



FY 2025-26 Budget Adoption

September 16, 2025



Fiscal Year 2025-26

Property Tax Rate

City Manager's Proposed Tax Rate

Maintenance & Operation	\$0.334780 / \$100	(unchanged)
Debt Service	\$0.260640 / \$100	(increase \$0.01)
Total Proposed Tax Rate	\$0.595420 / \$100	

No New Revenue Rate	\$0.554279 / \$100
Published Max Tax Rate	\$0.605420 / \$100
Voter Approval Rate	\$0.610157 / \$100



Fiscal Year 2025-26

Assessed Values & Tax Rate History

Fiscal Year	Certified Assessed Value*	Operations & Maintenance Rate	Debt Service Rate	Total Tax Rate
2020-21	\$ 13,581,648,271	0.380364	0.210090	0.590454
2021-22	14,403,105,063	0.350444	0.215379	0.565823
2022-23	16,764,866,572	0.356432	0.204250	0.560682
2023-24	19,287,823,297	0.354780	0.205902	0.560682
2024-25	21,246,581,740	0.334780	0.250640	0.585420
2025-26	\$ 22,755,601,832	0.334780	0.260640	0.595420

Proposed Rate

* Excludes TIRZ, includes frozen values

- The proposed budget includes a tax rate equal to \$0.595420. Of this amount, \$0.334780 is provided to maintenance and operation expense and \$0.260640 for debt.
- The maintenance and operations rate is unchanged, and the debt service rate is proposed to increase by \$0.01.
- The average residential homestead is estimated to see a \$7/month or \$84/year increase in their City property taxes.



Fiscal Year 2025-26

Residential Tax Bill Impact

Fiscal Year	2025	2026	Comments
Tax Impact			
Tax Rate	\$0.585420	\$0.595420	\$0.01 Increase
Average Taxable Value	\$379,836	\$386,698	\$6,862 Increase
Average Tax Bill	\$2,224	\$2,302	\$78 Annual Increase
Utility Impact			
Water	\$617	\$635	3% Increase
Wastewater	\$500	\$555	11% Increase
Electric	\$1,648	\$1,648	No Base Rate Increase
Solid Waste	\$305	\$305	No Base Rate Increase
Average Utility Bill	\$3,070	\$3,143	\$73 Annual Increase
Total Average Bill	\$5,294	\$5,445	\$151 Annual Increase

* Utility impact based on 9,000 average gallons (water), 5,400 gallons (wastewater), 1,000 kWh (electric), and 95 gal. cart (solid waste & recycling).



Fiscal Year 2025-26

General Fund - Revenues

	2023-24 ACTUALS	2024-25 ESTIMATES	2025-2026 PROPOSED	FY 2026-27 PROJECTED	FY 2027-28 PROJECTED	FY 2028-29 PROJECTED	FY 2029-30 PROJECTED
Beginning Fund Balance	\$ 44,749,871	\$ 42,353,136	\$ 42,508,217	\$ 42,508,217	\$ 44,646,467	\$ 49,182,379	\$ 53,758,009
Property Tax	66,281,546	67,804,582	72,012,306	74,172,675	76,397,856	77,925,813	79,484,329
Sales Tax	57,074,842	60,164,000	62,944,986	64,833,336	66,778,336	68,113,903	69,476,181
Other Taxes	566,827	502,136	566,134	583,118	600,611	612,623	624,876
Licenses and Permits	5,561,811	6,956,839	6,846,632	7,052,031	7,263,592	7,408,864	7,557,042
Franchise Fees & ROI	17,534,987	24,679,488	32,194,374	33,160,205	34,155,011	34,838,112	35,534,874
Fines and Fees	2,525,000	2,527,452	2,528,462	2,604,316	2,682,446	2,736,095	2,790,817
Service Fees	12,420,160	13,020,436	12,866,937	13,252,945	13,650,534	13,923,544	14,202,015
Investment Income	3,567,673	2,742,602	2,618,775	2,697,338	2,778,258	2,833,824	2,890,500
Intergovernmental Revenue	3,530,952	3,169,666	3,571,740	3,678,892	3,789,259	3,865,044	3,942,345
Other Revenues	688,630	422,332	719,846	741,442	763,685	778,959	794,538
Transfers	16,903,268	20,710,051	21,954,773	22,613,416	23,291,819	23,757,655	24,232,808
Total Revenue	\$ 186,655,696	\$ 202,699,585	\$ 218,824,966	\$ 225,389,715	\$ 232,151,406	\$ 236,794,435	\$ 241,530,323



