



Water Budget & Rates FY 2025-26

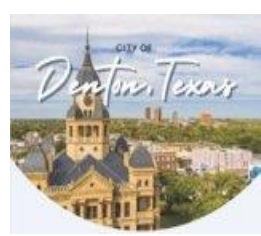
**Public Utilities Board
July 28, 2025**



Fiscal Year 2025-26

Water Budget Overview

- 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



Fiscal Year 2025-26

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
Beginning Fund Balance	\$ 38,986,361	\$ 43,324,871	\$ 43,229,553	\$ 43,886,170	\$ 40,254,007	\$ 39,698,817	\$ 38,950,474	\$ 38,066,389
Rate Revenues								
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
Total Revenue	\$ 52,142,264	\$ 55,635,824	\$ 54,444,190	\$ 59,167,356	\$ 64,290,359	\$ 71,117,410	\$ 78,701,188	\$ 85,590,518
Purchased Power	\$ 1,987,888	\$ 1,481,328	\$ 2,095,120	\$ 2,212,016	\$ 2,278,377	\$ 2,346,728	\$ 2,417,130	\$ 2,489,644
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	10,725,238	13,616,587	14,025,085	14,445,837	14,879,212	15,325,589
Materials and Supplies	3,202,244	4,781,574	3,580,770	4,739,332	4,881,512	5,024,253	5,174,981	5,330,230
Maintenance and Repair	2,874,264	1,868,402	2,406,271	2,882,140	2,968,604	3,057,662	3,149,392	3,243,874
Insurance	442,337	519,789	519,789	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	55,705	55,288	55,447	55,610	55,778	55,952
Operations	2,921,092	3,963,028	2,980,455	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	18,537,124	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	\$ 53,787,573	\$ 62,799,520	\$ 64,845,548	\$ 71,865,753	\$ 79,585,273	\$ 86,276,037
Ending Fund Balance	\$ 43,229,553	\$ 43,324,871	\$ 43,886,170	\$ 40,254,007	\$ 39,698,817	\$ 38,950,474	\$ 38,066,389	\$ 37,380,870
Change in Fund Balance (Use of Reserves)	\$ 4,243,191	\$ -	\$ 656,617	\$ (3,632,163)	\$ (555,189)	\$ (748,343)	\$ (884,085)	\$ (685,519)
Rate Increases								
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%
Working Capital (8%) & Op Reserves (>25%)	\$ 15,806,694	\$ 18,359,822	\$ 17,749,899	\$ 20,723,841	\$ 21,399,031	\$ 23,715,699	\$ 26,263,140	\$ 28,471,092
Working Capital (8%) & Op Reserves (>42%)	\$ 23,949,536	\$ 27,817,912	\$ 26,893,787	\$ 31,399,760	\$ 32,422,774	\$ 35,932,877	\$ 39,792,636	\$ 43,138,019
Ending Fund Balance Minimum Target Met	YES	YES	YES	YES	YES	YES	YES	YES
Use of Impact Fees	\$	\$ 1,635,340	\$ 1,635,340	\$ 2,900,000	\$ 4,500,000	\$ 3,500,000	\$ 3,650,000	\$ 2,000,000

Debt Service Coverage Ratio (DSCR)	1.88	1.32	1.33	1.13	1.25	1.21	1.19	1.18
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Fiscal Year 2025-26 Preliminary Rate Changes

	Current FY25	Proposed FY26	Change	% Change
Residential Water Service - Inside Corporate Limits				
0 – 5,000 Gallons	\$ 3.73	\$ 3.84	\$ 0.11	3.0%
5,001 – 7,000 Gallons	\$ 4.01	\$ 4.13	\$ 0.12	3.0%
7,001 – 15,000 Gallons	\$ 4.17	\$ 4.30	\$ 0.13	3.0%
15,001 – 30,000 Gallons	\$ 7.46	\$ 7.68	\$ 0.22	3.0%
30,001 – 50,000 Gallons	\$ 9.97	\$ 10.27	\$ 0.30	3.0%
Over 50,000 Gallons	\$ 12.40	\$ 12.77	\$ 0.37	3.0%
Facility Charge	Varies	Varies		3.0%
Commercial Water Service – Inside Corporate Limits				
Volume Charge	\$ 4.47	\$ 4.60	\$ 0.13	3.0%
Facility Charge	Varies	Varies		3.0%



