

# WATER AND WASTEWATER RATES DISCUSSION

Regular Council Meeting | August 19, 2025

Requested By:

**Public Works** 

Farmers Branch FY 25-26 Budget

# HISTORY OF WATER/WASTE WATER RATES

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<u>Purchased</u> <u>Water (DWU)</u>										
DWU Volume Rate	\$ 0.43	\$ 0.44	\$ 0.46	\$ 0.37	\$ 0.38	\$ 0.40	\$ 0.45	\$ 0.45	\$ 0.52	\$ 0.57
Percent Change (%)		2.33%	4.55%	(19.57%)	2.70%	5.26%	12.50%	0.00%	15.56%	9.62%
DWU Demand Rate	\$243,453	\$262,058	\$280,458	\$276,434	\$278,529	\$291,422	\$312,607	\$320,826	\$328,362	\$356,978
Percent Change (%)		7.64%	7.02%	(1.43%)	0.76%	4.63%	7.27%	2.63%	2.35%	8.71%
Treated Wastewater (TRA)										
TRA Rate	\$ 2.21	\$ 2.49	\$ 2.52	\$ 2.75	\$ 2.93	\$ 3.06	\$ 3.19	\$ 3.17	\$ 3.60	\$ 3.96
Percent Change (%)		12.74%	1.49%	9.16%	6.28%	4.44%	4.22%	(0.56%)	13.57%	9.92%

Farmers Branch FY 25-26 Budget

#### DWU & TRA RATES

### DWU's current projections for wholesale rate increases range from 10 to 15% annually

	FY 2024	FY 2025
Demand Charge	\$328,362	\$356,978
Volume Rate /1,000 gal.	\$0.5150	\$0.5663

### TRA's current projections for wholesale rate increases range from 7 to 11% annually

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Proj. Flows (All Cities)	142.828	141.321	142.028	142.738	143.451	144.169
Total Rate (Debt & O&M)	\$3.598	\$3.955	\$4.384	\$4.835	\$5.210	\$5.547

Note: Flows are projected in MGD

#### **BALANCING THE NEEDS**

Aging Infrastructure

Regulatory Compliance Requirements

Old/deteriorating pipeline material rupture, causing water and wastewater interruptions

W/WW Capital Improvement Projects

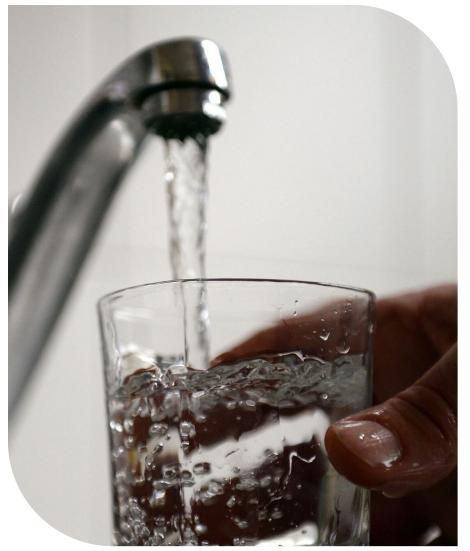
SURFACE INFRASTRUCTURE (Streets) DWU/TRA Wholesale Cost

Water System Maintenance Tanks & Pump Stations

**Wastewater Lift Stations** 

#### Farmers Branch FY 25-26 Budget Overview

#### WATER/WASTEWATER RATES



		Dashboard				
Water	2025	2026	2027	2028	2029	2030
Meter Charge	0.00%	15.00%	12.00%	12.00%	5.00%	5.00%
Volumetric Charge	0.00%	15.00%	12.00%	12.00%	5.00%	5.00%
Wastewater	2025	2026	2027	2028	2029	2030
Meter Charge	0.00%	15.00%	12.00%	12.00%	15.00%	10.00%
Volumetric Charge	0.00%	15.00%	12.00%	12.00%	15.00%	10.00%

Water	2025	2026	2027	2028	2029	2030
Fixed Charge Revenue (%)	36.47%	35.70%	35.16%	34.72%	34.46%	34.21%
Volumetric Charge Revenue (%)	63.53%	64.30%	64.84%	65.28%	65.54%	65.79%
Wastewater						
Fixed Charge Revenue (%)	51.64%	51.93%	52.15%	52.39%	52.39%	53.83%
Volumetric Charge Revenue (%)	48.36%	48.07%	47.85%	47.61%	47.61%	46.17%

Revenues (\$)											
Water		2025		2026		2027		2028	2029		2030
Change in Net Assets	\$	6,924,888	\$	13,509	\$	772,869	\$	(2,265,828)	\$ 913,237	\$	3,542,515
Ending Fund Balance		9,991,169		10,004,678		10,777,547		8,511,719	9,424,956		12,967,470
Wastewater											
Change in Net Assets	\$	(2,549,373)	\$	(4,884,500)	\$	(1,789,655)	\$	1,743,040	\$ 199,326	\$	(1,616,138)
Ending Fund Balance		516,908		(4,367,592)		(6,157,247)		(4,414,207)	(4,214,881)		(5,831,019)
Combined											
Change in Net Assets	\$	4,375,515	\$	(4,870,992)	\$	(1,016,786)	\$	(522,788)	\$ 1,112,563	\$	1,926,377
Ending Fund Balance		10,508,078		5,637,086		4,620,299		4,097,511	5,210,074		7,136,451

- Removing wastewater limits for single-family residential.
   Adding a 10% discount for Senior Citizens or disabled persons

### COMMUNICATION PLAN

Social Media

**City Website** 

**Utility Bill** 

**City Newsletter** 



## Questions