Fiscal Year 2025-26

General Fund - Expenditures

	2023-24 ACTUALS	2024-25 ESTIMATES	2025-26 PROPOSED	FY 2026-27 PROJECTED	FY 2027-28 PROJECTED	FY 2028-29 PROJECTED	FY 2029-30 PROJECTED
Personnel Services	\$ 132,516,995	\$ 142,946,395	\$ 151,582,811	\$ 154,614,467	\$ 157,706,757	\$ 160,860,892	\$ 164,078,110
Materials & Supplies	4,066,883	4,442,079	4,617,746	4,710,101	4,804,303	4,900,389	4,998,397
Maintenance & Repair	1,926,679	2,128,311	2,349,279	2,396,265	2,444,190	2,493,074	2,542,935
Insurance	3,920,723	4,521,766	3,868,485	3,945,855	4,024,772	4,105,267	4,187,373
Miscellaneous	2,820,794	3,044,578	2,503,462	2,553,531	2,604,602	2,656,694	2,709,828
Operations	23,326,252	20,340,778	25,386,802	25,894,538	26,412,429	26,940,677	27,479,491
Fixed Assets	661,455	467,371	477,588	487,140	496,883	506,820	516,957
Capital Transfers	1,062,502	1,451,450	1,063,450	1,084,719	1,106,413	1,128,542	1,151,112
Interfund Transfers	18,778,627	23,201,776	26,975,343	27,514,850	28,065,147	28,626,450	29,198,979
Total Expenditures	\$ 189,080,910	\$ 202,544,503	\$ 218,824,966	\$ 223,201,465	\$ 227,665,495	\$ 232,218,805	\$ 236,863,181
Ending Fund Balance	\$ 42,324,656	\$ 42,508,217	\$ 42,508,217	\$ 44,696,467	\$ 49,182,379	\$ 53,758,009	\$ 58,425,151
Change in Fund Balance	(2,425,215)	155,081	-	2,188,250	4,485,912	4,575,630	4,667,143
Fund Balance as % of Total Expenditures	22.38%	21.00%	19.43%	20.03%	21.60%	23.15%	24.70%



Fiscal Year 2025-26

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to another department within the same organization.

Fund Description	FY 2025 Adopted Budget	FY 2026 Proposed Budget
Customer Service Fund	\$ 11,965,917	\$ 11,873,598
Technology Services Fund	25,100,222	25,051,383
Materials Management Fund	20,890,460	20,934,363
Fleet Management Fund	17,797,472	18,663,445
Facilities Management Fund	8,418,765	8,459,548
Risk Management Fund	8,855,546	8,327,477
Engineering Services Fund	13,521,518	13,314,400
Environmental Services Fund	6,145,567	5,815,738
Total:	\$112,695,467	\$ 110,439,952



Fiscal Year 2025-26 Special Revenue Funds

Fund Description	FY 2025 Adopted Budget	FY 2026 Proposed Budget
McKenna Trust Fund	\$ 20,000	\$ 20,000
Park Land Dedication Trust Fund	1,000,000	1,000,000
Park Development Trust Fund	1,000,000	1,000,000
Downtown TIRZ	1,542,251	1,542,251
Westpark TIRZ	3,522,650	474,006
Sustainability Framework Fund	800,000	1,050,150
Donation Funds	227,500	280,500
Legends Municipal Utility District Fund	169,250	204,500
Tourism Public Improvement District Fund	1,103,385	1,203,334
Water Impact Fees Fund	1,635,340	1,732,674
Wastewater Impact Fees Fund	2,990,345	8,858,946
Health Insurance Fund	42,196,727	43,900,363
Tourist and Convention Fund	4,536,104	5,411,486
Street Improvement Fund	20,532,635	23,432,130
Catalyst Fund	1,150,000	2,150,000
Tree Fund	1,000,000	1,000,000
Total:	\$ 83,426,187	\$ 93,240,340