Fiscal Year 2025-26 Preliminary Rate Changes

	Current FY25	Proposed FY26	Change	% Change
Residential Water Service - Outside Corporate Limits				
0 – 5,000 Gallons	\$ 4.31	\$ 4.44	\$ 0.13	3.0%
5,001 – 7,000 Gallons	\$ 4.62	\$ 4.76	\$ 0.14	3.0%
7,001 – 15,000 Gallons	\$ 4.80	\$ 4.94	\$ 0.14	3.0%
15,001 – 30,000 Gallons	\$ 8.59	\$ 8.85	\$ 0.26	3.0%
30,001 – 50,000 Gallons	\$ 11.46	\$ 11.80	\$ 0.34	3.0%
Over 50,000 Gallons	\$ 14.27	\$ 14.70	\$ 0.43	3.0%
Facility Charge	Varies	Varies		3.0%
Commercial Water Service – Outside Corporate Limits				
Volume Charge	\$ 5.25	\$ 5.41	\$ 0.16	3.0%
Facility Charge	Varies	Varies		3.0%



Fiscal Year 2025-26

Preliminary Rate Changes

	Current FY25	Proposed FY26	Change	% Change
Residential Irrigation - Inside Corporate Limits				
0 – 5,000 Gallons	\$ 3.74	\$ 3.84	\$ 0.10	3.0%
5,001 – 7,000 Gallons	\$ 4.02	\$ 4.13	\$ 0.11	3.0%
7,001 – 15,000 Gallons	\$ 4.17	\$ 4.30	\$ 0.13	3.0%
15,001 – 30,000 Gallons	\$ 7.47	\$ 7.68	\$ 0.21	3.0%
30,001 – 50,000 Gallons	\$ 9.97	\$ 10.27	\$ 0.30	3.0%
Over 50,000 Gallons	\$ 12.40	\$ 12.77	\$ 0.37	3.0%
Facility Charge	Varies	Varies		3.0%
Commercial Irrigation – Inside Corporate Limits				
Volume Charge	\$ 5.92	\$ 6.10	\$ 0.18	3.0%
Facility Charge	Varies	Varies		3.0%



Fiscal Year 2025-26 Preliminary Rate Changes

	Current FY25	Proposed FY26	Change	% Change
Residential Irrigation - Outside Corporate Limits				
0 – 5,000 Gallons	\$ 4.31	\$ 4.44	\$ 0.13	3.0%
5,001 – 7,000 Gallons	\$ 4.62	\$ 4.76	\$ 0.14	3.0%
7,001 – 15,000 Gallons	\$ 4.80	\$ 4.94	\$ 0.14	3.0%
15,001 – 30,000 Gallons	\$ 8.59	\$ 8.85	\$ 0.26	3.0%
30,001 – 50,000 Gallons	\$ 11.46	\$ 11.80	\$ 0.34	3.0%
Over 50,000 Gallons	\$ 14.27	\$ 14.70	\$ 0.43	3.0%
Facility Charge	Varies	Varies		3.0%
Commercial Irrigation – Outside Corporate Limits				
0 – 7,000 Gallons	\$ 6.80	\$ 7.00	\$ 0.20	3.0%
7,001 – 20,000 Gallons	\$ 7.25	\$ 7.47	\$ 0.22	3.0%
20,001 – 40,000 Gallons	\$ 8.50	\$ 8.76	\$ 0.26	3.0%
Over 40,000 Gallons	\$ 9.50	\$ 9.79	\$ 0.29	3.0%
Facility Charge	Varies	Varies		3.0%



Fiscal Year 2025-26

Preliminary Rate Changes

	Current FY25	Proposed FY26	Change	% Change
Metered Water From Hydrant				
Fire Hydrant Meter Deposit (Per Meter)	\$ 3,000	\$ 3,000	-	-
Volume Charge (Per 1,000 Gallons)	\$ 5.22	\$ 5.38	\$ 0.16	3.0%
Facility Charge (Per Bill)	\$ 113.95	\$ 117.37	\$ 3.42	3.0%
UTRWD Wholesale Raw				
Wholesale Raw Water Service to UTRWD	\$ 0.96	85% of Dallas Wholesale Untreated Water Rate	-	-
Wholesale Raw Water Pass-Through	\$ 0.0311	\$ 0.0395	\$ 0.0084	27%
UTRWD Wholesale Treated				
Wholesale Treated Water	\$ 1.25	\$ 4.96	\$ 3.71	297.0%



