

STATE OF TEXAS §

April 11, 2025

COUNTY OF GRAYSON §

**BE IT REMEMBERED THAT A** Called Meeting of the Sherman City Council was begun and held in the City Council Chambers on April 11, 2025.

**COUNCIL MEMBERS PRESENT:** Mayor Shawn Teamann; Deputy Mayor Justin Dobbs. Council Members Barnett, Holland, Howeth, Marroquin, Stevenson.

**COUNCIL MEMBERS ABSENT:** None.

**CITY STAFF PRESENT:** Dr. Zachary Flores, Acting City Manager; Clint Philpott, Assistant City Manager; Ryan Pittman, Attorney, Abernathy, Roeder, Boyd, Hullett; Rob Rae, Director of Development Services; Wayne Lee, Director of Engineering; Jason Jeffcoat, Police Chief; Wes Trisler, Executive Director of Operations; Leah Roberts, Executive Director of Administration; Justin Eastwood, Parks and Recreation Director; Eric Sandberg, Public Works Director; Mary Lawrence, Chief Financial Officer; Billy Hartsfield, Fire Chief; Jana Walker, Controller; Nathan Whiddon, Wastewater Superintendent; Shawn Hackworth, IT Manager; Nate Strauch, Community and Support Services Manager; Sean Hemperley, Grounds and Cemetery Maintenance Superintendent; Brian Stevens, Facilities Manager; Jim Cross, Water Systems Manager; Theresa Hutchinson, Parks and Recreation Manager; Sarah McRae, Tourism and Main Street Manager; Lauren Marlow, Development Services Planning Technician; Travis Overturf, Civil Engineer; Leigh Ann Della Rosa, Parks and Recreation Administrative Specialist; Tasheena Taylor, Administrative Assistant; Moises Duran, Emergency Management Coordinator; Brett LaBarge, IT Assistant Manager; Trevor Deaton, IT Support Tech; Teri Fine, Assistant to the City Manager; Linda Ashby, City Clerk.

**PURPOSE:** Call to Order, Quorum Determined, Meeting Declared Open

Pledge of Allegiance and Invocation by Mayor Shawn Teamann

Citizen Comments

Financial Update and Council Input for 2025-2026 Budget Year

Council Comments

Executive Session

In Accordance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, the City Council may hold an Executive Session if the discussion of any of the items identified in this agenda, or any of the items identified below, concern one or more of the following:

COUNCIL MINUTES – APRIL 11, 2025

TEX. GOV'T CODE § 551.071 --

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TEX. GOV'T CODE § 551.087 –

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Open Meeting

Adjournment

**CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**

Mayor Teamann called the meeting to order at 11:03 a.m., declared a quorum present, and opened the Called City Council Meeting.

**COUNCIL MINUTES – APRIL 11, 2025**

**PLEDGE OF ALLEGIANCE AND INVOCATION BY MAYOR SHAWN TEAMANN**

City Council Members took a lunch break from 11:05 a.m. to 11:13 a.m.

**CITIZEN COMMENTS**

There were no citizen's comments.

**FINANCIAL UPDATE AND COUNCIL INPUT FOR 2025-2026 BUDGET YEAR**

Dr. Zachary Flores, Acting City Manager, said the staff wanted to give the Council a look at "where we've been," "where we're at," and get Council direction on "where you want us to go."

Mary Lawrence, Chief Financial Officer, presented a Financial Update for FY 2024, which had ending reserves of about \$900,000 above FY 2023, and with 111 days of reserves in the General Fund. Sales tax for FY 2024 was about \$1.2 million below budget, with about half of that being due to Texas Instruments not making a sales tax payment one month, and another month they "clawed back" about \$250,000.

In the Utility Fund, the City has been building reserves, as planned. Ending reserves for FY 2024 were up \$1.5 million from FY 2023, at 101 days. In the Solid Waste Fund, FY 2024 ending reserves were down about \$270,000, and there was about 60 days.

For FY 2025, the projected reserves for the General Fund are estimated at \$19.9 million. The decrease in the reserves is because of the plan to transfer out to the contingency fund. The transfer out to the Risk Contingency Fund can always be adjusted. Revenue from property tax is also below projected.

For FY 2025, the projected reserves for the Utility Fund are estimated at \$15.8 million, about \$2.2 million above the FY 2025 adjusted budget. Both Texas Instruments and GlobalWafers are ramping up and are currently over one-third of the City's revenue, and will eventually be about half of the City's revenue. She added that a small change in their consumption, really swings the revenue. She said about 36% of the City's water and sewer are coming from those two users. Ms. Lawrence said, in the Utility Fund, they are currently estimating that the reserves and revenues will be above the budget.

In the Solid Waste Fund, the commercial solid waste continues to perform well, and the revenues are up because of commercial solid waste. However, this does increase the disposal fee. She does expect the reserves will increase from 60 days to 63 days. There was a 5% increase on commercial rates in 2025, and an increase in the cart charge on the residential side.

She outlined revenues and expenditures for each fund. In the General Fund, in FY 2024, property tax revenue was at \$14.5 million, and is projected to be about \$24.4 million in FY 2025. That is the effect of Texas Instruments and GlobalWafers value coming on the City's tax roll. She said it wouldn't increase \$10 million every year. A portion of the property tax and sales tax from Texas Instruments and GlobalWafers is transferring into the Risk Contingency Fund. There are some concerns in future years with the Utility Fund, and the General Fund may have to help the Utility Fund out.

Ms. Lawrence discussed the property tax growth and compared the property tax rates with similar sized cities, as well as the property tax estimated assessed values. Sales tax history increased, and she looked at the increase with and without the three large projects at Finisar, Texas Instruments, and GlobalWafers. Dr. Flores said sales tax "is not getting worse, it's just flat." Ms. Lawrence said it was expected and the staff knew the sales tax was temporary. She added that they will also ask for some of it back.

## COUNCIL MINUTES – APRIL 11, 2025

Sales tax rates in Sherman include the 1% regular sales tax from the State, 0.5% sales tax in lieu of property tax, 0.375% for streets, and 0.125% for the Sherman Economic Development Corporation, for a 2% total City sales tax. The 10-year annual growth rate is 6%.

In the Utility Fund, the effect of the rate increase can be seen in the revenues. Most of the rate increase is due to Texas Instruments and GlobalWafers, About \$12 million of the \$16 million increase in 2024 to 2025, is from Texas Instruments and GlobalWafers. The staff isn't sure what their normal consumption will be, however the rate consultant is preparing another Rate Study to make sure the rates are still sufficient to cover expenses for next year and the ongoing developer plan. Dr. Flores reminded Council Members that one day in reserves in the Utility Fund is equal to \$110,000.

As for water and sewer revenue, Ms. Lawrence said 60% of the water revenue increase and 85% of the sewer revenue increase from 2024 to 2025 is from Texas Instruments and GlobalWafers.

In the Solid Waste Fund, most of the projected revenue increase for FY 2025 is from commercial service, partly due to the 5% rate increase, and residential due to the cart fee increase from \$12.75 to \$15.30. The landfill fee has increased 30%, since January 1, 2023. Even after last years solid waste increase for residential service, the City of Sherman is still about half of the cost of the other peer cities. Every 1% increase in the residential fee is about \$27,000. The Texoma Area Solid Waste Authority distribution of \$1.1 million this year, would be equal to residents experiencing a 4% increase in residential fees. The commercial service subsidizes the residential service by about \$1.2 million annually. The residential service only pays for about half the cost of its operations.

Dr. Flores discussed the expenses of the solid waste service, including employees, fleet, and fleet repairs, and emphasized how expensive it is to maintain and repair the solid waste fleet. The cost of running the solid waste service is increasing at a rate that the commercial and the TASWA distribution can't cover. They didn't plan to recommend anything this year, but said they couldn't continue to operate the way they are operating. The cost of the growth is more than what the TASWA distribution and the rate can sustain. He said the costs "wouldn't be sustainable, somewhere down the road."

Ms. Lawrence said every year the staff reviews the group health claims history, and since 2018, the City has added 200 employees, which has increased the cost. Reserves held in the other fund are also reserves for this fund and can be transferred in, if needed. A large balance is not held in this fund.

In 2021, Ms. Lawrence said the worker's compensation claims were quite high. At that time a safety committee was formed and has made a big difference in the claims and the premiums have gone down. Leah Roberts, Executive Director of Administration, said the biggest proponent to making this happen was the return to work program. In the past, when an employee went on worker's comp, they just stayed off, even if they were able to have modified duty. Now, if they are eligible for light or modified duty, other departments can use them for those types of jobs. This is definitely an incentive to return to work.

Ms. Lawrence presented a brief look at the Capital Improvement Program too, however a CIP Council Meeting will be held soon to go into more depth about the projects. She presented a list of the proposed projects and their funding source.

She also presented a list of outstanding tax supported debt, by issue, including the interest, principal, annual debt service, and final maturity. A proposed project list through 2030 was also presented as a planning tool.

## COUNCIL MINUTES – APRIL 11, 2025

Planned projects were also listed for the 2025 Certificates of Obligation, which will be issued in the next couple of weeks. She showed various charts of how the debt service would be divided and what types of projects would be scheduled.

Mayor Teamann said the citizens have indicated they want more emphasis on streets, downtown, and things that make an impact on their lives. He added that the City also has obligations they have entered into and facilities that must be maintained. Dr. Flores said there will be an opportunity at the end for Council direction on things they want to include in the budget.

As for the Utility Fund, Ms. Lawrence discussed the outstanding Greater Texoma Utility Authority debt, and the five-year project list. Some of the projects are dependent on volume and consumption, and will be scheduled when additional volume is needed. They also look at engineering costs one year and construction costs in a later year's budget, when possible.

"The Plan" has been in effect for about a year, but some changes have been made, as needed. One huge adjustment was when Texas Instruments said their volume would be about 40% less than they originally said. A new rate plan that addressed the shortfall was adopted and Texas Instruments moved their second phase out by about two years.

Currently there is \$6.5 million in impact fees that has been accumulated to date, that can help pay these fees. The Sherman Economic Development Corporation has also committed \$11 million in project funds for Progress and Interurban, and there are transfers between funds and the Risk Contingency Fund. There are also significant interest earnings on bond funds, and some unused bond proceeds to pay the debt service.

Ms. Lawrence said 2027 would be the most challenging year. The plan also assumes that Texas Instruments' second phase will start in 2028, with no additional phases. It also assumes there will be no other phases for GlobalWafers either. Most of the Utility Fund projects are driven by industrial needs.

Ms. Lawrence presented a list of challenges in both the General Fund, for FY 2026 through FY 2030, and the Utility Fund for FY 2026 through FY 2029.

Dr. Flores said they didn't expect to change the tax rate; Council could decide to do something with the Solid Waste Fund, but he didn't feel "we were there yet"; and they had discussed the General Fund, the Utility Fund, and the Solid Waste Fund. From past discussions, he said the Council has asked for emphasis on streets, downtown, and facilities. He asked for any other specific direction that the Council would like the staff to look at.

Council Members indicated their areas of concern for the budget:

- Texoma Area Solid Waste Agency, community-wide collaborations to lower costs, streets, parks, quality of life, downtown, facilities, take care of what we have (Mayor Teamann)
- Public safety needs, fire and police personnel (Council Member Holland)
- Streets, parks, downtown, quality of life (Deputy Mayor Dobbs)
- Quality of neighborhoods (Council Member Barnett)
- Marketing aspect to improvements, strategic where money is spent, streets, parks, downtown (Council Member Stevenson)

## **COUNCIL MINUTES – APRIL 11, 2025**

- Older streets, downtown parking, more downtown “labeled” parking, downtown signage, trash on east side of Sherman (Council Member Howeth)
- Streets, parks, downtown, shopping center on east side of Sherman, small market on east side, trash, demolition of old houses, parking on the grass (Council Member Marroquin)

Dr. Flores added that many items were “quality of life” items and compliance with ordinances, and enhancing what the City is already doing.

Deputy Mayor Dobbs suggested that the Mayor provide marketing updates on video to tell citizens what’s being done, and help keep the public informed. Mayor Teamann said he would also like to see projects started and finished. He said there still needs to be a plan, but there are also projects that can be completed now.

### **COUNCIL COMMENTS**

- April 12, 2025, at 4:00 p.m. is the grand opening of Pecan Grove Park East. (Pam Howeth)
- Sherman is “on the cusp” of real opportunities and he is looking forward to it. (Clay Barnett)
- Urged the staff to push the pink trash cans. (Daron Holland)
- Adaptive swimming for children is being offered by the Parks and Recreation Department this year. (Pam Howeth)

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COUNCIL MINUTES – APRIL 11, 2025

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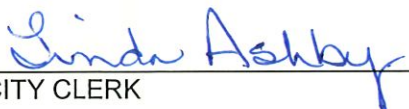
No Executive Session was needed.

**ADJOURNMENT**

There being no further business to come before the City Council, motion was duly made and approved to adjourn the Called Meeting at 12:48 p.m.

  
\_\_\_\_\_  
MAYOR

ATTEST

  
\_\_\_\_\_  
CITY CLERK

# Financial Update - Operations



# Financial Update Summary – FY2024 Operations

## General Fund

- FY2024 ending reserves \$900k above FY2023
- 111 days at 9/30/24

## Utility Fund

- FY2024 ending reserves up \$1.5 million from FY2023
- 101 days at 9/30/24

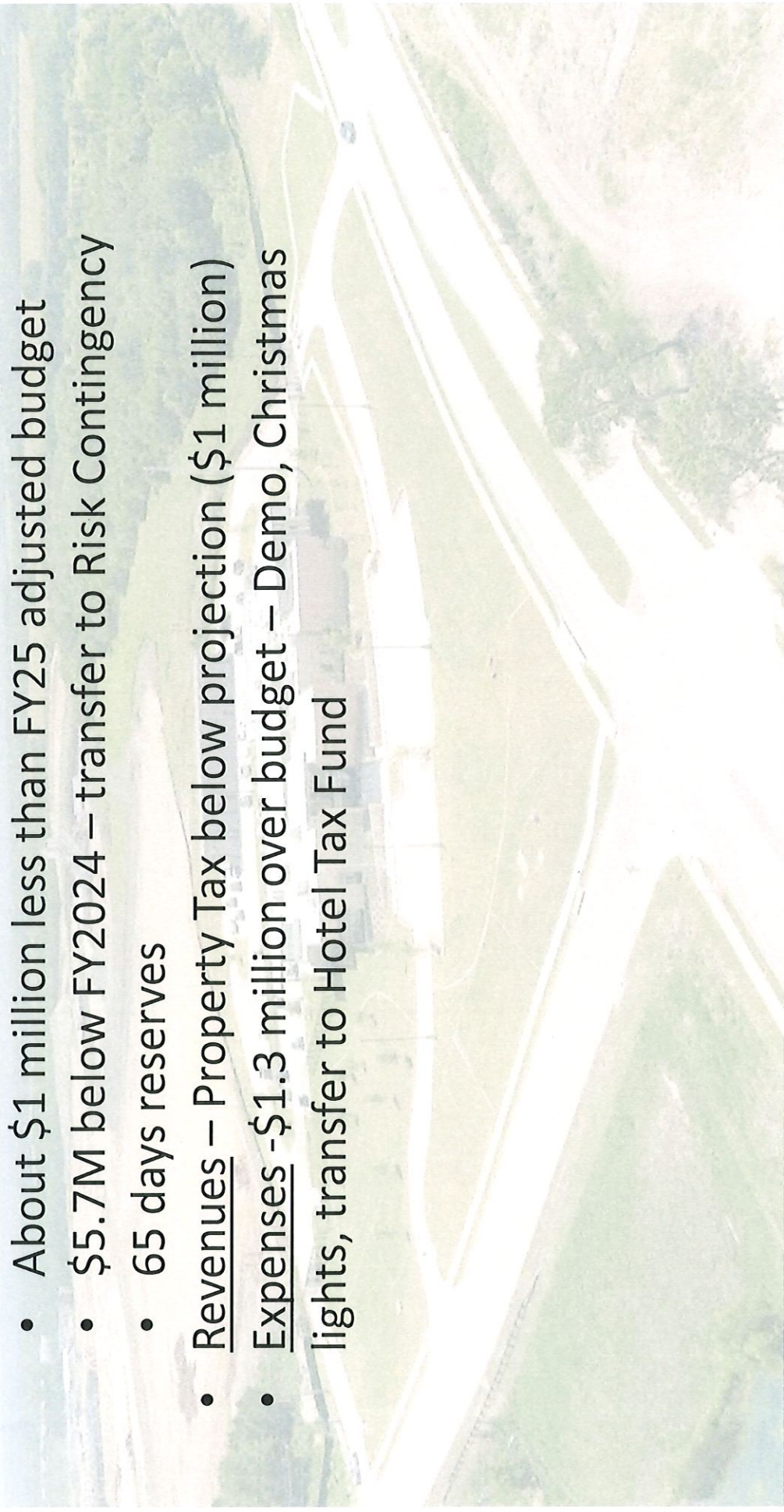
## Solid Waste Fund

- FY2024 ending reserves down about 270k
- 60 days at 9/30/24

# Financial Update Summary – FY 2025 Operations and Reserves

## General Fund

- Projected Reserves – \$19.9 million
  - About \$1 million less than FY25 adjusted budget
  - \$5.7M below FY2024 – transfer to Risk Contingency
  - 65 days reserves
- Revenues – Property Tax below projection (\$1 million)
- Expenses -\$1.3 million over budget – Demo, Christmas lights, transfer to Hotel Tax Fund