Fiscal Year 2025-26

Airport – 5 Year Forecast

	2023-24 Actuals	2024-25 Budget	2024-25 EOY Estimate	2025-26 Proposed	FY 2026-27 Projected	FY 2027-28 Projected	FY 2028-29 Projected	FY 2029-30 Projected
Beginning Fund Balance	\$ 3,284,052	\$ 3,098,380	\$ 3,215,342	\$ 3,194,840	\$ 3,194,840	\$ 4,228,366	\$ 4,399,758	\$ 4,557,209
Land Leases	870,328	800,331	1,082,581	1,335,139	1,355,166	1,375,494	1,396,126	1,417,068
Hangar Leases	157,065	170,400	171,375	199,800	199,800	199,800	199,800	199,800
Fuel Flowage Fees	288,979	260,000	234,974	300,000	300,000	300,000	300,000	300,000
FBO Hangar/Tiedown Commissions	328,238	275,000	300,986	300,000	309,000	318,270	327,818	337,653
Miscellaneous Revenues	10,390	2,000	89,018	40,250	41,458	42,701	43,982	45,302
Agriculture Leases	2,331	2,331	1,748	2,331	2,331	2,331	2,331	2,331
Gas Well Royalties & Leases	239,355	350,000	215,003	200,000	180,000	162,000	145,800	131,220
Other Revenue	345,696	196,509	319,486	207,896	1,152,939	295,986	307,983	319,005
Transfers From General Fund	-	-	-	-	-	-	-	-
Total Revenues	\$ 2,242,381	\$ 2,056,571	\$ 2,415,171	\$ 2,585,416	\$ 3,540,693	\$ 2,696,581	\$ 2,723,840	\$ 2,752,378
Use of Reserves	\$ 127,377	\$ 545,655	\$ 20,502	\$ -	\$ -	\$ -	\$ -	\$ -
Total Resources	\$ 2,369,758	\$ 2,602,226	\$ 2,435,673	\$ 2,585,416	\$ 3,540,693	\$ 2,696,581	\$ 2,723,840	\$ 2,752,378
Personnel Services	848,082	851,660	864,134	856,713	878,131	900,084	922,586	945,651
Materials & Supplies	12,770	23,720	16,685	9,700	9,894	10,092	10,294	10,500
Maintenance & Repair	8,868	60,100	15,120	33,550	34,221	34,905	35,604	36,316
Insurance	44,579	49,984	49,984	47,669	49,099	50,572	52,089	53,652
Operations	127,998	263,899	86,887	258,418	266,171	274,156	282,380	290,852
Cost of Service - General Fund	276,423	284,716	284,716	301,325	310,365	319,676	329,266	339,144
Cost of Service - Other	233,188	316,492	316,492	268,336	276,386	284,678	293,218	302,015
Transfer to Capital Projects	-	-	-	64,055	-	-	-	-
Debt Service	806,779	751,655	751,655	745,650	682,900	651,025	640,950	641,100
Subtotal Operating	2,358,685	2,602,226	2,385,673	2,585,416	2,507,166	2,525,187	2,566,387	2,619,228
Gas Well - Other	11,070	-	50,000	-	-	-	-	-
Total Expenditures	\$ 2,369,758	\$ 2,602,226	\$ 2,435,673	\$ 2,585,416	\$ 2,507,168	\$ 2,525,189	\$ 2,566,389	\$ 2,619,230
Ending Fund Balance	\$ 3,156,675	\$ 2,552,725	\$ 3,194,840	\$ 3,194,840	\$ 4,228,366	\$ 4,399,758	\$ 4,557,209	\$ 4,690,357
Change in Fund Balance	\$ (127,377)	\$ (545,655)	\$ (20,502)	\$ -	\$ 1,033,525	\$ 171,392	\$ 157,451	\$ 133,148
Fund Balance as % of Total Expenditures	133.21%	98.10%	131.17%	123.57%	168.65%	174.23%	177.57%	179.07%

Forecast includes mid-year rate increases approved by council during the current fiscal year.

