



Utility Fund Budget Overview

FY 2025-26



Summer Fleming, CGFO
Director of Finance

Utility Fund Budget Highlights



- Personnel costs include 4.5% increase
- Total operating expenditures increasing 8%
- Includes new investment in utility infrastructure and one-time improvements to meet TCEQ requirements
- Includes transfer to Equipment Replacement Fund for future capital needs
- Maintains an operating reserve equal to 8 months of operating expense

Utility Rates and Fees



Residential Water Tiered Volume Charges

Gallons	Cost per 1,000 gallons
0 to 6,000	Base Service Charge
6,001 to 12,500	\$3.81
12,501 to 25,000	\$4.76
25,001 to 50,000	\$7.14
50,001 to 75,000	\$10.72
75,001 to 100,000	\$16.07
Over 100,000	\$24.11

Commercial Water Tiered Volume Charges

Gallons	Cost per 1,000 gallons
0 to 6,000	Base Service Charge
6,001 to 50,000	\$3.25
50,001 to 100,000	\$4.87
100,001 to 150,000	\$7.31
Over 150,000	\$10.97

Water Base Service Charge \$26.48-\$94.42
depending on meter size

Wastewater Base Service Charge: \$28.94
Wastewater Volumetric Rate: \$6.00 per 1,000 gal

Utility Fees



Water Fees

	FY 2025	FY 2026	Change
Surface Water Fee	\$15.90	\$18.50	\$2.60
TCEQ Fee	0.19	0.20	0.01
Debt Service Fee	23.85	23.89	0.04
Capital Reserve Fee	2.67	2.67	-
Total Fees	\$42.61	\$45.26	\$2.65

Wastewater Fees

	FY 2025	FY 2026	Change
TCEQ Fee	\$0.05	\$0.05	\$-
Debt Service Fee	17.03	16.91	(0.12)
Capital Reserve Fee	-	-	-
Total Fees	\$17.08	\$16.96	(\$0.12)

Operating Budget



Operating Revenue and Expenses



Category	Water Utility	Wastewater Utility	Total
Operating Revenue	\$4,471,417	\$1,767,160	\$6,238,577
Operating Expenses			
Personnel	1,048,631	1,075,894	2,124,525
Supplies, Maintenance, and Operations	2,844,287	709,371	3,553,658
Services	339,791	78,255	418,046
Total Operating Expenses	4,232,709	1,863,520	6,096,229
Operating Income / (Loss)	\$238,708	(\$96,360)	\$142,348
Depreciation & Amortization	(550,000)	(270,600)	(820,600)
Operating Income / (Loss) after Depreciation	(\$311,292)	(\$366,960)	(\$678,252)

Non-Operating Revenue and Expenses



Category	Water Utility	Wastewater Utility	Equipment Replacement	Total
Non-Operating Revenues				
Impact, Capital and Debt Fees	\$1,244,069	\$590,630	-	\$1,834,699
Interest Earnings	200,000	200,000	-	400,000
Non-Operating Expenses				
Capital Contribution (GBRA waterline)	(750,000)	-	-	(750,000)
Debt Service Costs	(160,882)	(56,716)	-	(217,598)
Transfers In/(Out)	(82,651)	(35,651)	118,302	0
Non-Operating Revenue (Expenses)	\$450,536	\$698,263	\$118,302	\$1,267,101

Combined Net Position



Category	Projected 9/30/2025	FY 2025-26 Change	Projected 9/30/2026
Net Investment in Capital Assets	\$13,908,444	(\$373,008)	\$13,535,436
Unrestricted Net Position			
Water Capital Fund	224,562	167,254	391,816
Wastewater Capital Fund	1,391,874	(473,508)	918,366
Equipment Replacement Fund	718,690	118,302	836,992
Operating Reserve	3,370,753	671,204	4,041,957 *
Debt Service Reserve	1,351,684	478,607	1,830,291
Total Unrestricted Net Position	7,057,563	961,859	8,019,422
Total Net Position	\$20,966,007	\$588,851	\$21,554,858

*Operating Reserve equal to 8 months of operating expense.



Questions?



