\$2,319,348
Shop & Office	\$80,000
GIS	\$60,000
IT	\$250,000
Security	\$31,000
Vehicles	\$40,000
<b>TOTAL CAPITAL BUDGET FY 2027</b>	<b>\$8,173,279</b>

## EXPENSES OVERVIEW BY DEPARTMENT

	Audited Financials 6/30/2025	Budget Fiscal Year 6/30/2026	Projected Fiscal Year 6/30/2026	Budget Fiscal Year 6/30/2027
Purification & Supply	\$ 3,511,627	\$ 3,873,845	\$ 3,950,431	\$ 4,268,759
Collection & Treatment	4,864,831	5,188,213	4,785,357	5,114,555
CMOM Program	2,214,300	2,439,082	2,103,263	2,252,916
Treatment & Distribution	4,903,045	5,183,491	3,892,912	4,173,323
Pump Stations and Electrical Maintenance	903,786	909,741	935,629	1,123,244
Shop & General Maintenance	557,210	575,000	603,354	681,226
Depreciation Expense	9,168,033	9,207,080	9,638,746	10,120,684
Customer Accounting & Collections	625,187	700,000	712,306	736,676
Administrative & General	4,338,963	4,402,600	4,290,013	4,618,580
Interest Expense	5,638,644	5,953,632	5,310,990	5,361,542
<b>TOTAL EXPENSES</b>	<b>\$ 36,725,625</b>	<b>\$ 38,432,683</b>	<b>\$ 36,223,002</b>	<b>\$ 38,451,505</b>

## TOTAL REVENUE, EXPENSES, & INCREASE IN NET POSITION



## CAPITAL BUDGET HIGHLIGHTS

**WATER:** Major Investments in water Infrastructure, including water lines, treatment plant Improvements, and storage

**SEWER:** Continued focus on wastewater treatment upgrades, equipment replacements, and collection system improvements.

**GENERAL PLANT:** Support operations with facility upgrades, technology investments, security enhancements, and vehicle replacements.



**OUR MISSION**

*Providing quality water and sewer services with financial transparency and accountability.*



**WEST KNOX UTILITY DISTRICT  
SCHEDULE OF REVENUES AND EXPENSES  
BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2027**

<b>Operating Revenues</b>	<b>Audited Financials 6/30/2025</b>	<b>Budget Fiscal Year 6/30/2026</b>	<b>Projected Fiscal Year 6/30/2026</b>	<b>Budget Fiscal Year 6/30/2027</b>
Water	\$ 14,807,012	\$ 15,475,175	\$ 15,269,869	\$ 15,730,269
Wastewater	20,097,753	20,745,333	20,891,117	21,517,850
E-1 Maintenance Fees	324,262	321,514	367,149	372,656
Wastewater Inspection Fees	51,220	27,432	49,574	50,318
Hydrant Rental Revenue	7,433	5,296	12,015	12,135
Customer Forfeited Discounts	325,056	336,191	335,739	345,812
Service Fees	226,590	192,365	232,754	235,081
Tap Fee Income	2,907,881	1,709,582	2,823,711	2,908,422
LP Pump Sales	121,064	121,800	-	-
Backflow Testing	75,850	82,975	88,268	89,151
Developer Review Fees	11,650	10,000	57,878	58,456
Reconnect Fees	63,435	52,516	124,352	126,217
Returned Check Fees	6,995	6,909	9,379	9,520
Miscellaneous	106,866	151,500	87,720	88,597
Recovery of Bad Debt	(179)	100	(173)	(175)
Cash Over/Short	(100)	100	0	0
<b>Total Operating Revenue</b>	<b>\$ 39,132,787</b>	<b>\$ 39,238,788</b>	<b>\$ 40,349,352</b>	<b>\$ 41,544,311</b>

