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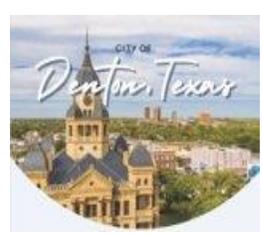
*Denton, Texas*

# City of Denton Utility Department Budget Updates FY 2025-26

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Jessica Williams, MPA, CPFO  
Chief Financial Officer

July 15, 2025



# Agenda

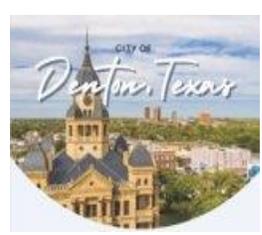
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- 2025-26 Preliminary Utility Rates & Budgets
  - Solid Waste
  - Electric
  - Customer Service
  - Water
  - Wastewater
  - Drainage
- Next Steps

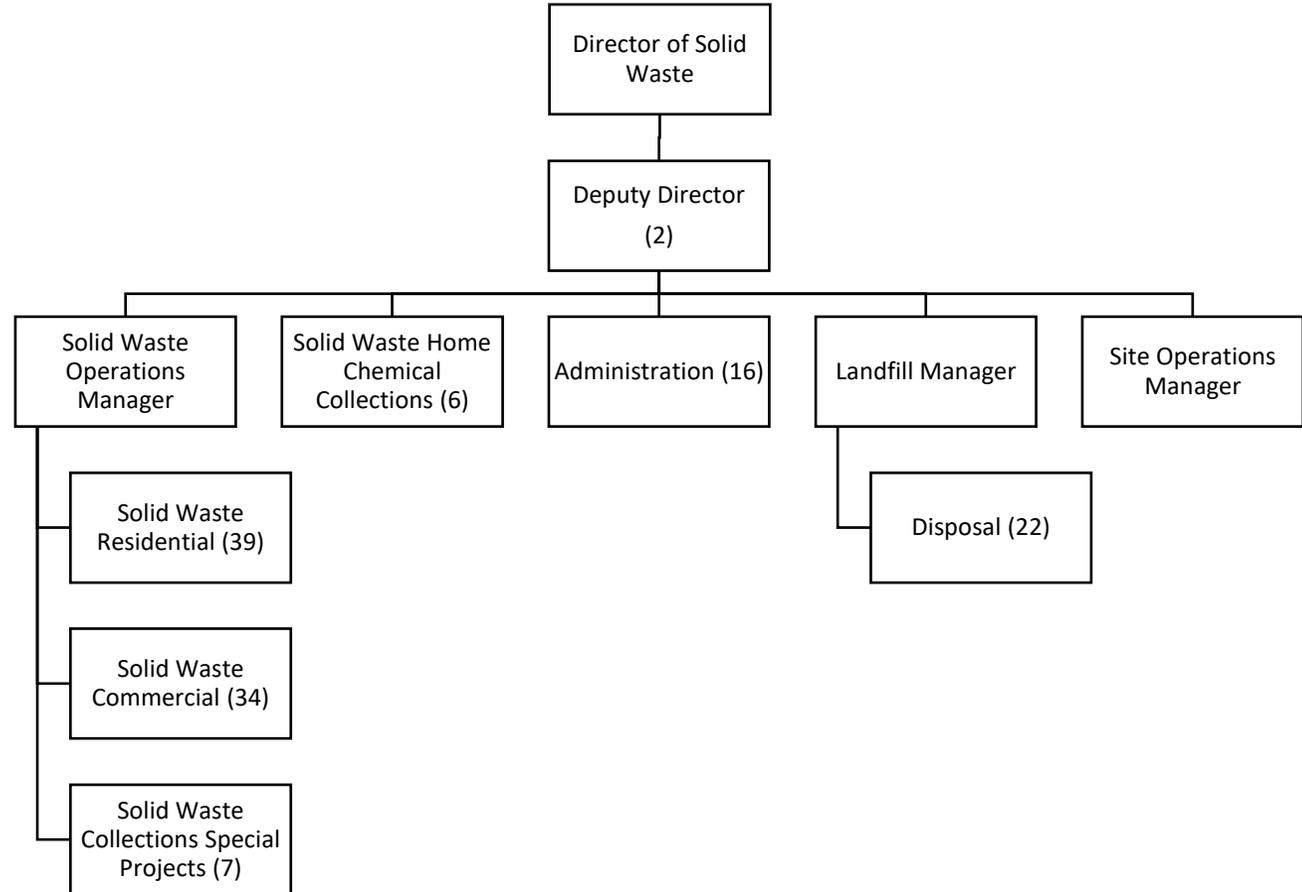
# Solid Waste and Recycling

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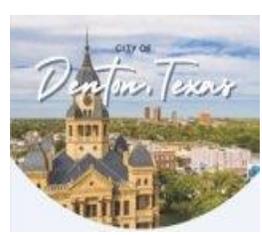




# Solid Waste and Recycling



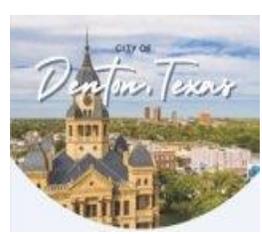
**Total FTE Count:  
130**



# Solid Waste Budget (Current Year)

Revenues	FY 2024 Budget	FY 2024 Actuals	FY 2025 Budget	FY 2025 Estimate
Base Rate Revenues	\$ 33,984,882	\$ 34,815,307	\$ 35,754,289	\$ 35,170,571
Wholesale Agreements	4,033,433	4,005,845	5,296,940	5,296,940
Non-Rate Revenues	1,277,588	2,106,304	2,468,058	2,780,884
Use of Reserves	2,074,931	112,178	-	-
<b>Total Resources</b>	<b>\$ 41,370,834</b>	<b>\$ 41,039,634</b>	<b>\$ 43,519,287</b>	<b>\$ 43,248,395</b>

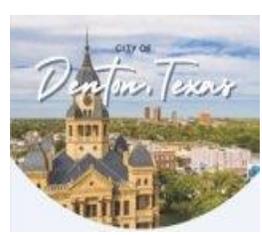
Expenses	FY 2024 Budget	FY 2024 Actuals	FY 2025 Budget	FY 2025 Estimate
Personnel Services	\$ 13,858,641	\$ 13,869,421	\$ 14,468,792	\$ 13,837,394
Materials & Supplies	769,267	511,714	748,667	510,243
Maintenance and Repair	238,516	223,662	260,266	288,278
Insurance	754,473	717,541	696,804	696,804
Miscellaneous Expense	39,820	33,061	43,320	40,419
Operations	7,252,341	8,048,133	7,810,415	8,422,905
Cost of Service Transfers	6,531,546	6,272,473	8,442,354	8,442,354
Fixed Assets	904,007	779,707	1,015,337	770,706
Vehicle Replacement	2,575,000	1,425,000	1,870,000	1,870,000
Revenue Funded Capital	1,000,000	1,627,707	-	-
Closure/Post Closure	752,631	752,628	752,631	752,631
Debt Service	4,817,837	4,775,075	5,269,872	5,269,872
Franchise Fees	1,876,755	2,003,512	2,140,829	2,162,468
<b>Total Expenditures</b>	<b>\$ 41,370,834</b>	<b>\$ 41,039,634</b>	<b>\$ 43,519,287</b>	<b>\$ 43,064,074</b>
Net Change	\$ (2,074,931)	\$ (112,178)	\$ -	\$ 184,321



# Solid Waste – FY 2025-26 Overview

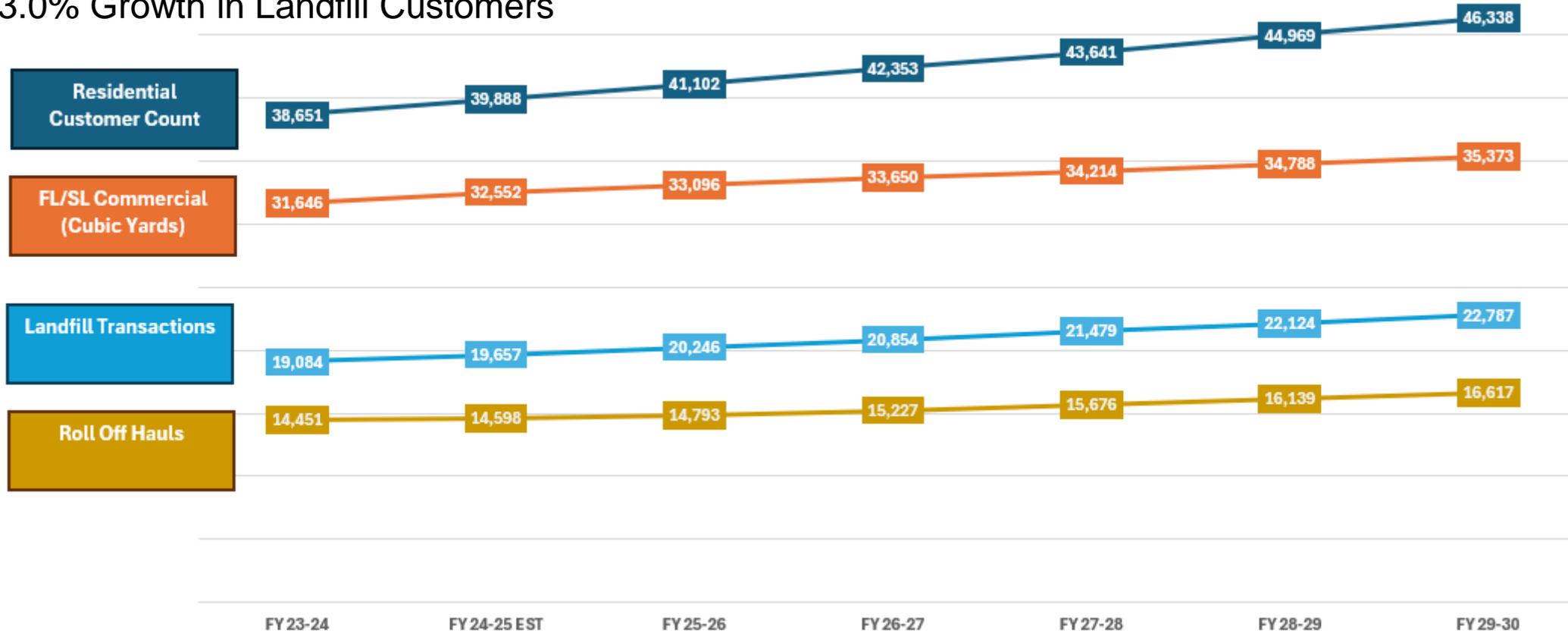
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- Budget Change
  - +4.2% vs FY25 Budget
- No base rate increase for FY 2026
  
- Preliminary Budget Reductions - **\$980,814 Total**
  - Personnel - \$212,126
    - Reducing two vacant Deputy Director positions to one
  - Materials and Supplies - \$209,313
    - Reduced Alternative Daily Cover (ADC) and Odor Control Agents as well as furniture expenses
  - Maintenance and Repair - \$17,500
    - Reduced Compressed Natural Gas (CNG) Site Maintenance
  - Operations - \$397,499
    - Reduced Travel, Training, Outside Contract Services, Hire of Equipment, and Luminant CNG Purchase
  - Fixed Assets - \$144,376
    - Reduced 3 yard dumpsters, 4 yard dumpsters, and 30 yard open tops.