FY 2025-26

Proposed Budget

Water and Wastewater Utility



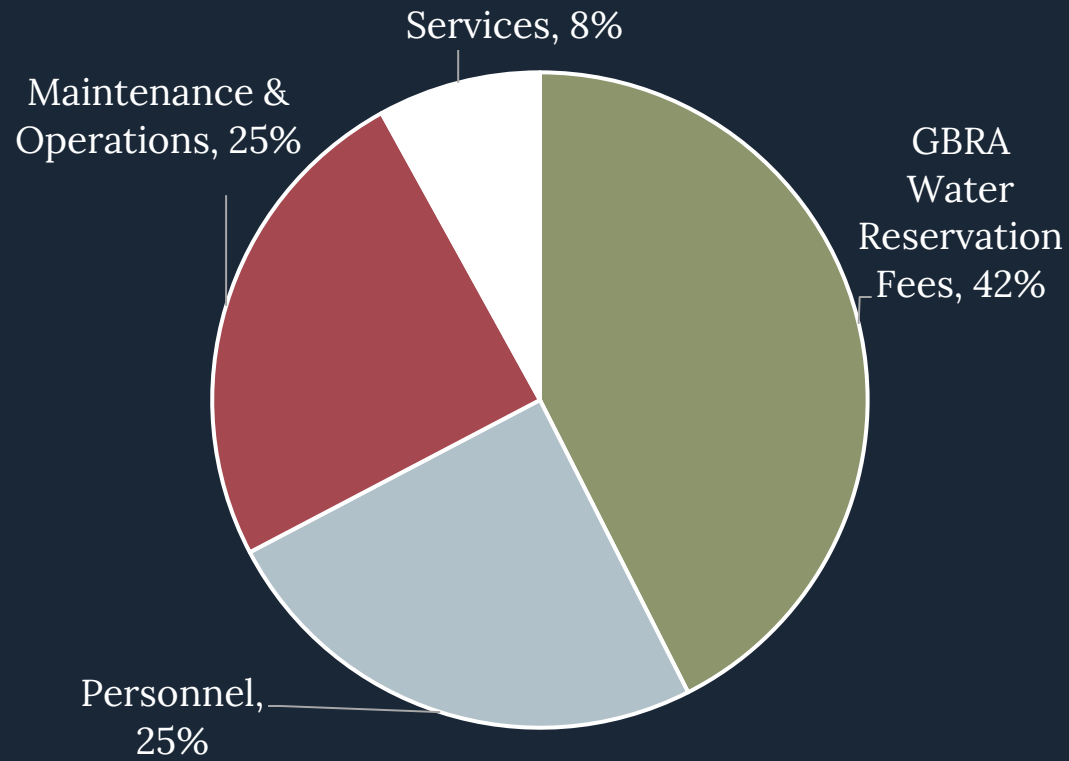
Grant Watanabe, P.E., CFM

Director of Public Works & Engineering
Services

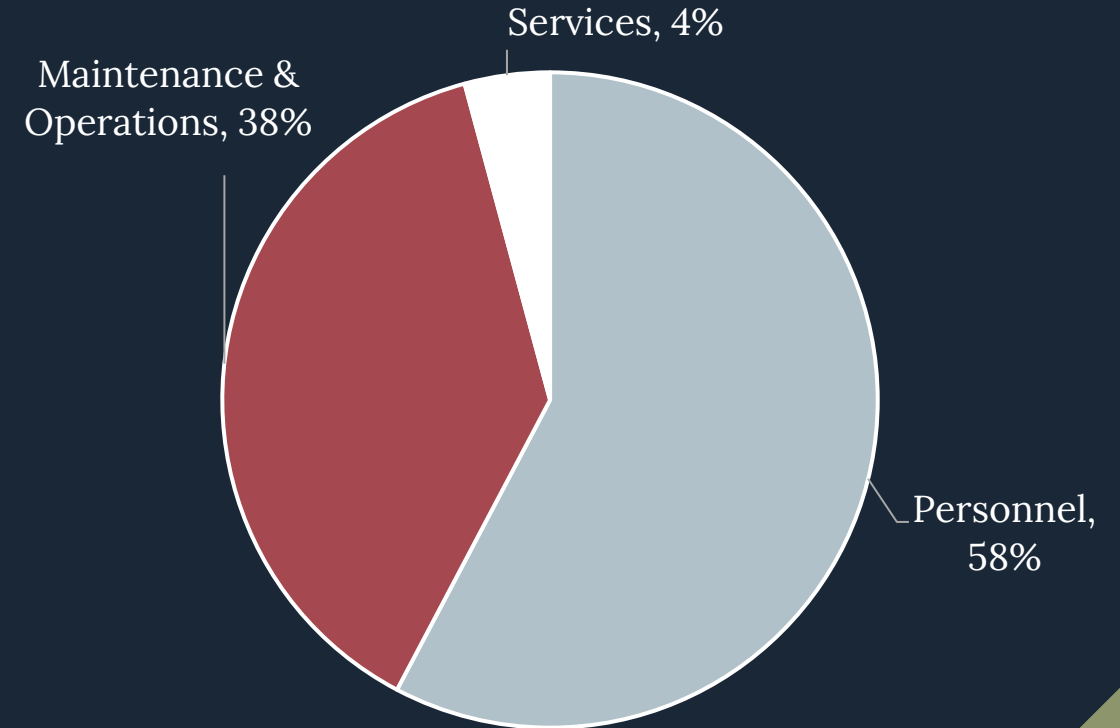
Operating Expenses (before transfers, capital and depreciation)