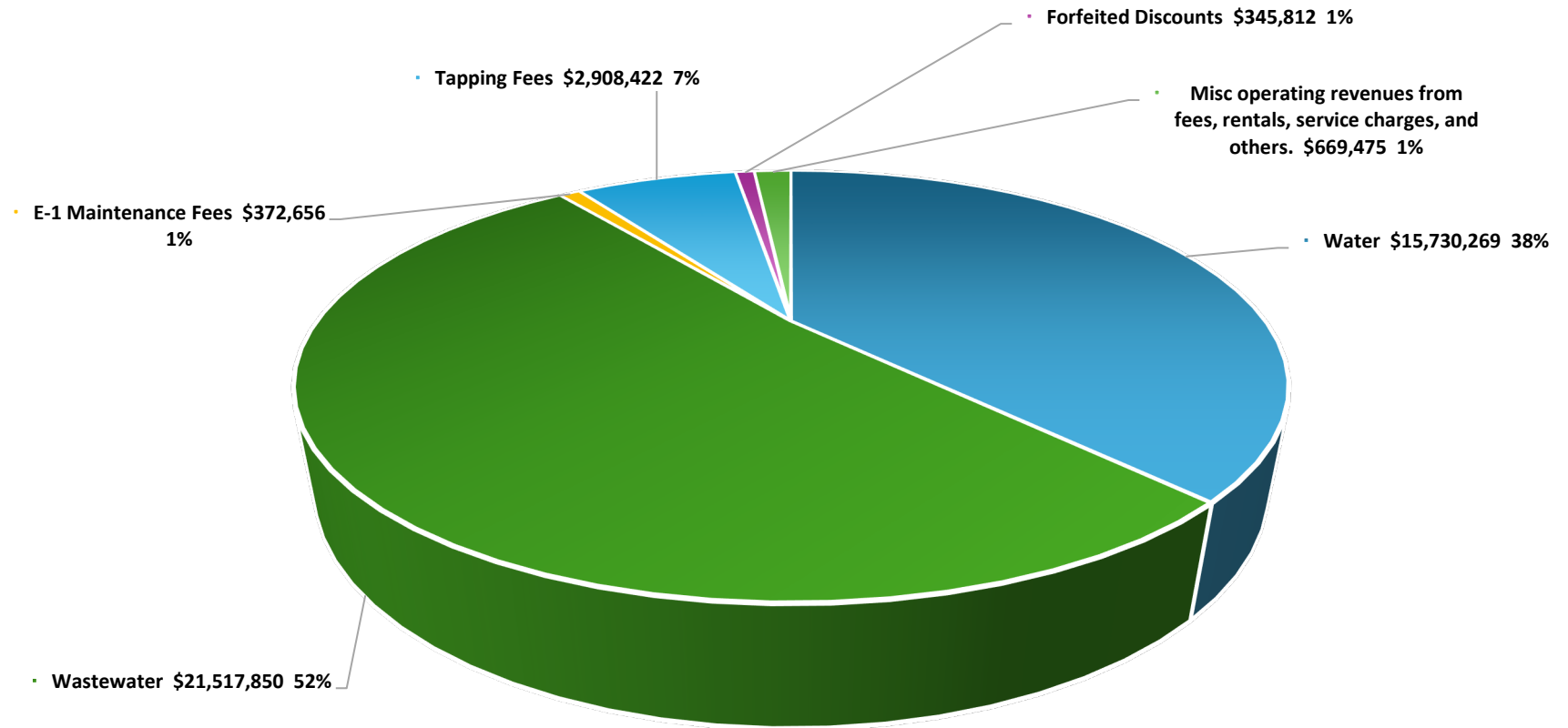
**WEST KNOX UTILITY DISTRICT  
SCHEDULE OF REVENUES AND EXPENSES  
BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2027**

<b>Other Revenues</b>	<b>Audited Financials 6/30/2025</b>	<b>Budget Fiscal Year 6/30/2026</b>	<b>Projected Fiscal Year 6/30/2026</b>	<b>Budget Fiscal Year 6/30/2027</b>
Visa Rebate Earned	\$ 1,717	\$ 500	\$ 20,844	\$ 1,042
Interest Earned	2,013,433	1,500,000	1,857,444	1,913,167
Retainage Interest Income	1	-	-	-
Unrealized Investment Income	267,828	320,000	(62,392)	(64,263)
Gain (Loss) on Disposal of Assets	38,132	5,000	-	-
Gain (Loss) on Bond Refunding	(4,159)	(4,800)	(4,095)	(4,136)
Developer Capital Contribution	9,394,350	-	5,045,066	5,095,516
Developer Cash Contribution	451,310	-	-	-
Grant Revenue / Contribution In Aid of Construction	6,384,201	7,000,000	4,188,921	-
Grant Revenue / Contribution In Aid of Construction Write-Down	(6,071,031)	-	(4,188,921)	-
<b>Subtotal</b>	<b>\$ 12,475,783</b>	<b>\$ 8,820,700</b>	<b>\$ 6,856,866</b>	<b>\$ 6,941,326</b>
<b>Total Revenue</b>	<b>\$ 51,608,570</b>	<b>\$ 48,059,488</b>	<b>\$ 47,206,218</b>	<b>\$ 48,485,637</b>