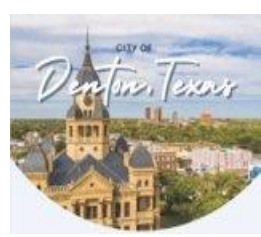


Fiscal Year 2025-26

Electric – 5 Year Forecast

	2023-24 Actuals	2024-25 Budget	2024-25 EOY Estimate	2025-26 Proposed	FY 2026-27 Projected	FY 2027-28 Projected	FY 2028-29 Projected	FY 2029-30 Projected
Beginning Fund Balance	\$ 99,845,101	\$ 114,148,221	\$ 112,128,803	\$ 110,368,104	\$ 127,416,893	\$ 152,997,168	\$ 187,932,173	\$ 236,044,858
Rate Revenues								
Base Rate Revenue	\$ 131,971,282	\$ 189,839,592	\$ 118,741,182	\$ 139,864,728	\$ 154,659,166	\$ 171,731,777	\$ 190,739,787	\$ 211,109,610
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
Total Revenue	\$ 271,511,955	\$ 392,483,775	\$ 317,794,028	\$ 526,631,020	\$ 612,374,818	\$ 681,743,912	\$ 704,540,330	\$ 723,730,018
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
Total Expenditures	\$ 290,494,152	\$ 393,977,690	\$ 319,554,727	\$ 509,582,231	\$ 586,794,542	\$ 646,808,907	\$ 656,427,645	\$ 654,856,605
Ending Fund Balance	\$ 112,128,803	\$ 112,654,306	\$ 110,368,104	\$ 127,416,893	\$ 152,997,168	\$ 187,932,173	\$ 236,044,858	\$ 304,918,271
Change in Fund Balance (Use of Reserves)	\$ (18,982,196)	\$ (1,493,915)	\$ (1,760,699)	\$ 17,048,789	\$ 25,580,276	\$ 34,935,005	\$ 48,112,685	\$ 68,873,413
Rate Increases								
Base Rate				0.0%	6.5%	7.0%	7.0%	6.5%
Working Capital (8%) & Op Reserves (>38%)	\$ 133,627,310	\$ 181,229,737	\$ 146,995,174	\$ 234,407,826	\$ 269,925,489	\$ 297,532,097	\$ 301,956,717	\$ 301,234,038
Working Capital (8%) & Op Reserves (>61%)	\$ 200,440,965	\$ 271,844,606	\$ 220,492,762	\$ 351,611,739	\$ 404,888,234	\$ 446,298,146	\$ 452,935,075	\$ 451,851,058
Ending Fund Balance Minimum Target Met	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
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Fiscal Year 2025-26

Solid Waste – 5 Year Forecast

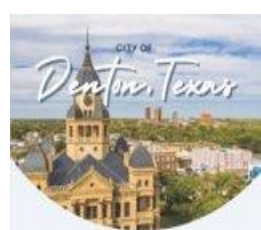
	2023-24 Actuals	2024-25 Budget	2024-25 EOY Estimate	2025-26 Proposed	FY 2026-27 Projected	FY 2027-28 Projected	FY 2028-29 Projected	FY 2029-30 Projected
Beginning Fund Balance	\$ 11,697,148	\$ 10,806,539	\$ 12,248,136	\$ 12,533,781	\$ 12,533,781	\$ 9,262,649	\$ 7,735,854	\$ 7,023,642
Resources								
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
Use of Reserves	-	-	-	-	3,271,133	1,526,795	712,211	-
Total Resources	\$ 40,927,456	\$ 43,519,287	\$ 43,248,395	\$ 45,353,673	\$ 50,771,368	\$ 51,289,491	\$ 51,773,787	\$ 52,400,345
Expenditures								
Personnel Services	\$ 13,869,421	\$ 14,468,792	\$ 13,837,394	\$ 14,210,046	\$ 14,636,347	\$ 15,075,438	\$ 15,527,701	\$ 15,993,532
Materials & Supplies	511,714	748,667	508,566	509,831	525,126	540,880	557,106	573,819
Maintenance and Repair	223,662	260,266	286,685	247,035	254,446	262,079	269,942	278,040
Insurance	717,541	696,804	696,804	664,506	684,441	704,974	726,124	747,907
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	8,363,044	8,511,170	8,766,505	9,029,500	9,300,385	9,579,397
Cost of Service Transfers	6,272,473	8,442,354	8,442,354	7,198,011	7,413,951	7,636,370	7,865,461	8,101,425
Fixed Assets	779,707	1,015,337	754,151	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	6,417,619	7,957,598	7,454,998	7,228,864	7,146,077
Franchise Fees	2,003,512	2,140,829	2,140,829	2,185,975	2,251,554	2,319,101	2,388,674	2,460,334
Total Expenditures	41,039,634	43,519,287	42,962,750	45,353,673	50,771,368	51,289,491	51,773,787	50,990,879
Ending Fund Balance	\$ 11,584,970	\$ 10,806,539	\$ 12,533,781	\$ 12,533,781	\$ 9,262,649	\$ 7,735,854	\$ 7,023,642	\$ 8,433,108
Net Change	\$ (112,178)	\$ -	\$ 285,645	\$ 0	\$ (3,271,133)	\$ (1,526,795)	\$ (712,211)	\$ 1,409,466
Revenue Sufficiency Requirement	0.0%	0.0%	0.0%	0.0%	2.5%	2.5%	0.0%	0.0%
Target Reserves								
Wrking Cptl - 8% / Op Reserve Target - 6%	\$ 5,745,549	\$ 6,092,700	\$ 6,014,785	\$ 6,349,514	\$ 7,107,992	\$ 7,180,529	\$ 7,248,330	\$ 7,138,723
Wrking Cptl - 8% / Op Reserve Target - 10%	\$ 7,387,134	\$ 7,833,472	\$ 7,733,295	\$ 8,163,661	\$ 9,138,846	\$ 9,232,108	\$ 9,319,282	\$ 9,178,358
Ending Fund Balance Target Met	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes