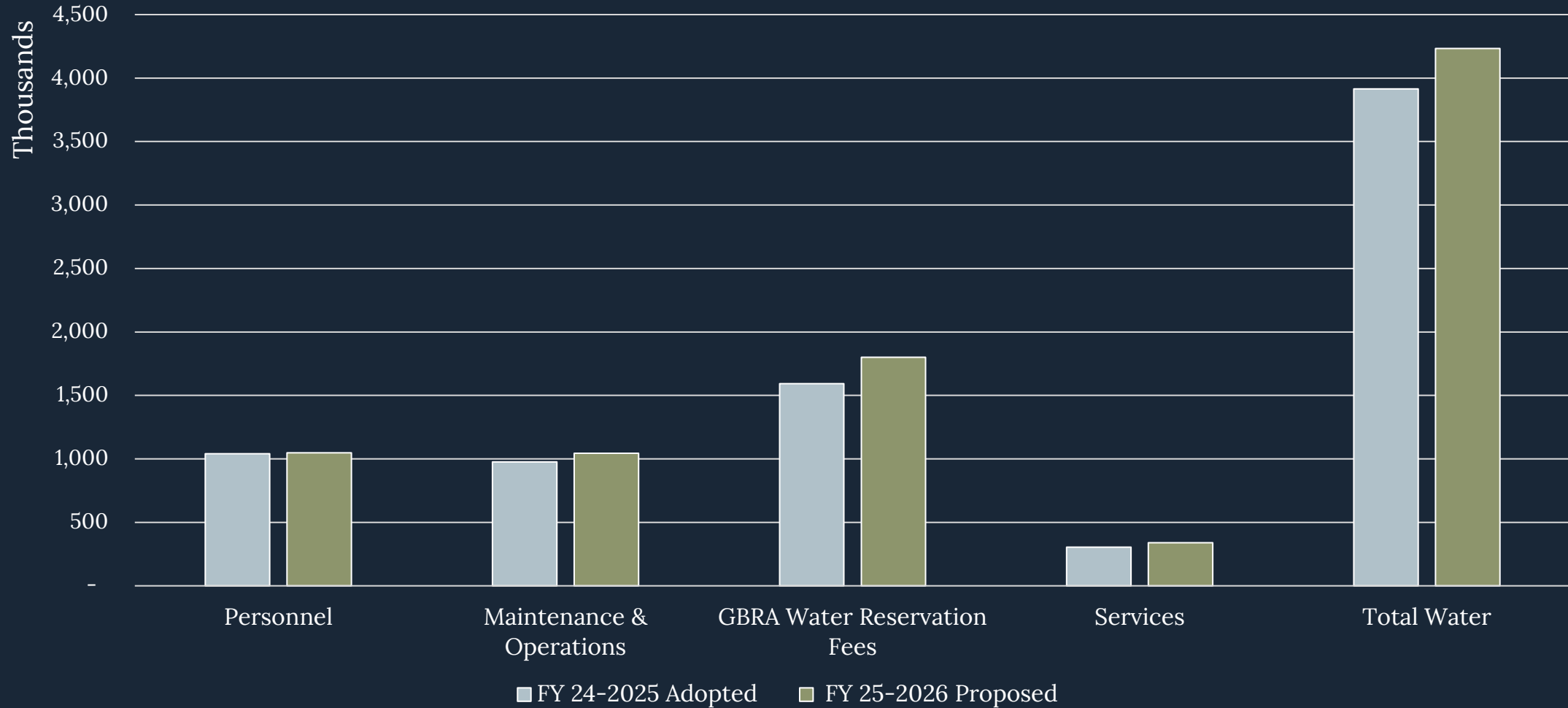
Water Utility (\$4,232,709)



Wastewater Utility (\$1,863,519)