Fiscal Year 2025-26 Preliminary Rate Changes

	Current FY25	Proposed FY26	Change	% Change
Meter Fees				
5/8 x 3/4 Inch	\$ 314.15	\$ 323.57	\$ 9.42	3.0%
3/4 x 3/4 Inch	\$ 355.35	\$ 366.01	\$ 10.66	3.0%
1 Inch	\$ 386.25	\$ 397.84	\$ 11.59	3.0%
1 1/2 Inch	\$ 690.10	\$ 710.80	\$ 20.70	3.0%
2 Inch	\$ 700.40	\$ 721.41	\$ 21.01	3.0%
Meter Relocation Fees (10 Feet or Less)				
5/8 x 3/4 Inch	\$ 314.15	\$ 323.57	\$ 9.42	3.0%
3/4 x 3/4 Inch	\$ 355.35	\$ 366.01	\$ 10.66	3.0%
1 Inch	\$ 386.25	\$ 397.84	\$ 11.59	3.0%
1 1/2 Inch	\$ 690.10	\$ 710.80	\$ 20.70	3.0%
2 Inch	\$ 700.40	\$ 721.41	\$ 21.01	3.0%



Fiscal Year 2025-26

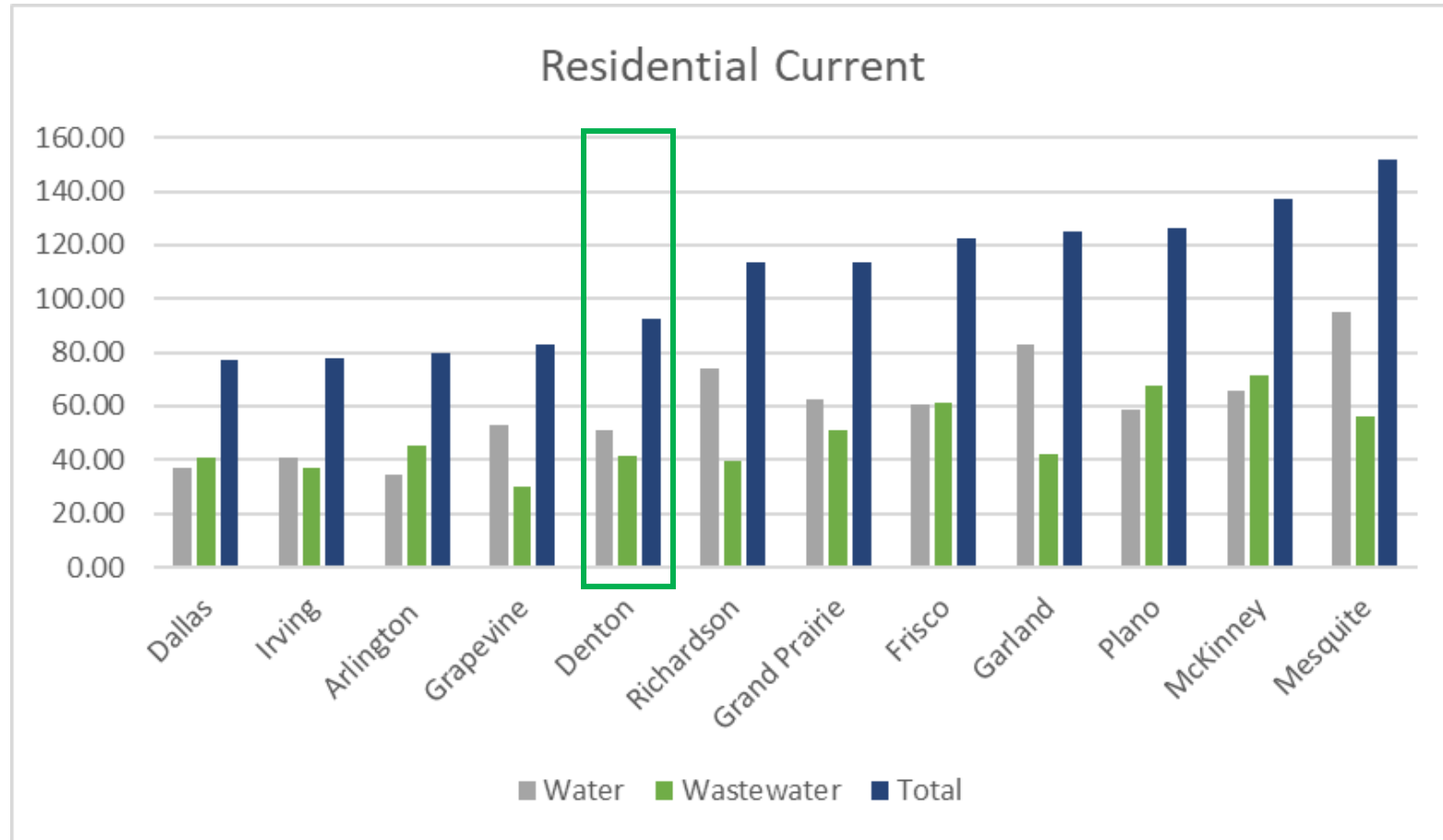
Preliminary Rate Changes

	Current FY25	Proposed FY26	Change	% Change
Fire Hydrant Installation				
Paved	\$ 6,386	\$ 6,578	\$ 192	3.0%
Unpaved	\$ 4,429	\$ 4,562	\$ 133	3.0%