# Financial Update Summary – FY 2025 Operations and Reserves (continued)

## Utility Fund

- Projected Reserves - \$15.8 million
- About \$2.2 million above FY2025 adjusted budget
- \$7 million above FY2024
- 138 days reserves
- Revenues - \$1.4 million over budget
- Expenses - about budget

## Solid Waste Fund

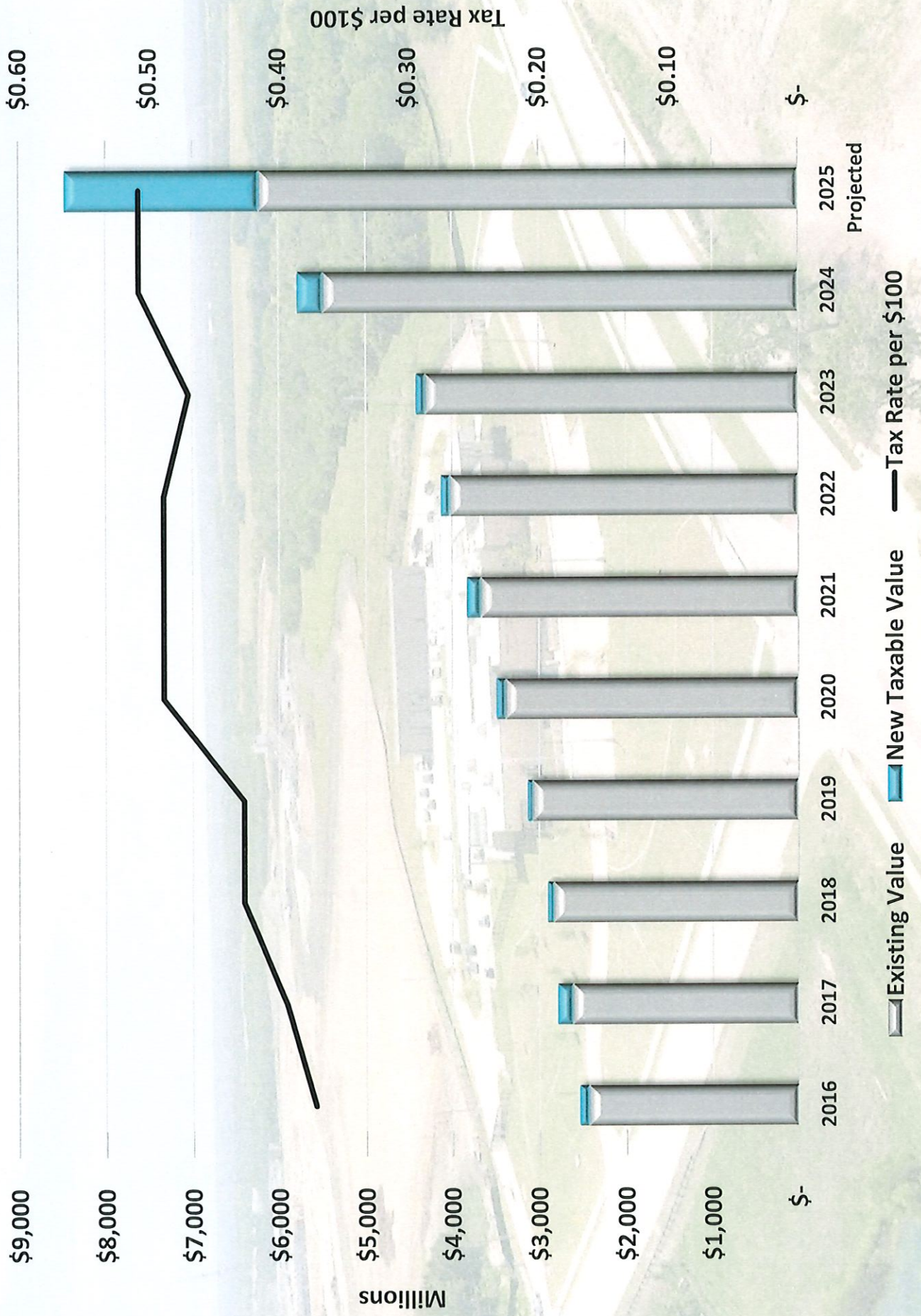
- Projected Reserves - \$2.0 million
- Ending reserves about budget
- \$273,000 more than FY2024 – rate increase
- 63 days reserves
- Revenues - CSW by \$500k
- Expenses - disposal fees \$260k; Front-load, net \$370k

**City of Sherman  
GENERAL FUND**

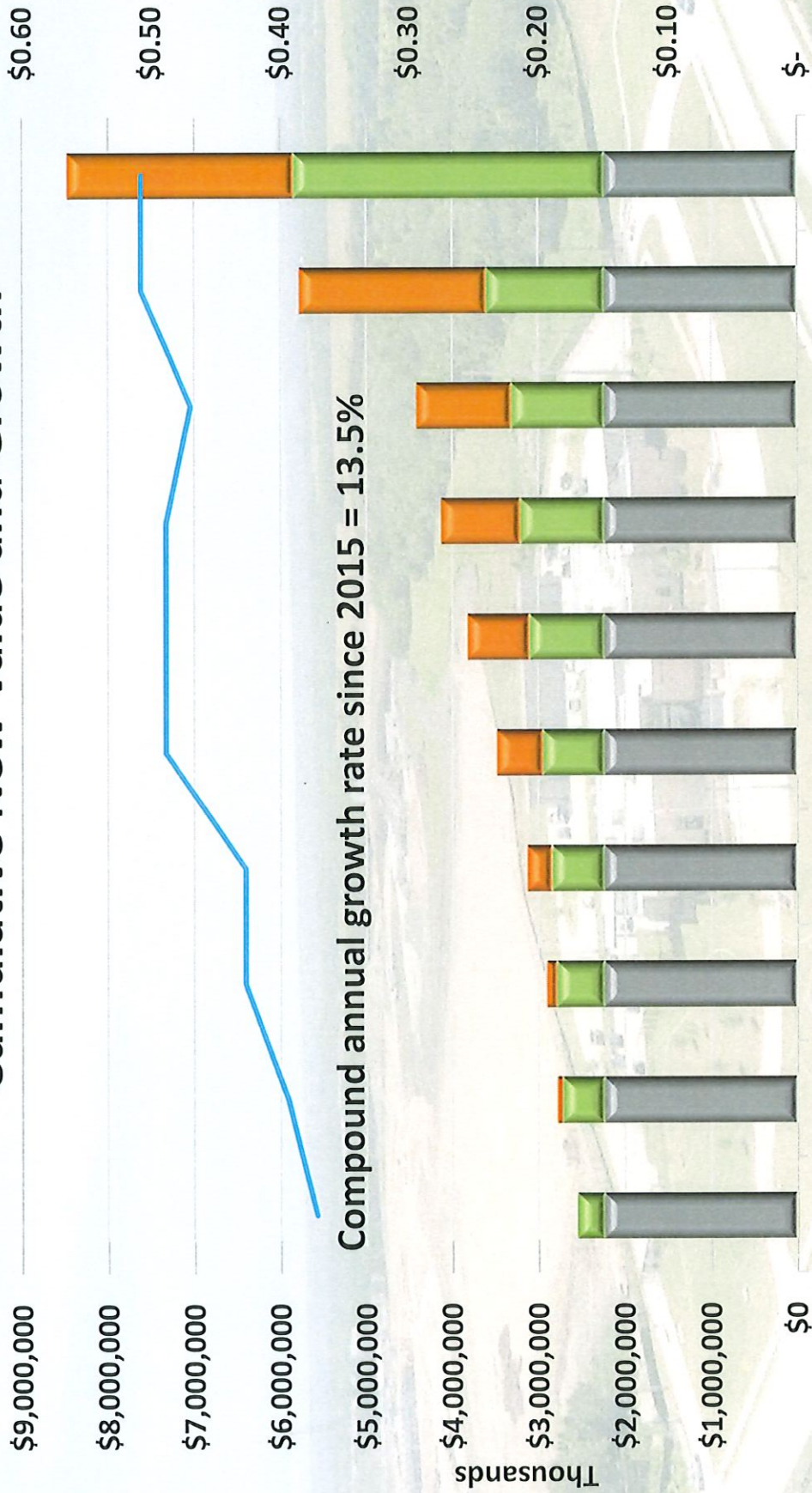
	Actual 2023-2024	Adjusted Budget 2024-2025	Projected 2024-2025
<b>Beginning Fund Balance</b>	\$ 18,664,620	\$ 18,209,890	\$ 19,556,119
<b>Revenues</b>			
Property Tax	14,513,257	25,484,400	24,380,000
Sales Tax	30,010,369	28,500,000	28,500,000
Franchise Tax	3,120,613	3,081,000	3,113,000
Other Taxes	175,182	178,500	174,100
Fines & Penalties	803,345	663,000	663,000
Recreation	428,188	381,000	381,000
Licenses & Permits	2,924,652	1,087,465	1,087,465
Rentals	5,088	7,450	7,450
Cemetery	226,234	256,100	256,100
Sales & Service	3,321,816	2,357,450	2,357,450
Ambulance Service	2,180,275	1,881,500	1,881,500
Interest Income	824,458	650,000	650,000
Grant Revenue	111,581	63,225	63,225
Intergovernmental	838,202	838,469	838,469
Miscellaneous Revenue	849,671	1,667,265	1,667,265
<b>Total Revenues</b>	<b>60,332,932</b>	<b>67,096,824</b>	<b>66,020,024</b>
Transfers In	5,005,471	6,215,063	6,230,626
<b>Total Revenues and Transfers In</b>	<b>65,338,403</b>	<b>73,311,887</b>	<b>72,250,650</b>
<b>Total Funds Available</b>	<b>84,003,023</b>	<b>91,521,777</b>	<b>91,806,769</b>
<b>Expenditures</b>			
Personnel	41,740,954	44,901,880	44,901,880
Supplies	2,343,592	2,957,856	2,957,856
Repair & Maintenance	3,245,999	2,695,221	2,695,221
Utilities	1,339,613	1,470,010	1,470,010
Information Technology	1,345,455	1,572,450	1,572,450
Services & Charges	7,475,211	8,995,877	9,295,877
Vehicle Usage	3,139,041	2,972,400	2,972,400
Capital Expenses	915,231	939,259	1,139,259
Fleet Services & Charges	1,901,807	1,813,732	1,813,732
Transfers Out	1,000,000	8,300,000	9,100,000
<b>Total Expenditures</b>	<b>64,446,903</b>	<b>76,618,685</b>	<b>77,918,685</b>
<b>Excess Revenues over Expenditures</b>	<b>891,500</b>	<b>(3,306,798)</b>	<b>(5,668,035)</b>
<b>Ending Fund Balance</b>	<b>\$ 19,556,119</b>	<b>\$ 14,903,092</b>	<b>\$ 13,888,084</b>

One day in reserves = \$190,000

# New Value and Growth in Existing Property



# Cumulative New Value and Growth



Base year (FY2011)

