



## ACTION MINUTES

The City Council of the City of Sherman held a regular meeting on Friday, April 10, 2026 at 11:00 A.M. in the Council Chambers at 220 W. Mulberry Street to consider the following:

The City Council meetings are Video and Audio recorded and can be viewed at:

<https://www.ci.sherman.tx.us/701/Agendas-and-Minutes>

### **A.1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**

*Bookmarked at 00:00:01*

Mayor Teamann called the meeting to order at 11:01 am

#### **Council Members Present:**

Mayor Shawn Teamann  
Council Member Juston Dobbs  
Council Member Pam Howeth  
Council Member Daron Holland  
Council Member Clay Barnett  
Council Member Josh Stevenson

#### **Council Members Absent:**

Deputy Mayor Henry Marroquin

### **A.2. PLEDGE OF ALLEGIANCE AND INVOCATION LED BY COUNCIL MEMBER JOSH STEVENSON**

*Bookmarked at 00:00:09*

#### **Citizen Comments**

### **B.1. CITIZEN COMMENTS**

*Bookmarked at 00:00:46*

#### **Budget Planning**

### **C.1. BUDGET PLANNING**

Financial Update and Council Input for 2026-2027 Budget Year

*Bookmarked at 00:13:27*

- **Financial Update Summary - FY2025 and FY2026 Operations and Reserves**

*Bookmarked at 00:13:36 – No Audio*

Mary Lawrence, CFO, began presentation with a high-level summary of the General Fund, Utility Fund, and Solid Waste Fund. The last solid waste increase was in fiscal year 2025. Commercial solid waste increased 5% and residential solid waste was 20% from \$12.75 to \$15.30. Last fiscal year, 2025, all three funds were within the target days of reserve funds. Currently in fiscal year 2026, all three funds are suffering this year due to revenue. The General Fund will end the year below our target range of 60-90 days due to poor sales tax performance. We had budgeted for a base increase of 6% based on our historical trends. However, our big five retailers are down slightly, as well as the sales tax collected from online sales.

*Bookmarked at 00:16:46 – Audio Restarts*

- **Value and Growth in Existing Property**

*Bookmarked at 00:25:41*

- **Property Tax Rates**

*Bookmarked at 00:27:25*

- **Sales Tax**

*Bookmarked at 00:31:39*

- **Utility Fund**  
*Bookmarked at 00:32:31*
- **Solid Waste Fund**  
*Bookmarked at 00:35:23*
- **Health Claims History**  
*Bookmarked at 00:39:41*
- **Capital Improvement Plans (CIPs)**  
*Bookmarked at 00:40:22*
- **Major Takeaways Through 2031**  
*Bookmarked at 00:50:10*

## COUNCIL COMMENTS

*Bookmarked at 00:51:52*

## Adjournment

*Bookmarked at 01:09:11*

Council Member Stevenson made a motion to adjourn. Second made by Council Member Barnett.

**VOTING AYE: TEAMANN, STEVENSON, HOLLAND, HOWETH, DOBBS AND BARNETT**

**VOTING NAY: NONE.**

**MOTION CARRIED.**

Mayor Teamann adjourned the meeting at 12:09 pm

## Tax Payer Impact Statement

### **H.1. FY 2026 TAX PAYER IMPACT STATEMENT**

HB 1522, effective as of September 1, 2025, requires that a notice of a meeting discussing or adopting a budget must include a taxpayer impact statement showing, for the median-valued homestead property, a comparison of the property tax bill in dollars pertaining to the property for the current fiscal year to an estimate of the property tax bill in dollars for the same property for the upcoming fiscal year if the proposed budget is adopted.

| <b>Taxpayer Impact Statement</b>          | <b>FY2026 (Upcoming Fiscal Year)</b> | <b>FY2026 No-New Revenue</b> |
|-------------------------------------------|--------------------------------------|------------------------------|
| <b>Total tax rate (per \$100 of value</b> | \$0.508000/\$100                     | \$0.619404/\$100             |
| <b>Median homestead taxable value</b>     | \$231,004                            | \$251,138                    |
| <b>Tax on median-valued homestead</b>     | \$1,174                              | \$1,556                      |

## COUNCIL CALENDAR

**J.1.** 2026 Council Calendar

Signed by:

94D5858B75E62265

**MAYOR**

Signed by:

A1B20FB60020440...

