

ORDINANCE ON FIRST READING ADOPTING THE 2025-26 FISCAL YEAR UTILITY FUND BUDGET AND MAKING APPROPRIATION IN ACCORDANCE WITH SAID BUDGET FOR THE PERIOD BEGINNING THE FIRST DAY OF OCTOBER 2025 AND ENDING THE LAST DAY OF SEPTEMBER 2026; APPROPRIATING MONEY TO A SINKING FUND TO PAY INTEREST AND PRINCIPAL DUE ON THE CITY'S INDEBTEDNESS; PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE; AND PROVIDING FOR THE PUBLICATION OF THIS ORDINANCE

WHEREAS, in accordance with the City Charter, it is necessary to adopt a budget for the Fiscal Year 2025-26; and

WHEREAS, a Proposed Annual Budget for the period commencing October 1, 2025 and ending September 30, 2026 has been prepared by the City Manager in accordance with Article X of the City Charter, and the City Council has considered the City Manager's proposed budget; and,

WHEREAS, a public hearing on the Annual Budget was held on September 2, 2025 after due and proper notice of said hearing having been given in accordance with the City Charter, NOW THEREFORE;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEGUIN:

SECTION 1. The Annual Utility Fund Budget for the fiscal year commencing October 1, 2025 and ending September 30, 2026, is hereby approved and adopted.

SECTION 2. The sums set forth below are hereby appropriated for the ensuing 2024-25 fiscal year for the different departments and purposes of the City;

**FISCAL YEAR 2025-26 BUDGET**

**UTILITY FUND**

**Revenue:**

Electric Revenues	36,538,460
Water Revenues	20,767,101
Sewer Revenues	15,339,150
Other Charges	1,222,005
Other Revenues	1,185,300
Intragovernmental Services	43,000
Stormwater Drainage Fee	1,164,000
Use of Retained Earnings	<u>1,952,145</u>
<b>Total Operating Revenue</b>	<b>78,211,161</b>

**Other Revenue Sources:**

Utility Capital Projects Fund	
Interest Earnings	501,045
2014 Utility Revenue Bond Fund	
Use of Retained Earnings	30
2017 Utility Revenue Bond Fund	

Interest Earnings	10,000
Use of Retained Earnings	885,667
2018 Utility Revenue Bond Fund	
Interest Earnings	5,000
Use of Retained Earnings	1,219,538
2020 Utility Revenue Bond Fund	
Interest Earnings	50,000
Use of Retained Earnings	2,138,944
2022 Certificates of Obligation-Utility portion	
Interest Earnings	200,000
Use of Retained Earnings	11,265,760
2022A Certificates of Obligation-Utility portion	
Interest Earnings	500,000
Use of Retained Earnings	31,813,909
2024 Certificates of Obligation-Utility portion	
Interest Earnings	500,000
Use of Retained Earnings	57,897,305
2025 Certificates of Obligation-Utility portion	
Interest Earnings	500,000
Use of Retained Earnings	59,500,000
Texas Water Development Board Bond Fund	
Interest Earnings	1,050,000
Use of Retained Earnings	98,950,000
Water Impact Fund	
Water Impact Fees	3,000,000
Interest Earnings	100,100
Sewer Impact Fund	
Sewer Impact Fees	8,000,000
Interest Earnings	2,000,500
Wholesale Power Savings Fund	
Interest Earnings	10,000
Use of Retained Earnings	1,035,700
Hydroelectric Subordination Fund	
Interest Earnings	10,000
Lease Revenue	25,000
Use of Retained Earnings	95,277
Rate Stabilization Fund-Electric	
Interest Earnings	30,000
Rate Stabilization Fund-Water	
Interest Earnings	2,000
Rate Stabilization Fund-Sewer	
Use of Retained Earnings	100,000
Emergency Fund	
Interest Earnings	100,100
Utility Bonds Reserve Fund	
Interest Earnings	200,000
Utility I & S Fund	
Interest Earnings	500,000

Reimbursement from SEDC	500,714
Use of Retained Earnings	<u>12,900,656</u>
<b>Total Other Revenue Sources</b>	<u>295,597,245</u>
<b>TOTAL REVENUE</b>	<u>373,808,406</u>

**Expenditures by Department:**

Utility Billing	743,283
Utility Administration	732,280
Administrative Services	2,154,498
Electric Distribution	29,052,114
Utility Services	2,150,118
Capital Projects/Engineering Department	1,344,916
Water Plant	7,373,554
Water/Sewer Maintenance	7,647,542
Utility Engineering	740,600
Geronimo Creek WWTP	569,650
Walnut Branch WWTP	1,730,372
Economic Development	710,818
Facilities	1,504,839
Information Technologies	2,150,255
City Attorney	411,759
Stormwater Drainage Utility Fund	1,180,496
Non-Departmental	1,337,222
Indirect Cost Allocation	<u>7,000,000</u>

**Total Expenditures** 68,534,316

**Other Expenditures:**

Utility Fund Capital Projects	3,933,980
2014 Utility Revenue Bond Fund	30
2017 Utility Revenue Bond Fund	895,667
2018 Utility Revenue Bond Fund	1,224,538
2020 Utility Revenue Bond Fund	2,188,944
2022 Certificates of Obligation-Utility portion	11,465,760
2022A Certificates of Obligation-Utility portion	32,313,909
2024 Certificates of Obligation-Utility portion	58,397,305
2025 Certificates of Obligation-Utility portion	60,000,000
Texas Water Development Board Bond Fund	100,000,000
Wholesale Power Savings Fund	1,045,700
Hydroelectric Subordination Payment	130,277
Emergency Fund	10,000
Utility I & S Fund	<u>26,023,294</u>

**Total Other Expenditures** 297,629,404

**Subtotal Expenditures** 366,163,720

**Transfers to Retained Earnings**

Utility Fund Capital Projects	501,045
Stormwater Drainage Utility Fund	53,604
Water Impact Fund	139,528
Sewer Impact Fund	1,036,412

Rate Stabilization Fund-Electric	30,000
Rate Stabilization Fund-Water	1,354,406
Rate Stabilization Fund-Sewer	4,239,591
Emergency Fund	90,100
Utility Reserve Fund	<u>200,000</u>
<b>Total Transfers to Retained Earnings</b>	<u>7,644,686</u>
<b>TOTAL EXPENDITURES</b>	<u>373,808,406</u>

SECTION 3. This ordinance shall take effect on the First day of October, 2025.

PASSED ON FIRST READING on the 2<sup>nd</sup> day of September, 2025.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS on this 16<sup>th</sup> day of September, 2025.

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Donna Dodgen, Mayor

ATTEST:

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Kristin Mueller, City Secretary