Incremental Growth in Value-Existing

Incremental Growth in Value-New

Tax Rate per \$100

# Property Tax Rates of Similarly Sized Cities by Total Tax Rate

Rate

\$0.70

\$0.60

\$0.50

\$0.40

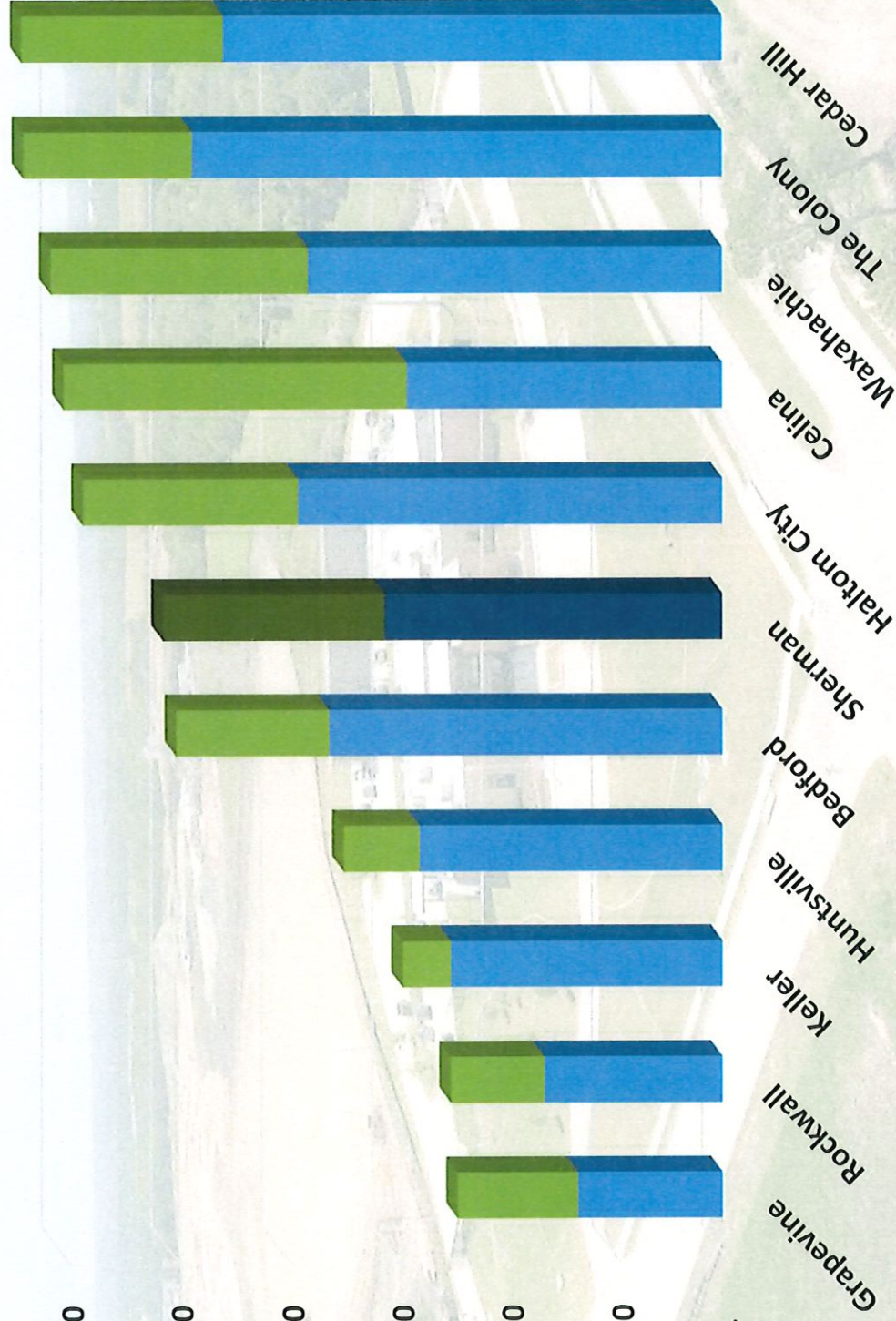
\$0.30

\$0.20

\$0.10

-\$

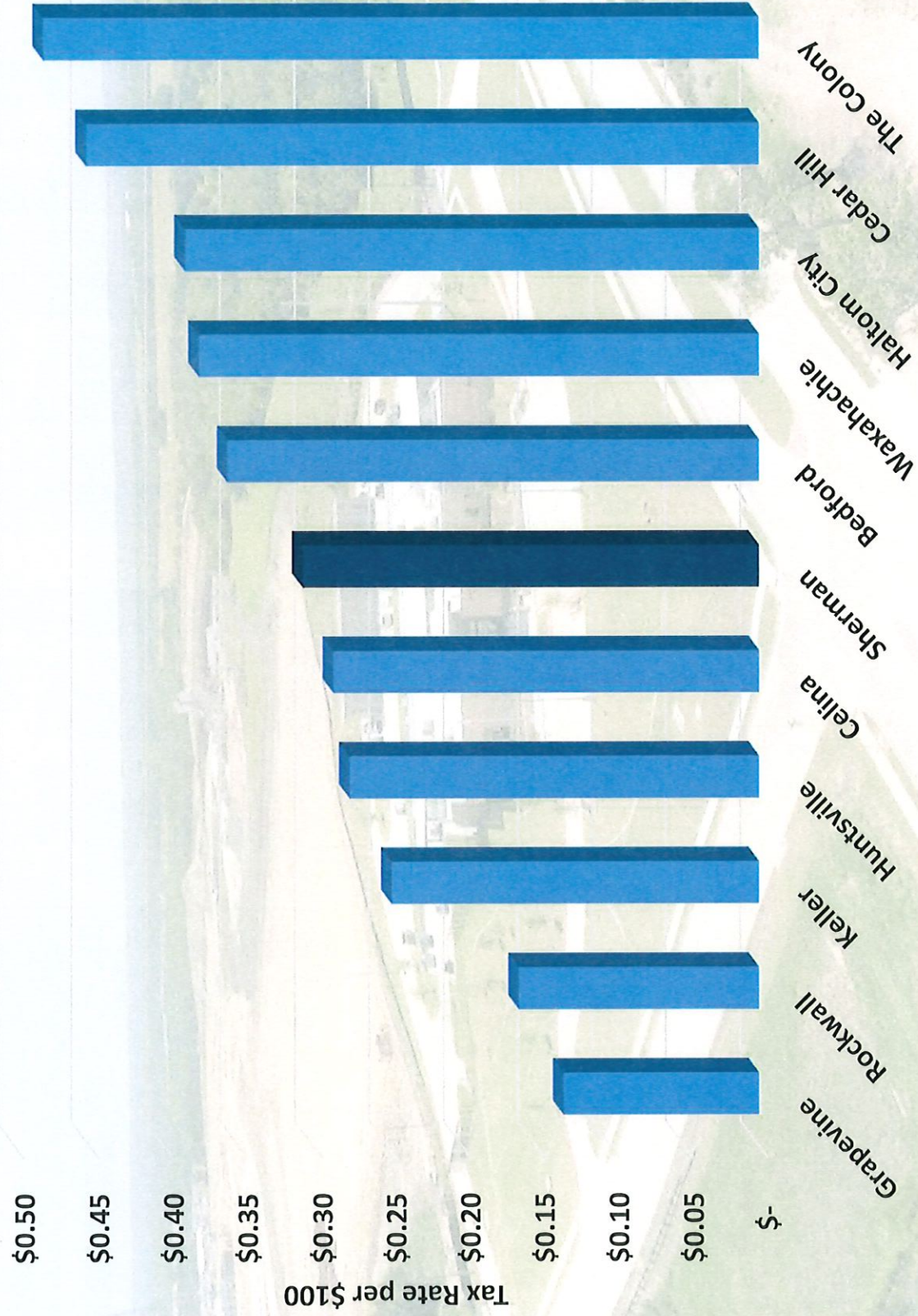
Tax Rate per \$100



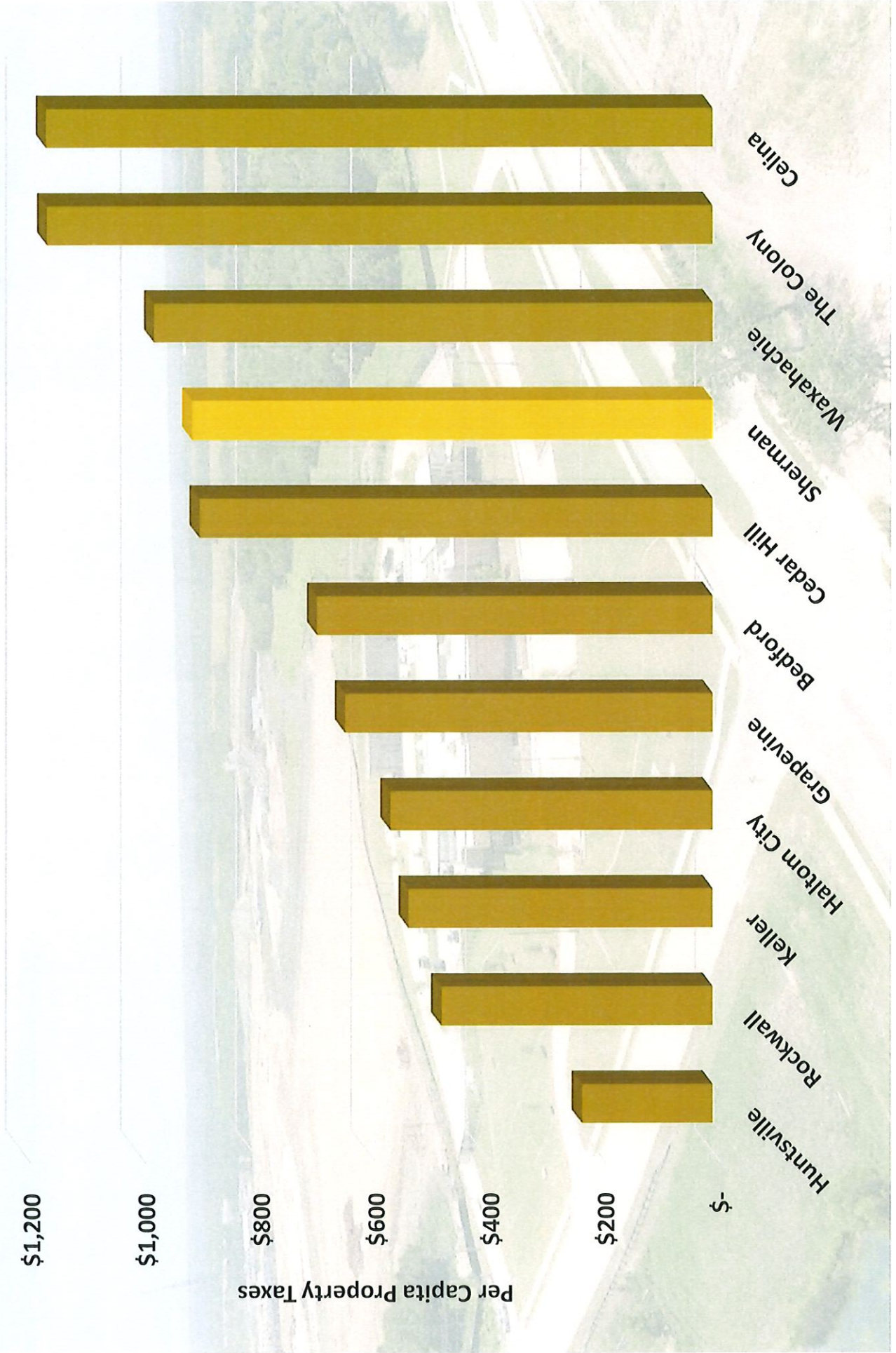
■ M&O RATE ■ I&S RATE

# Property Tax Rates of Similarly Sized Cities by M&O Tax

Rate



# Property Taxes per Capita of Similarly Sized Cities



# Property Tax Assessed Value

	FY2024	FY2025	FY2026 (est)
Beginning Tax Roll	4,918,058,459	5,778,423,011	8,467,325,806
Growth in Beginning Tax Roll Properties	566,700,936	446,909,581	514,789,484
TI - net	125,000,000	1,500,110,643	(232,433,480)
GW - net	-	450,000,000	(262,500,000)
New Value	168,663,617	291,882,571	234,700,000
January 1, Tax Roll for Levy	<u>5,778,423,012</u>	<u>8,467,325,806</u>	<u>8,721,881,810</u>



# Sales Tax History

(excluding Street tax)

\$30,000

\$25,000

\$20,000

\$15,000

\$10,000

\$5,000

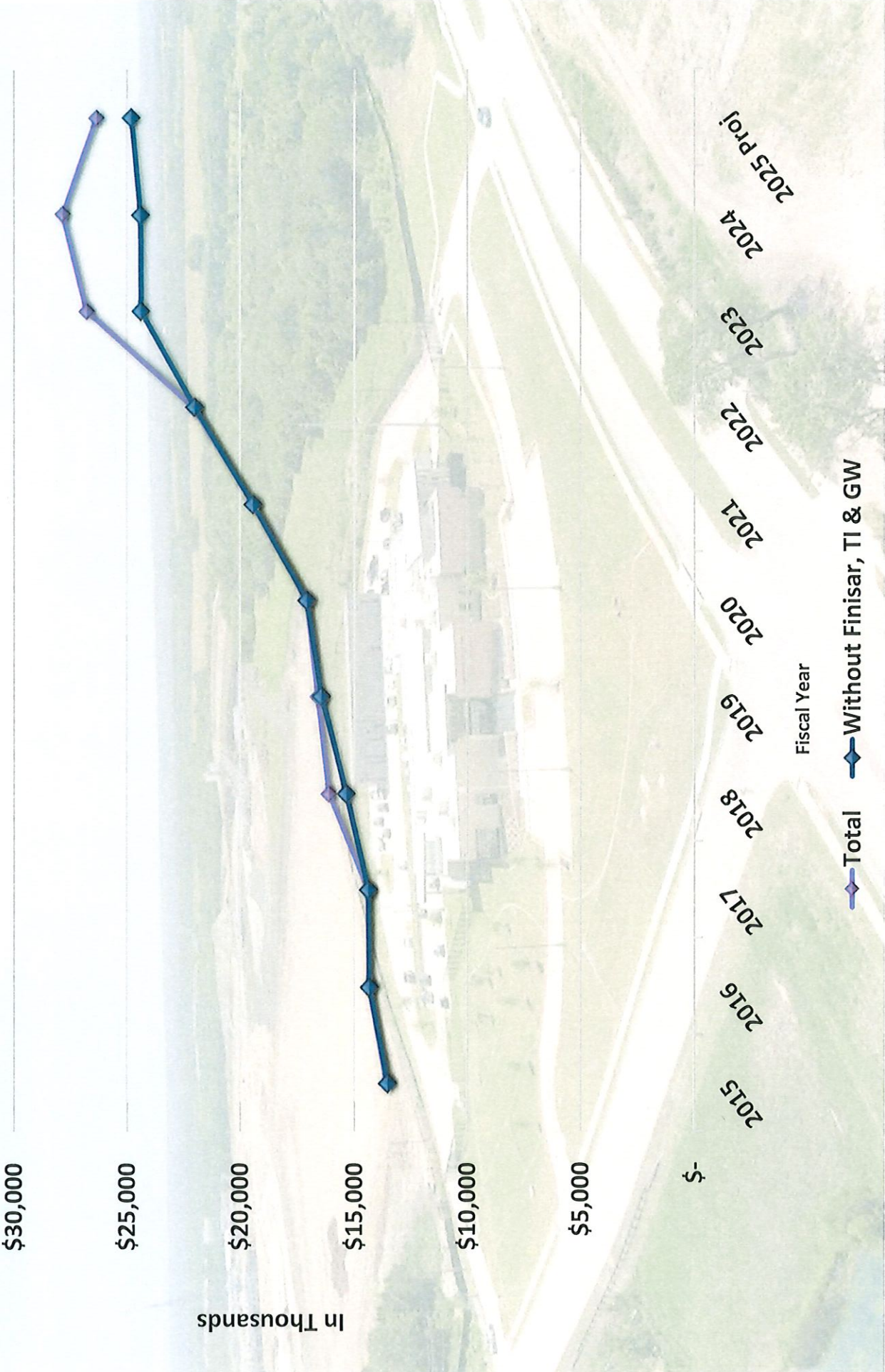
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In Thousands

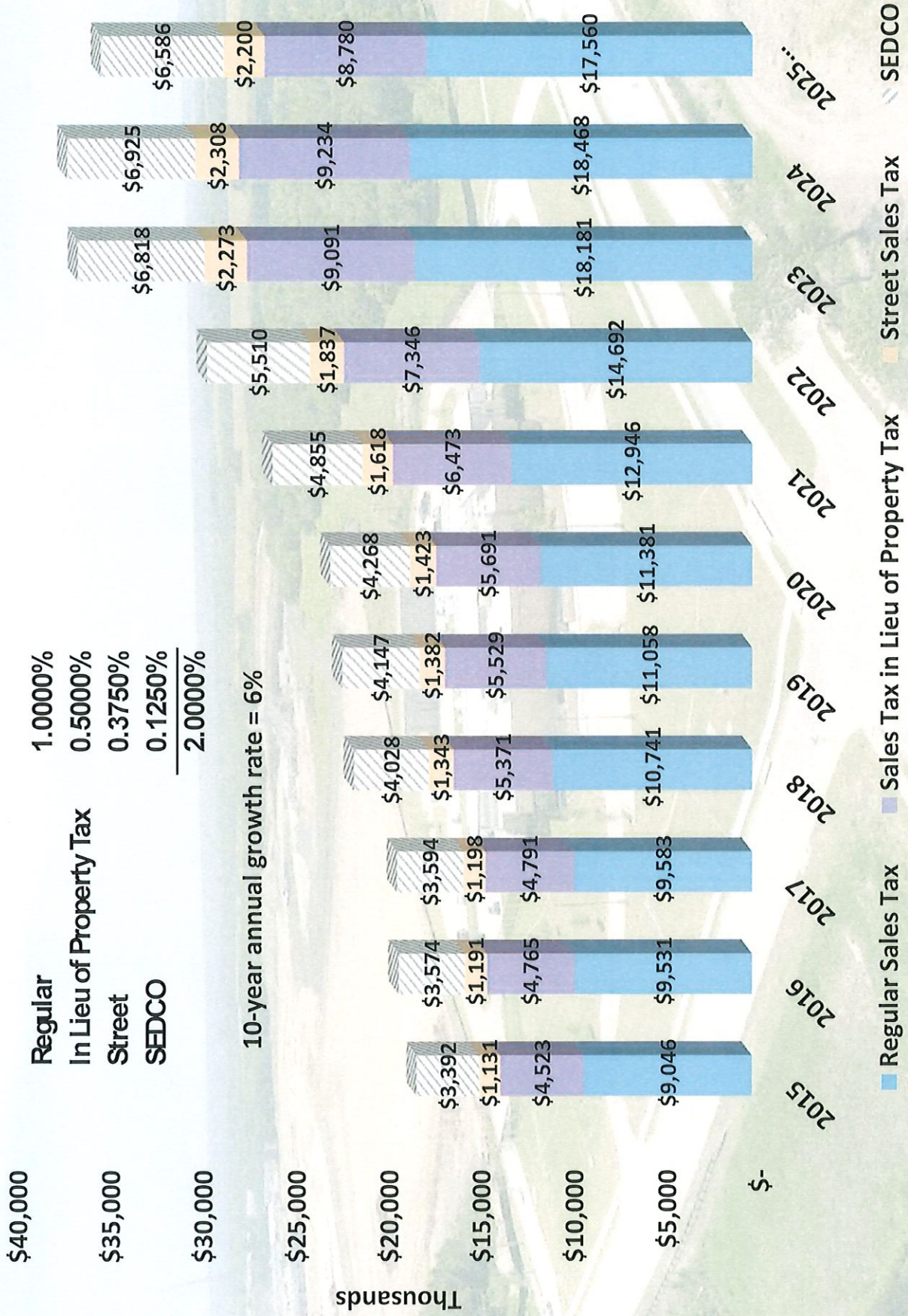
2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 Proj

Fiscal Year

◆ Total ◆ Without Finisar, TI & GW



# Sales Tax



Regular 1.0000%  
 In Lieu of Property Tax 0.5000%  
 Street 0.3750%  
 SEDCO 0.1250%  
 -----  
 2.0000%