**CITY CLERK OR DESIGNEE**

A close-up, blue-tinted photograph of a financial line chart on a document. A silver pen is positioned in the upper right corner, its tip pointing towards a peak in the chart. The chart shows a line with several fluctuations, including a prominent peak and a subsequent sharp decline. The background is a light blue grid. The text "Financial Update - Operations" is overlaid in the center in a white, sans-serif font.

# Financial Update - Operations

# Financial Update Summary – FY2025 Operations and Reserves



## General Fund

FY2025 ending reserves  
\$2.9 million below FY2024

78 days at 9/30/25



## Utility Fund

FY2025 ending reserves up  
\$5.8 million from FY2024

133 days at 9/30/25



## Solid Waste Fund

FY2025 ending reserves up  
about 356k

75 days at 9/30/25

# Financial Update Summary – FY 2026

## Operations and Reserves

- **General Fund**
  - Projected Reserves – \$10.5 million
    - About \$3.5 million less than FY26 adjusted budget
    - \$6.1M below FY2025
    - 55 days reserves
  - Revenues – Sales Tax below budget (\$3.6 million)
  - Expenses -\$0.6 million over budget – Pool repair, mowing

# Financial Update Summary – FY 2026 Operations and Reserves (continued)

- **Utility Fund – With April Rate Change Ordinance**
  - Projected Reserves - \$16 million
    - About \$1.6 million above FY2026 adjusted budget
    - \$2 million above FY2025
    - 102 days reserves
  - Revenues – \$4.4 million below budget
  - Expenses - \$6.7 million below budget – chemicals, utilities, debt service
- **Utility Fund – No Rate Change**
  - Projected Reserves - \$5.6 million
    - Ending reserves \$10 million below budget
    - \$9 million less than FY2025
    - 35 days reserves
  - Revenues - \$15 million below budget
  - Expenses – \$6.7 million below budget

# Financial Update Summary – FY 2026 Operations and Reserves (continued)

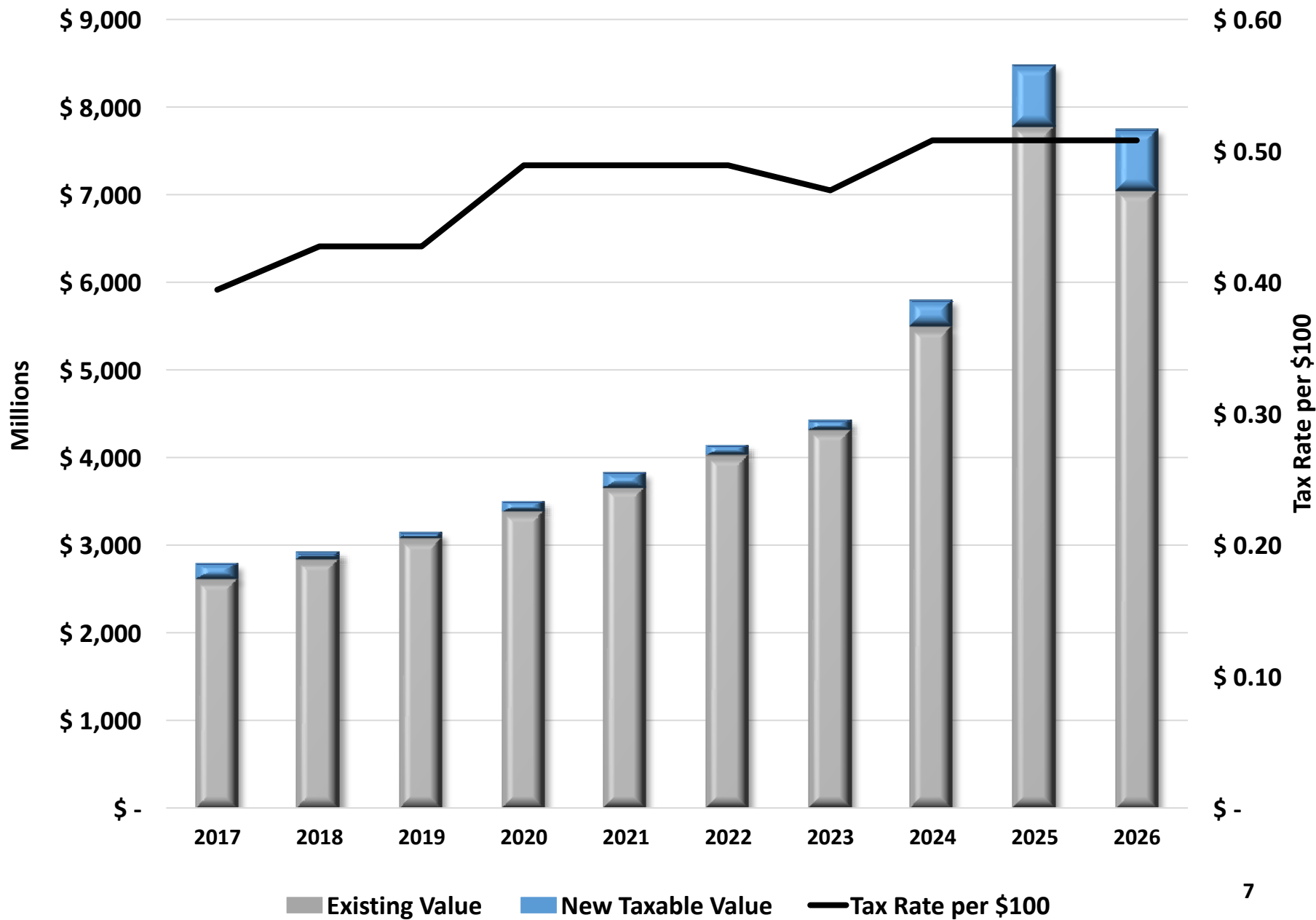
- **Solid Waste Fund – no FY2026 change**
  - Projected Reserves - \$1.4 million
    - Ending reserves \$800k below budget
    - \$900k less than FY2025
    - 44 days reserves
  - Revenues - CSW projected \$1.6 million below budget
  - Expenses – CSW disposal fees down by \$700k
- **Solid Waste Fund – June 2026 change**
  - Projected Reserves - \$2 million
    - Ending reserves \$200 below budget
    - \$240k less than FY2025
    - 64 days reserves
  - Revenues - CSW projected \$1.6 million below budget
  - Expenses – CSW disposal fees down by \$700k