Fiscal Year 2025-26

Water – 5 Year Forecast

	2023-24 Actuals	2024-25 Budget	2024-25 EOY Estimate	2025-26 Proposed	FY 2026-27 Projected	FY 2027-28 Projected	FY 2028-29 Projected	FY 2029-30 Projected
Beginning Fund Balance	\$ 38,986,361	\$ 43,324,871	\$ 43,229,553	\$ 44,067,966	\$ 40,435,802	\$ 39,880,613	\$ 39,132,269	\$ 38,248,183
Rate Revenues								
Residential Water Sales	\$ 22,970,067	\$ 23,684,799	24,512,591	\$ 26,729,134	\$ 29,188,214	\$ 32,480,645	\$ 36,144,462	\$ 39,469,752
Commercial Water Sales	20,834,188	23,472,151	22,541,921	24,053,182	26,266,075	29,228,888	32,525,907	35,518,290
Wholesale - Raw Water	1,067,876	1,688,223	107,307	54,500	59,514	66,227	73,698	80,478
Wholesale - Treated Water	618,084	665,946	770,030	3,004,328	3,280,727	3,650,793	4,062,602	4,436,361
Non-Rate Revenues	1,187,674	1,093,820	1,281,765	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
Total Revenue	\$ 52,142,264	\$ 55,635,824	\$ 54,244,499	\$ 59,167,356	\$ 64,290,359	\$ 71,117,409	\$ 78,701,187	\$ 85,590,518
Purchased Power	\$ 1,987,888	\$ 1,481,328	\$ 2,095,120	\$ 2,212,016	\$ 2,278,376	\$ 2,346,728	\$ 2,417,130	\$ 2,489,643
Purchased Water	1,776	3,000	2,000	2,060	2,122	2,185	2,251	2,319
Personnel Services	10,461,688	13,144,979	10,741,744	13,616,587	14,025,085	14,445,837	14,879,212	15,325,589
Materials and Supplies	3,202,244	4,781,574	3,608,387	4,739,332	4,881,512	5,024,253	5,174,981	5,330,230
Maintenance and Repair	2,874,264	1,868,402	2,291,813	2,882,140	2,968,604	3,057,662	3,149,392	3,243,874
Insurance	442,337	519,789	521,788	495,690	510,561	525,878	541,654	557,903
Administrative Cost	3,842,717	4,208,445	4,153,421	4,761,342	4,997,535	5,561,257	6,188,567	6,757,915
Miscellaneous Expense	54,932	112,865	55,091	55,288	55,447	55,610	55,778	55,952
Operations	2,921,092	3,963,028	2,667,919	4,281,631	4,410,080	4,542,382	4,678,654	4,819,013
Debt Service Transfers	11,771,059	14,571,614	15,699,435	18,537,125	20,015,810	25,351,157	31,234,424	36,110,628
Capital Transfers	2,234,857	430,562	430,562	1,332,500	524,000	475,000	475,000	475,000
Interfund Transfers	8,104,219	10,514,188	11,138,807	9,883,809	10,176,417	10,477,803	10,788,230	11,107,970
Total Expenditures	\$ 47,899,072	\$ 55,635,824	\$ 53,406,086	\$ 62,799,520	\$ 64,845,548	\$ 71,865,753	\$ 79,585,273	\$ 86,276,037
Ending Fund Balance	\$ 43,229,553	\$ 43,324,871	\$ 44,067,966	\$ 40,435,802	\$ 39,880,613	\$ 39,132,269	\$ 38,248,183	\$ 37,562,664
Change in Fund Balance (Use of Reserves)	\$ 4,243,191	\$ -	\$ 838,413	\$ (3,632,164)	\$ (555,189)	\$ (748,344)	\$ (884,086)	\$ (685,519)
Rate Increase – Residential & Commercial				3.0%	5.0%	7.0%	7.0%	5.0%
Rate Increase – Wholesale Treated Water				297.0%	5.0%	7.0%	7.0%	5.0%
Working Capital (8%) & Op Reserves (>25%)	\$ 15,806,694	\$ 18,359,822	\$ 17,624,008	\$ 20,723,842	\$ 21,399,031	\$ 23,715,698	\$ 26,263,140	\$ 28,471,092
Working Capital (8%) & Op Reserves (>42%)	\$ 23,949,536	\$ 27,817,912	\$ 26,703,043	\$ 31,399,760	\$ 32,422,774	\$ 35,932,877	\$ 39,792,637	\$ 43,138,018
Ending Fund Balance Minimum Target Met	YES	YES	YES	YES	YES	YES	YES	YES
Debt Service Coverage Ratio (DSCR)	1.88	1.32	1.35	1.13	1.25	1.21	1.19	1.18



