

**COMMISSION FILE NO:** 25-137-10 **DATE INTRODUCED:** October 13, 2025

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Adopting the Operations and Maintenance Budget for the 2026 Fiscal Year

**SUMMARY:**

The Commission is asked to consider the 2026 Proposed Operations and Maintenance Budget. Adoption of the 2026 Operations and Maintenance Budget will be requested at the October 27, 2025, Commission meeting.

The Executive Director's 2026 Proposed Operations and Maintenance Budget provides for total expenditures of \$139,555,483. The proposed expenditures are funded from \$113,553,921 in user charge billings, \$11,800,000 in Milorganite® net sales, \$1,500,000 in interest income, \$874,900 in other income, \$1,643,249 in Household Hazardous Waste Collection Program revenue, \$1,482,316 in Industrial Waste Pretreatment Program revenue, and the return of \$10,351,097 from the 2024 Operations and Maintenance surplus. A \$1,500,000 contribution to the user charge stabilization fund and \$150,000 contribution to the equipment replacement fund are anticipated.

The Executive Director's 2026 Proposed Operations and Maintenance Budget of \$139,555,483 includes the following expenditures:

- \$61,936,655 for Net Veolia Water Milwaukee Service Fee\*;
- \$59,058,055 for Net Division Expenditures\*;
- \$14,496,050 for Net Fringe Benefits\*; and
- \$4,064,723 for Unallocated Reserve.

\*Net expenditures are inclusive of the offsetting charges to the 2026 Capital Budget.

**ATTACHMENTS:** **BACKGROUND** ☐ **KEY ISSUES** ☐ **RESOLUTION** ☒

**FISCAL NOTE** ☐ **S/W/MBE** ☐ **OTHER** ☐ \_\_\_\_\_

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09-19-25

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## **SUMMARY (Cont'd)**

### **Adopting the Operations and Maintenance Budget for the 2026 Fiscal Year**

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The 2026 Proposed Operations and Maintenance Budget anticipates total funding of \$139,555,483 from the following sources of funds:

- \$113,553,921 in user charge billings;
- \$11,800,000 in Milorganite® net revenue;
- \$1,500,000 in interest income;
- \$874,900 in other income;
- \$1,643,249 in Household Hazardous Waste Collection Program revenue;
- \$1,482,316 in Industrial Waste Pretreatment Program revenue; and
- \$10,351,097 in surplus from the 2024 budget applied.

In addition, the District anticipates making a \$150,000 contribution to the equipment replacement fund, and a \$1,500,000 contribution to the user charge stabilization fund.

User charge billings of \$113,553,921 are four percent above the level in the 2025 Operations and Maintenance Budget.

## RESOLUTION

Adopting the Operations and Maintenance Budget for the 2026 Fiscal Year

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the 2026 Operations and Maintenance Budget, providing the total expenditures of \$139,555,483 to be funded by \$113,553,921 in user charge billings, \$11,800,000 in Milorganite® net sales, \$1,500,000 in interest income, \$874,900 in other income, \$1,643,249 in Household Hazardous Waste Collection Program revenue, \$1,482,316 in Industrial Waste Pretreatment Program revenue, and the return of \$10,351,097 from the 2024 Operations and Maintenance surplus, is hereby adopted, with a \$150,000 contribution to the equipment replacement fund anticipated and a \$1,500,000 contribution to the user charge stabilization fund.