# City of Sherman

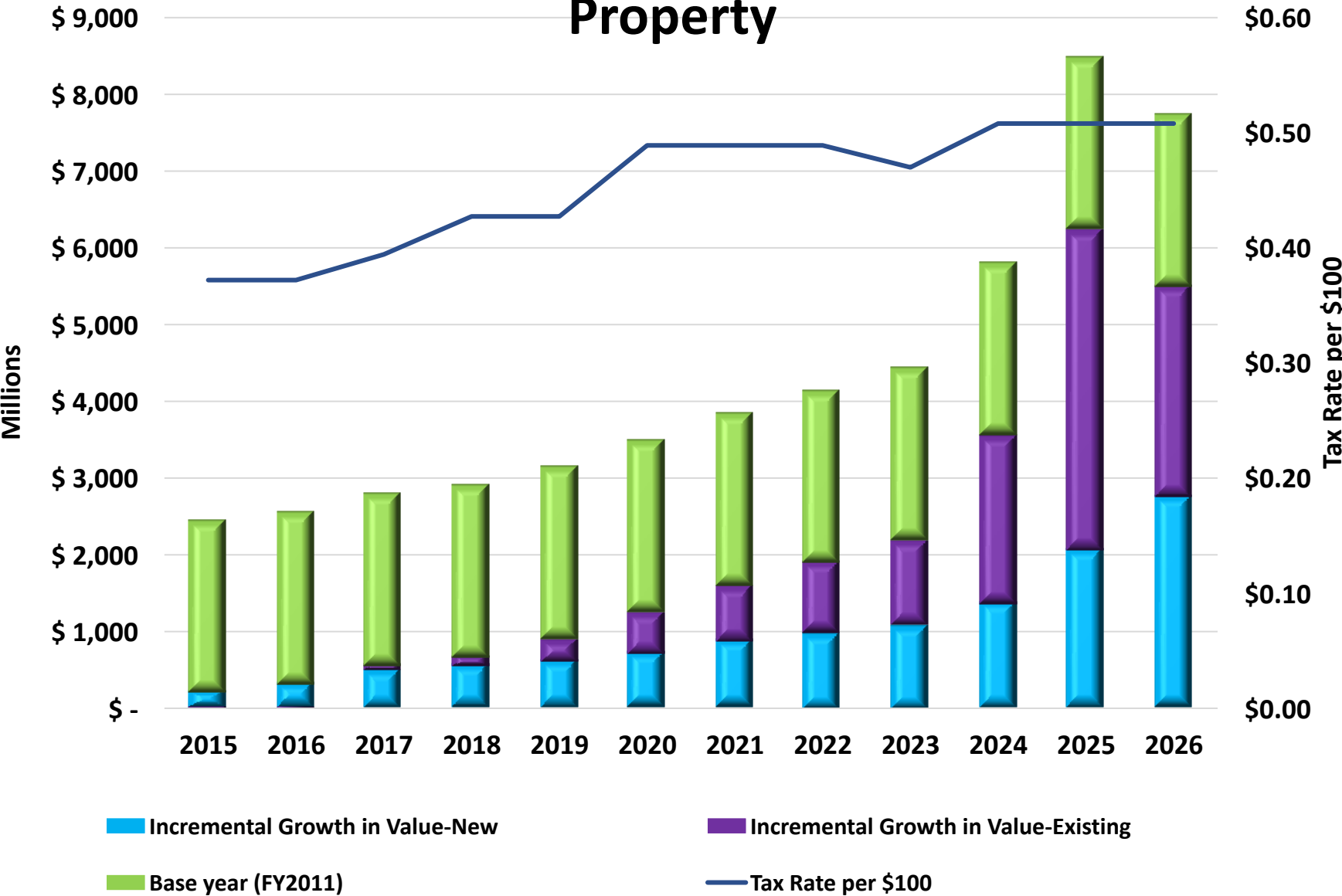
## GENERAL FUND

|                                          | Actual<br>2024-2025  | Adjusted<br>Budget<br>2025-2026 | Projected<br>2025-2026 |
|------------------------------------------|----------------------|---------------------------------|------------------------|
| <b>Beginning Fund Balance</b>            | \$ 19,516,740        | \$ 15,736,398                   | \$ 16,644,995          |
| <b>Revenues</b>                          |                      |                                 |                        |
| Property Tax                             | 25,370,051           | 19,064,700                      | 19,239,000             |
| Sales Tax                                | 28,663,532           | 27,970,000                      | 24,410,000             |
| Franchise Tax                            | 3,379,958            | 3,301,000                       | 3,520,000              |
| Other Taxes                              | 176,003              | 173,100                         | 175,725                |
| Fines & Penalties                        | 976,540              | 1,027,650                       | 1,100,000              |
| Recreation                               | 383,148              | 441,000                         | 441,000                |
| Licenses & Permits                       | 2,287,388            | 1,975,700                       | 1,400,000              |
| Rentals                                  | 3,311                | 5,200                           | 5,200                  |
| Cemetery                                 | 289,590              | 251,700                         | 251,700                |
| Sales & Service                          | 1,458,228            | 1,298,500                       | 1,298,500              |
| Ambulance Service                        | 1,945,791            | 2,228,100                       | 2,228,100              |
| Interest Income                          | 1,384,470            | 1,300,000                       | 1,030,000              |
| Grant Revenue                            | 73,556               | 12,000                          | 50,000                 |
| Intergovernmental                        | 838,469              | 837,704                         | 837,704                |
| Debt Proceeds                            | 268,773              | -                               | -                      |
| Miscellaneous Revenue                    | 879,319              | 326,100                         | 400,000                |