10-year annual growth rate = 6%

Thousands

**City of Sherman**  
**UTILITY FUND**  
**2025-2026 Annual Budget**

	Actual 2023-2024	Adjusted Budget 2024-2025	Projected 2024-2025
<b>Beginning Reserve</b>	<b>\$ 7,239,308</b>	<b>\$ 8,498,670</b>	<b>\$ 8,757,341</b>
<b>Revenues</b>			
Water Sales	18,984,415	25,127,330	27,770,000
Sewer Sales	10,823,414	19,441,124	18,240,000
Laboratory	144,067	168,500	168,500
Service Charges & Penalties	609,091	625,000	625,000
Charges for Services	217,140	265,000	265,000
Interest Income	169,716	110,000	110,000
Intergovernmental	410,336	417,870	417,870
Miscellaneous Revenue	142,513	347,600	347,600
Debt Proceeds	-	343,200	343,200
<b>Total Revenues</b>	<b>31,500,691</b>	<b>46,845,624</b>	<b>48,287,170</b>
Transfers In	1,599,042	474,000	474,000
<b>Total Revenues and Transfers In</b>	<b>33,099,734</b>	<b>47,319,624</b>	<b>48,761,170</b>
<b>Total Funds Available</b>	<b>40,339,042</b>	<b>55,818,294</b>	<b>57,518,511</b>
<b>Expenditures</b>			
Personnel	8,314,046	10,357,350	10,357,350
Supplies	2,152,389	3,821,124	3,821,124
Repair & Maintenance	4,562,911	5,214,628	5,214,628
Utilities	2,438,409	2,827,530	2,827,530
Information Technology	376,520	456,690	456,690
Debt Service	7,360,891	10,786,399	10,216,399
Services & Charges	1,721,117	2,644,031	2,644,031
Vehicle Usage	700,843	714,580	714,580
Fleet Services & Charges	187,800	142,547	142,547
Capital Expenses	310,316	709,168	709,168
<b>Total Expenditures</b>	<b>28,125,242</b>	<b>37,674,046</b>	<b>37,104,046</b>
Transfers Out	3,456,458	4,626,074	4,654,569
<b>Total Expenditures and Transfers Out</b>	<b>31,581,700</b>	<b>42,300,120</b>	<b>41,758,615</b>
<b>Excess Revenues over Expenditures</b>	<b>1,518,033</b>	<b>5,019,504</b>	<b>7,002,555</b>
<b>Ending Reserve</b>	<b>\$ 8,757,341</b>	<b>\$ 13,518,174</b>	<b>\$ 15,759,896</b>

**One day in reserves = \$110,000**

# Water and Sewer Revenues



2025  
Projected

**City of Sherman  
SOLID WASTE FUND  
2025-2026 Annual Budget**

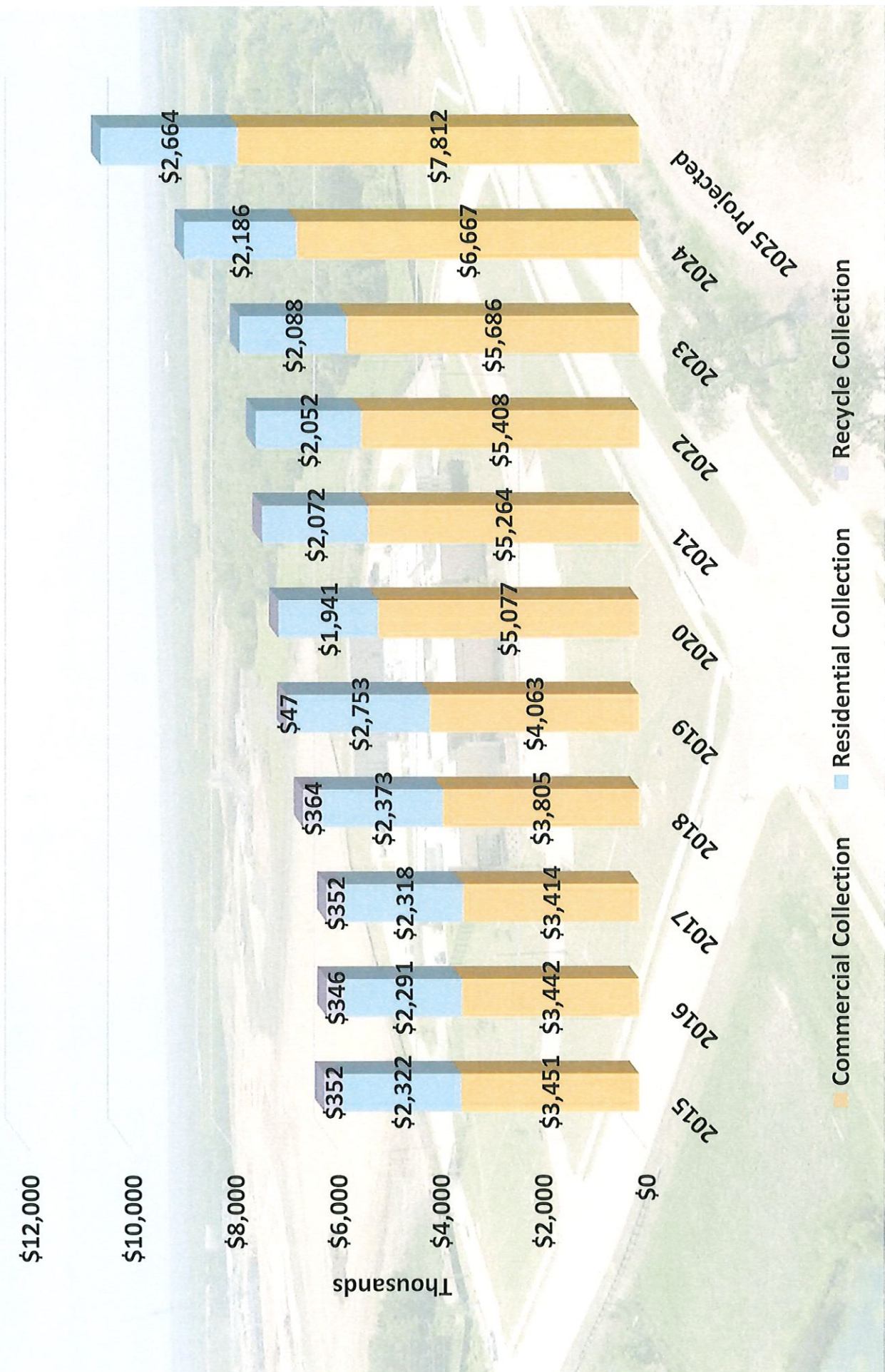
	Actual 2023-2024	Adjusted Budget 2024-2025	Projected 2024-2025
<b>Beginning Fund Balance</b>	<b>\$ 1,949,504</b>	<b>\$ 1,802,171</b>	<b>\$ 1,683,613</b>
<b>Revenues</b>			
Solid Waste Service	8,852,830	10,002,000	10,476,000
Service Charges & Penalties	118,764	125,000	125,000
Interest Income	80,250	63,000	63,000
Miscellaneous Revenue	938,192	875,000	1,110,000
<b>Total Revenues</b>	<b>9,990,035</b>	<b>11,065,000</b>	<b>11,774,000</b>
<b>Total Funds Available</b>	<b>11,939,539</b>	<b>12,867,171</b>	<b>13,457,613</b>
<b>Expenditures</b>			
Personnel	2,406,498	2,626,950	2,626,950
Supplies	508,753	415,353	415,353
Repair & Maintenance	74,187	58,612	58,612
Utilities	66,438	56,710	56,710
Information Technology	105,357	122,960	122,960
Services & Charges	3,437,017	3,504,725	3,754,725
Vehicle Usage	1,876,941	1,889,700	1,889,700
Capital Expenses	101,186	95,725	95,725
Fleet Services & Charges	47,000	40,000	410,000
Transfers Out	1,632,549	2,047,147	2,034,215
<b>Total Expenditures</b>	<b>10,255,926</b>	<b>10,857,883</b>	<b>11,464,951</b>
<b>Excess Revenues over Expenditures</b>	<b>(265,892)</b>	<b>207,117</b>	<b>309,049</b>
<b>Ending Fund Balance</b>	<b>\$ 1,683,613</b>	<b>\$ 2,009,288</b>	<b>\$ 1,992,662</b>

**One day in reserves = \$30,000**

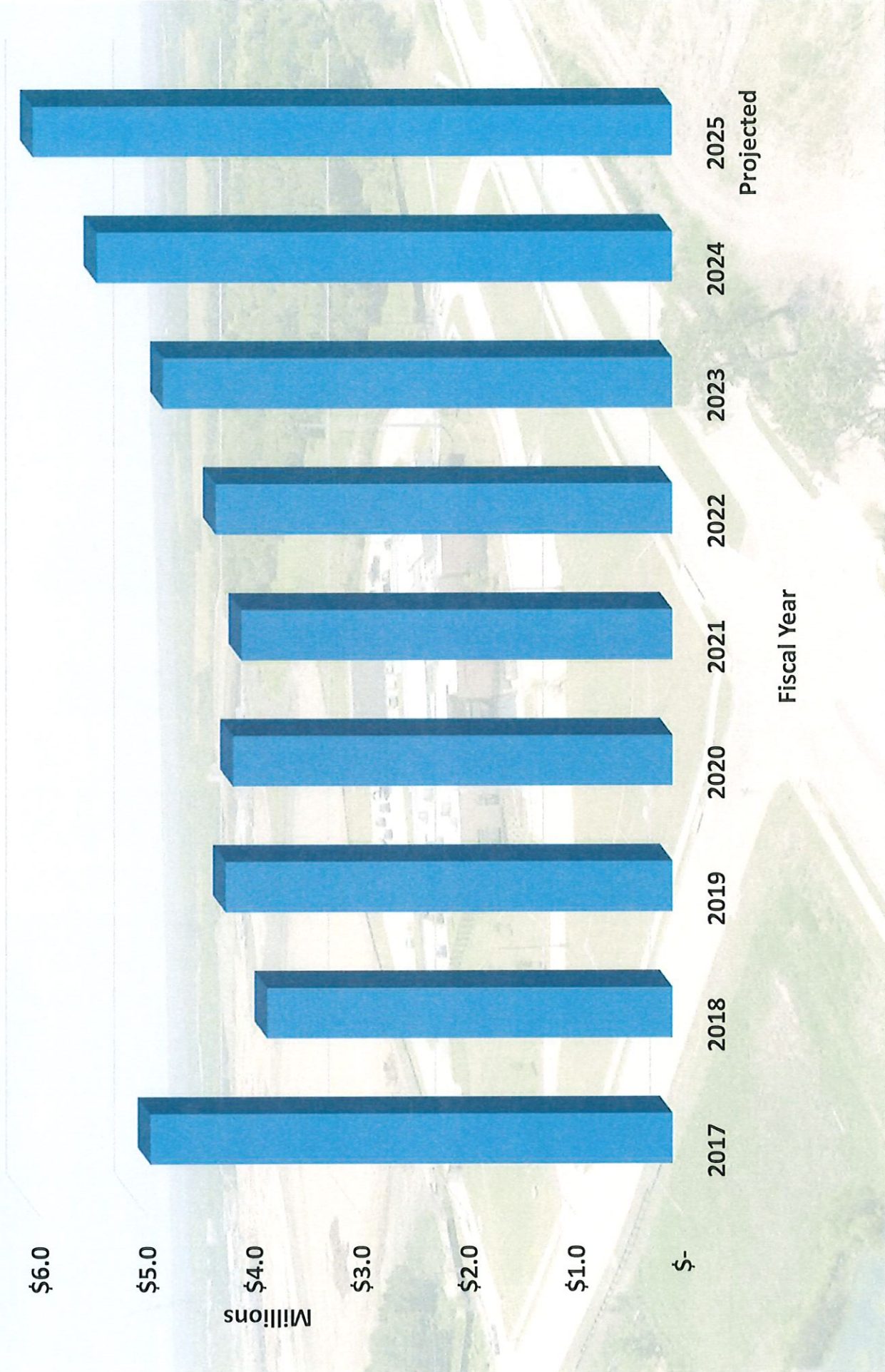
## Residential Solid Waste Information

- RSW rates are half of other peer cities
- Every 1% increase in RSW fee is about \$27,000
- TASWA distribution is equal to a 4% increase in RSW fees
- CSW subsidizes RSW by about \$1.2 million per year
- RSW only pays for about half the cost of its operations
- Costs
  - New RSW truck = \$460k
  - Driver = \$60k/year

# Solid Waste Revenues



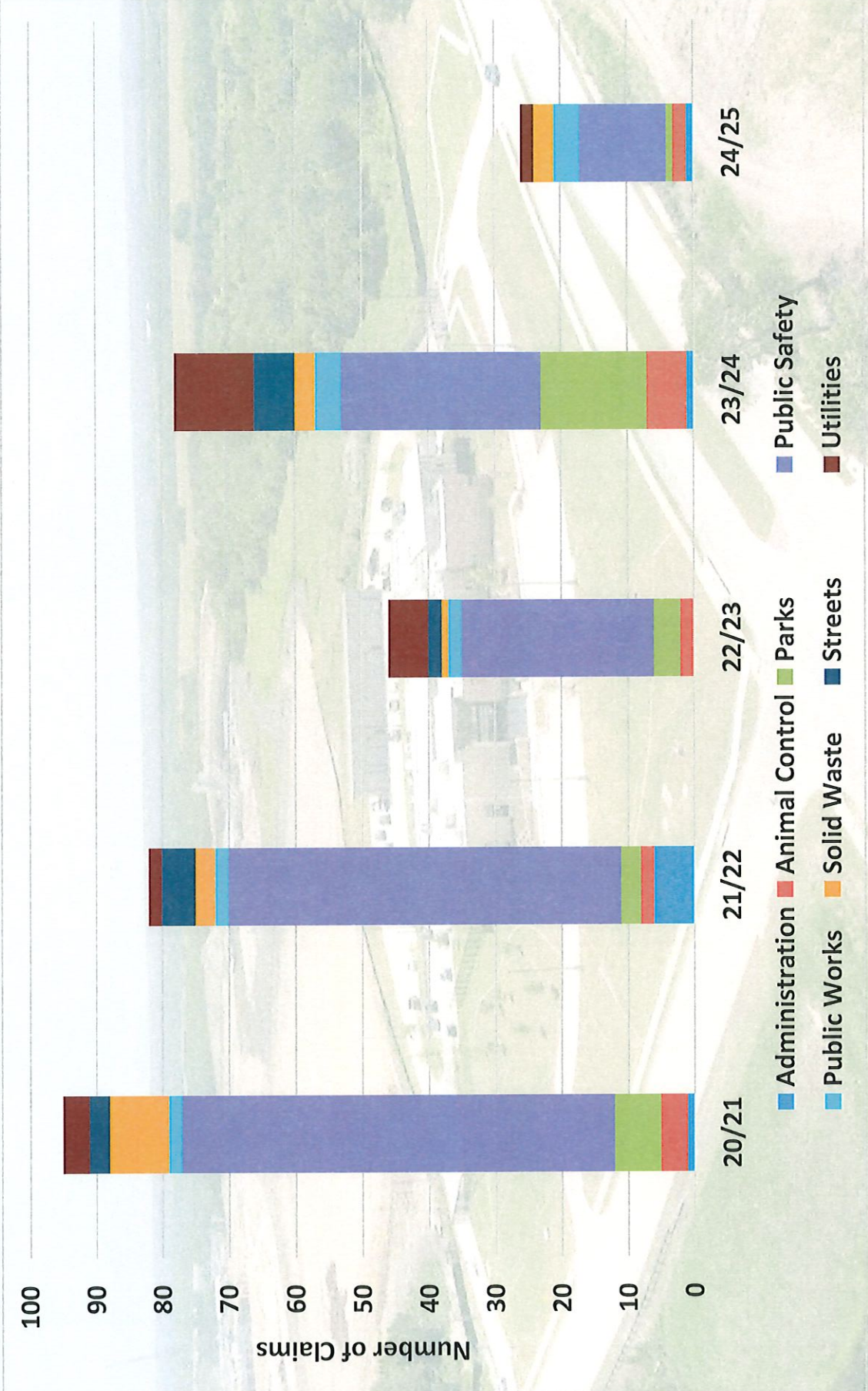
# Group Health Claims History



**City of Sherman  
EMPLOYEE INSURANCE FUND**

	Actual 2023-2024	Budget 2024-2025	Projected 2024-2025
Beginning Fund Balance	\$ 1,364,722	\$ 399,672	\$ 1,408,446
<b>Revenues</b>			
Employer Contributions	5,564,775	5,208,730	5,720,000
Employee Contributions	1,157,763	1,105,000	1,230,000
Retiree Contributions	111,776	110,000	90,000
COBRA Contributions	831	1,000	1,000
Miscellaneous Revenue	58,730	-	-
Interest Income	89,297	30,000	-
Transfers In	-	-	-
<b>Total Revenues</b>	<b>6,983,172</b>	<b>6,454,730</b>	<b>7,041,000</b>
<b>Total Funds Available</b>	<b>8,347,894</b>	<b>6,854,402</b>	<b>8,449,446</b>
<b>Expenditures</b>			
Health Insurance Claims	5,697,861	5,040,000	6,000,000
Administration & Premiums	1,185,389	1,378,000	1,162,520
Life Insurance Premiums	56,198	56,000	90,000
Transfers Out	-	-	-
<b>Total Expenditures</b>	<b>6,939,448</b>	<b>6,474,000</b>	<b>7,252,520</b>
<b>Excess Revenues over Expenditures</b>	<b>43,724</b>	<b>(19,270)</b>	<b>(211,520)</b>
<b>Ending Fund Balance</b>	<b>\$ 1,408,446</b>	<b>\$ 380,402</b>	<b>\$ 1,196,926</b>