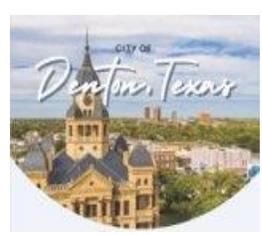
# Solid Waste - Growth Projections

- 3.0% Growth in Residential Customers
- 1.7% Growth in Commercial FL/SL Pulls
- 3.0% Growth in Landfill Customers



# Solid Waste – 5 Year Preliminary Forecast

	FY 2023-24 Actual	FY 2024-25 Budget	FY 2024-25 EOY Estimate	FY 2025-26 Preliminary	FY 2026-27 Projected	FY 2027-28 Projected	FY 2028-29 Projected	FY 2029-30 Projected
<b>Beginning Fund Balance</b>	<b>\$ 12,360,314</b>	<b>\$ 10,806,539</b>	<b>\$ 12,248,136</b>	<b>\$ 12,432,456</b>	<b>\$ 12,432,456</b>	<b>\$ 9,297,844</b>	<b>\$ 7,911,665</b>	<b>\$ 7,344,288</b>
<b>Resources</b>								
Rate Revenues	\$ 34,815,307	\$ 35,754,289	35,170,571	37,972,656	40,089,632	42,324,629	43,594,367	44,902,198
Wholesale Agreements	4,005,845	5,296,940	5,296,940	5,521,140	5,521,140	5,521,140	5,521,140	5,521,140
Non-Rate Revenues	2,106,304	2,468,058	2,780,884	1,859,877	1,889,464	1,916,927	1,946,068	1,977,006
<b>Total Revenues</b>	<b>40,927,456</b>	<b>43,519,287</b>	<b>43,248,395</b>	<b>45,353,673</b>	<b>47,500,235</b>	<b>49,762,696</b>	<b>51,061,576</b>	<b>52,400,345</b>
Use of Reserves	-	-	-	-	3,134,612	1,386,179	567,377	-
<b>Total Resources</b>	<b>\$ 40,927,456</b>	<b>\$ 43,519,287</b>	<b>\$ 43,248,395</b>	<b>\$ 45,353,673</b>	<b>\$ 50,634,848</b>	<b>\$ 51,148,875</b>	<b>\$ 51,628,953</b>	<b>\$ 52,400,345</b>
<b>Expenditures</b>								
Personnel Services	\$ 13,869,421	\$ 14,468,792	\$ 13,837,394	\$ 14,363,796	\$ 14,794,710	\$ 15,238,551	\$ 15,695,708	\$ 16,166,579
Materials & Supplies	511,714	748,667	510,243	509,831	525,126	540,880	557,106	573,819
Maintenance and Repair	223,662	260,266	288,278	247,035	254,446	262,079	269,942	278,040
Insurance	717,541	696,804	696,804	655,318	674,978	695,227	716,084	737,566
Miscellaneous Expense	33,061	43,320	40,419	33,085	34,078	35,100	36,153	37,237
Operations	8,048,133	7,810,415	8,422,905	7,960,315	8,199,124	8,445,098	8,698,451	8,959,405
Cost of Service Transfers	6,272,473	8,442,354	8,442,354	7,471,760	7,695,913	7,926,790	8,164,594	8,409,532
Fixed Assets	779,707	1,015,337	770,706	966,576	995,573	1,025,440	1,056,204	1,087,890
Vehicle Replacement	1,425,000	1,870,000	1,870,000	3,463,000	5,995,000	5,870,850	5,400,000	3,481,000
Revenue Funded Capital	1,627,707	-	-	-	-	-	-	-
Closure/Post Closure	752,628	752,631	752,631	946,819	1,256,748	1,334,760	1,417,174	1,504,220
Debt Service	4,775,075	5,269,872	5,269,872	6,550,163	7,957,598	7,454,998	7,228,864	7,146,077
Franchise Fees	2,003,512	2,140,829	2,162,468	2,185,975	2,251,554	2,319,101	2,388,674	2,460,334
<b>Total Expenditures</b>	<b>41,039,634</b>	<b>43,519,287</b>	<b>43,064,075</b>	<b>45,353,673</b>	<b>50,634,848</b>	<b>51,148,875</b>	<b>51,628,953</b>	<b>50,841,699</b>
<b>Ending Fund Balance</b>	<b>\$ 12,248,136</b>	<b>\$ 10,806,539</b>	<b>\$ 12,432,456</b>	<b>\$ 12,432,456</b>	<b>\$ 9,297,844</b>	<b>\$ 7,911,665</b>	<b>\$ 7,344,288</b>	<b>\$ 8,902,933</b>
Net Change	\$ (112,178)	\$ -	\$ 184,320	\$ 0	\$ (3,134,612)	\$ (1,386,179)	\$ (567,377)	\$ 1,558,646
<b>Revenue Sufficiency Requirement</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Target Reserves</b>								
Wrking Cptl - 8% / Op Reserve Target - 6%	5,745,549	6,092,700	6,028,970	6,349,514	7,088,879	7,160,842	7,228,053	7,117,838
Wrking Cptl - 8% / Op Reserve Target - 10%	7,387,134	7,833,472	7,751,533	8,163,661	9,114,273	9,206,797	9,293,212	9,151,506
<b>Ending Fund Balance Target Met</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
Debt Service Coverage Ratio (DSCR)	2.36	2.10	2.09	2.15	1.93	2.23	2.34	2.41



# Solid Waste and Recycling - 5 YR Capital Plan

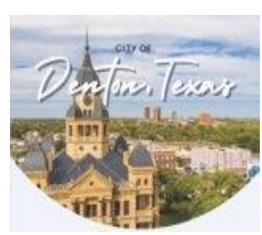
Project	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Organics Program Infrastructure	\$14,000,000	\$ -	\$ -	\$ -	\$ -	\$14,000,000
Vehicle Replacement	7,264,000	5,095,000	5,220,850	5,400,000	-	22,979,850
Vehicle Additions	448,000	900,000	650,000	-	3,481,000	5,479,000
Concrete Replacement	-	-	350,000	-	-	350,000
Transfer Station Construction	-	-	-	5,000,000	-	5,000,000
Wastewater Infrastructure	-	-	-	-	500,000	500,000
<b>Total</b>	<b>\$21,712,000</b>	<b>\$5,995,000</b>	<b>\$6,220,850</b>	<b>\$10,400,000</b>	<b>\$3,981,000</b>	<b>\$48,308,850</b>

Funding Source	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Debt Funding	\$18,249,000	\$ -	\$350,000	\$5,000,000	\$500,000	\$24,099,000
Revenue Funding	3,463,000	5,995,000	5,870,850	5,400,000	3,481,000	24,209,850
<b>Total</b>	<b>\$21,712,000</b>	<b>\$5,995,000</b>	<b>\$6,220,850</b>	<b>\$10,400,000</b>	<b>\$3,981,000</b>	<b>\$48,308,850</b>

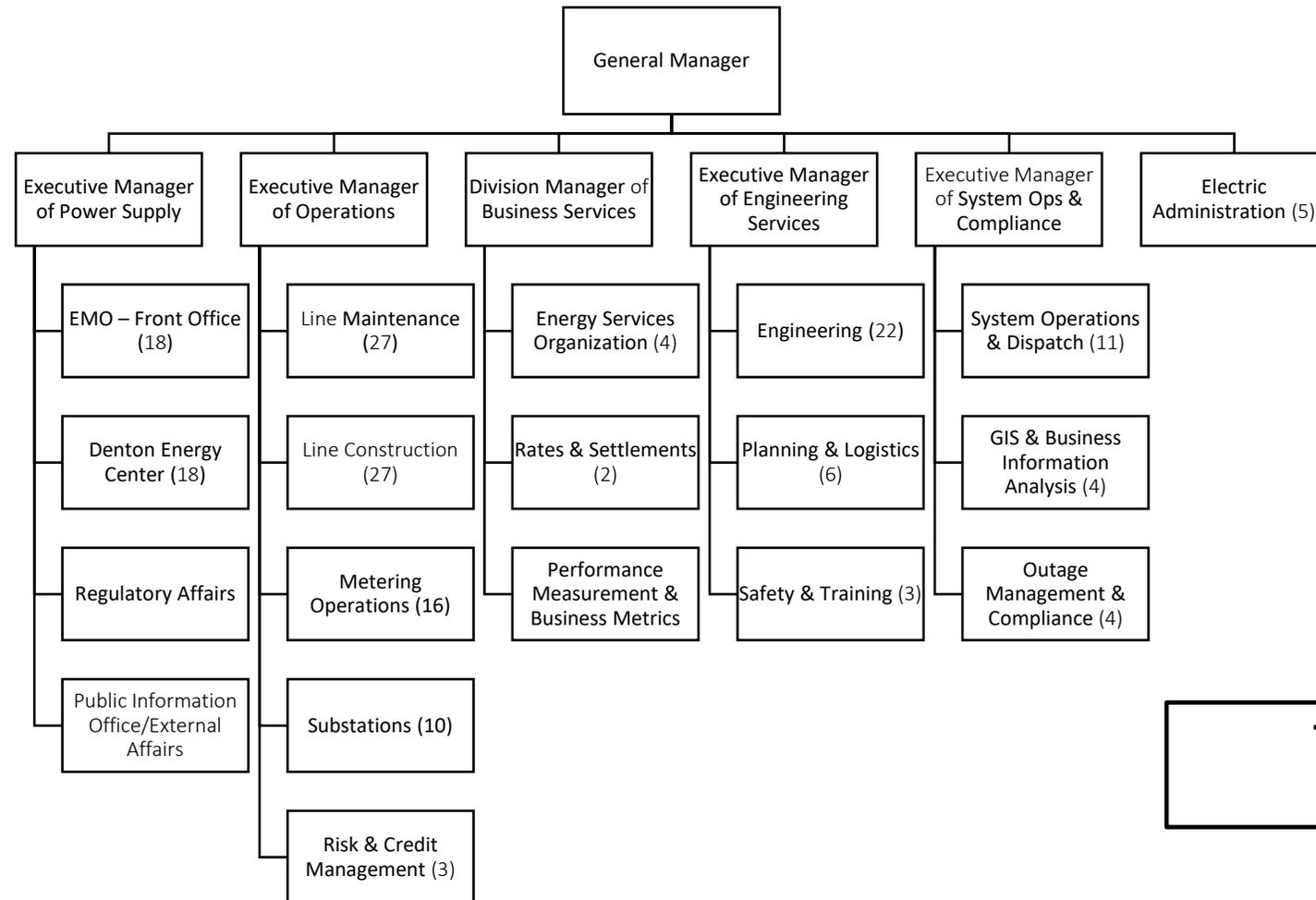
# Denton Municipal Electric

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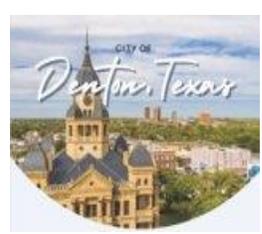




# Denton Municipal Electric



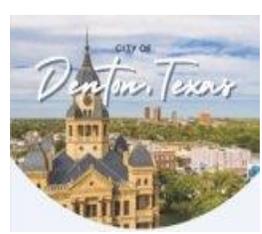
**Total FTE Count:  
189**



# Electric Budget (Current Year)

Revenues	FY 2024 Budget	FY 2024 Actuals	FY 2025 Budget	FY 2025 Estimate
Operating Revenue	\$ 286,755,663	\$ 261,854,523	\$ 389,232,276	\$ 311,248,580
Miscellaneous	-	100,072	-	672,771
Investments	650,000	5,373,381	1,200,000	2,370,041
Rev.-Other	1,381,793	2,574,239	370,629	1,656,727
Transfers	1,609,740	1,609,740	1,680,870	1,845,909
Use of Reserves	17,756,400	18,892,198	1,493,915	1,760,699
<b>Total Resources</b>	<b>\$ 308,153,596</b>	<b>\$ 290,404,153</b>	<b>\$ 393,977,690</b>	<b>\$ 319,554,727</b>

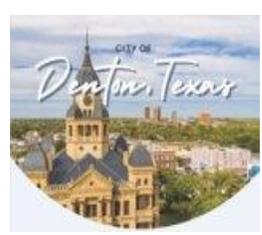
Expenses	FY 2024 Budget	FY 2024 Actuals	FY 2025 Budget	FY 2025 Estimate
Purchase Power	\$ 116,110,082	\$ 109,891,615	\$ 181,498,874	\$ 130,072,315
Transmission Power	24,737,092	26,013,621	27,284,774	29,064,216
Personnel Services	26,090,464	24,660,768	29,214,928	24,916,278
Operations & Maintenance	24,007,808	17,977,066	25,464,106	15,555,492
Admin. Costs	25,141,239	22,845,793	33,120,822	21,897,726
Debt Service Transfers	65,262,217	69,300,914	76,159,518	76,693,095
Transfers	26,787,694	19,804,376	21,234,668	21,335,605
Fixed Assets	17,000	-	-	-
<b>Total Expenditures</b>	<b>\$ 308,153,596</b>	<b>\$ 290,494,153</b>	<b>\$ 393,977,690</b>	<b>\$ 319,554,727</b>
Net Change	\$ (17,756,400)	\$ (\$18,982,198)	\$ (\$1,493,915)	\$ (\$1,760,699)