| <b>Total Revenues</b>                    | <b>68,378,129</b>    | <b>60,212,454</b>               | <b>56,386,929</b>      |
| Transfers In                             | 6,479,484            | 8,002,863                       | 8,002,863              |
| <b>Total Revenues and Transfers In</b>   | <b>74,857,612</b>    | <b>68,215,317</b>               | <b>64,389,792</b>      |
| <b>Total Funds Available</b>             | <b>94,374,353</b>    | <b>83,951,715</b>               | <b>81,034,787</b>      |
| <b>Expenditures</b>                      |                      |                                 |                        |
| Personnel                                | 45,161,260           | 46,834,180                      | 46,684,180             |
| Supplies                                 | 2,673,652            | 3,149,377                       | 3,149,377              |
| Repair & Maintenance                     | 1,915,204            | 2,494,334                       | 3,094,334              |
| Utilities                                | 1,458,411            | 1,617,260                       | 1,617,260              |
| Information Technology                   | 1,572,803            | 1,919,595                       | 1,919,595              |
| Services & Charges                       | 9,325,013            | 9,214,010                       | 9,214,010              |
| Vehicle Usage                            | 3,345,002            | 3,199,140                       | 3,199,140              |
| Capital Expenses                         | 1,374,020            | 835,788                         | 835,788                |
| Debt Service                             | 90,259               | -                               | -                      |
| Fleet Services & Charges                 | 1,813,732            | 482,199                         | 482,199                |
| Transfers Out                            | 9,000,000            | 150,000                         | 285,000                |
| <b>Total Expenditures</b>                | <b>77,729,358</b>    | <b>69,895,882</b>               | <b>70,480,882</b>      |
| <b>Excess Revenues over Expenditures</b> | <b>(2,871,745)</b>   | <b>(1,680,565)</b>              | <b>(6,091,090)</b>     |
| <b>Ending Fund Balance</b>               | <b>\$ 16,644,995</b> | <b>\$ 14,055,833</b>            | <b>\$ 10,553,905</b>   |
| <b>Days in Fund Balance</b>              | <b>78</b>            | <b>73</b>                       | <b>55</b>              |