# Success Story – Workers Compensation



CIPS



City of Sherman  
GENERAL IMPROVEMENT FUND – City Funds

	Actual 2023-2024	Current Budget	Project-to-Date 3/31/2025
<b>Transportation</b>			
<b>Projects</b>			
(2) Street Material	-	1,944,000	725,864
(1) Austin College Crosswalk Signals	53,583	54,000	53,583
<b>Total</b>	<b>53,583</b>	<b>1,998,000</b>	<b>779,446</b>
<b>Funding Sources</b>			
(1) General Fund transfers		54,000	
(2) Tax Notes		1,944,000	
(3) General CIP Fund 222 transfer		-	
		<b>1,998,000</b>	
<b>Facility Maintenance</b>			
<b>Projects</b>			
(2) Muni Building Interior Stairs	-	24,500	-
(2) Muni Bldg Plumbing	-	145,000	-
(2) Muni Bldg Office Space Remodel	-	80,000	-
(2) Muni Bldg Main Entry Front	-	19,000	18,941
(2) Muni Bldg Hallways	-	27,500	-
(2) Muni Bldg Gutters	-	18,500	-
(2) Muni Bldg Front Entrance Foyer	-	8,500	-
(2) Muni Bldg EMS System	-	45,000	-
(2) Muni Bldg Drop Ceiling	-	3,500	-
(2) Muni Bldg Ballroom (floor, stage)	-	125,000	-
(2) Muni Bldg Auditorium (plaster, balcony,	-	204,500	3,800
(2) Municipal Bldg ADA Approaches	-	75,000	-
(2) Municipal Bldg 3-ton Splits (3)	-	36,000	32,700
(2) Kerr East Exterior Repair	-	10,000	8,000
(2) Animal Shelter Lobby	-	100,000	-
(2) Animal Shelter HVAC	-	20,800	20,800
(2) Columbarium	-	50,000	-
(2) Mausoleum repair	-	200,000	-
(2) Senior Center Renovation	-	300,000	-
<b>Total</b>	<b>-</b>	<b>1,492,800</b>	<b>84,241</b>
<b>Funding Sources</b>			
(1) General Fund transfers			

City of Sherman  
GENERAL IMPROVEMENT FUND – City Funds

	Actual 2023-2024	Current Budget	Project-to-Date 3/31/2025
<b>Public Safety</b>			
<b>Projects</b>			
(2) Handgun replacements	66,637	66,699	66,637
(2) Rifle replacements	161,083	161,727	161,083
(1) Watchguard video evidence platform	-	484,894	513,177
<b>Total</b>	<b>227,720</b>	<b>713,320</b>	<b>740,896</b>
<b>Funding Sources</b>			
(1) General Fund transfers		484,894	
		<u>484,894</u>	
<b>Other</b>			
<b>Projects</b>			
<b>Airport Pavement Maintenance-City</b>			
(1) match	-	382,000	24,405
(1) Energov Implementation	128,763	430,000	289,904
(2) Rubrik Backup Device	128,388	150,000	128,388
(2) IT Storage	90,172	90,172	90,172
(1) Southgate Apartments Purchase	895,652	895,852	895,852
<b>Total</b>	<b>1,242,976</b>	<b>1,948,024</b>	<b>1,428,722</b>
<b>Funding Sources</b>			
(1) General Fund transfers	-	1,707,852	
(2) Tax Notes	-	240,172	
		<u>1,948,024</u>	
<b>Total Expenditures</b>	<b>\$ 1,524,278</b>	<b>\$ 6,152,144</b>	<b>\$ 3,033,305</b>

City of Sherman  
GENERAL IMPROVEMENT FUND – Bond Funds

	Actual 2023-2024	Current Budget	Project-to-Date 3/31/2025
<b>Transportation</b>			
<b>Projects</b>			
Taylor St Extension Eng & ROW/McGee St Ext	\$ 49,541	\$ 2,700,000	\$ 2,693,088
FM 1417 Engineering & ROW - SH 82 to SH 56	62,100	5,450,000	5,448,020
Friendship ROW 56 to Lamberth	40,180	1,400,000	988,098
Bridges-Center/McGee/Travis	2,501	800,000	792,999
TxDOT FM 1417 & W. Travis St. Intersection	19	1,950,000	1,957,463
Flanary Rd and Progress Rd Engineering	3,000	200,000	192,071
Moore Street	706,724	13,000,000	7,563,960
Hilre Drive Extension	33,659	500,000	483,065
FM 1417 design/ROW - SH 56 to W. Travis	75,666	1,638,400	1,638,307
Shepherd Dr	12,279,694	19,300,000	14,718,876
Bel Air Blvd Ph II/Beach Club/London Ln	3,962,774	10,500,000	8,438,331
Major Street Rebuilds-Washington & Sunset	141,092	2,700,000	1,084,757
Sherman St Improvements	36,960	200,000	184,530
Lamberth & Friendship-Shady Oaks thru Hickory Hill	2,146,334	9,100,000	3,353,301
Progress Drive	-	4,180,000	-
Flanary Road	-	5,400,000	-
Center St Bridge at Post Oak Creek	-	1,370,000	100
OB Groner - west of FM 1417 Design	8,250	1,500,000	258,250
Pebblebrooke Phase IV Drainage	90,296	546,000	538,679
FM 1417 signal at Bel Air Blvd Design	-	400,000	-
Heritage Ranch Ramps -Eng	189,530	1,000,000	261,572
Right-of-Way Agent	40,166	50,000	40,166
Heritage Ranch Phase I	838,169	6,500,000	2,688,542
Well St Rebuild	67,933	910,000	111,821
Crossroads Infrastructure (includes TxDOT participat	305,933	11,500,000	507,120
Cherry St Rebuild	49,900	1,500,000	118,959
Three Oaks Infrastructure	-	500,000	-
Travis Heights/Bel Air Blvd	-	3,000,000	-
Pecan Grove Estates Infrastructure	-	2,000,000	-
<b>Total</b>	<b>21,130,421</b>	<b>109,794,400</b>	<b>54,062,076</b>

**City of Sherman  
GENERAL IMPROVEMENT FUND – Bond Funds (continued)**

	Actual 2023-2024	Current Budget	Project-to-Date 3/31/2025
<b>Parks and Recreation</b>			
<b>Projects</b>			
Asphalt Pump Track at Binkley Park	362,200	500,000	498,793
Ballfield and Trail Lighting at PGW	1,595,103	1,600,000	1,616,343
Master Plan Trail Construction	29,271	750,000	244,777
Northcreek Subdivision Park	213,817	500,000	451,902
Trail Lighting and Restroom and PGE	48,549	1,450,000	746,399
Fairview Pickleball & Basketball	1,753	518,168	518,168
Trail Development The Grove	8,000	50,000	8,000
OSP Lighting - Phase I	6,695	1,000,000	6,695
Fairview Park playground	867,145	2,600,000	1,879,606
Hawn Park playground	44,999	800,000	44,999
Turf Athletic Field	-	1,600,000	-
MLK Park/Mt Carmel Property Purchase	62,479	-	63,201
Pebblebrook Phase IV Park	994	2,500	2,456
Outdoor Chapel	58,997	-	58,997
<b>Total</b>	<b>3,300,003</b>	<b>11,370,668</b>	<b>6,140,337</b>
<b>Facilities</b>			
<b>Projects</b>			
City Hall Renovation	450,092	6,400,000	3,069,072
West Hill Cemetery Creek Erosion	-	3,500,000	-
Public Works Facility - Design	35,644	1,000,000	46,284
<b>Total</b>	<b>485,736</b>	<b>10,900,000</b>	<b>3,115,356</b>
<b>Public Safety</b>			
<b>Projects</b>			
Combine Fire Sta. 1 & 2	4,750,529	8,050,000	7,245,788
Fire Station #4 Training Tower	-	1,000,000	277,722
Station #4 Concrete Rebuild	46,640	-	46,640
Public Safety Trunking System	3,395,141	3,500,000	3,399,741
Fire Station #5 Land	-	500,000	-
Fire Station #3 Remodel	-	3,000,000	-
<b>Total</b>	<b>8,192,310</b>	<b>16,050,000</b>	<b>10,969,891</b>

City of Sherman  
**GENERAL IMPROVEMENT FUND – Bond Funds (continued)**

	Actual 2023-2024	Current Budget	Project-to-Date 3/31/2025
<b>Drainage</b>			
<b>Projects</b>			
Hills of Sherman Detention	-	500,000	-
<b>Total</b>	-	500,000	-
<hr/>			
<b>Total Expenditures</b>	<b>\$ 33,108,470</b>	<b>\$ 148,615,068</b>	<b>\$ 74,287,661</b>

**Stormwater Fee per ERU \$2.00**

Stormwater Fee Revenue per Year \$900,000

Used for:

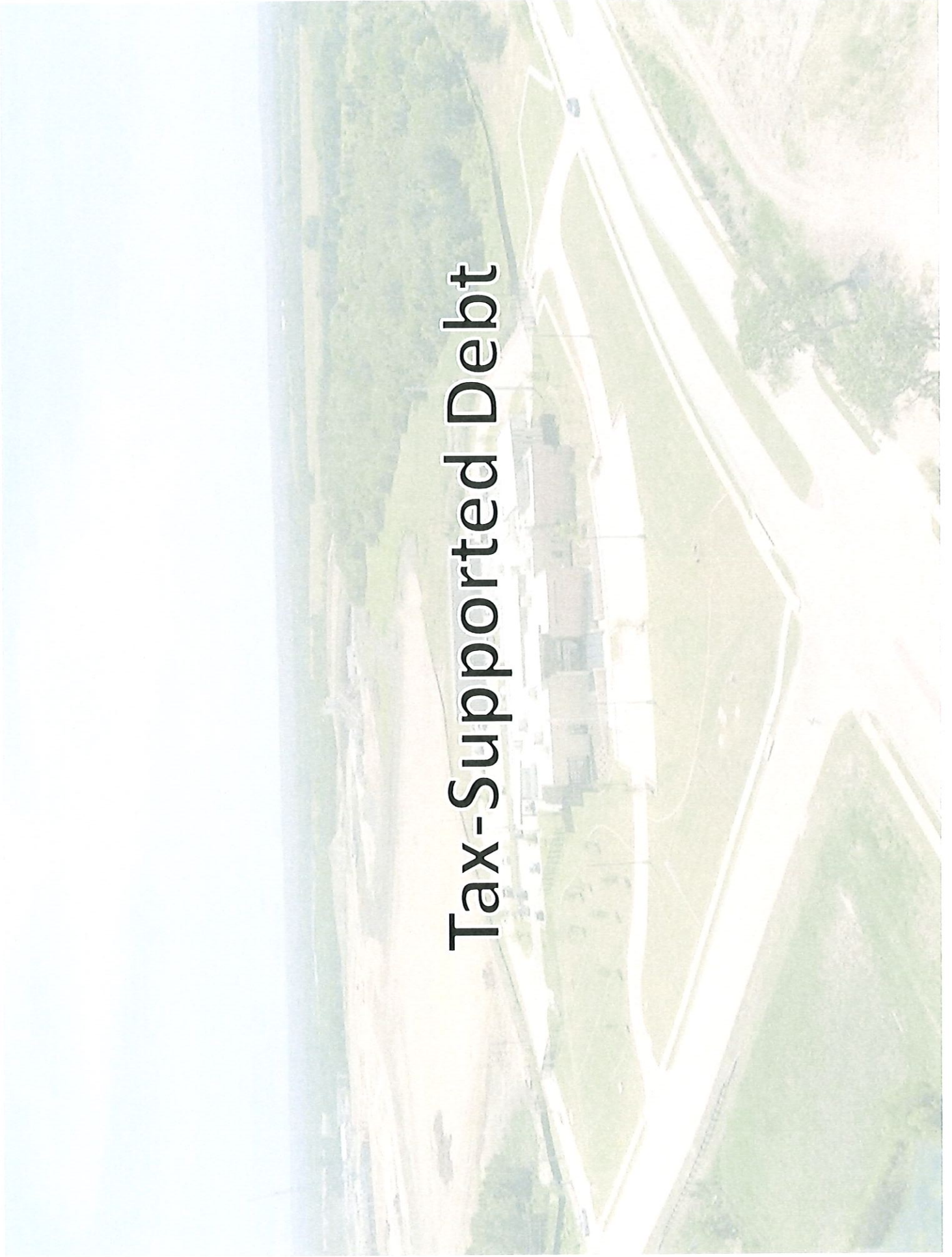
3-man Stormwater Crew

Debt Service

Stormwater Inspector

Projects: Setting Suns, McGee St., Kessler,  
 Post Oak Creek erosion, Blanton, Lamberth

# Tax-Supported Debt



# Outstanding CO/GO Debt - Current

	Interest	Principal	Total
2016 CO	839,238	4,785,000	5,624,238
2017 A Stormwater	672,144	2,840,000	3,512,144
2017 CO General Imp	1,724,701	6,699,393	8,424,093
2017 CO TIRZ #5	767,846	2,982,606	3,750,452
2017 CO TIRZ #6	600,495	2,332,551	2,933,046
2017 CO TIRZ #7	472,521	1,835,450	2,307,971
2017 Refunding Auditorium	58,833	581,090	639,923
2017 Refunding General Imp	421,626	3,611,550	4,033,176
2017 Refunding TIF #1	15,641	132,360	148,001
2018 CO General Improvements	6,317,888	16,380,000	22,697,888
2019 CO General Imp	6,528,913	16,725,000	\$ 23,253,913
2021 CO General Imp	9,372,788	27,405,000	36,777,788
2021 Tax Notes	41,600	690,000	731,600
2022 Tax Notes	110,000	1,080,000	1,190,000
2023 General Imp	66,074,500	72,185,000	138,259,500
2023 Tax Notes	271,750	2,120,000	2,391,750
2024 CO	14,601,755	19,735,000	34,336,755
2024 Tax Notes	481,500	3,110,000	3,591,500
2025 Tax Notes	1,080,179	6,810,000	7,890,179
	\$ 110,453,916	\$ 192,040,000	\$ 302,493,916

# Outstanding CO/GO Debt - Current

	Final Maturity	Avg Annual Debt Service	Total
2016 CO	8/15/2036	510,913	5,624,238
2017 A Stormwater	8/15/2037	292,478	3,512,144
2017 CO General Imp	8/15/2037	701,527	8,424,093
2017 CO TIRZ #5	8/15/2037	312,324	3,750,452
2017 CO TIRZ #6	8/15/2037	244,253	2,933,046
2017 CO TIRZ #7	8/15/2037	192,199	2,307,971
2017 Refunding Auditorium	8/15/2029	159,871	639,923
2017 Refunding General Imp	8/15/2029	1,007,604	4,033,176
2017 Refunding TIF #1	8/15/2026	148,001	148,001
2018 CO General Improvements	8/15/2043	1,260,226	22,697,888
2019 CO General Imp	8/15/2044	1,223,008	\$ 23,253,913
2021 CO General Imp	8/15/2051	1,413,637	36,777,788
2021 Tax Notes	8/15/2026	731,600	731,600
2022 Tax Notes	8/15/2027	595,000	1,190,000
2023 General Imp	8/15/2043	7,676,410	138,259,500
2023 Tax Notes	8/15/2028	796,523	2,391,750
2024 CO	8/15/2054	1,183,244	34,336,755
2024 Tax Notes	8/15/2029	897,260	3,591,500
2025 Tax Notes	8/15/2030	1,577,172	7,890,179
			<u>\$ 302,493,916</u>