Fiscal Year 2025-26

Wastewater & Drainage – 5 Year Forecast

	2023-24 Actuals	2024-25 Budget	2024-25 EOY Estimate	2025-26 Proposed	FY 2026-27 Projected	FY 2027-28 Projected	FY 2028-29 Projected	FY 2029-30 Projected
Beginning Fund Balance	\$ 18,245,883	\$ 16,861,672	\$ 18,925,173	19,227,728	\$ 18,292,723	\$ 18,866,392	\$ 19,429,504	\$ 21,003,499
Residential Sales	\$ 17,080,005	\$ 19,409,168	\$ 18,724,492	\$ 21,635,907	\$ 25,121,608	\$ 28,969,528	\$ 33,162,005	\$ 37,336,905
Commercial Sales	19,551,346	21,207,800	21,115,311	24,102,677	27,907,164	32,105,668	36,679,016	41,233,844
Watershed Inspection Fee	25,538	26,941	16,710	18,370	18,921	19,488	20,073	20,675
Non-Rate Revenues	4,091,650	3,605,976	3,812,431	3,889,010	4,005,681	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
Operating Transfers In	613,166	638,822	896,511	309,666	318,956	328,525	338,380	348,532
Total Revenue	\$ 42,005,214	\$ 45,411,976	\$ 45,088,723	\$ 50,426,572	\$ 57,857,400	\$ 66,044,082	\$ 74,954,372	\$ 83,832,900
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	9,043,972	10,343,892	8,985,669	11,276,521	11,614,817	11,963,261	12,322,159	12,691,824
Materials and Supplies	1,907,652	2,134,500	2,083,673	2,718,756	2,800,319	2,884,328	2,970,858	3,059,984
Maintenance and Repair	2,926,467	2,819,872	2,375,649	2,674,362	2,754,593	2,837,231	2,922,348	3,010,018
Insurance	408,225	463,483	463,769	441,991	455,251	468,908	482,975	497,465
Administrative Cost	2,833,659	3,023,547	3,116,225	3,514,468	4,022,894	4,692,303	5,422,426	6,149,031
Miscellaneous Expense	10,970	26,098	20,562	10,513	10,828	11,153	11,488	11,832
Operations	2,283,535	2,285,264	1,952,364	3,076,792	3,169,096	3,264,169	3,362,094	3,462,957
Debt Service Transfers	8,656,914	9,785,287	10,193,589	9,663,658	15,322,426	21,801,605	27,890,779	33,969,143
Capital Transfers	2,549,050	1,924,995	2,729,298	4,664,157	3,367,187	3,383,302	3,399,901	3,416,998
Internal Transfers	9,550,087	11,634,227	11,634,227	12,049,360	12,457,191	12,826,306	13,206,494	13,598,088
Total Expenditures	\$ 41,325,924	\$ 45,662,165	\$ 44,786,168	\$ 51,361,578	\$ 57,283,731	\$ 65,480,970	\$ 73,380,377	\$ 81,297,861
Ending Fund Balance	\$ 18,925,173	\$ 16,611,483	\$ 19,227,728	\$ 18,292,723	\$ 18,866,392	\$ 19,429,504	\$ 21,003,499	\$ 23,538,538
Change in Fund Balance	\$ 679,290	\$ (250,189)	\$ 302,555	\$ (935,006)	\$ 573,669	\$ 563,112	\$ 1,573,995	\$ 2,535,039
Rate Increase - Residential (WW)				11.0%	9.0%	8.0%	7.0%	5.0%
Rate Increase - Commercial (WW)				11.0%	9.0%	8.0%	7.0%	5.0%
Working Capital (8%) & Op Reserves (>20%)	\$ 11,571,259	\$ 12,785,406	\$ 12,540,127	\$ 14,381,242	\$ 16,039,445	\$ 18,334,672	\$ 20,546,506	\$ 22,763,401
Working Capital (8%) & Op Reserves (>31%)	\$ 16,117,110	\$ 17,808,244	\$ 17,466,605	\$ 20,031,015	\$ 22,340,655	\$ 25,537,578	\$ 28,618,347	\$ 31,706,166
Ending Fund Balance Minimum Target Met	YES	YES	YES	YES	YES	YES	YES	YES
Debt Service Coverage Ratio (DSCR)	1.70	1.48	1.60	1.75	1.52	1.40	1.37	1.36



