Weatherford Municipal Utility Board

AGENDA REPORT

Meeting Date:	April 30, 2026	**Staff Contact:**	Ashley Esquivel, Budget Manager
Item Number:	2026-820-AR	**Phone:**	817-598-4222

SUBJECT: Consider and/or act upon approval of Resolution R2026-05 amending the FY26 Adopted Utility Budget.

BACKGROUND/DISCUSSION

The FY26 adopted budget functions as the Utility Board's primary financial planning instrument, authorizing funding for approved policies and programs. While based on thorough analysis and projections, the budget occasionally requires adjustments to address emerging needs and maintain optimal fund balances.
Staff has identified that the Electric Rate Stabilization Fund is approaching its maximum target threshold. To maintain compliance with fund policies, a reallocation is necessary.

Staff recommends a budget modification to transfer $7.0 million from the Electric Rate Stabilization Fund to the Electric Capital Reserve. This reallocation will prevent the Rate Stabilization Fund from exceeding its maximum target limits while strengthening the capital reserve position. This reallocation is permitted under the Electric Rate Stabilization Fund Policy (adopted October 2023), which grants the Municipal Utility Board authority to redirect funds as needed.

New requests include:

- $1,504,000 Lake Weatherford Trail, Phase I
- $57,710 replacement of totaled unit # 2356, which is offset by savings from vehicle replacement ($68,576)
- $68,251 for legal proceeding costs

A complete summary of the proposed Budget Amendments per fund and object code are identified in the "2nd Quarter Utility Budget Status Report".

FINANCIAL IMPACT

If approved, the recommended budget amendment would result in an increase in budgeted expenditures of approximately $8,561,385 to the Utility Fund, all of which are funded through the use of rate revenues.

SUGGESTED ACTION

Staff recommends approval of Resolution R2026-05 adopting an amended budget for the fiscal year ending September 30, 2026.

ATTACHMENTS

- 2nd Quarter Budget Status Report
- R2026-05