# CO Bond Summary

In millions

Streets	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	2024 CO	Total issued through 2024
<b>TXDOT Projects</b>								
TXDOT 1417 & W. Travis Intersection	\$ -	\$ -	\$ -	\$ 1.83	\$ -	\$ -	\$ -	1.83
TXDOT-Hwy 75 Gap Project * TXDOT Ramp Reversal at 75/1417	-	-	-	8.20	-	-	-	8.20
TXDOT-FM 1417 - US 82 to SH 56 Eng + ROW	1.70	-	2.40	1.35	-	-	-	5.45
TXDOT - FM 1417 56 to W. Travis ROW/Eng	-	-	0.90	0.60	0.10	-	-	1.60
TXDOT-US Hwy 75 & Taylor-move manhole and sewer for US 75 project	-	-	-	0.12	-	-	-	0.12
<b>Thoroughfares</b>								
Friendship Road - Eng, ROW & Construction	1.20	-	-	-	0.20	-	-	1.40
Lamberth Rd -Eng, ROW & Construction	0.80	-	-	-	-	-	-	0.80
Taylor/Washington Eng + ROW	0.20	1.20	-	0.80	0.50	-	-	2.70
Swan Ridge	0.10	-	-	-	-	-	-	0.10
Canyon Creek	2.60	-	-	-	-	-	-	2.60
Travis St West	0.60	4.50	3.40	1.10	-	-	-	9.60
Legacy Blvd	-	-	-	1.85	-	-	-	1.85
Lamberth & Friendship from Shady Oaks through Hickory Hill - Eng, ROW & Construction	-	-	-	0.65	2.10	6.35	-	9.10
Hilre Drive Extension	-	-	-	0.50	-	-	-	0.50
OB Groner west of FM 1417 Design and Developer Agreement	-	-	-	-	-	1.50	-	1.50
Park Ave Realignment (net)	-	-	1.90	0.10	-	-	-	2.00
Steeplechase Drive Ext	-	-	-	0.50	-	-	-	0.50

# CO Bond Summary (continued)

In millions

	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	2024 CO	Total issued through 2024
<b>Bel Air</b>								
Beach Club Blvd/London Ln	-	-	-	-	-	7.50	-	7.50
Bel Air Blvd Construction Ph II (excludes utilities)	-	-	-	-	1.90	1.10	-	3.00
Bel Air Land sale in TIRZ #7 (net with Bel Air Blvd )	-	-	-	-	-	(1.50)	-	(1.50)
Signal at FM 1417 & Bel Air Blvd (TxDOT)	-	-	-	-	-	0.40	-	0.40
<b>SEDCO/Industrial Park</b>								
* Northgate Drive	-	-	0.90	-	-	-	-	0.90
*Flanary Rd Alignment Study	-	-	-	-	-	0.30	-	0.30
*Flanary Engineering	-	-	-	0.20	-	-	-	0.20
*Flanary construction	-	-	-	-	-	5.40	-	5.40
*Progress Construction & extension	-	-	-	-	-	3.18	1.00	4.18
<b>Moore St.</b>								
Moore St - W Travis to Park	-	-	-	2.10	-	-	-	2.10
Moore St - W Travis to FM 1417	-	-	-	-	2.80	-	-	2.80
Moore St - Park to Center St	-	-	-	-	2.20	5.90	-	8.10
Moore St-Impact Fees	-	-	-	-	-	(1.20)	-	(1.20)
<b>New Developments</b>								
Munson Planned Development	-	-	-	0.10	-	-	-	0.10
<b>Major Street Rebuilds</b>								
Well St	-	-	-	-	-	-	0.90	0.90
Washington & Sunset	-	-	-	-	1.50	1.20	-	2.70
Cherry St	-	-	-	-	-	-	1.50	1.50
Sherman St Improvements	-	-	-	-	-	0.20	-	0.20

# CO Bond Summary (continued)

In millions

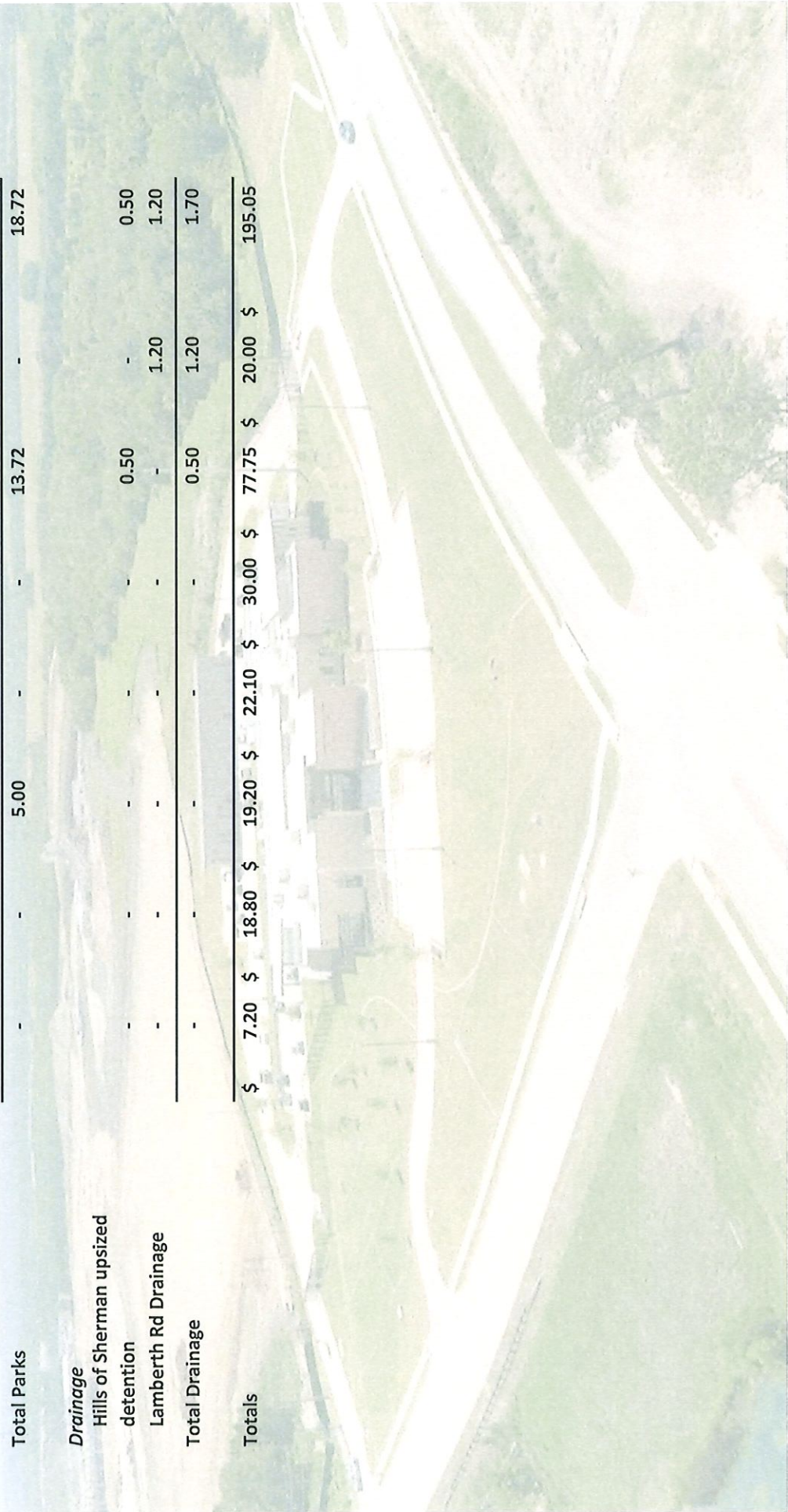
	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	2024 CO	Total issued through 2024
<b>Shepherd Rd</b>								
Shepherd Rd Design	-	-	-	-	1.10	-	-	1.10
Shepherd Rd Design/Construction	-	-	-	-	-	17.10	-	17.10
Impact Fees - Shepherd Rd	-	-	-	-	-	(2.30)	-	(2.30)
Signal at Delivery entrance	-	-	-	-	-	0.30	-	0.30
<b>Heritage Ranch</b>								
Heritage Ranch ramps - Eng	-	-	-	-	-	-	1.00	1.00
Heritage Ranch Public Improvements (streets, stormwater) engineering	-	-	-	-	-	-	1.10	1.10
Heritage Ranch Ph I (Lone star Pkwy, roundabout and HRT in front of school), Eng & Construction	-	-	-	-	-	-	6.50	6.50
Right-of-Way Agent	-	-	-	-	-	0.05	-	0.05
<b>Total Streets</b>	<b>7.20</b>	<b>8.20</b>	<b>9.50</b>	<b>9.97</b>	<b>12.40</b>	<b>45.48</b>	<b>12.00</b>	<b>104.75</b>
<b>Facilities</b>								
<b>Public Safety</b>								
Fire Station #4	-	3.10	0.30	0.60	-	-	-	4.00
Police Headquarters	-	-	-	-	17.60	-	-	17.60
Combine Sta #1 & #2	-	-	-	-	-	7.25	0.80	8.05
Fire Dept Training Tower	-	-	-	-	-	-	1.00	1.00
Public Safety Trunking System	-	-	-	-	-	3.50	-	3.50
Fire Station #5 Land	-	-	-	-	-	-	0.50	0.50
<b>Other than Public Safety</b>								
Library	-	-	2.00	0.50	-	-	-	2.50
City Hall	-	-	-	-	-	6.40	-	6.40
Public Works Facility	-	-	-	-	-	-	1.00	1.00
Creek Erosion at Westhill Cemetery	-	-	-	-	-	-	3.50	3.50
<b>Total Facilities</b>	<b>-</b>	<b>3.10</b>	<b>2.30</b>	<b>1.10</b>	<b>17.60</b>	<b>17.15</b>	<b>6.80</b>	<b>48.05</b>

# CO Bond Summary (continued)

TIRZ	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	2024 CO	Total issued through 2024
TIRZ #5 Sherman Crossroads	-	3.90	-	-	-	-	-	3.90
TIRZ #6 Sherman Landing	-	3.10	-	-	-	-	-	3.10
TIRZ #7 Legacy Village	-	-	2.40	-	-	-	-	2.40
<b>Total TIRZ</b>	-	<b>7.00</b>	<b>2.40</b>	-	-	-	-	<b>9.40</b>
<b>Bridges</b>								
Travis/Center/McGee	-	0.50	-	0.30	-	-	-	0.80
Center St Bridge at Post Oak Creek	-	-	-	0.70	-	0.67	-	1.37
McGee St Bridge Design	-	-	-	-	-	0.23	-	0.23
<b>Total Bridges</b>	-	<b>0.50</b>	-	<b>1.00</b>	-	<b>0.90</b>	-	<b>2.40</b>
<b>Parks</b>								
Pecan Grove West Ballfields	-	-	5.00	-	-	-	-	5.00
Electrical at Pecan Grove West	-	-	-	-	-	0.20	-	0.20
Ballfield & Trail lighting at PGW	-	-	-	-	-	1.50	-	1.50
Northcreek Subdivision Park	-	-	-	-	-	0.50	-	0.50
Fairview - restroom & concession	-	-	-	-	-	0.50	-	0.50
Asphalt Pump Track at Binkley Park	-	-	-	-	-	0.40	-	0.40
Shark Tooth Park	-	-	-	-	-	0.20	-	0.20
Master Plan Trail Construction	-	-	-	-	-	0.80	-	0.80
PGE Inclusive playground and parking, lighting, trail	-	-	-	-	-	1.50	-	1.50
Fairview Tennis Court resurface/fence/lighting	-	-	-	-	-	0.10	-	0.10
Baker Park Fishing Pier	-	-	-	-	-	0.70	-	0.70
OSP Lighting-Phase I	-	-	-	-	-	1.00	-	1.00
PGW Splash Pad	-	-	-	-	-	0.80	-	0.80
Fairview Park playground & Pavilion	-	-	-	-	-	2.60	-	2.60

# CO Bond Summary (continued)

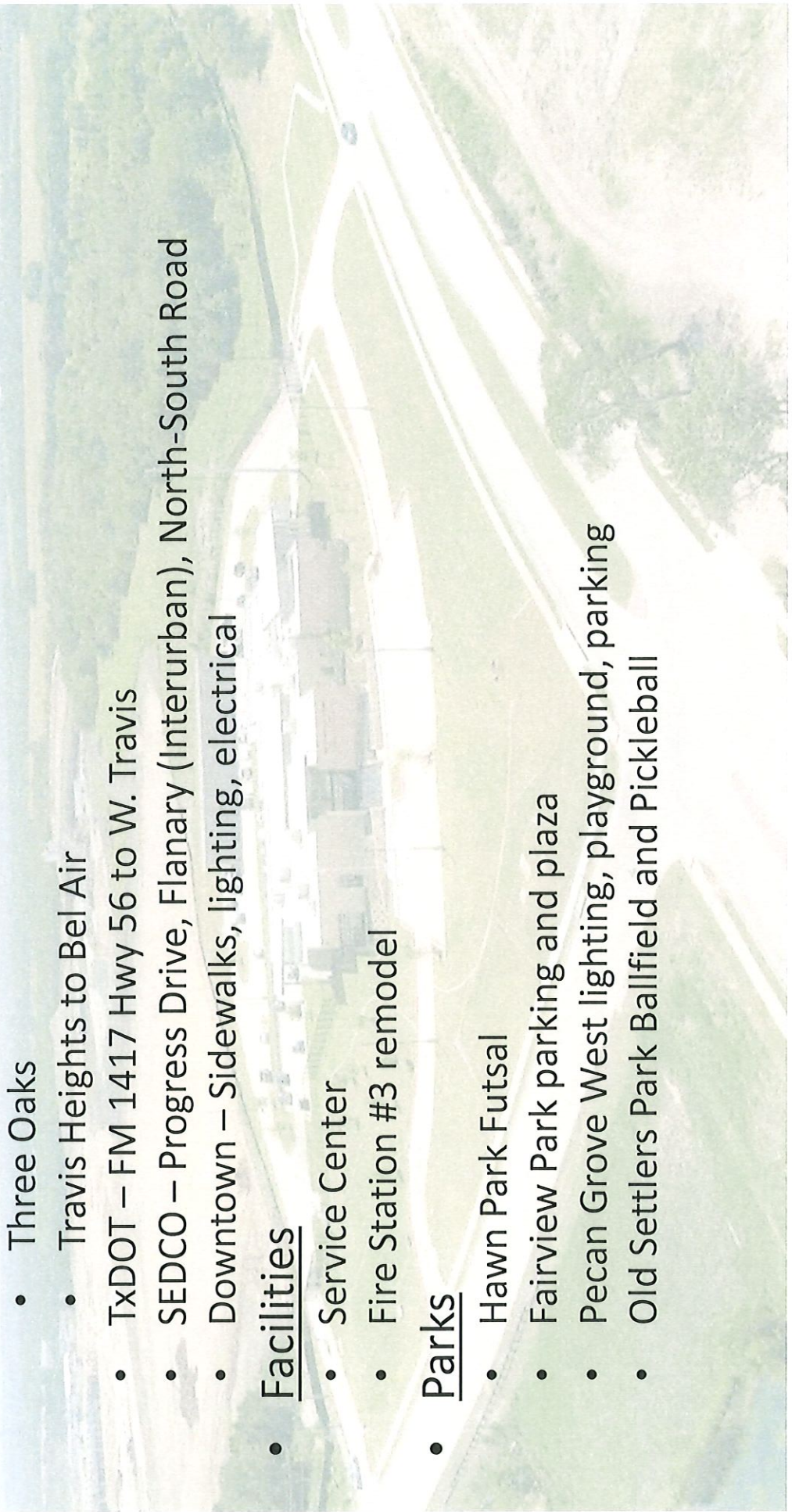
	In millions							Total issued through 2024
	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	2024 CO	
Hawn Park playground	-	-	-	-	-	0.80	-	0.80
Hawn Park Pavilion	-	-	-	-	-	0.20	-	0.20
Hawn Park Splash Pad	-	-	-	-	-	0.80	-	0.80
Turf Athletic Field	-	-	-	-	-	1.02	-	1.02
Herman Baker Park Disc Golf	-	-	-	-	-	0.10	-	0.10
<b>Total Parks</b>	-	-	5.00	-	-	13.72	-	18.72
<i>Drainage</i>								
Hills of Sherman upsized detention	-	-	-	-	-	0.50	-	0.50
Lamberth Rd Drainage	-	-	-	-	-	-	1.20	1.20
<b>Total Drainage</b>	-	-	-	-	-	0.50	1.20	1.70
<b>Totals</b>	\$ 7.20	\$ 18.80	\$ 19.20	\$ 22.10	\$ 30.00	\$ 77.75	\$ 20.00	\$ 195.05