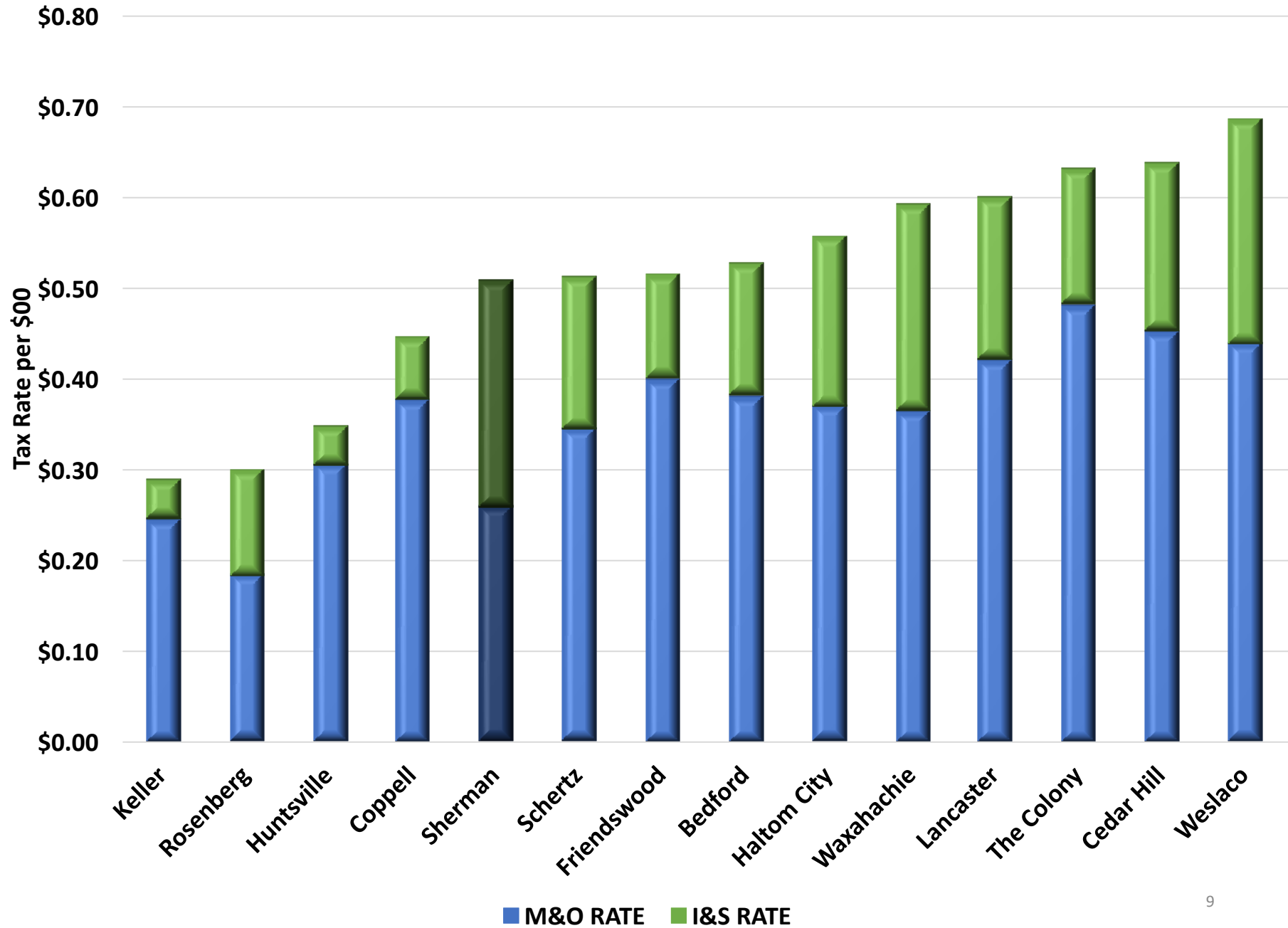
# New Value and Growth in Existing Property