# FY 2025-26 DME Overview

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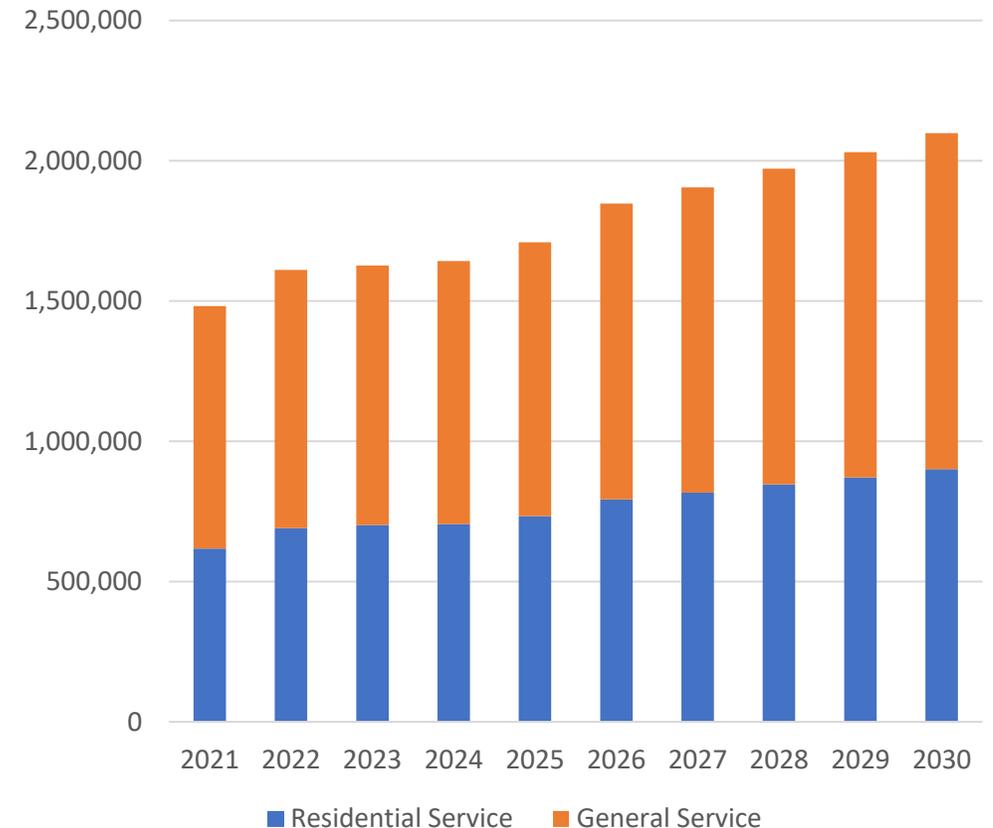
- Budget Change
  - +34.2% vs FY25 Budget
- No base rate increase for FY 2026
- ECA/TCRF will adjust as needed
  - ECA target balance helps to stabilize the ECA rate
- Implementation of ECA Large Load in FY 2025 with \$20M target balance will strengthen the fund financials
  
- Revenue Projections
  - \$526,631,018
- Expense Projections
  - \$509,582,231
- Preliminary Budget Reductions - **\$3,362,347 Total**
  - Winter & Summer Outage Insurance - \$2,300,000 (contingency funding remains budgeted)
  - Campus Expansion - reduced debt service - \$990,347
  - Focused Advocacy Contract - \$72,000
- Additionally, 6 vacancies anticipated to be held vacant through FY26



# DME – Growth Projections

- Forecasted Retail Sales Grown (MWh)\*

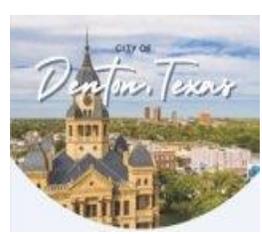
Year	Residential Service	General Service	% Chg.
2021	617,855	864,993	
2022	690,423	921,237	8.69%
2023	701,789	925,072	0.94%
2024	705,197	938,095	1.01%
2025	733,687	975,994	4.04%
<b>2026</b>	<b>793,116</b>	<b>1,055,050</b>	<b>8.10%</b>
2027	817,702	1,087,756	3.10%
2028	846,322	1,125,828	3.50%
2029	871,711	1,159,602	3.00%
2030	900,478	1,197,869	3.30%



\*excludes Data Center

# DME – 5 Year Preliminary Forecast

	2023-24 ACTUALS	2024-25 MOD BUDGET	2024-25 EOY ESTIMATE	2025-2026 PROPOSED	FY 2026-27 Projected	FY 2027-28 Projected	FY 2028-29 Projected	FY 2029-30 Projected
<b>Beginning Fund Balance</b>	\$ 99,845,101	\$ 114,148,221	\$ 112,128,803	\$ 110,368,104	\$ 127,416,890	\$ 152,997,164	\$ 187,932,166	\$ 236,044,849
Rate Revenues								
Base Rate Revenue	\$ 131,971,282	\$ 189,839,592	\$ 118,741,182	\$ 139,864,726	\$ 154,659,164	\$ 171,731,774	\$ 190,739,785	\$ 211,109,607
TCRF Revenue	10,751,806	30,286,099	23,853,789	51,111,143	58,591,788	61,521,377	64,597,446	67,827,318
ECA Revenue	67,333,794	86,122,202	80,382,787	233,486,208	295,481,390	344,575,738	345,527,465	340,758,721
Non-rate Revenue	40,224,302	31,880,385	39,612,888	35,578,131	36,645,475	37,744,839	38,877,184	40,043,500
DEC Revenue	19,621,032	52,674,627	53,357,473	65,690,445	66,069,624	65,214,984	63,814,594	62,977,501
Interfund Transfers	1,609,740	1,680,870	1,845,909	900,365	927,376	955,197	983,853	1,013,369
<b>Total Revenue</b>	\$ 271,511,955	\$ 392,483,775	\$ 317,794,028	\$ 526,631,018	\$ 612,374,816	\$ 681,743,909	\$ 704,540,327	\$ 723,730,015
Purchased Power	\$ 109,891,615	\$ 181,498,874	\$ 130,072,315	\$ 288,316,607	\$ 346,553,720	\$ 394,529,822	\$ 393,975,620	\$ 388,318,484
Transmission of Power	26,013,621	27,284,774	29,064,216	45,695,176	52,416,950	55,037,798	57,789,688	60,679,172
Personnel Services	24,660,768	29,214,928	24,916,278	29,473,911	30,358,129	31,268,872	32,206,939	33,173,147
Materials & Supplies	2,462,230	4,086,780	2,651,568	2,442,104	2,515,367	2,590,828	2,668,553	2,748,610
Maintenance & Repair	2,300,968	2,267,010	1,696,005	1,680,332	1,730,742	1,782,664	1,836,144	1,891,228
Insurance	1,947,434	4,475,159	1,524,402	1,453,738	1,497,350	1,542,271	1,588,539	1,636,195
Administrative Cost	22,845,793	33,120,822	21,897,726	34,480,288	39,673,263	43,688,998	45,268,492	46,648,496
Miscellaneous	1,434,746	1,049,100	1,023,590	1,031,615	1,062,563	1,094,440	1,127,274	1,161,092
Operations	9,831,688	13,465,119	8,659,927	12,279,294	12,647,673	13,027,103	13,417,916	13,820,454
Debt Service Transfers	69,300,914	76,159,518	76,693,095	71,913,276	75,357,668	78,667,360	82,354,168	79,951,386
Interfund Transfers	18,950,955	19,170,589	19,170,588	19,340,890	19,921,117	20,518,750	21,134,313	21,768,342
Transfers to Capital Projects	853,420	2,185,017	2,185,017	1,475,000	3,060,000	3,060,000	3,060,000	3,060,000
<b>Total Expenditures</b>	\$ 290,494,152	\$ 393,977,690	\$ 319,554,727	\$ 509,582,231	\$ 586,794,542	\$ 646,808,907	\$ 656,427,645	\$ 654,856,605
<b>Ending Fund Balance</b>	\$ 112,128,803	\$ 112,654,306	\$ 110,368,104	\$ 127,416,890	\$ 152,997,164	\$ 187,932,166	\$ 236,044,849	\$ 304,918,258
<b>Change in Fund Balance (Use of Reserves)</b>	\$ (18,982,196)	\$ (1,493,915)	\$ (1,760,699)	\$ 17,048,786	\$ 25,580,274	\$ 34,935,002	\$ 48,112,682	\$ 68,873,410
<b>Rate Increases</b>								
Base Rate				0.0%	6.5%	7.0%	7.0%	6.5%
<b>Working Capital (8%) &amp; Op Reserves (&gt;38%)</b>	\$ 133,627,310	\$ 181,229,737	\$ 146,995,174	\$ 234,407,826	\$ 269,925,489	\$ 297,532,097	\$ 301,956,717	\$ 301,234,038
<b>Working Capital (8%) &amp; Op Reserves (&gt;61%)</b>	\$ 200,440,965	\$ 271,844,606	\$ 220,492,762	\$ 351,611,739	\$ 404,888,234	\$ 446,298,146	\$ 452,935,075	\$ 451,851,058
<b>Ending Fund Balance Minimum Target Met</b>	NO	NO	NO	NO	NO	NO	NO	YES
Debt Service Coverage Ratio (DSCR)	1.07	1.44	1.29	1.74	1.91	2.04	2.17	2.48



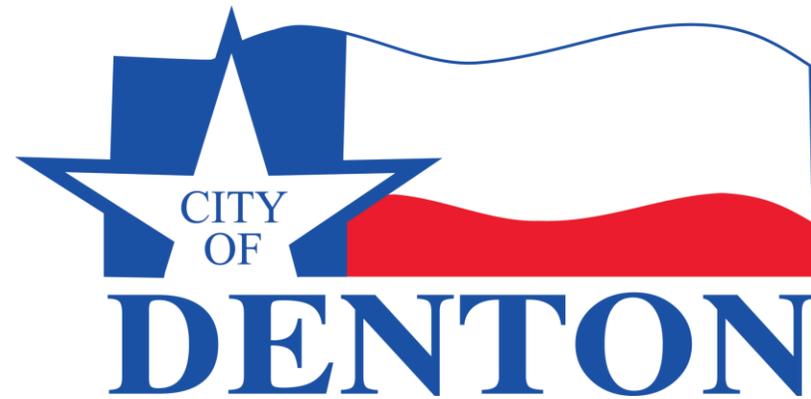
# Electric – 5 YR Capital Plan

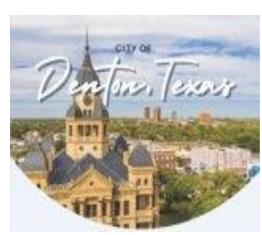
Projects	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Automated Meter Reading	\$ 1,805,000	\$ 1,940,2000	\$ 761,127	\$ 853,392	\$832,539	\$ 6,192,258
Distribution Substations	8,210,000	6,220,000	3,850,000	5,200,000	4,600,000	28,080,000
Distribution Transformers	10,000,000	11,000,000	12,000,000	13,000,000	14,000,000	60,000,000
Feeder Extensions & Improvements	11,075,338	12,389,159	9,603,808	6,519,336	9,785,797	49,323,437
New Residential & Commercial	8,315,250	8,431,013	8,552,563	8,670,255	9,788,912	43,757,993
Power Factor Improvement	300,000	150,000	100,000	100,000	100,000	750,000
Street Lighting	650,000	650,000	250,000	250,000	250,000	2,050,000
Plant Production	-	-	6,000,000	11,000,000	-	17,000,000
Technology – Software & Hardware	4,409,000	2,909,000	2,009,000	24,250,000	24,850,000	58,427,000
Transmission Lines	5,770,000	16,950,000	10,100,000	14,200,000	8,740,000	55,760,000
Transmission Substations	6,450,000	9,540,000	7,050,000	8,860,000	3,610,000	35,510,000
Electric Relocation	5,500,000	5,500,000	5,500,000	1,500,000	1,500,000	19,500,000
Vehicle Replacement	1,475,000	3,060,000	3,060,000	3,060,000	3,060,000	13,715,000
<b>Total</b>	<b>\$ 63,959,588</b>	<b>\$ 78,739,372</b>	<b>\$ 68,836,498</b>	<b>\$ 97,462,983</b>	<b>\$ 81,117,247</b>	<b>\$ 390,115,688</b>

Funding Source	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Debt Funding	\$ 58,434,588	\$ 58,079,372	\$ 51,476,498	\$ 88,002,983	\$ 77,657,247	\$ 333,650,688
Revenue Funding	1,475,000	3,060,000	3,060,000	3,060,000	3,060,000	13,715,000
Cost Participation	4,050,000	17,600,000	14,300,000	6,400,000	400,000	42,750,000
<b>Total</b>	<b>\$ 63,959,588</b>	<b>\$ 78,739,372</b>	<b>\$ 68,836,498</b>	<b>\$ 97,462,983</b>	<b>\$ 81,117,247</b>	<b>\$ 390,115,688</b>