Changes to Expenses - Water

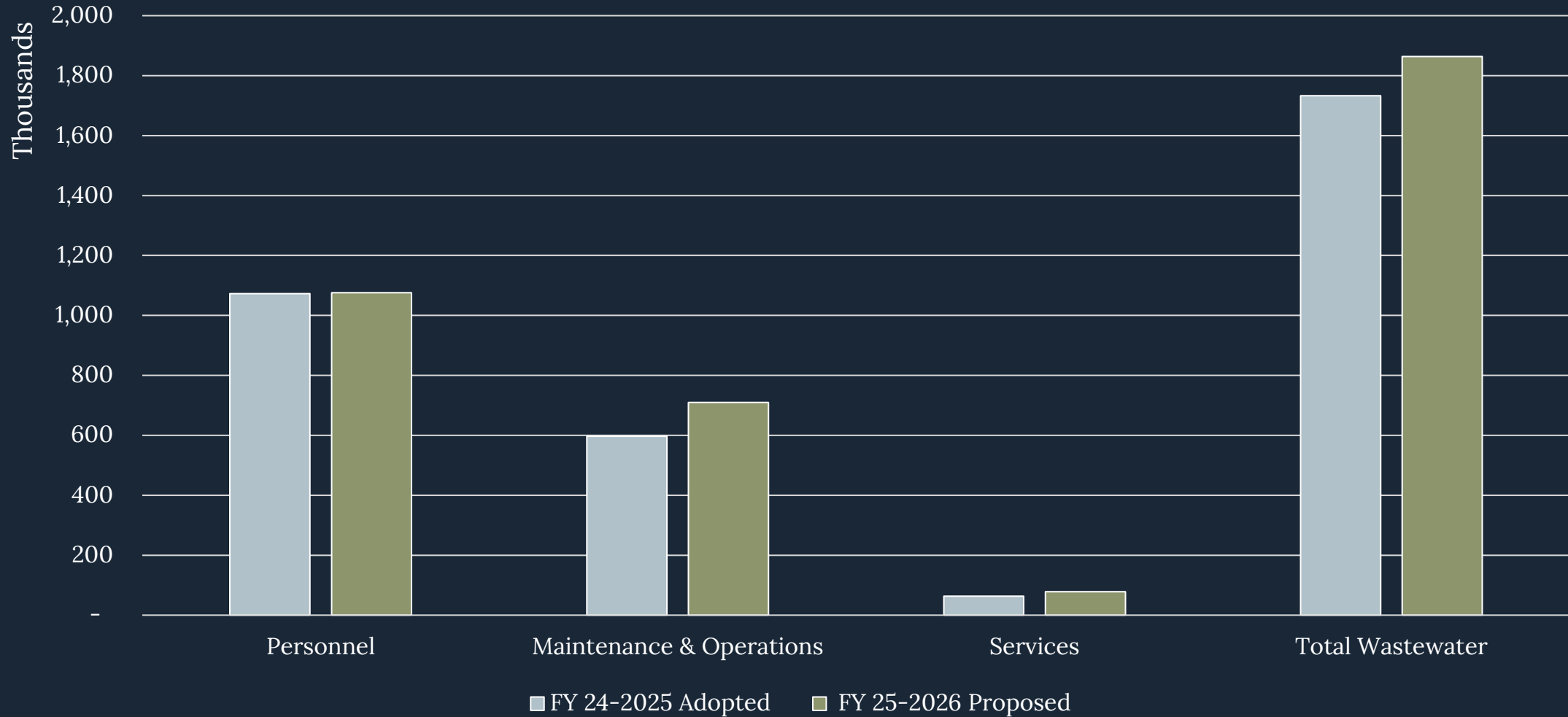


Water Budget Highlights



- Increase of \$30,000 for the maintenance of plant and lines to bring the budget in line with prior year actual costs
- Includes a \$208,355 increase in GBRA fees
- Increase of \$20,000 for additional tank repairs not covered by tank maintenance contract
- Increase of \$14,222 for the rental of a restroom trailer

Changes to Expenses - Wastewater



Wastewater Budget Highlights



- Increase of \$100,000 for critical manhole rehabilitation
- Increase of \$7,000 for clarifier/CLR maintenance
- Increase of \$14,222 for the rental of a restroom trailer

Funded Operational Capital and Equipment



- Replacement of Water Plant Flow Meters (4 total) - \$111,240
- Replacement firewalls for the SCADA system - \$35,000
- Replacement of up to three well pumps (if needed) - \$150,000
- Installation cost for Lift Station auto-dialers (5 total) - \$32,000
- Replacement of Mini Excavator - \$62,698 (funded by ERF)