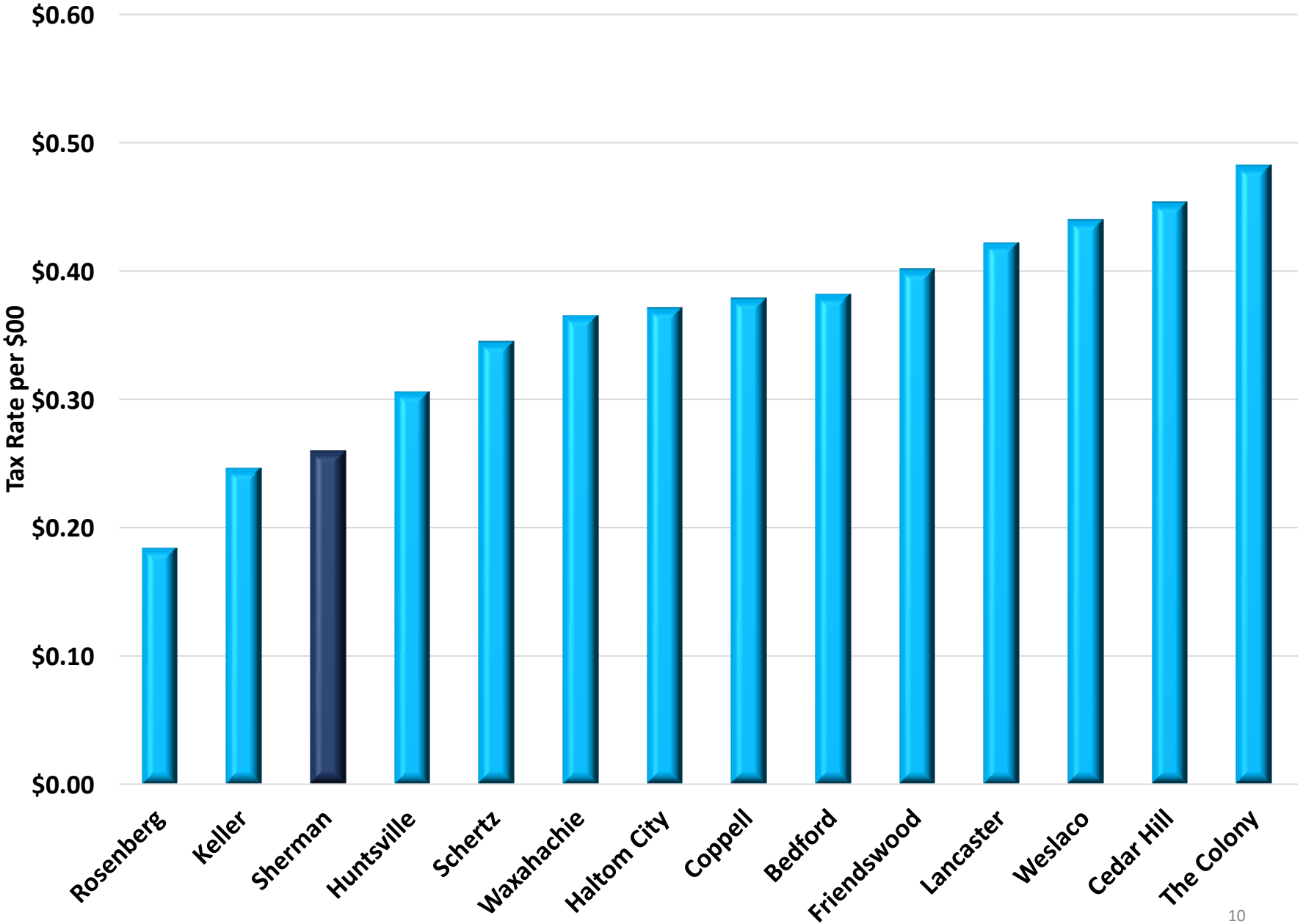
# Cumulative New Value and Growth in Existing Property