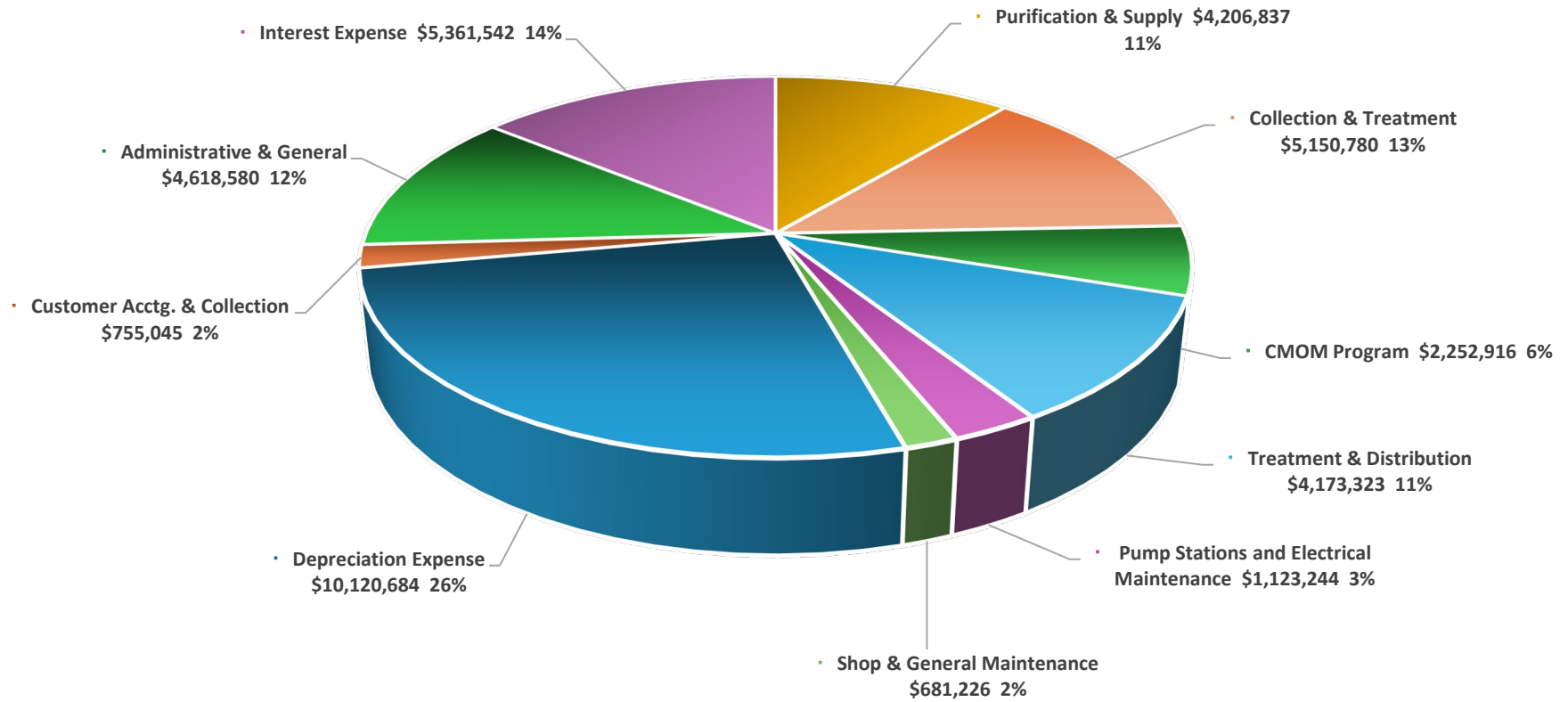
**WEST KNOX UTILITY DISTRICT  
SCHEDULE OF REVENUES AND EXPENSES  
BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2027**

