



## AGENDA ITEM SUMMARY

<b>Agenda Date</b>	AUGUST 26, 2025
<b>Requested Action</b>	APPROVE ON FIRST READING ORDINANCE NO. 2025-17; AN ORDINANCE ESTABLISHING THE RATE CLASSIFICATIONS AND RATES TO BE CHARGED FOR ELECTRIC SERVICE PROVIDED BY THE CITY OF BOERNE UTILITIES, AND REPEALING AND REPLACING ORDINANCE NO. 2014-26 DATED JULY 8, 2014, AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH. <i>(Establishing Electric rates)</i>
<b>Contact Person</b>	Sarah Buckelew, Finance Director
<b>Background Information</b>	<p>During fiscal year 2025, a comprehensive rate study was conducted on the Electric utility.</p> <p><b>The objectives of the study were:</b></p> <ol style="list-style-type: none"><li>1. To ensure rate revenues are adequate to meet rising operating costs, including wholesale electric purchases.</li><li>2. Fund capital improvements proposed over the next several years (FY 2025- 2029).</li><li>3. Ensure utility financial policies are met, including adequate debt service coverage ratios and fund balances.</li></ol> <p>This agenda item brings forward for consideration an ordinance that sets electric rates that would be adequate to meet costs in Fiscal Year 2026. If adopted, the rates would be effective October 1, 2025.</p>
<b>Strategic Alignment</b>	<p>C1 – Quality Customer Experiences</p> <p>F1 - Committing to Strategic, responsible, and conservative financial management</p> <p>F2 – Investing in and maintaining high-quality infrastructure systems and public assets</p> <p>B1 – Utilizing data to drive smart decision making</p>
<b>Financial Considerations</b>	The electric rates proposed are included in the attached ordinance and will be discussed in detail during this agenda item presentation.

<b>Citizen Input/Board Review</b>	N/A
<b>Legal Review</b>	LEGAL HAS REVIEWED THIS ORDINANCE
<b>Alternative Options</b>	N/A
<b>Supporting Documents</b>	Ordinance No. 2025-17