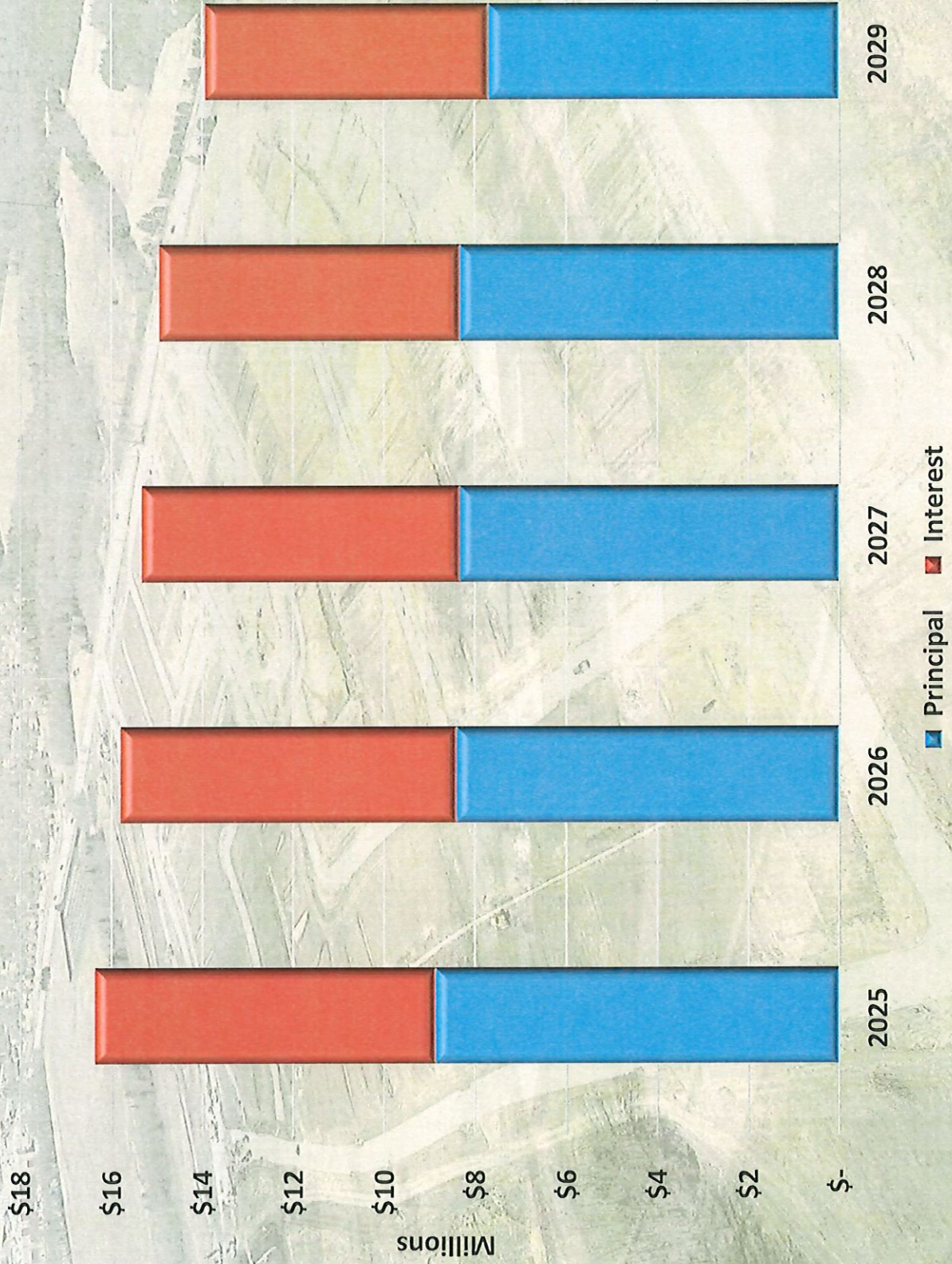
GENERAL FUND	Actual FY 2024	Projection FY 2025	Projection FY 2026	Projection FY 2027	Projection FY 2028	Projection FY 2029	Projection FY 2030
Beginning Fund Balance	\$ 18,664,620	\$ 19,556,120	\$ 13,888,085	\$ 14,931,497	\$ 15,255,914	\$ 16,490,757	\$ 17,319,531
Sales Tax	27,701,971	26,300,000	27,924,614	29,600,091	31,376,096	33,258,662	35,254,181
Street Sales Tax	2,308,398	2,200,000	2,326,950	2,466,567	2,614,561	2,771,435	2,937,721
Property Tax Rev	14,513,309	24,380,000	23,302,000	25,019,000	26,892,000	28,976,000	32,065,000
Franchise & Other Taxes	3,295,794	3,287,000	3,287,000	3,287,000	3,287,000	3,287,000	3,287,000
Ambulance	2,180,275	1,881,500	1,881,500	1,881,500	1,881,500	1,881,500	1,881,500
Transfers	5,005,471	6,215,063	6,425,000	6,854,000	7,313,000	7,805,000	8,040,000
Interest	824,458	650,000	650,000	650,000	650,000	650,000	650,000
SEDCO	826,202	838,469	838,469	838,469	838,469	838,469	838,469
Grant Rev	94,550	-	-	-	-	-	-
Other Revenue	8,587,976	6,498,618	6,758,563	7,028,905	7,310,061	7,602,464	7,906,562
Total Revenues	65,338,403	72,250,650	73,394,096	77,625,532	82,162,688	87,070,530	92,860,434
Personnel	41,740,954	44,901,880	47,371,483	49,976,915	52,725,645	55,625,556	58,684,961
Other Expenditures	17,524,947	20,304,987	21,117,000	21,962,000	22,840,000	23,754,000	24,704,000
Street Repairs	1,363,964	862,200	862,200	862,200	862,200	862,200	862,200
Capital Expenses	2,058,053	2,402,511	1,909,218	2,000,000	2,000,000	2,000,000	2,000,000
Debt Service (Leases)	758,985	347,108	90,782	-	-	-	-
Transfers	1,000,000	9,100,000	1,000,000	2,500,000	2,500,000	4,000,000	6,000,000
Total Expenditures	64,446,903	77,918,685	72,350,683	77,301,115	80,927,845	86,241,756	92,251,161
Excess (Deficit)	891,500	(5,668,035)	1,043,412	324,417	1,234,843	828,774	609,273
Ending Fund Balance	\$ 19,556,120	\$ 13,888,085	\$ 14,931,497	\$ 15,255,914	\$ 16,490,757	\$ 17,319,531	\$ 17,928,803
Days in Fund Balance	111	65	75	72	74	73	71
Calculated Property Tax Rate	0.52926	0.52350	0.67141	0.66998	0.54550	0.64378	0.50338
Estimated Adopted Rate	0.50800	0.50800	0.50800	0.50800	0.50800	0.50800	0.50800
Debt Rate	0.24423	0.20053	0.21967	0.23333	0.23590	0.2338	0.2306
Operating (M&O) Rate	0.26377	0.30747	0.28833	0.27467	0.27210	0.2742	0.2774
* New Debt in Millions	\$	2.5	2.5	2.5	2.5	2.5	2.5

# Planned Projects 2025/2026

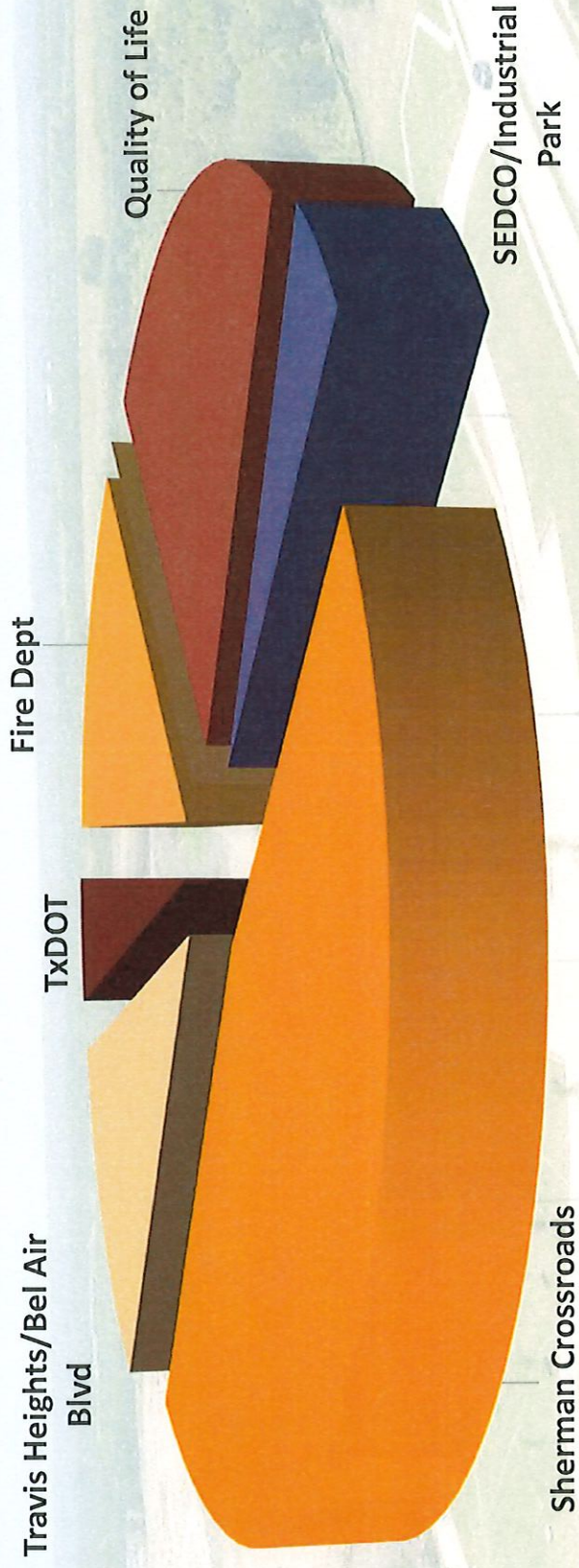
- Streets
  - Planned Developments
    - Heritage Ranch Trail and Lone Star Parkway
    - Crossroads – Aston Drive; pond mitigation
    - Three Oaks
    - Travis Heights to Bel Air
  - TxDOT – FM 1417 Hwy 56 to W. Travis
  - SEDCO – Progress Drive, Flanary (Interurban), North-South Road
  - Downtown – Sidewalks, lighting, electrical
- Facilities
  - Service Center
  - Fire Station #3 remodel
- Parks
  - Hawn Park Futsal
  - Fairview Park parking and plaza
  - Pecan Grove West lighting, playground, parking
  - Old Settlers Park Ballfield and Pickleball



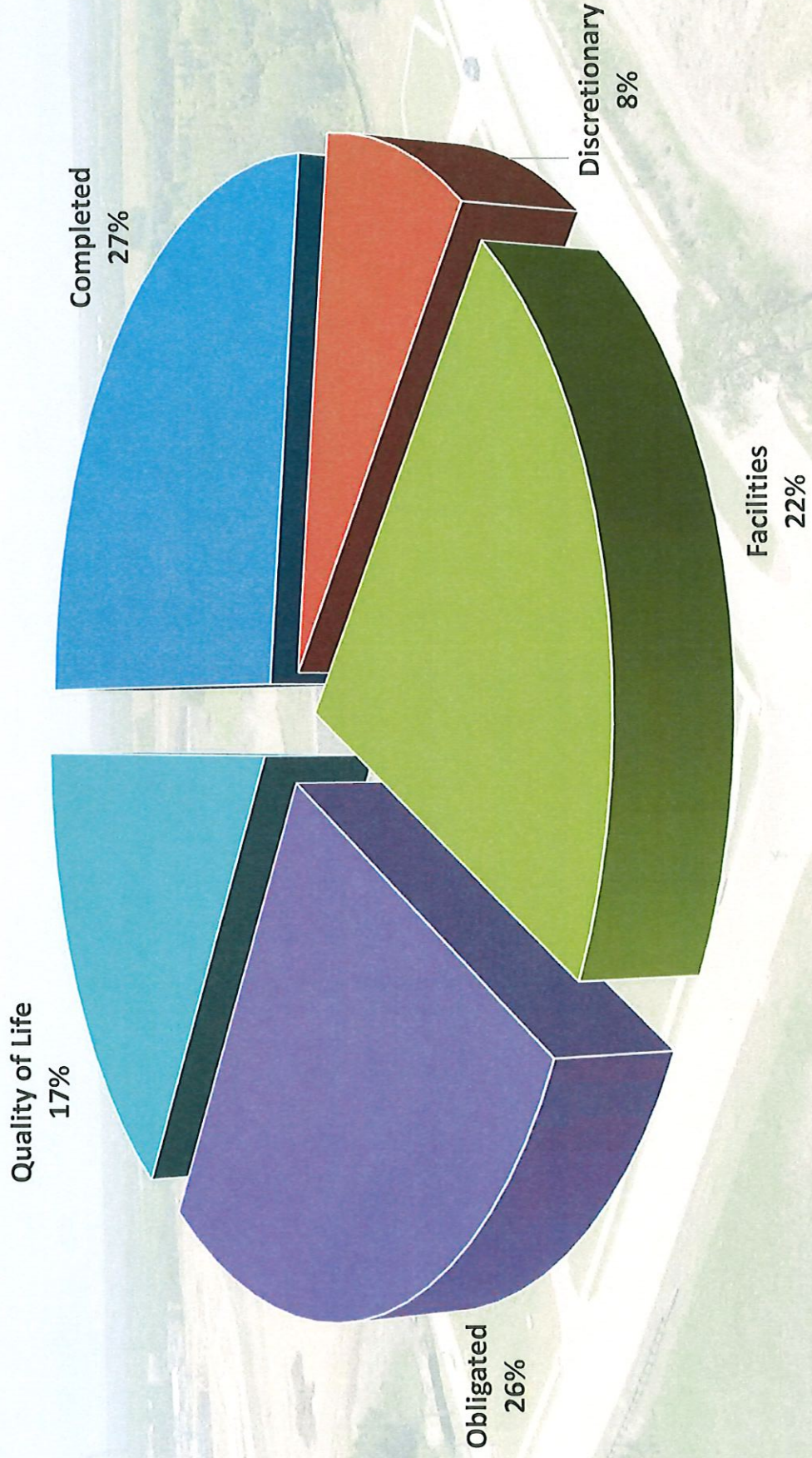
# Tax-Backed Debt Service as of March 31, 2025