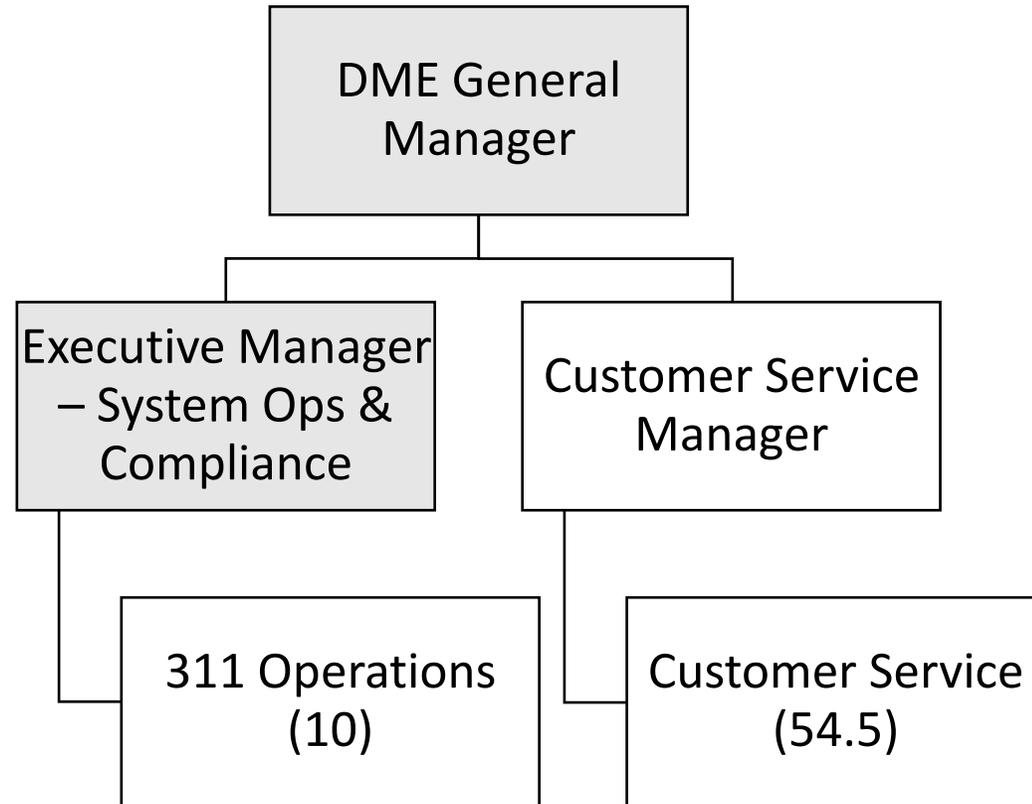
# Customer Service

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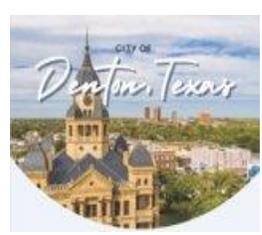




# Customer Service Organizational Chart



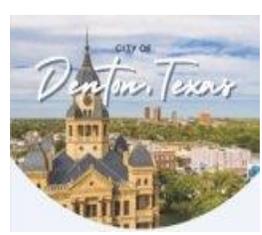
**Total FTE Count:  
65.5**



# Customer Service Budget (Current Year)

Revenues	FY 2024 Budget	FY 2024 Actuals	FY 2025 Budget	FY 2025 Estimate
Other Revenue	\$ 120,000	\$ 517,037	\$ 318,607	\$ 492,036
Operating Transfers In	9,736,620	8,579,900	11,497,310	10,554,368
Use of Reserves	-	-	150,000	-
<b>Total Resources</b>	<b>\$ 9,856,620</b>	<b>\$ 9,096,937</b>	<b>\$ 11,965,917</b>	<b>\$ 11,046,422</b>

Expenses	FY 2024 Budget	FY 2024 Actuals	FY 2025 Budget	FY 2025 Estimate
Personnel Services	\$ 5,320,012	\$ 4,425,549	\$ 6,565,684	\$ 5,220,285
Materials and Supplies	434,130	388,864	474,130	393,418
Maintenance and Repair	1,500	140	1,500	-
Insurance	114,760	109,142	113,609	113,609
Miscellaneous Expense	2,350	1,475	2,350	1,500
Operations	2,578,570	2,763,110	2,850,074	3,356,303
Transfers	1,405,298	1,361,126	1,958,570	1,961,307
<b>Total Expenditures</b>	<b>\$ 9,856,620</b>	<b>\$ 9,049,407</b>	<b>\$ 11,965,917</b>	<b>\$ 11,046,422</b>
Net Change	\$ -	\$ 47,530	\$ -	\$ -



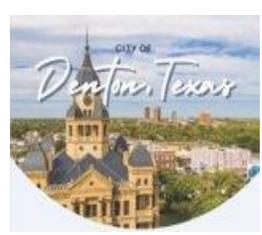
# Online Payment Convenience Fee

Expenses associated with card processing has increased in recent years.

- The City currently pays \$1,341,276 in Credit Card and eCheck processing fees annually related to utility bills.
- The City does not currently recover this cost through a dedicated fee.

The City previously implemented a fee to recovery costs, but removed it in 2020.

Date	Card Fee Assessed	Account Type	Payment Type	Note
December 2014	2.7% Convenience Fee	Commercial Only	Telephone & Internet	Review of increasing costs in September 2014 led to applying the fee to the most expensive card types. Percentage applied due to current rules and laws of card processing fees at the time.
November 2020	0%	All	All	June 2019 PUB & Council directed to remove fee when implementing the new merchant contract due to credit card regulation changes that required convenience fees must be a flat fee.



# Online Payment Convenience Fee

## Cost Recovery Option:

- Implement a flat convenience fee.
  - Applies to internet, phone, and kiosk payments.
  - Does not apply to recurring or point-of-sale transactions.
  - Fee must be disclosed as a charge for convenience with an opportunity to cancel the transaction.
- To recover the full cost to process cards and eChecks, the City is estimated to need a \$2.90 convenience fee per transaction.

## Customer Service Utility Bill Transaction Volume

Internet (Includes IVR & Phone)	97.05%
Kiosks	0.20%
Point of Sale	2.75%

## Estimated Fee Recovery – Based on FY 2024 Internet Actuals

	\$1.00 Flat Fee	\$2.90 Flat Fee Full Cost Recovery
<b>CARDS</b>		
Total Transactions	566,241	566,241
Recurring Transactions	(158,908)	(158,908)
Eligible Convenience Fee Transactions	407,333	407,333
<b>eCHECKS</b>		
Total Transactions	164,454	164,454
Recurring Transactions	(111,407)	(111,407)
Eligible Transactions	53,047	53,047
<b>All Eligible Transactions</b>	<b>460,380</b>	<b>460,380</b>
Card Processor Costs	\$1,337,514	\$1,337,514
eCheck Processor Costs	\$3,762	\$3,762
Total Processor Fees	\$1,341,276	\$1,341,276
Convenience Fee Assessed	(\$460,380)	(\$1,335,102)
Remaining Expense	\$880,896	\$6,174

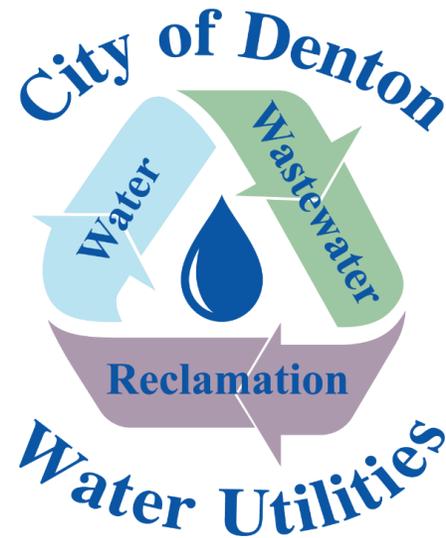
## Customer Service – 5 Year Preliminary Forecast

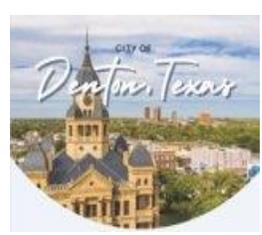
	2023-24 ACTUALS	2024-25 MOD BUDGET	2024-25 EOY ESTIMATE	2025-2026 PROPOSED	FY 2026-27 Projected	FY 2027-28 Projected	FY 2028-29 Projected	FY 2029-30 Projected
<b>Beginning Fund Balance</b>	\$ 391,787	\$ 1,301,103	\$ 439,317	\$ 439,317	\$ 439,317	\$ 439,317	\$ 439,317	\$ 439,317
Convenience Fees	\$ -	\$ -	\$ -	\$ 1,335,102	\$ 1,375,155	\$ 1,416,410	\$ 1,458,902	\$ 1,502,669
Other Revenue	517,037	318,607	492,036	445,425	458,788	472,551	486,727	501,329
Cost of Service - General Fund	157,319	853,328	765,710	659,087	691,210	724,582	759,981	796,808
Cost of Service - Electric	4,341,068	5,117,252	4,569,453	4,882,015	5,022,436	5,164,637	5,313,776	5,465,149
Cost of Service - Water	1,165,823	1,703,145	1,520,824	1,577,545	1,622,920	1,668,869	1,717,062	1,765,975
Cost of Service - Wastewater	1,375,609	1,660,835	1,697,468	1,527,082	1,571,005	1,615,485	1,662,136	1,709,485
Cost of Service - Solid Waste	1,516,290	2,139,418	1,910,393	1,336,321	1,374,758	1,413,681	1,454,504	1,495,938
Cost of Service - Streets	-	-	69,704	81,755	84,107	86,488	88,986	91,521
Cost of Service - Airport	8,249	10,252	9,154	11,104	11,424	11,747	12,087	12,431
Cost of Service - Fleet Svcs	8,326	6,739	6,018	7,062	7,265	7,471	7,686	7,905
Cost of Service - Tech Svcs	-	-	-	1,006	1,035	1,064	1,095	1,126
Cost of Service - Engineering	7,216	6,341	5,662	10,094	10,385	10,679	10,987	11,300
<b>Total Revenue</b>	\$ 9,096,937	\$ 11,815,917	\$ 11,046,422	\$ 11,873,598	\$ 12,230,486	\$ 12,593,664	\$ 12,973,929	\$ 13,361,635
Personnel Services	\$ 4,425,549	\$ 6,565,684	\$ 5,220,285	\$ 6,275,996	\$ 6,464,276	\$ 6,658,204	\$ 6,857,950	\$ 7,063,689
Materials & Supplies	388,864	474,130	393,418	408,995	421,185	433,739	446,668	459,983
Maintenance & Repair	140	1,500	-	-	-	-	-	-
Insurance	109,142	113,609	113,609	108,340	111,590	114,938	118,386	121,938
Miscellaneous	1,475	2,350	1,500	2,310	2,379	2,451	2,524	2,600
Operations	2,763,110	2,850,074	3,356,303	3,180,964	3,276,393	3,375,938	3,479,712	3,587,830
Transfers	1,361,126	1,958,570	1,961,307	1,896,993	1,954,663	2,008,395	2,068,689	2,125,596
<b>Total Expenditures</b>	\$ 9,049,407	\$ 11,965,917	\$ 11,046,422	\$ 11,873,598	\$ 12,230,486	\$ 12,593,664	\$ 12,973,929	\$ 13,361,636
<b>Ending Fund Balance</b>	\$ 439,317	\$ 1,151,103	\$ 439,317	\$ 439,317	\$ 439,317	\$ 439,317	\$ 439,317	\$ 439,317

Change in Fund Balance      \$ 47,530    \$ (150,000)    \$ -    \$ -    \$ -    \$ -    \$ -

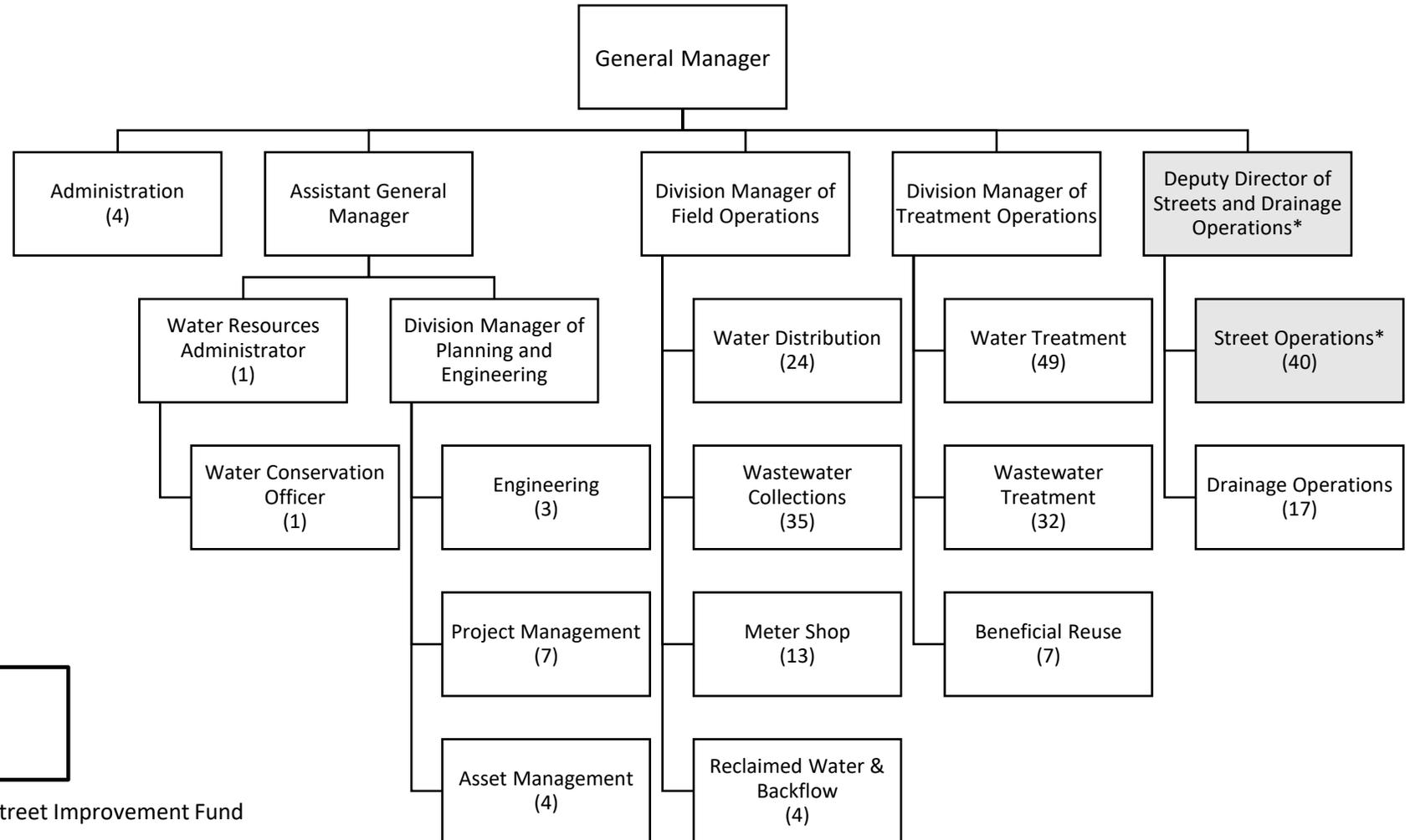
# Water, Wastewater & Drainage

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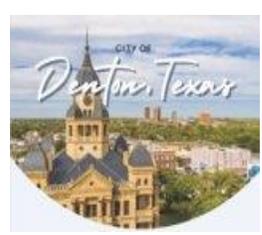