Water CIP Projects

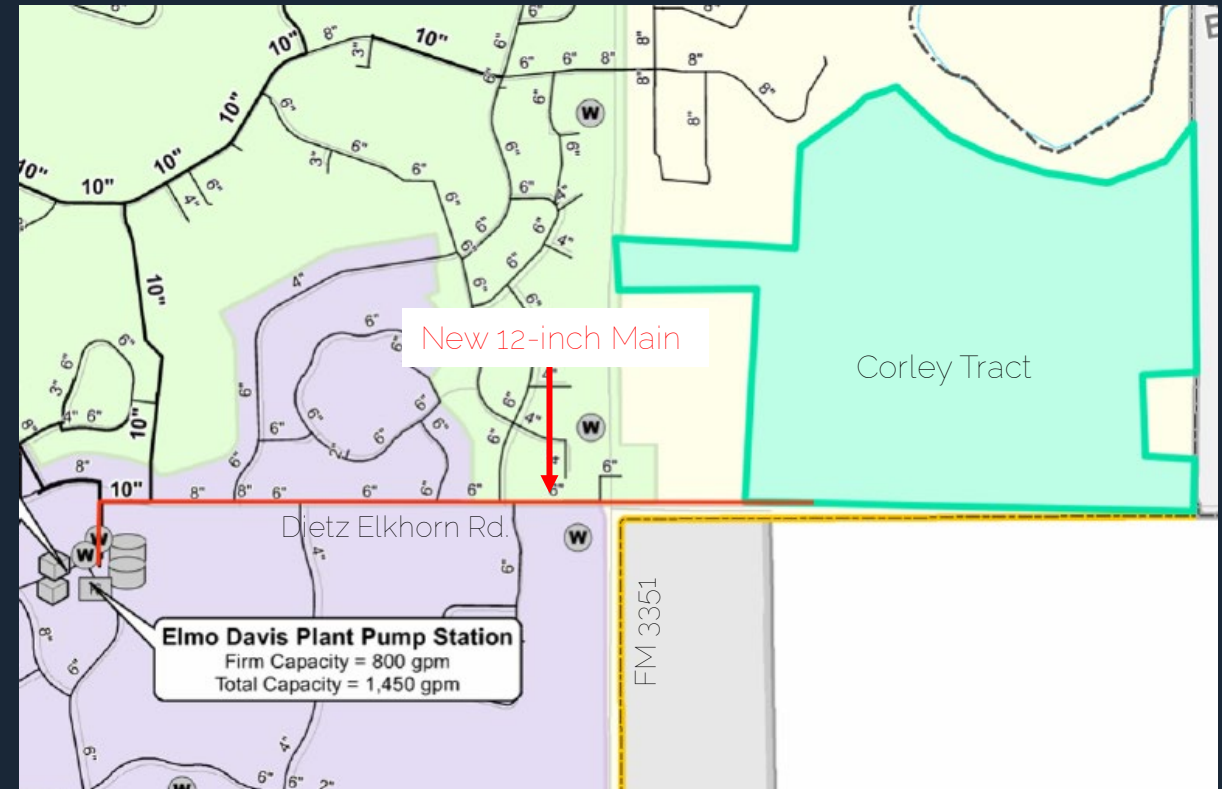


	Prior	2025	2026	2027	Total
Willow Wind Dr./Red Bud Hill Waterline (29R)	\$70,705	\$879,807	\$-	\$-	\$950,512
Elevated Storage Tank (2W)	496,950	-	4,367,901	3,914,527	8,779,378
Rolling Acres Trail Waterline Rehabilitation (28R)	66,794	610,941	-	-	677,735
Expand Plant No. 5 (5W)	229,499	1,320,800	-	-	1,550,299
Old Fredericksburg Rd. Waterline (21W)	291,920	270,400	-	-	562,320
Upgrade Electrical at Plant No. 3 Pump Station (5R)	-	74,419	100,000	-	174,419
SAWS Emergency Interconnect	-	30,000	170,000	-	200,000
Ground Storage Tank at Plant No. 4	-	-	-	400,000	400,000
NEW Dietz Elkhorn Road Waterline	-	-	1,500,000	-	1,500,000
NEW GBRA Waterline	-	-	750,000	-	750,000
Water Total	\$1,155,868	\$3,186,367	\$6,887,901	\$4,314,527	\$15,544,663