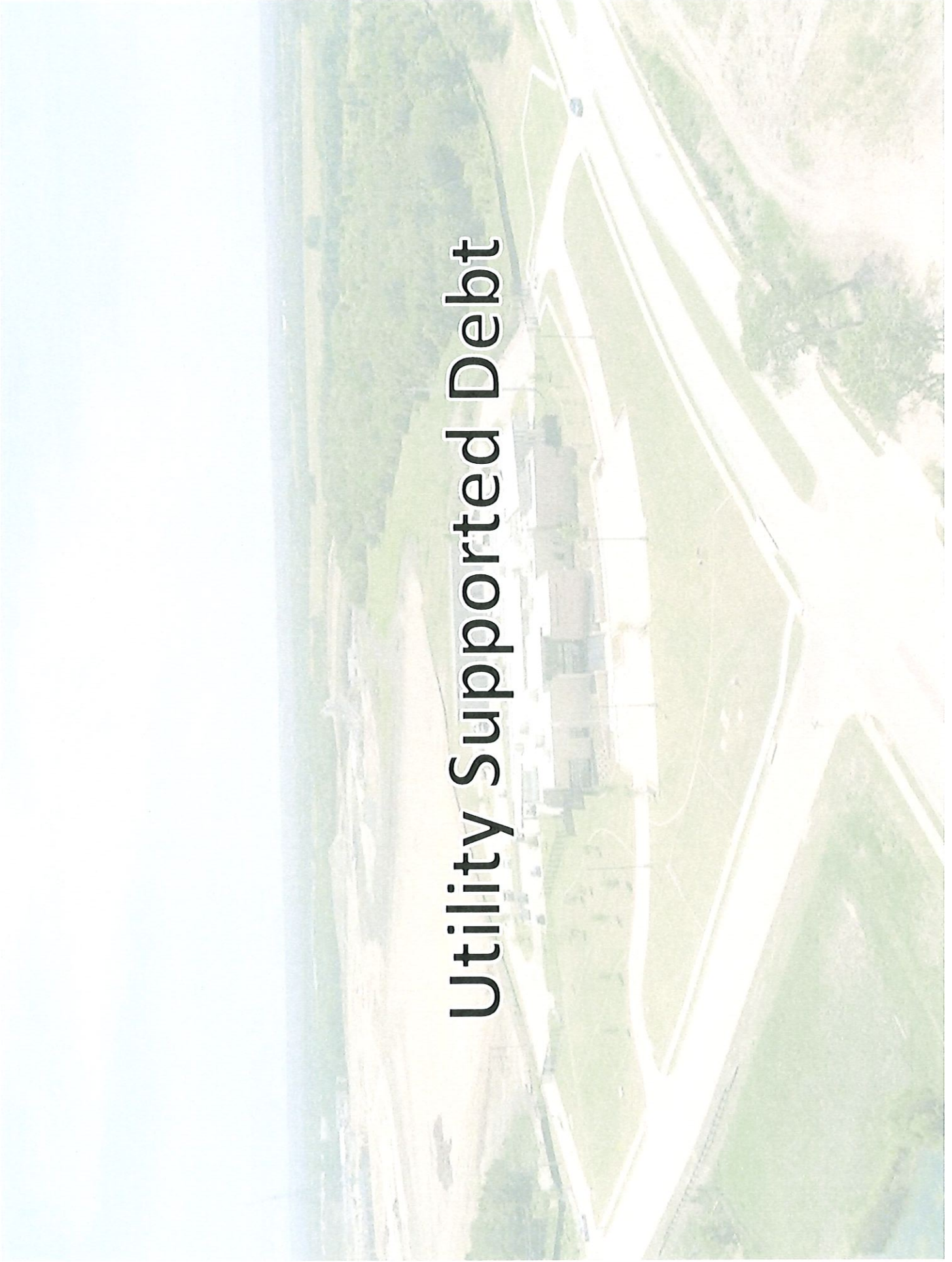
# Bond Proceeds 2025 Uses



# Bond Proceeds 2016 - 2025 Uses

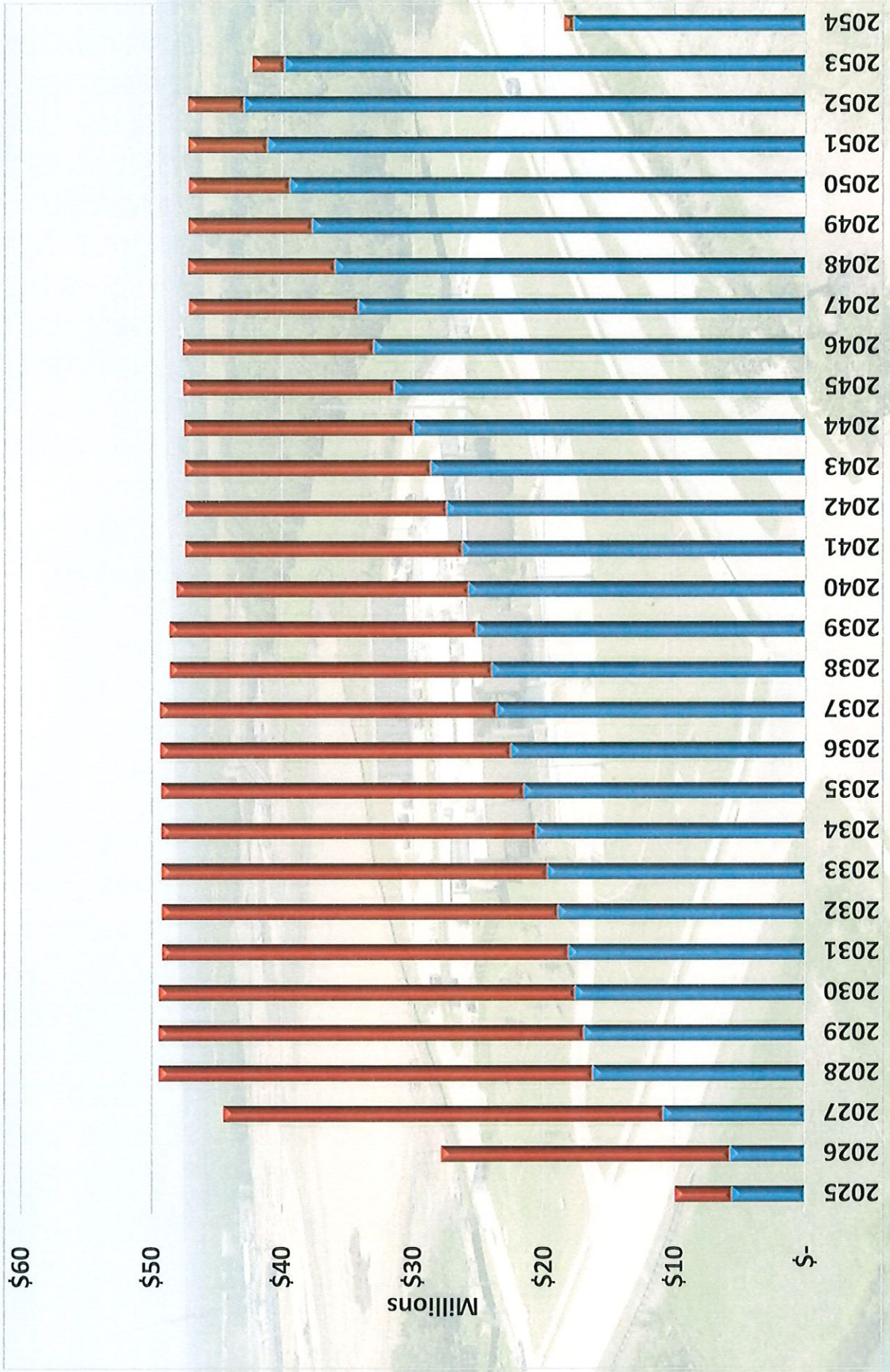


# Utility Supported Debt





# GTUA Contractual Debt Outstanding - Current



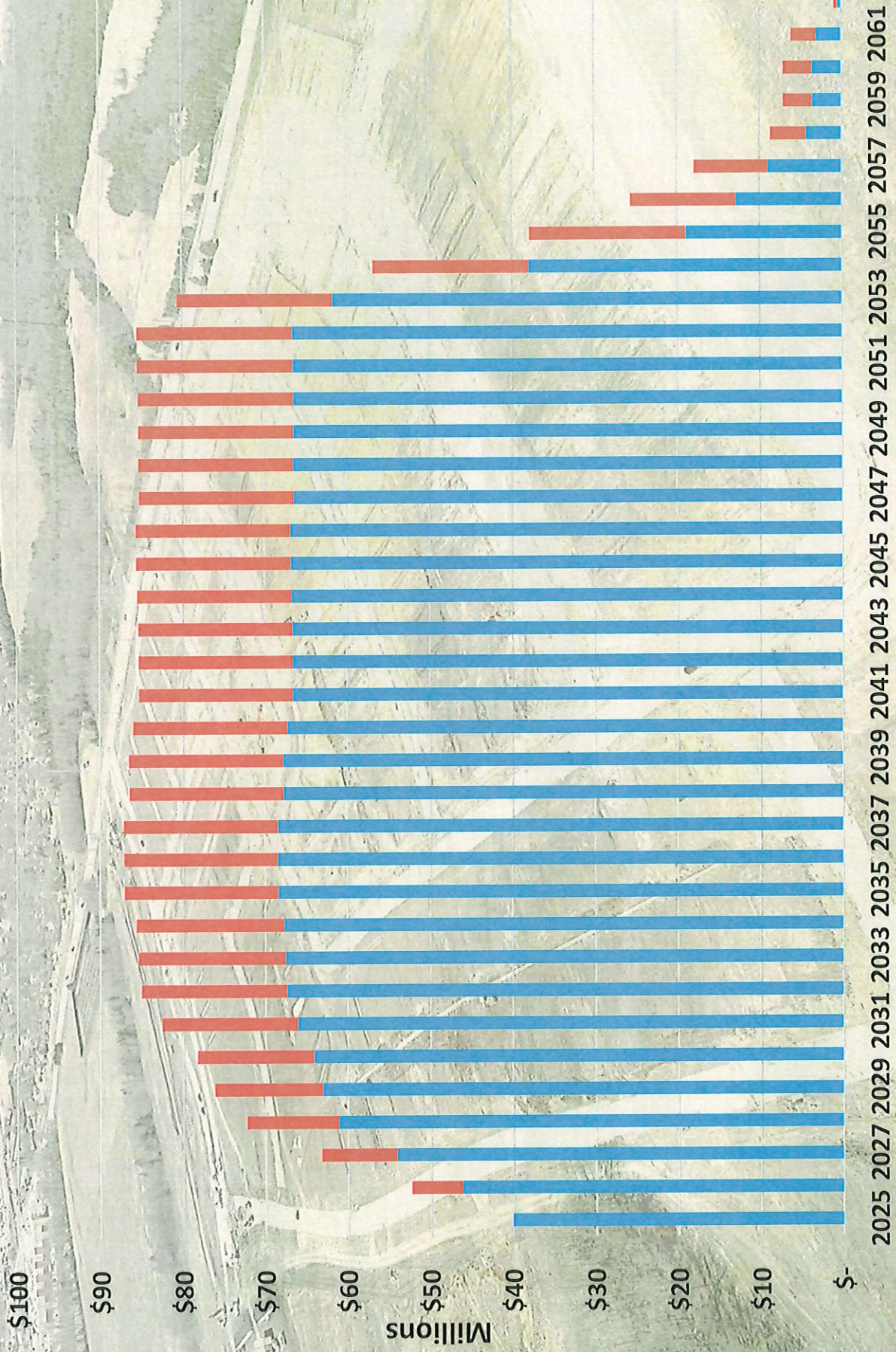
# Detailed Project List – Sewer

	2025 OM	2026 OM	2027 OM	2028 OM	2030 OM	Grand Total
<b>Sewer Collection</b>						
42" SS replacement of 24" SS line West of IT Design				570,000		570,000
42" SS replacement of 24" SS line West of TI- Construction				4,700,000		4,700,000
Blalock Park Interceptor		5,555,555				5,555,555
Choctaw Creek Interceptor E of 75 to point where line turns north					5,500,000	5,500,000
Downtown Sewer Improvements	2,300,000					2,300,000
Hwy 82 and N. Loy Lake Sewer	2,600,000					2,600,000
Industrial Sewer Line by GW	6,900,000					6,900,000
Post Oak Interceptor - Phase I	9,800,000					9,800,000
Texoma Pkwy N. Broughton to E Sycamore	843,500	3,000,000				3,843,500
<b>Sewer Collection Total</b>	<b>22,443,500</b>	<b>8,555,555</b>		<b>5,270,000</b>	<b>5,500,000</b>	<b>41,769,055</b>
<b>Sewer Treatment</b>						
Blower Bldg & Main Digester Complex		7,300,000				7,300,000
WWTP Electrical MV Loop North Plant	5,200,000					5,200,000
WWTP South MBR Phase II		10,000,000				10,000,000
WWTP Upgrade and Expansion North Plant (Filter and re-lift)		3,400,000				3,400,000
<b>Sewer Treatment Total</b>	<b>5,200,000</b>	<b>20,700,000</b>				<b>25,900,000</b>

# Detailed Project List – Water

	2025 OM	2026 OM	2027 OM	2028 OM	2030 OM	Grand Total
Water Distribution	1,200,000					1,200,000
Shepherd 2 MG Elevated Storage Tank	1,200,000					1,200,000
Water Distribution Total	1,200,000					1,200,000
Water Production	130,000	5,000,000	28,000,000			33,130,000
CGMA Water line		5,000,000	28,000,000			33,130,000
Lake Texoma Backup Generator	2,820,000	2,600,000	1,740,000			7,160,000
LTPS Expansion - shortage	9,000,000					9,000,000
LTPS Lake Texoma Electrical Imp (Construction)	5,600,000					5,600,000
NTMWD Second water line from LTPS to WTP (84")	10,000,000	10,000,000	21,000,000			41,000,000
Red River Boundary Comm Settlement	2,150,000					2,150,000
Water Storage Lake Texoma		10,106,467				10,106,467
Water Production Total	29,700,000	27,706,467	50,740,000			108,146,467
Grand Total	58,543,500	56,962,022	50,740,000	5,270,000	5,500,000	177,015,522

# GTUA Existing and New Projected Debt Service



Existing New

# The Plan

- Capitalized Interest
- Accumulating reserves in General and Utility Funds
- Timing of projects and debt issuances
- Possible utility rate changes from prior plan approved by Council if consumption falls below projections
- Use of other revenues
  - Impact fees -\$6.5 million accumulated to date
  - SEDCO – Commitment of \$4 million plus \$7 million in project funds for Progress & Interurban
  - Xfers between funds (Risk Contingency Fund)
- Use of interest earnings on bond funds and unused bond proceeds to pay debt service

# Utility Fund Projections and Plan

UTILITY FUND	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected
Willdan Projections	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	
Beginning Fund Balance	\$ 7,239,307	\$ 8,757,341	\$ 15,759,896	\$ 15,931,747	\$ 15,857,245	\$ 17,288,902	\$ 17,225,879	
Water Sales	17,458,029	23,162,199	27,882,603	31,541,337	34,917,667	36,748,556	38,591,153	
TI - Water	1,526,386	4,607,801	4,607,801	4,276,550	7,557,644	8,317,920	15,568,195	
Sewer Sales	9,473,724	12,923,369	17,964,664	19,579,140	20,547,313	21,606,443	22,866,932	
TI - Sewer	1,349,689	5,316,631	3,826,550	3,608,938	6,414,026	6,712,963	13,476,721	
SEDCO/GTUA	410,335	417,870	416,085	415,753	223,267	226,247	224,958	
General Fund Transfers	-	-	-	2,000,000	-	5,000,000	5,000,000	
SEDCO Contribution	-	-	1,000,000	6,000,000	-	2,000,000	2,000,000	
Impact Fees	-	-	4,250,000	2,500,000	2,500,000	2,500,000	500,000	
GTUA Interest	-	-	-	1,400,000	17,680,000	6,640,000	5,340,000	
Unspent Project Funds	-	-	-	7,000,000	-	7,000,000	-	
Interest	149,844	110,000	110,000	110,000	110,000	110,000	110,000	
Other	2,493,635	1,749,300	1,749,300	1,749,300	1,749,300	1,749,300	1,749,300	
Transfers in	238,092	474,000	191,000	197,000	203,000	209,000	215,000	
Total Revenues	33,099,734	48,761,170	61,998,004	80,378,018	91,902,217	98,820,429	105,642,259	
Personnel	8,314,046	10,357,350	10,875,000	11,419,000	11,990,000	12,590,000	13,220,000	
Other	11,428,342	15,367,181	16,140,000	17,270,000	19,000,000	20,900,000	22,990,000	
Debt Service	7,360,891	10,527,800	28,450,153	45,012,520	52,310,560	57,772,452	61,836,523	
Capital Outlay	484,421	851,715	1,235,000	1,235,000	1,235,000	1,235,000	1,235,000	
Transfers Out	3,994,000	4,654,569	5,126,000	5,516,000	5,935,000	6,386,000	6,578,000	
Total Expenditures	31,581,700	41,758,615	61,826,153	80,452,520	90,470,560	98,883,452	105,859,523	
Excess (Deficit)	1,518,034	7,002,555	171,851	(74,502)	1,431,657	(63,023)	(217,264)	
Ending Fund Balance	\$ 8,757,341	\$ 15,759,896	\$ 15,931,747	\$ 15,857,245	\$ 17,288,902	\$ 17,225,879	\$ 17,008,616	
Days in Fund Balance	101	138	94	72	70	64	59	

# Major Take-Aways thru 2030

## Significant Challenges in FY26-FY30

- General Fund/Property Taxes
  - Volatile “Voter-approval” rate from industrial construction and abatements.
  - Additional transfers to the Risk Contingency to get through 2030 – part of the plan
  - Funding for high priority projects
    - Development-related – keep those going that pay for themselves
    - Service Center – inadequate to maintain fleet
    - Downtown and parks – level of expectation

# Major Take-Aways thru 2030

## Significant Challenges in FY26-FY29

- Utility Fund
  - Unknown timing of TI Phase II
  - Accuracy of TI and GW projections
  - Still have projects to do to support increased volumes, create redundancy and resiliency, and address aging infrastructure
  - Revenues come on after debt service starts, causing problems in FY26-FY30 especially
  - Continue to look at rates annually and adopt rates to fund debt and operations.

# Council Direction