Fiscal Year 2025-26

Summary of General Fund Rate Changes

Fire Department

- Increasing Fees for Special Event Personnel
- Increasing EMS Medical Supplies, Emergency Standby, and Medical Assistance Fees
- Increasing Training Facility Fees, Operational Permit Fees, and Hazardous Materials Fees
- Increasing Fire Prevention Reinspection Fees
- Adding a Lift Assistance Fee, Gas Leaks Standby Fee

Police Department

- Increasing Fees for Special Event Personnel
- Increasing Training Center & Firing Range Fees
- Increasing Records Management Fees

Library Department

- Increasing Lost/Damaged DVD, CD, Discovery Kits, & RFID Tag Fees
- Increasing 3D Printing Material Fee



Fiscal Year 2025-26

Summary of General Fund Rate Changes

Parks & Recreation Department

- Increasing Special Event Rates
- Increasing Recreation Pass, Memberships, Memorials, and Cemetery Fees
- Increasing Facility Rentals - Senior Center, Civic Center, Athletic Fields, Tennis & Pickleball Court Rentals
- Reducing Mountain Bike Trail Rentals
- Increasing Aquatic Rentals, Admissions, and Memberships



Fiscal Year 2025-26

Summary of Utility Rate Changes

History of Rate Increases / (Decreases)

Utility	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Proposed 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

Water

- 3% Increase for Residential & Commercial Accounts
- Increase for Wholesale Treated Water

Wastewater

- 11% Increase for Residential & Commercial Accounts

Solid Waste

- No Base Rate Increases
- Added the category “Front Load and Side Load Shared Services” to clarify the rate schedule
- Clarify “Redelivery” as part of the existing Delivery Service Fee.
- Reduce the per item bulk collection limit from 10 to 5.



Fiscal Year 2025-26

Capital Improvement Program Summary

The FY 2026 Capital Improvement Program (CIP) includes \$552.8 million in planned new funding for FY 2026.

- \$127.0 million - General Government
- \$2.2 million - Airport
- \$64.0 million - Electric Utility
- \$94.9 million - Water Utility
- \$243.0 million - Wastewater Utility
- \$21.7 million - Solid Waste



Fiscal Year 2025-26

General Government – 5 Year Capital Improvements

Projects	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
2023 Bond Election	\$ 44,223,000	\$ 69,927,000	\$ 51,000,000	\$ 48,475,000	\$ 16,430,000	\$ 230,055,000
Finance ERP Replacement	-	-	4,500,000	-	-	4,500,000
Service Center Renovation	-	-	15,000,000	25,000,000	5,000,000	45,000,000
Fire Station # 5	400,000	-	-	-	-	400,000
Fire Station # 6	1,100,000	-	-	-	-	1,100,000
Fire Station: Legends Ranch	-	500,000	15,000,000	-	-	15,500,000
Linda McNatt Animal Shelter	4,500,000	-	-	-	-	4,500,000
Facility Improvements	12,125,000	24,500,000	10,350,000	10,425,000	5,825,000	63,225,000
Parks Improvements	1,375,000	4,756,618	2,937,653	1,475,782	4,168,215	14,713,268
Fleet Management Improvements	500,000	-	-	-	-	500,000
Fleet Vehicle/Equipment Replacements	5,564,000	3,342,000	3,342,000	3,342,000	-	15,590,000
Technology Services Improvements	6,233,357	12,233,319	8,629,840	6,470,883	9,840,748	43,408,147
Traffic Improvements	6,458,000	7,658,000	7,658,000	7,658,000	7,658,000	37,090,000
Drainage Improvements	4,416,805	12,027,402	23,359,796	16,709,287	4,226,898	60,740,188
Roadway Improvements	32,875,473	36,513,165	40,250,000	22,916,667	19,133,333	151,688,638
Neighborhood Street Reconstruction	6,000,000	6,000,000	-	-	-	12,000,000
Bike Lanes	200,000	200,000	200,000	200,000	200,000	1,000,000
Parks & Aquatics Capital Improvements	1,058,000	1,227,791	1,052,193	889,310	986,097	5,213,391
	\$ 127,028,635	\$ 178,885,295	\$ 183,279,482	\$ 143,561,929	\$ 73,468,291	\$ 706,223,632