Dietz Elkhorn Road Waterline (New)



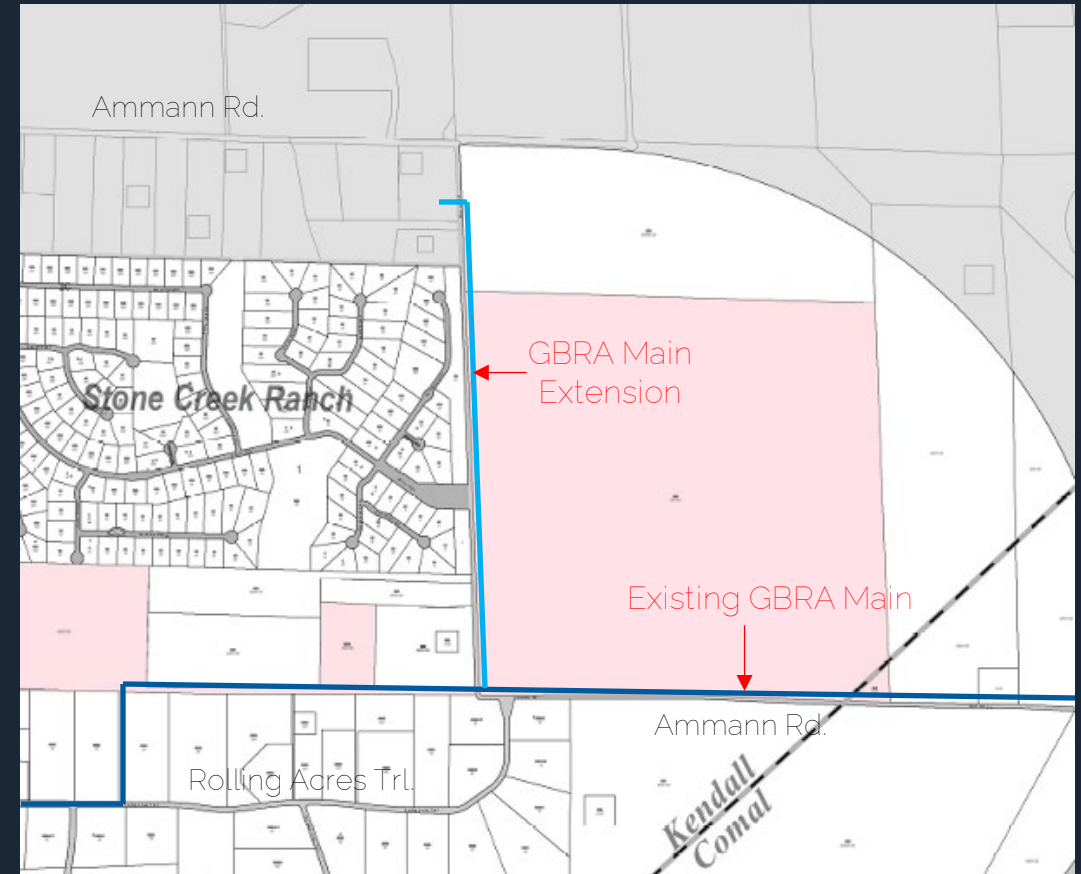
- City and Developer to cost-share construction of a new 12-inch water main from the Elmo Davis water plant to the eastern side of the City (75% City and 25% Developer)
- Developer to complete design within 90 days of Utility Service Agreement execution.
- City to joint-bid waterline with Dietz Elkhorn (East) Reconstruction project to avoid trenching through new road
- **Total Estimated Cost = \$1,500,000 (City share)**



GBRA Water Main Extension (New)



- Project extends the GBRA water main to the Boerne Pump Station and Fair Oaks Ranch Elevated Storage Tank site
- Enables future receipt and distribution of purchased water directly to the northeast portion of the City
- GBRA currently obtaining utility and temporary construction easements
- An ILA or cost-sharing agreement between Boerne and Fair Oaks Ranch is anticipated
- **Total Estimated Cost = \$750,000 (City share)**



Wastewater CIP Projects



	Prior	2025	2026	2027	Total
Wastewater Treatment Plant Phase 1 Expansion (2S)	\$1,211,249	\$-	\$1,714,987	\$2,387,530	\$5,313,766
Install Sewer Line/Decommission Falls Lift Station (1S)	-	-	113,521	811,763	925,284
Wastewater Total	\$1,211,249	\$-	\$1,828,508	\$3,199,293	\$6,239,050