Fiscal Year 2025-26

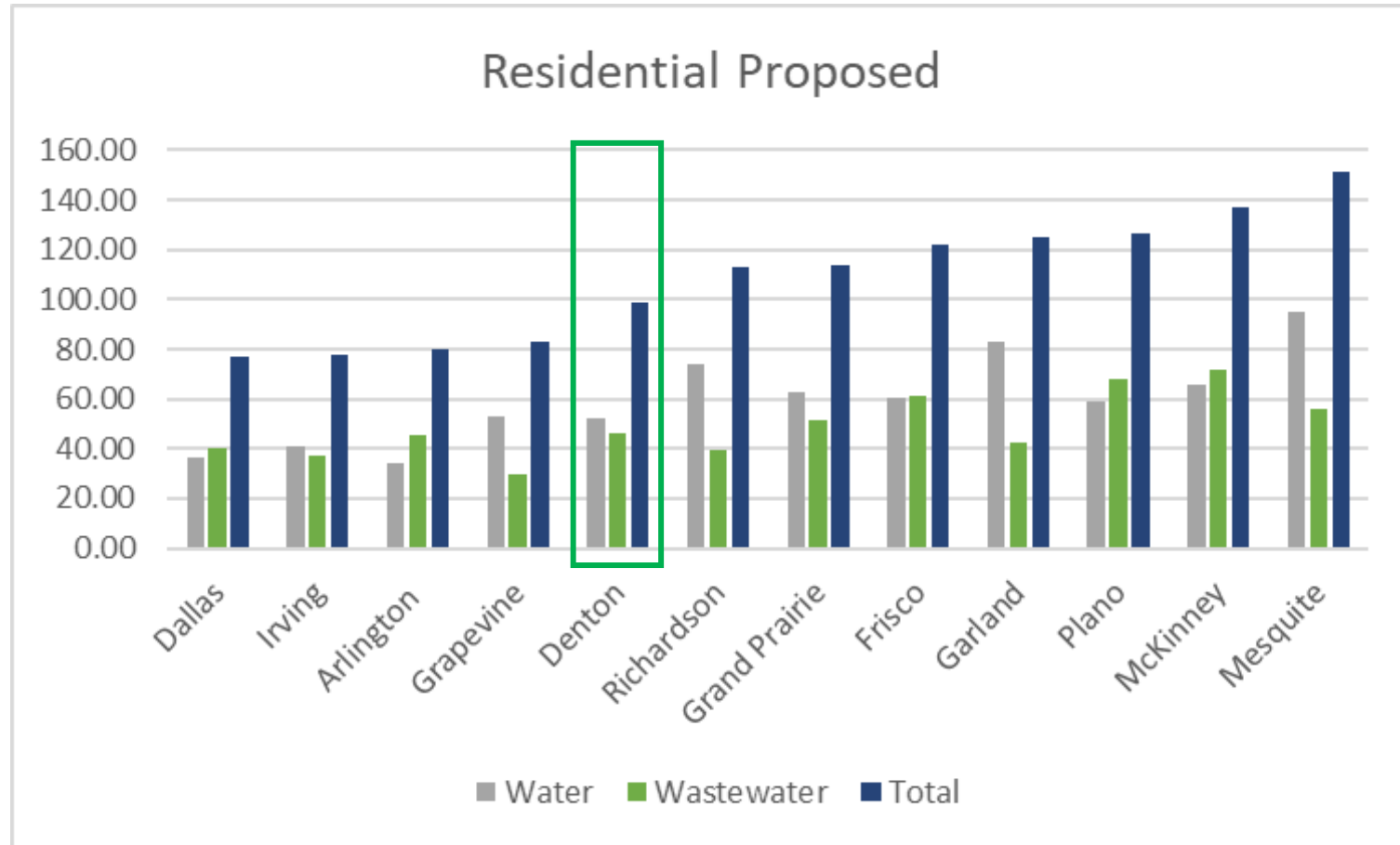
Preliminary Rate Changes





Fiscal Year 2025-26

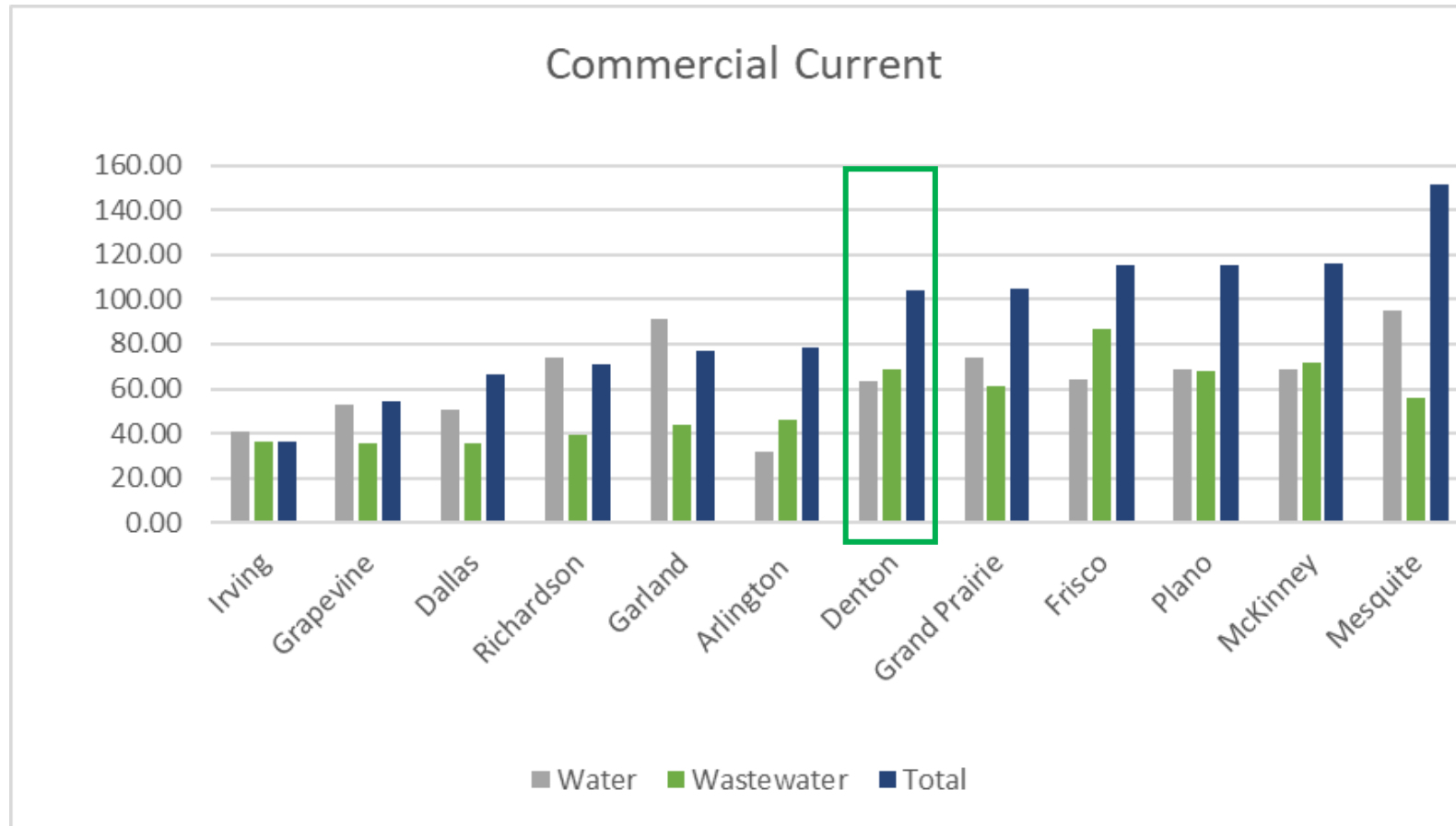