Funding Source	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
General Obligation Funds	44,223,000	69,927,000	51,000,000	48,475,000	16,430,000	230,055,000
Certificate of Obligation Funds	65,547,635	91,530,504	121,027,289	83,997,619	45,852,195	407,955,241
Other Funds (Revenue, Impact Fees, External Funding)	17,258,000	17,427,791	11,252,193	11,089,310	11,186,097	68,213,391
	\$ 127,028,635	\$ 178,885,295	\$ 183,279,482	\$ 143,561,929	\$ 73,468,291	\$ 706,223,632



Fiscal Year 2025-26

Airport – 5 Year Capital Improvements

Projects	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Taxilane/Taxiway Design	\$ 950,000	\$ -	\$ -	\$ -	\$ -	\$ 950,000
Security Enhancements: Fencing, Gates, Cameras, and badge Readers.	200,000	-	-	-	-	200,000
Taxilane Reconstruction	1,000,000	2,275,000	-	-	-	3,275,000
Taxiway Alpha Design/Reconstruction	-	-	-	12,000,000	-	12,000,000
Taxiway Bravo Design/Reconstruction	-	-	-	-	8,000,000	8,000,000
Vehicle Replacements	40,000	40,000	-	-	-	80,000
Total	\$ 2,190,000	\$ 2,315,000	\$ -	\$ 12,000,000	\$ 8,000,000	\$ 24,505,000

Funding Source	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Debt Funding	\$ -	\$ -	\$ -	\$ 705,000	\$ 800,000	\$ 1,505,000
IIJA Funding	1,755,000	2,047,500	-	-	-	3,802,500
Existing Funding	435,000	267,500	-	495,000	-	1,197,500
TxDOT Funding	-	-	-	10,800,000	7,200,000	18,000,000
Total	\$ 2,190,000	\$ 2,315,000	\$ -	\$ 12,000,000	\$ 8,000,000	\$ 24,505,000



Fiscal Year 2025-26

Electric – 5 Year Capital Improvements

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
Total	\$ 63,959,588	\$ 78,739,372	\$ 68,836,498	\$ 97,462,983	\$ 81,117,247	\$ 390,115,688

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
Total	\$ 63,959,588	\$ 78,739,372	\$ 68,836,498	\$ 97,462,983	\$ 81,117,247	\$ 390,115,688



Fiscal Year 2025-26

Water – 5 Year Capital Improvements

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
Total	\$ 94,923,500	\$ 125,824,000	\$ 139,923,000	\$ 74,074,000	\$ 11,140,000	\$ 445,884,500

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
Total	\$ 94,923,500	\$ 125,824,000	\$ 139,923,000	\$ 74,074,000	\$ 11,140,000	\$ 445,884,500



Fiscal Year 2025-26

Wastewater – 5 Year Capital Improvements

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
Total	\$ 242,997,000	\$ 322,473,000	\$ 247,808,000	\$ 135,079,000	\$ 76,675,000	\$ 1,025,032,000

Funding Source	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Debt Funding	\$ 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
Total	\$ 242,997,000	\$ 322,473,000	\$ 247,808,000	\$ 135,079,000	\$ 76,675,000	\$ 1,025,032,000



Fiscal Year 2025-26

Solid Waste & Recycling – 5 Year Capital Improvements

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
Total	\$ 21,712,000	\$ 5,995,000	\$ 6,220,850	\$ 10,400,000	\$ 3,981,000	\$ 48,308,850

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
Total	\$ 21,712,000	\$ 5,995,000	\$ 6,220,850	\$ 10,400,000	\$ 3,981,000	\$ 48,308,850



Fiscal Year 2025-26

Questions?