# Water Utilities & Streets – Organizational Chart



**Total FTE Count:  
247**

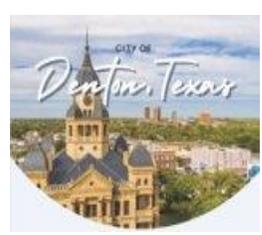
\* Street Operations is budgeted in a separate Street Improvement Fund



# Water Budget (Current Year)

Revenues	FY 2024 Budget	FY 2024 Actuals	FY 2025 Budget	FY 2025 Estimate
Base Rate Revenues	\$ 46,404,583	\$ 45,490,215	\$ 49,511,119	\$ 48,147,881
Non-Rate Revenues	1,273,178	2,958,922	2,320,784	2,492,388
Transfers	2,892,442	3,693,127	3,803,921	3,803,921
Use of Reserves	8,138,778	-	-	-
<b>Total Resources</b>	<b>\$ 58,708,981</b>	<b>\$ 52,142,264</b>	<b>\$ 55,635,824</b>	<b>\$ 54,444,190</b>

Expenses	FY 2024 Budget	FY 2024 Actuals	FY 2025 Budget	FY 2025 Estimate
Purchased Power	\$ 1,481,328	\$ 1,987,888	\$ 1,481,328	\$ 2,095,120
Purchased Water	3,000	1,776	3,000	2,000
Personnel Services	11,458,323	10,461,688	13,144,979	10,725,238
Materials and Supplies	2,040,004	3,202,244	4,766,574	3,580,770
Maintenance and Repair	2,066,512	2,874,264	1,883,402	2,406,271
Insurance	465,105	442,337	519,789	519,789
Franchise Fee/ ROI	3,944,389	3,842,717	4,208,445	4,153,421
Miscellaneous Expense	112,865	54,932	112,865	55,705
Operations	3,218,282	2,921,092	3,963,028	2,980,455
Transfers	33,884,173	22,110,135	25,516,364	27,268,804
Fixed Assets	35,000	-	36,050	-
<b>Total Expenditures</b>	<b>\$ 58,708,981</b>	<b>\$ 47,899,072</b>	<b>\$ 55,635,824</b>	<b>\$ 53,787,573</b>
Net Change	\$ (8,138,778)	\$ 4,243,191	\$ -	\$ 656,617



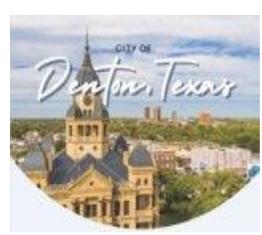
# FY 2025-26 Water Fund Overview

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- Budget Change
  - +6.3% vs FY25 Budget
- 3% Rate Increase – Residential & Commercial
- 297% Rate Increase – Wholesale Treated Water
- Revenue Projections
  - \$59,167,356
- Expense Projections
  - \$62,799,520
- 2 vacancies anticipated to be held vacant through FY26
- Retail Rate Study
- Wholesale Rate Study
- Other Financing Sources (WIFIA, TWDB)
- Alignment of Capital Improvement Plan Investment Portfolio
- Affordability balanced with constriction/future growth of the city

# Water – 5 Year Preliminary Forecast

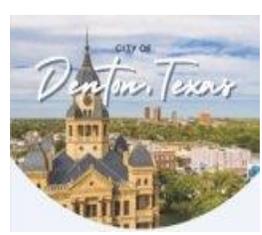
	2023-24 ACTUALS	2024-25 MOD BUDGET	2024-25 EOY ESTIMATE	2025-2026 PROPOSED	FY 2026-27 Projected	FY 2027-28 Projected	FY 2028-29 Projected	FY 2029-30 Projected
<b>Beginning Fund Balance</b>	\$ 38,986,361	\$ 43,324,871	\$ 43,229,553	\$ 43,886,170	\$ 40,254,007	\$ 39,698,817	\$ 38,950,474	\$ 38,066,389
<b>Rate Revenues</b>								
Residential Water Sales	\$ 22,970,067	\$ 23,684,799	\$ 24,512,591	\$ 26,729,134	\$ 29,188,215	\$ 32,480,645	\$ 36,144,462	\$ 39,469,753
Commercial Water Sales	20,834,188	23,472,151	22,781,505	24,053,182	26,266,075	29,228,888	32,525,906	35,518,290
Wholesale - Raw Water	1,067,876	1,688,223	99,034	54,500	59,514	66,227	73,698	80,478
Wholesale - Treated Water	618,084	665,946	754,752	3,004,328	3,280,727	3,650,793	4,062,602	4,436,361
Non-rate Revenues	1,187,674	1,093,820	1,265,424	1,277,070	1,325,213	1,395,122	1,469,913	1,528,292
Interfund Transfers	3,693,127	3,803,921	3,803,921	2,944,874	3,033,220	3,124,217	3,217,943	3,314,482
Interest Income	1,771,248	1,226,964	1,226,964	1,104,268	1,137,396	1,171,517	1,206,663	1,242,863
<b>Total Revenue</b>	\$ 52,142,264	\$ 55,635,824	\$ 54,444,190	\$ 59,167,356	\$ 64,290,359	\$ 71,117,410	\$ 78,701,188	\$ 85,590,518
<b>Purchased Power</b>	\$ 1,987,888	\$ 1,481,328	\$ 2,095,120	\$ 2,212,016	\$ 2,278,377	\$ 2,346,728	\$ 2,417,130	\$ 2,489,644
<b>Purchased Water</b>	1,776	3,000	2,000	2,060	2,122	2,185	2,251	2,319
<b>Personnel Services</b>	10,461,688	13,144,979	10,725,238	13,616,587	14,025,085	14,445,837	14,879,212	15,325,589
<b>Materials and Supplies</b>	3,202,244	4,781,574	3,580,770	4,739,332	4,881,512	5,024,253	5,174,981	5,330,230
<b>Maintenance and Repair</b>	2,874,264	1,868,402	2,406,271	2,882,140	2,968,604	3,057,662	3,149,392	3,243,874
<b>Insurance</b>	442,337	519,789	519,789	495,690	510,561	525,878	541,654	557,903
<b>Administrative Cost</b>	3,842,717	4,208,445	4,153,421	4,761,342	4,997,535	5,561,257	6,188,567	6,757,915
<b>Miscellaneous Expense</b>	54,932	112,865	55,705	55,288	55,447	55,610	55,778	55,952
<b>Operations</b>	2,921,092	3,963,028	2,980,455	4,281,631	4,410,080	4,542,382	4,678,654	4,819,013
<b>Debt Service Transfers</b>	11,771,059	14,571,614	15,699,435	18,537,124	20,015,810	25,351,157	31,234,424	36,110,628
<b>Capital Transfers</b>	2,234,857	430,562	430,562	1,332,500	524,000	475,000	475,000	475,000
<b>Interfund Transfers</b>	8,104,219	10,514,188	11,138,807	9,883,809	10,176,417	10,477,803	10,788,230	11,107,970
<b>Total Expenditures</b>	\$ 47,899,072	\$ 55,635,824	\$ 53,787,573	\$ 62,799,520	\$ 64,845,548	\$ 71,865,753	\$ 79,585,273	\$ 86,276,037
<b>Ending Fund Balance</b>	\$ 43,229,553	\$ 43,324,871	\$ 43,886,170	\$ 40,254,007	\$ 39,698,817	\$ 38,950,474	\$ 38,066,389	\$ 37,380,870
<b>Change in Fund Balance (Use of Reserves)</b>	\$ 4,243,191	\$ -	\$ 656,617	\$ (3,632,163)	\$ (555,189)	\$ (748,343)	\$ (884,085)	\$ (685,519)
<b>Rate Increases</b>								
Rate Increase - Residential				3.0%	5.0%	7.0%	7.0%	5.0%
Rate Increase - Commercial				3.0%	5.0%	7.0%	7.0%	5.0%
Rate Increase - Treated Water				297.0%	5.0%	7.0%	7.0%	5.0%
<b>Working Capital (8%) &amp; Op Reserves (&gt;25%)</b>	\$ 15,806,694	\$ 18,359,822	\$ 17,749,899	\$ 20,723,841	\$ 21,399,031	\$ 23,715,699	\$ 26,263,140	\$ 28,471,092
<b>Working Capital (8%) &amp; Op Reserves (&gt;42%)</b>	\$ 23,949,536	\$ 27,817,912	\$ 26,893,787	\$ 31,399,760	\$ 32,422,774	\$ 35,932,877	\$ 39,792,636	\$ 43,138,019
<b>Ending Fund Balance Minimum Target Met</b>	YES	YES	YES	YES	YES	YES	YES	YES
<b>Use of Impact Fees</b>	\$	\$ 1,635,340	\$ 1,635,340	\$ 2,900,000	\$ 4,500,000	\$ 3,500,000	\$ 3,650,000	\$ 2,000,000
<b>Debt Service Coverage Ratio (DSCR)</b>	1.88	1.32	1.33	1.13	1.25	1.21	1.19	1.18



# Water – 5 YR Capital Plan

Projects	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Booster Stations	\$ 1,200,000	-	-	-	-	\$ 1,200,000
Field Service Replacement	1,103,000	1,158,000	1,216,000	1,269,000	1,269,000	6,015,000
Facility Improvements	2,000,000	-	6,000,000	-	-	8,000,000
Oversize Lines	5,075,000	1,250,000	10,720,000	5,700,000	-	22,745,000
Replace Lines	10,200,000	4,000,000	4,000,000	4,000,000	4,000,000	26,200,000
Taps, Fire Hydrants, & Meters	11,280,000	10,392,000	412,000	430,000	446,000	22,960,000
Transmission Lines	27,828,000	34,200,000	3,200,000	2,200,000	2,200,000	69,628,000
Plant Improvements	34,905,000	74,300,000	113,900,000	60,000,000	2,750,000	285,855,000
Vehicle Replacement	1,082,500	524,000	475,000	475,000	475,000	3,031,500
Water/Wastewater Modeling	250,000	-	-	-	-	250,000
<b>Total</b>	<b>\$ 94,923,500</b>	<b>\$ 125,824,000</b>	<b>\$ 139,923,000</b>	<b>\$ 74,074,000</b>	<b>\$ 11,140,000</b>	<b>\$ 445,884,500</b>

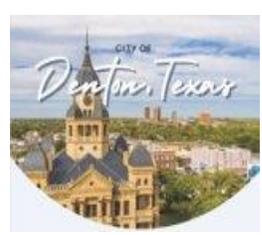
Funding Source	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Debt Funding (includes TWDB)	\$ 55,651,541	\$ 88,701,855	\$ 112,975,809	\$ 58,837,881	\$ 5,719,445	\$ 321,886,530
WIFIA Funding	37,939,459	36,598,145	26,472,191	14,761,119	4,945,555	120,716,470
Revenue Funding	1,332,500	524,000	475,000	475,000	475,000	3,281,500
<b>Total</b>	<b>\$ 94,923,500</b>	<b>\$ 125,824,000</b>	<b>\$ 139,923,000</b>	<b>\$ 74,074,000</b>	<b>\$ 11,140,000</b>	<b>\$ 445,884,500</b>



# Wastewater Budget (Current Year)

Revenues	FY 2024 Budget	FY 2024 Actuals	FY 2025 Budget	FY 2025 Estimate
Base Rate Revenues	\$ 30,200,237	\$ 31,170,741	\$ 35,571,132	\$ 34,443,289
Non-Rate Revenues	7,832,282	4,735,159	3,933,830	4,312,609
Transfers	242,050	235,000	249,311	507,000
Use of Reserves	1,642,412	633,318	250,189	-
<b>Total Resources</b>	<b>\$ 39,916,981</b>	<b>\$ 36,774,218</b>	<b>\$ 40,004,462</b>	<b>\$ 39,262,898</b>