Preliminary Rate Changes





Fiscal Year 2025-26

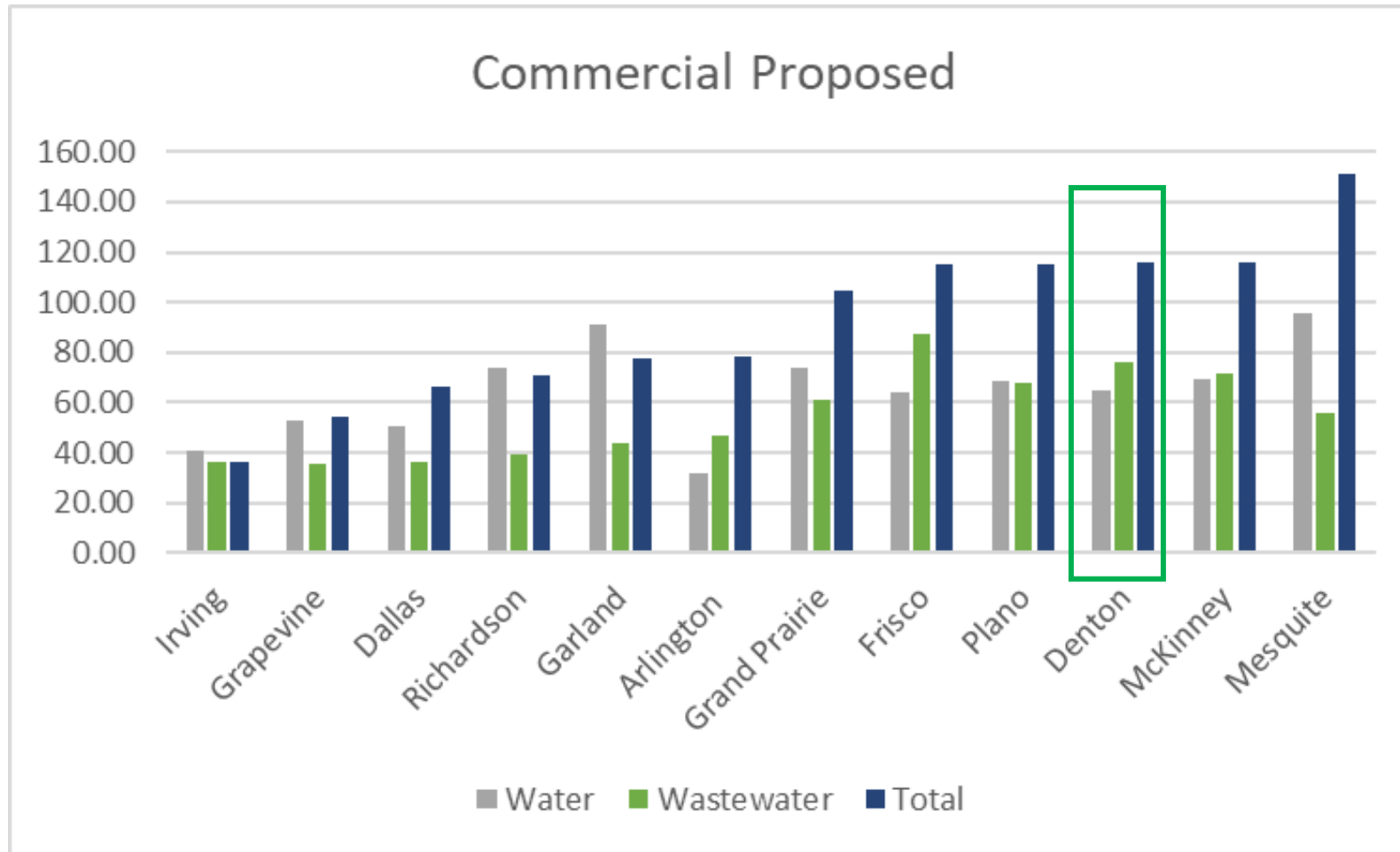
Preliminary Rate Changes





Fiscal Year 2025-26

Preliminary Rate Changes





Fiscal Year 2025-26

Water 5-Year 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
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

Questions?