<b>Expenses</b>	<b>Audited Financials 6/30/2025</b>	<b>Budget Fiscal Year 6/30/2026</b>	<b>Projected Fiscal Year 6/30/2026</b>	<b>Budget Fiscal Year 6/30/2027</b>
Purification & Supply	\$ 3,511,627	\$ 3,873,845	\$ 3,950,431	\$ 4,268,759
Collection & Treatment	4,864,831	5,188,213	4,785,357	5,114,555
CMOM Program	2,214,300	2,439,082	2,103,263	2,252,916
Treatment & Distribution	4,903,045	5,183,491	3,892,912	4,173,323
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Interest Expense	5,638,644	5,953,632	5,310,990	5,361,542
<b>Total Expenses</b>	<b>\$ 36,725,625</b>	<b>\$ 38,432,683</b>	<b>\$ 36,223,002</b>	<b>\$ 38,451,505</b>
<b>INCREASE IN NET POSITION - GAAP BASIS</b>				
	<b>\$ 14,882,945</b>	<b>\$ 9,626,805</b>	<b>\$ 10,983,216</b>	<b>\$ 10,034,132</b>

# WKUD FY 2027 Budget Revenues



# WKUD FY 2027 Budget Expenses



**WEST KNOX UTILITY DISTRICT**

**CAPITAL BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2026**

<b>Water Distribution Systems:</b>	
Total estimated funding required for planned water distribution infrastructure improvements, equipment upgrades, maintenance projects, and emergency contingencies across the water system.	\$ 6,333,000
<b>Wastewater Collection And Treatment:</b>	
Total estimated funding required for wastewater collection system upgrades, treatment plant improvements, equipment replacements, related infrastructure projects, and emergency contingencies across the wastewater system.	\$ 5,068,200
<b>General Plant:</b>	
Total estimated funding required for general plant equipment purchases, fleet replacements, technology improvements, and facility security upgrades.	\$ 461,000
<b>Total Capital Expenses</b>	<b>\$ 11,862,200</b>
<b>Estimated Grants &amp; Contribution In Aid of Construction</b>	<b>\$ (3,688,921)</b>
<b>Total Capital Budget After Grants</b>	<b>\$ 8,173,279</b>

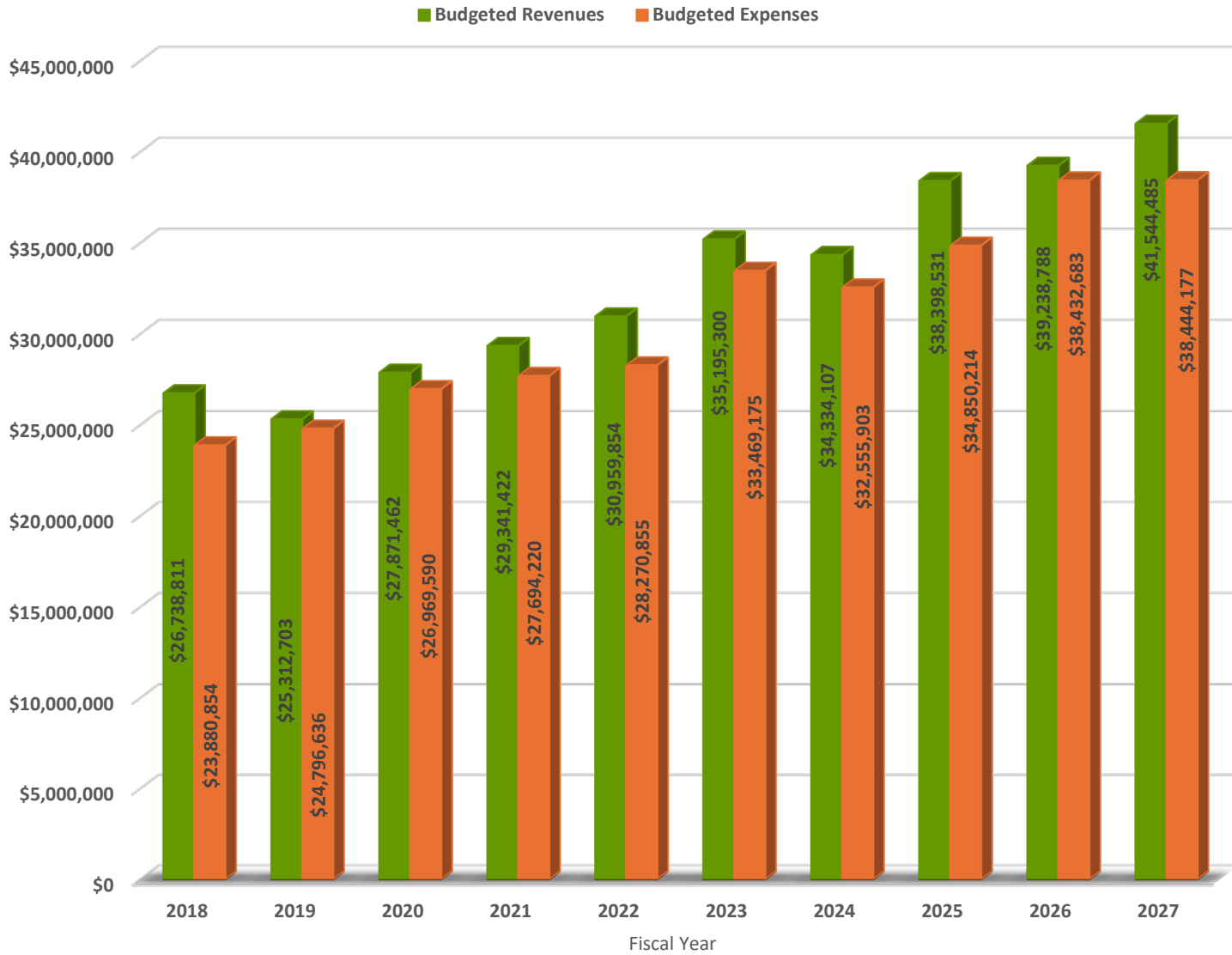
**WEST KNOX UTILITY DISTRICT  
BOND COVENANT COVERAGE RATIO  
FYE JUNE 30, 2027 BUDGET**