Expenses	FY 2024 Budget	FY 2024 Actuals	FY 2025 Budget	FY 2025 Estimate
Purchased Power	\$ 1,200,000	\$ 1,129,571	\$ 1,200,000	\$ 1,200,000
Purchased Fuel	21,000	25,822	21,000	31,142
Personnel Services	6,551,435	6,578,816	7,522,635	6,423,800
Materials and Supplies	1,151,860	1,807,280	2,011,870	2,005,176
Maintenance and Repair	2,358,625	2,638,109	2,488,625	2,194,007
Insurance	360,056	342,431	389,088	389,088
Administrative Cost	2,619,061	2,833,659	3,023,547	3,116,225
Miscellaneous Expense	7,898	3,838	7,898	7,898
Operations	1,818,895	1,716,848	1,588,051	1,538,011
Transfers	23,828,151	19,697,844	21,751,748	22,160,049
<b>Total Expenditures</b>	<b>\$ 39,916,981</b>	<b>\$ 36,774,218</b>	<b>\$ 40,004,462</b>	<b>\$ 39,065,398</b>
Net Change	\$ (1,642,412)	\$ (633,318)	\$ (250,189)	\$ 197,500



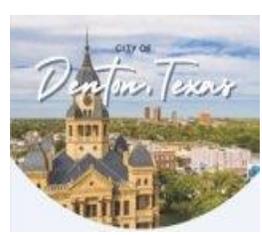
# FY 2025-26 Wastewater Fund Overview

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- Budget Change
  - +12.0% vs FY25 Budget
- 11% Rate Increase
- Revenue Projections
  - \$44,563,965
- Expense Projections
  - \$44,186,354
- 1 vacancy anticipated to be held vacant through FY 2026

# Wastewater – 5 Year Preliminary Forecast

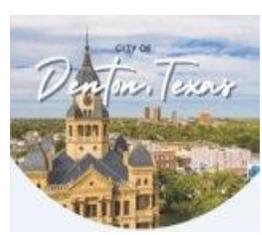
	2023-24 ACTUALS	2024-25 MOD BUDGET	2024-25 EOY ESTIMATE	2025-2026 PROPOSED	FY 2026-27 Projected	FY 2027-28 Projected	FY 2028-29 Projected	FY 2029-30 Projected
<b>Beginning Fund Balance</b>	<b>\$17,566,175</b>	<b>\$ 16,932,848</b>	<b>\$ 16,932,848</b>	<b>\$ 17,130,348</b>	<b>\$ 17,507,959</b>	<b>\$ 18,081,629</b>	<b>\$ 18,644,741</b>	<b>\$ 20,218,736</b>
Residential Sales	\$14,788,925	\$ 17,083,964	\$ 16,497,020	\$ 19,270,543	\$ 22,685,283	\$ 26,460,114	\$ 30,577,308	\$ 34,674,667
Commercial Sales	16,381,807	18,487,168	17,946,269	20,933,470	24,642,881	28,743,456	33,215,938	37,666,873
Non-rate Revenues	4,091,650	3,428,701	3,789,339	3,889,010	4,005,680	4,121,250	4,240,287	4,362,894
Interest Income	643,509	523,269	523,269	470,942	485,070	499,622	514,611	530,049
Interfund Transfers	235,000	249,311	507,000	-	-	-	-	-
<b>Total Revenue</b>	<b>\$36,140,891</b>	<b>\$ 39,772,413</b>	<b>\$ 39,262,897</b>	<b>\$ 44,563,965</b>	<b>\$ 51,818,914</b>	<b>\$ 59,824,442</b>	<b>\$ 68,548,143</b>	<b>\$ 77,234,484</b>
Purchased Power	\$ 1,129,571	\$ 1,200,000	\$ 1,200,000	\$ 1,236,000	\$ 1,273,080	\$ 1,311,272	\$ 1,350,611	\$ 1,391,129
Fuel	25,822	21,000	31,142	35,000	36,050	37,132	38,245	39,393
Personnel Services	6,578,816	7,522,635	6,423,800	8,479,393	8,733,775	8,995,788	9,265,662	9,543,632
Materials and Supplies	1,807,280	2,011,870	2,005,175	2,624,461	2,703,195	2,784,291	2,867,819	2,953,854
Maintenance and Repair	2,638,109	2,488,625	2,194,007	2,293,205	2,362,001	2,432,861	2,505,847	2,581,022
Insurance	342,431	389,088	389,088	371,051	382,183	393,648	405,457	417,621
Administrative Cost	2,833,659	3,023,547	3,116,225	3,514,469	4,022,894	4,692,303	5,422,426	6,149,031
Miscellaneous Expense	3,838	7,898	7,898	4,238	4,365	4,496	4,631	4,770
Operations	1,716,848	1,588,051	1,538,011	2,237,929	2,305,067	2,374,219	2,445,446	2,518,809
Debt Service Transfers	8,656,914	9,785,287	10,193,589	9,663,657	15,322,426	21,801,605	27,890,779	33,969,143
Capital Transfers	2,100,000	888,538	888,538	2,830,000	2,830,000	2,830,000	2,830,000	2,830,000
Interfund Transfers	8,940,930	11,077,923	11,077,923	10,896,951	11,270,210	11,603,715	11,947,225	12,301,041
<b>Total Expenditures</b>	<b>\$36,774,218</b>	<b>\$ 40,004,462</b>	<b>\$ 39,065,397</b>	<b>\$ 44,186,354</b>	<b>\$ 51,245,245</b>	<b>\$ 59,261,330</b>	<b>\$ 66,974,148</b>	<b>\$ 74,699,445</b>
<b>Ending Fund Balance</b>	<b>\$16,932,848</b>	<b>\$ 16,700,799</b>	<b>\$ 17,130,348</b>	<b>\$ 17,507,959</b>	<b>\$ 18,081,629</b>	<b>\$ 18,644,741</b>	<b>\$ 20,218,736</b>	<b>\$ 22,753,775</b>
Change in Fund Balance	\$ (633,327)	\$ (232,049)	\$ 197,500	\$ 377,610	\$ 573,669	\$ 563,112	\$ 1,573,995	\$ 2,535,039
<b>Rate Increases</b>								
Rate Increase - Residential				11.0%	9.0%	8.0%	7.0%	5.0%
Rate Increase - Commercial				11.0%	9.0%	8.0%	7.0%	5.0%
<b>Working Capital (8%) &amp; Op Reserves (&gt;20%)</b>	<b>\$10,296,781</b>	<b>\$ 11,201,249</b>	<b>\$ 10,938,311</b>	<b>\$ 12,372,179</b>	<b>\$ 14,348,669</b>	<b>\$ 16,593,172</b>	<b>\$ 18,752,762</b>	<b>\$ 20,915,845</b>
<b>Working Capital (8%) &amp; Op Reserves (&gt;31%)</b>	<b>\$14,341,945</b>	<b>\$ 15,601,740</b>	<b>\$ 15,235,505</b>	<b>\$ 17,232,678</b>	<b>\$ 19,985,646</b>	<b>\$ 23,111,919</b>	<b>\$ 26,119,918</b>	<b>\$ 29,132,784</b>
<b>Ending Fund Balance Minimum Target Met</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>
<b>Use of Impact Fees</b>		<b>\$ 2,990,345</b>	<b>\$ 2,990,345</b>	<b>\$ 9,300,000</b>	<b>\$ 11,300,000</b>	<b>\$ 14,700,000</b>	<b>\$ 15,600,000</b>	<b>\$ 13,200,000</b>
Debt Service Coverage Ratio (DSCR)	1.50	1.38	1.41	1.70	1.48	1.37	1.35	1.34



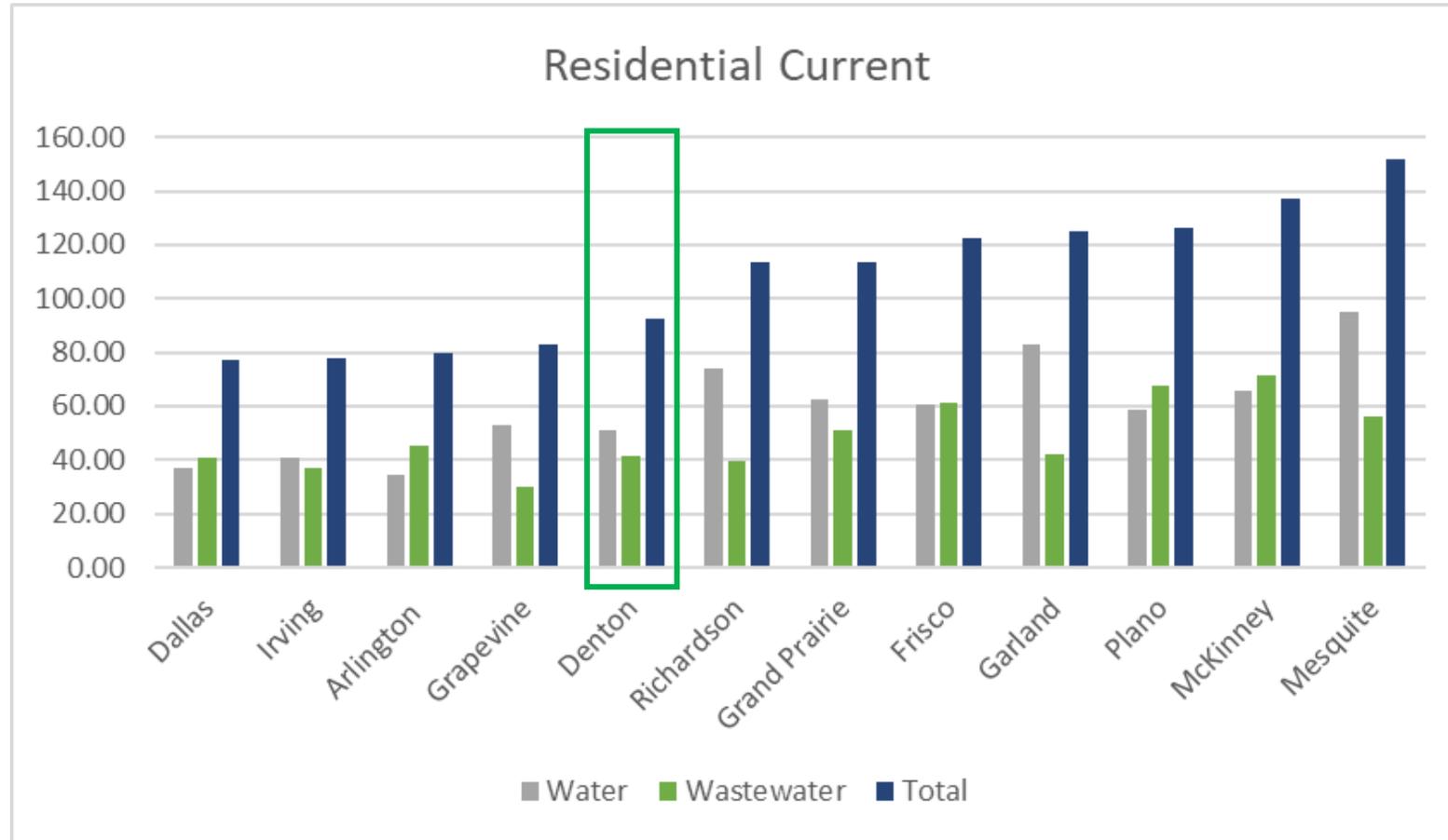
# Wastewater – 5 YR Capital Plan

Projects	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Lift Station Improvements	\$ 28,350,000	\$ 19,700,000	\$ 8,450,000	\$ 450,000	\$ 500,000	\$ 57,450,000
Replace Lines	74,858,000	58,593,000	25,686,000	10,479,000	3,050,000	172,666,000
Collection System Upgrade	10,413,000	9,230,000	6,667,000	2,500,000	-	28,810,000
Facility Improvements	3,025,000	25,000	25,000	25,000	25,000	3,125,000
Oversize Lines	8,520,000	2,840,000	1,690,000	30,000	-	13,080,000
Taps, Fire Hydrants, & Meters	251,000	255,000	260,000	265,000	270,000	1,301,000
Plant Improvements	114,750,000	229,000,000	202,200,000	118,500,000	70,000,000	734,450,000
Vehicle Replacements	\$2,830,000	\$2,830,000	\$2,830,000	\$2,830,000	\$2,830,000	\$14,150,000
<b>Total</b>	<b>\$ 242,997,000</b>	<b>\$ 322,473,000</b>	<b>\$ 247,808,000</b>	<b>\$ 135,079,000</b>	<b>\$ 76,675,000</b>	<b>\$ 1,025,032,000</b>

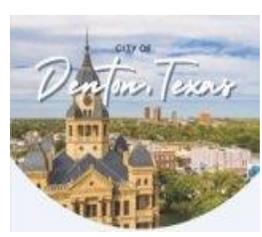
Funding Source	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Debt Funding (includes TWDB)	\$ 141,892,454	\$ 182,425,214	\$ 129,790,601	\$ 67,446,990	\$ 37,660,950	\$ 559,216,210
WIFIA Funding	98,274,546	137,217,786	115,187,399	64,802,010	36,184,050	451,665,790
Revenue Funding	2,830,000	2,830,000	2,830,000	2,830,000	2,830,000	14,150,000
<b>Total</b>	<b>\$ 242,997,000</b>	<b>\$ 322,473,000</b>	<b>\$ 247,808,000</b>	<b>\$ 135,079,000</b>	<b>\$ 76,675,000</b>	<b>\$ 1,025,032,000</b>



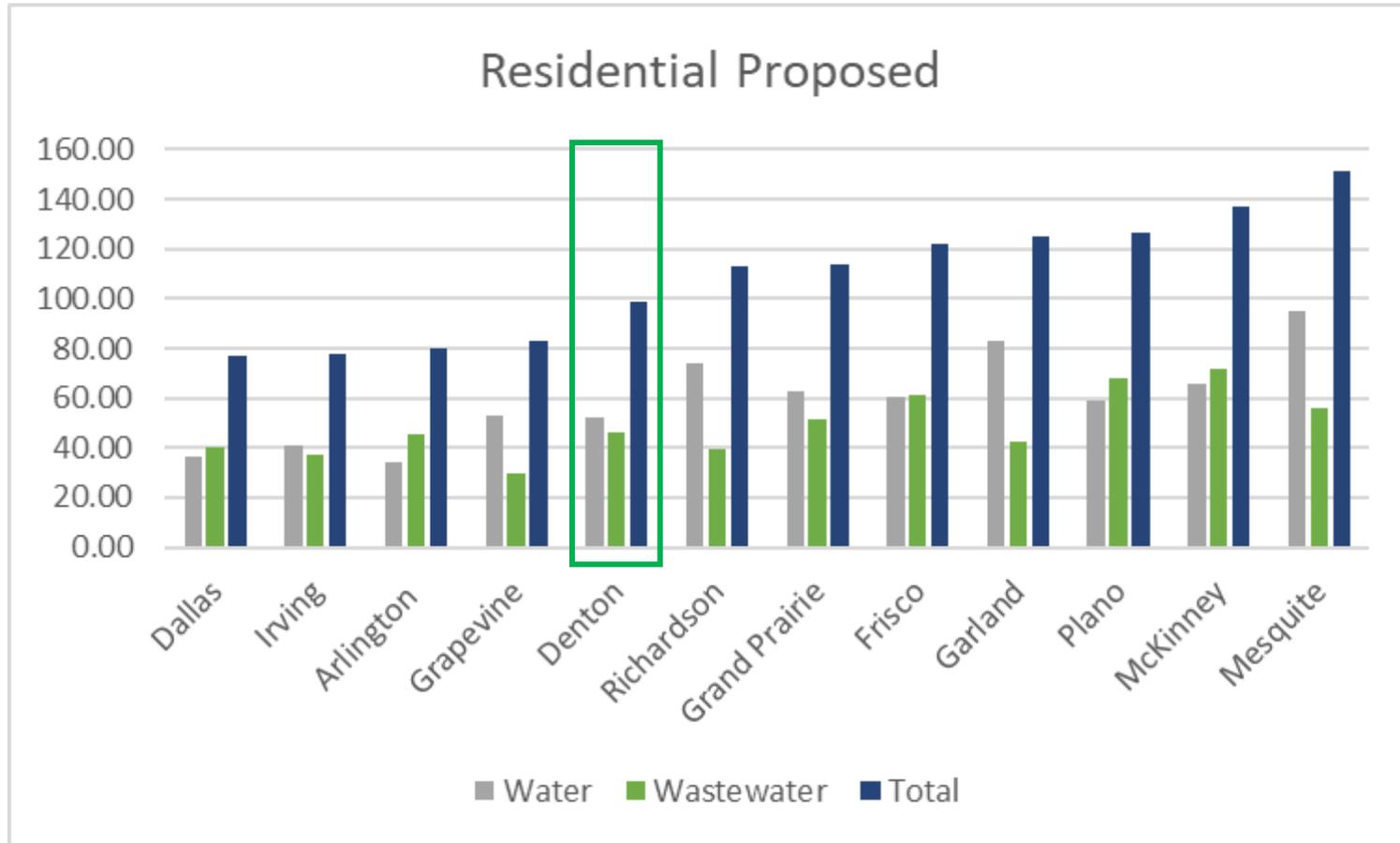
# Current Residential Rate Comparison

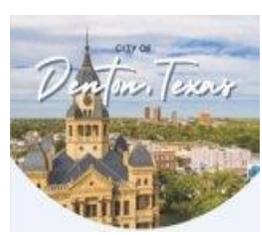


\*based on 9,000 monthly gallons water / 6,000 monthly gallons wastewater

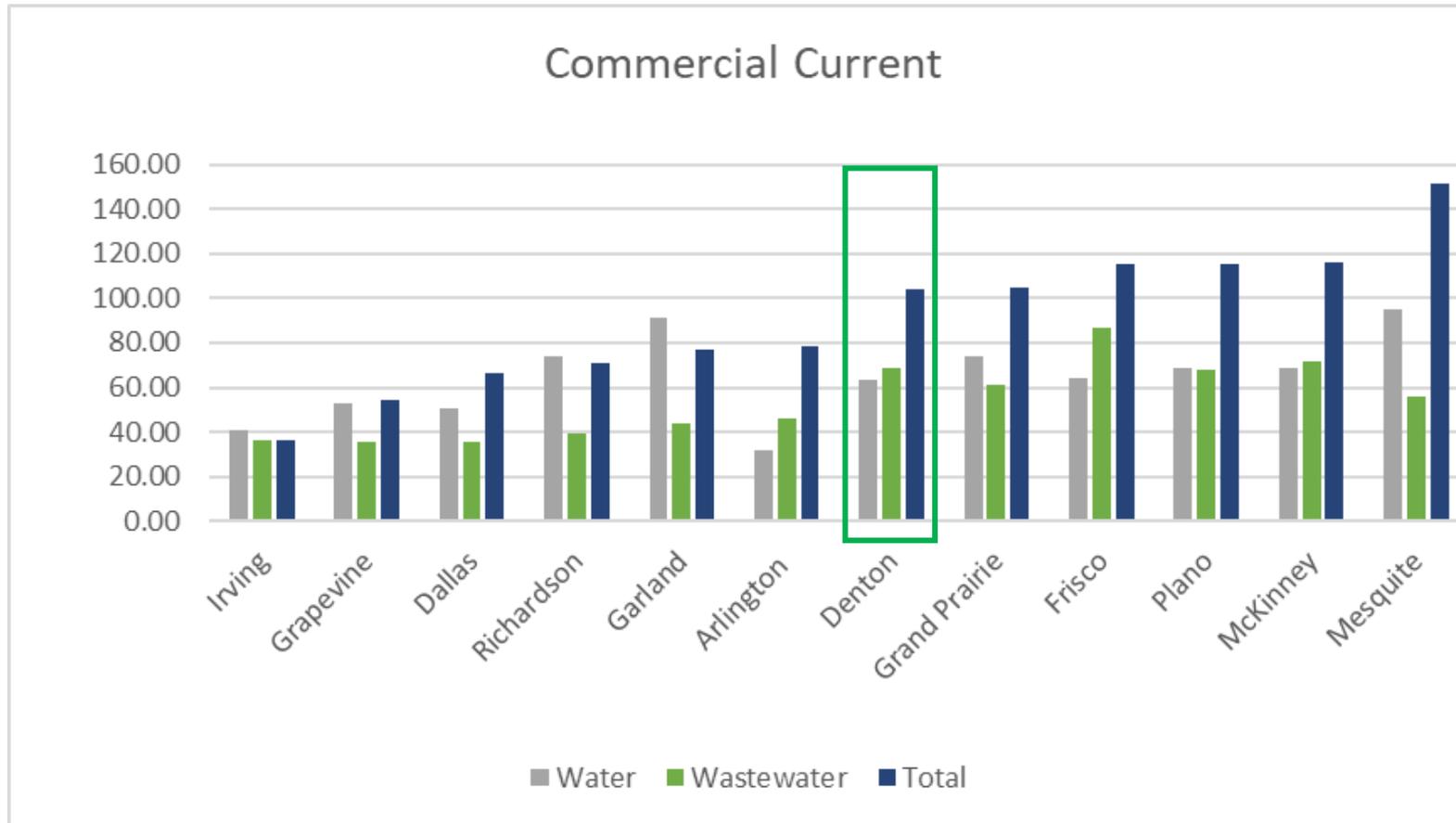


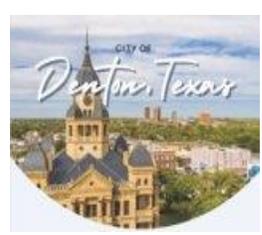
# Proposed Residential Rate Comparison



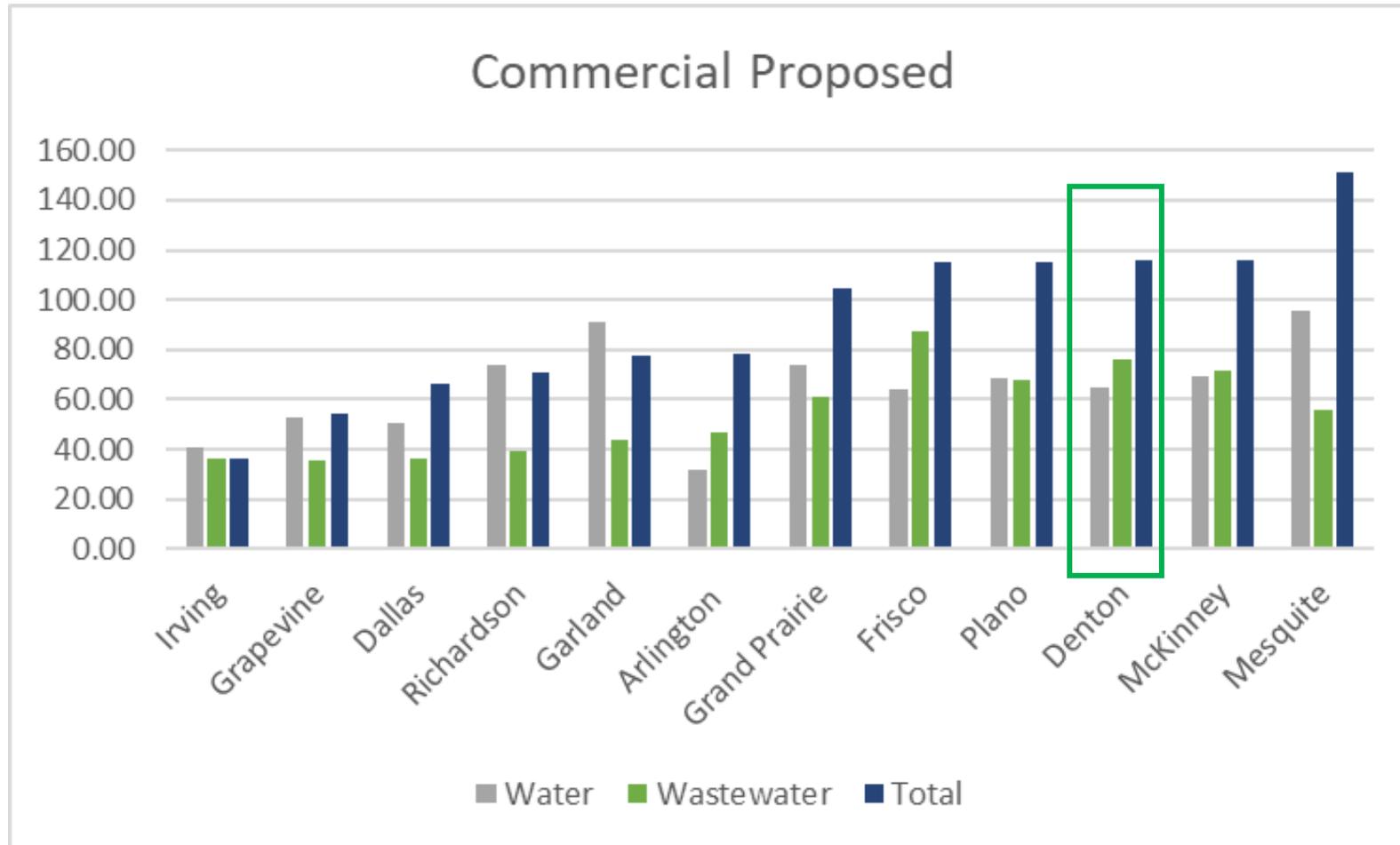


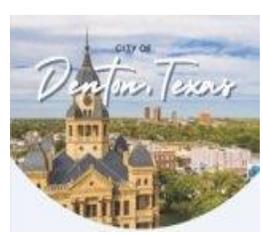
# Current Commercial Rate Comparison





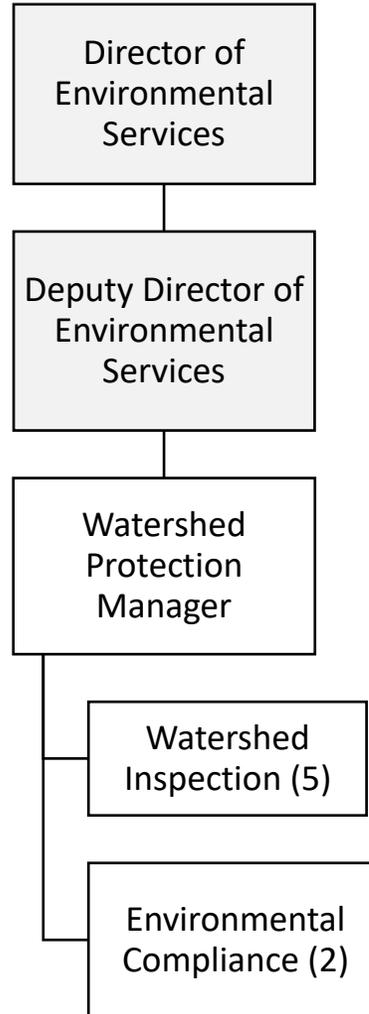
# Proposed Commercial Rate Comparison





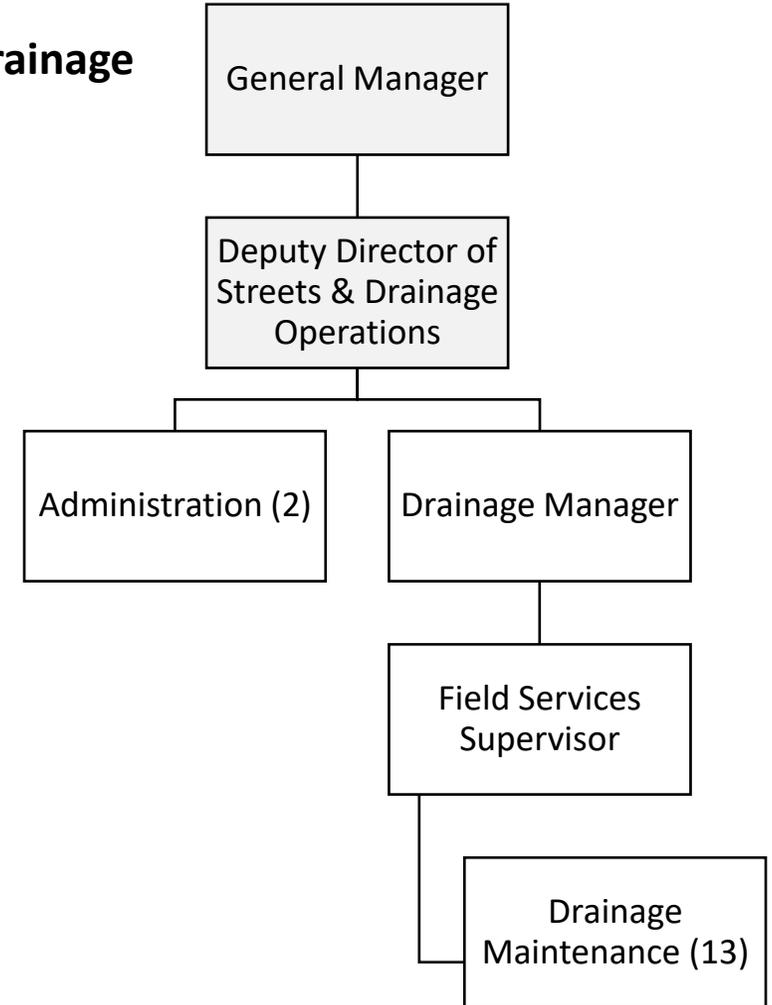
# Drainage – Organizational Chart

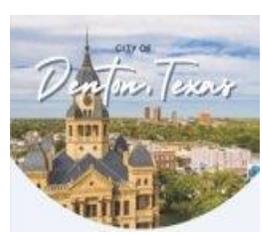
## Watershed Protection



**Total FTE Count:  
25**

## Drainage

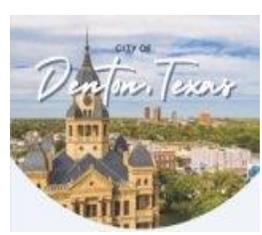




# Drainage Budget (Current Year)

Revenues	FY 2024 Budget	FY 2024 Actuals	FY 2025 Budget	FY 2025 Estimate
Residential Rate Revenues	\$ 2,245,255	\$ 2,291,080	\$ 2,325,204	\$ 2,238,873
Non-Residential Rate Revenues	2,714,746	3,169,539	2,720,632	3,160,692
Non-Rate Revenues	450,277	403,704	611,867	406,889
Use of Reserves	-	-	-	-
<b>Total Resources</b>	<b>\$ 5,410,278</b>	<b>\$ 5,864,322</b>	<b>\$ 5,657,703</b>	<b>\$ 5,806,454</b>

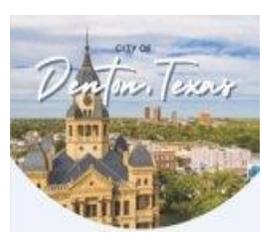
Expenses	FY 2024 Budget	FY 2024 Actuals	FY 2025 Budget	FY 2025 Estimate
Personnel Services	\$ 2,590,910	\$ 2,465,156	\$ 2,821,257	\$ 2,578,150
Materials and Supplies	197,257	100,372	122,630	61,190
Maintenance and Repair	297,047	288,358	331,247	196,455
Insurance	69,181	65,794	74,395	74,395
Miscellaneous Expense	18,350	7,132	18,200	12,664
Operations	589,287	566,687	697,213	446,424
Transfers	1,648,246	1,058,207	1,592,761	1,880,872
<b>Total Expenditures</b>	<b>\$ 5,410,278</b>	<b>\$ 4,551,706</b>	<b>\$ 5,657,703</b>	<b>\$ 5,806,454</b>
Net Change	\$ -	\$ 1,312,617	\$ -	\$ -



# FY 2025-26 Drainage Overview

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- Budget Change
  - 3.6% vs FY25 Budget
- No proposed rate increase
- Revenue Projections
  - \$7,175,224
- Expense Projections
  - \$7,175,224
- Cost of Service study with Raftelis kicked off 6/27



# Drainage History

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## 2002

3,300 inlets  
32 miles of infrastructure

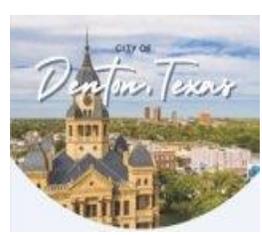
## 2025

9,218 inlets **179%** increase  
320 miles of infrastructure **900%** increase

<u>Square Feet</u>	<u>Rate per Sq. Ft.</u>
0-600	\$0.50
601-1000	\$1.00
1001-2000	\$3.35
2001-3000	\$5.45
3001-4000	\$7.60
4001-5000	\$9.75
5001-6000	\$12.00
Over 6000	\$15.50

# Drainage – 5 Year Preliminary Forecast

	2023-24 ACTUALS	2024-25 MOD BUDGET	2024-25 EOY ESTIMATE	2025-2026 PROPOSED	FY 2026-27 Projected	FY 2027-28 Projected	FY 2028-29 Projected	FY 2029-30 Projected
<b>Beginning Fund Balance</b>	\$ 1,000,000	\$ 1,000,000	\$ 2,312,617	\$ 2,312,617	\$ 2,312,617	\$ 2,312,617	\$ 2,312,617	\$ 2,312,617
Residential Fees	\$ 2,291,080	\$ 2,325,204	\$ 2,238,873	\$ 2,365,364	\$ 2,436,325	\$ 2,509,414	\$ 2,584,697	\$ 2,662,238