Operating Revenues	\$	<b>41,544,311</b>
Interest Income		1,913,167
	<b>Estimated Available Cash</b>	<b>\$ 43,457,478</b>
Operating Expenses, Excluding Depreciation and Interest Expense	\$	(22,969,279)
	<b>Available Cash for Debt Service</b>	<b>\$ 20,488,199</b>
<b>FY 2027 Debt Service</b>		
Bond Principal	\$	<b>4,205,000</b>
Bond Interest		5,361,542
	<b>Total FY 2027 Debt Service</b>	<b>\$ 9,566,542</b>
Required Debt Service Coverage Ratio (160%)		
Required Available Cash for Debt Service	\$	<b>15,306,466</b>
<b>Coverage Over (Short)</b>	\$	<b>5,181,732</b>
<b>Budgeted Debt Service Coverage Ratio</b>		<b>2.14%</b>

**WEST KNOX UTILITY DISTRICT**  
**SCHEDULE OF OUTSTANDING DEBT AND BUDGETED DEBT SERVICE**  
**FY 2027**

Bond Issuance	Original Issuance Amount	Total Principal Outstanding at FYE 2026	FY 2027 Annual Debt Service		
			Principal	Interest	Total
Local Government Public Improvement Revenue Bonds, Series VB1	\$ 35,425,000	\$ 17,865,000	\$ 1,620,000	\$ 893,250	\$ 2,513,250
Build America Bonds, Series 2010	35,000,000	17,325,000	-	812,482	812,482
Water & Sewer Revenue Refunding & Improvement Bonds, Series 2016	27,015,000	22,860,000	565,000	933,181	1,498,181
Local Government Public Improvement Revenue Bonds, Series VE1	25,000,000	19,245,000	605,000	962,250	1,567,250
Water and Sewer Revenue Bonds, Series 2018	8,535,000	7,500,000	235,000	280,219	515,219
Water and Sewer Revenue Bonds, Series 2019	20,000,000	17,815,000	505,000	578,200	1,083,200
Local Government Public Improvement Revenue Bonds, Series VF1	15,000,000	13,570,000	325,000	678,500	1,003,500
Water & Sewer Revenue Refunding Bonds, Series 2022	25,435,000	24,305,000	350,000	791,800	1,141,800
<b>Total Debt</b>	<b>\$ 191,410,000</b>	<b>\$ 140,485,000</b>	<b>\$ 4,205,000</b>	<b>\$ 5,929,882</b>	<b>\$ 10,134,882</b>

# WKUD Historical Budgeted Revenues & Expenses



## WKUD Customer Historical Growth In Billing Units