Nonresidential Fees	3,169,539	2,720,632	3,160,692	3,169,207	3,264,284	3,362,212	3,463,079	3,566,971
Watershed Inspection Fee	25,538	26,941	17,378	18,370	18,921	19,488	20,073	20,675
Non-rate Revenues	-	195,415	-	-	-	-	-	-
Interfund Transfers	378,166	389,511	389,511	309,666	318,956	328,525	338,380	348,532
Planned Use of Reserve	-	-	-	1,312,617	-	-	-	-
<b>Total Revenue</b>	<b>\$ 5,864,322</b>	<b>\$ 5,657,703</b>	<b>\$ 5,806,454</b>	<b>\$ 7,175,224</b>	<b>\$ 6,038,485</b>	<b>\$ 6,219,640</b>	<b>\$ 6,406,229</b>	<b>\$ 6,598,416</b>
Personnel Services	\$ 2,465,156	\$ 2,821,257	\$ 2,578,150	\$ 2,797,128	\$ 2,881,042	\$ 2,967,473	\$ 3,056,497	\$ 3,148,192
Materials and Supplies	100,372	122,630	61,190	94,295	97,124	100,038	103,039	106,130
Maintenance and Repair	288,358	331,247	196,455	381,157	392,592	404,369	416,501	428,996
Insurance	65,794	74,395	74,395	70,940	73,068	75,260	77,518	79,844
Miscellaneous Expense	7,132	18,200	12,664	6,275	6,463	6,657	6,857	7,063
Operations	566,687	697,213	446,424	838,863	864,029	889,950	916,648	944,148
Capital Transfers	449,050	1,036,457	1,880,872	1,834,157	537,186	553,302	569,901	586,998
Interfund Transfers	609,157	556,304	556,304	1,152,409	1,186,981	1,222,591	1,259,268	1,297,046
<b>Total Expenditures</b>	<b>\$ 4,551,706</b>	<b>\$ 5,657,703</b>	<b>\$ 5,806,454</b>	<b>\$ 7,175,224</b>	<b>\$ 6,038,485</b>	<b>\$ 6,219,640</b>	<b>\$ 6,406,229</b>	<b>\$ 6,598,416</b>
<b>Ending Fund Balance</b>	<b>\$ 2,312,617</b>	<b>\$ 1,000,000</b>	<b>\$ 2,312,617</b>	<b>\$ 2,312,617</b>	<b>\$ 2,312,617</b>	<b>\$ 2,312,617</b>	<b>\$ 2,312,617</b>	<b>\$ 2,312,617</b>
<b>Change in Fund Balance</b>	<b>\$ 1,312,617</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Rate Increases</b>				0.0%	0.0%	0.0%	0.0%	0.0%

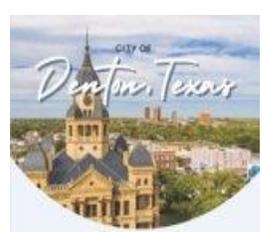


# Preliminary Utility Rate Change Summary

Residential – Average Bill			
	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
Solid Waste	\$25.42	\$25.42	\$ -
Electric	\$132.72	\$132.72	\$ -
Water	\$53.85	\$55.47	\$1.62
Wastewater	\$41.63	\$46.21	\$4.58
Drainage	\$3.35	\$3.35	\$ -
<b>Total</b>	<b>\$256.97</b>	<b>\$263.16</b>	<b>\$6.19</b>

Commercial – Average Bill			
	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
Solid Waste	\$33.75	\$33.75	\$ -
Electric	\$296.90	\$296.90	\$ -
Water	\$63.27	\$65.17	\$1.90
Wastewater	\$68.48	\$76.01	\$7.53
Drainage	\$2.79	\$2.79	\$ -
<b>Total</b>	<b>\$465.19</b>	<b>\$474.62</b>	<b>\$9.43</b>

\* based on 9,000 monthly gallons water / 6,000 monthly gallons wastewater

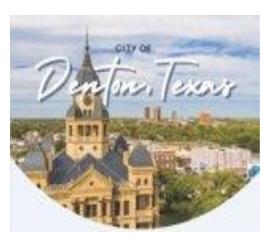


# Rate Summary

## History of Rate Increases / (Decreases) Preliminary 2026 Rate Revenue Requirements

Utility	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Solid Waste	-12.00%	-12.00%	-5.00%	-	-	-	1.50%	0.00%
Electric*	-3.50%	-	-	-	-	3.00%	1.50%	0.00%
Water	-	-	-2.00%	-	-	-	3.00%	3.00%
Wastewater	-5.00%	-	-	-	-	11.00%	11.00%	11.00%
Drainage	-	-	-	-	-	-	-	0.00%

\* Base Rate Only



# Recommendations/Next Steps

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## Feedback and Direction on the Preliminary Budgets:

- Preliminary utility rate changes for Water & Wastewater
- Cost recovery option for online credit card/eCheck utility payments

## Next Steps:

- July 22, 2025: Capital Improvement Program FY 2025-26 (All Funds)
- August 9, 2025: Budget Workshop
- August 19, 2025: Budget Workshop Follow-Up
- September 16, 2025: Budget & Tax Rate Hearing & Adoption

# Questions?

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