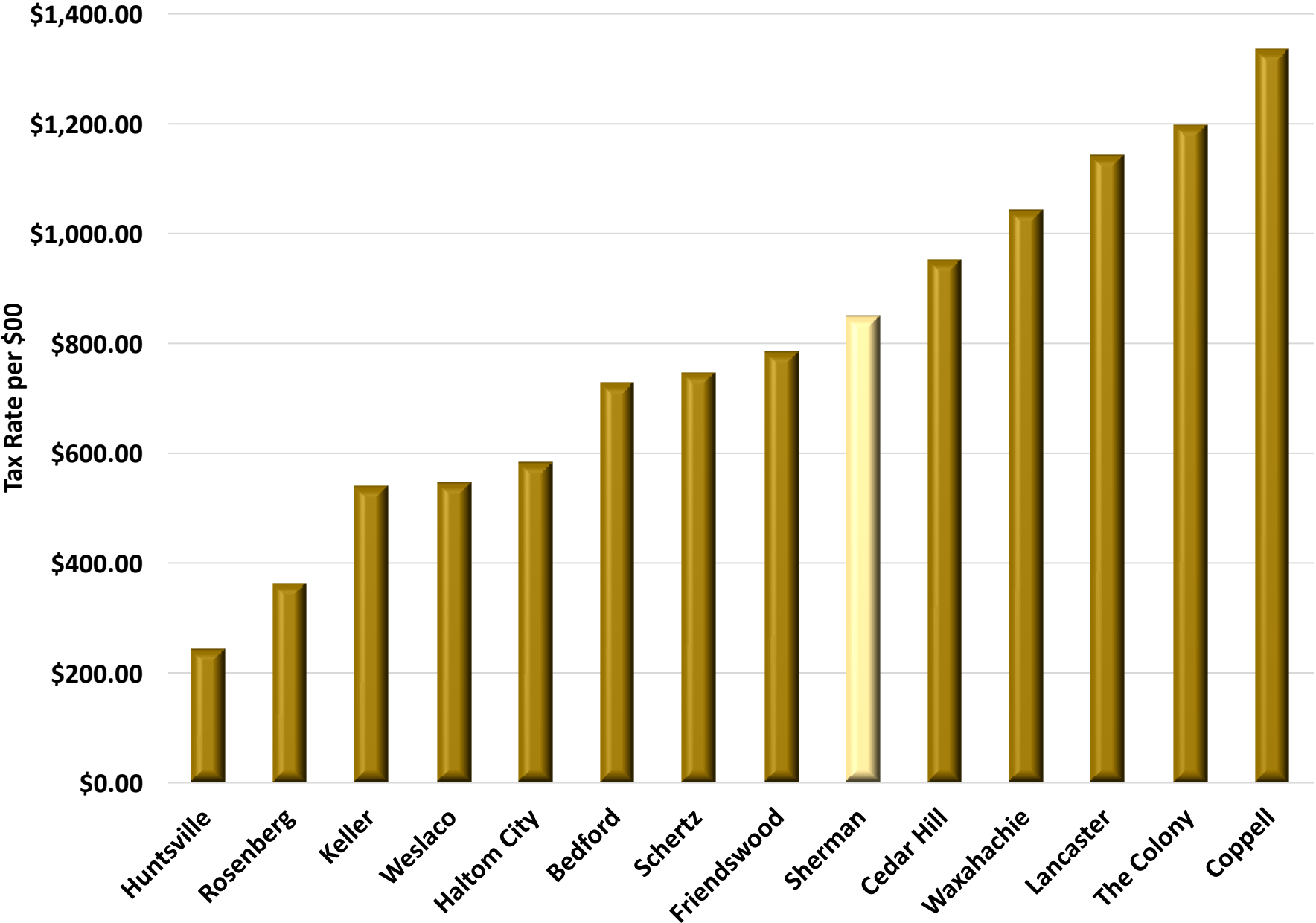
Property Tax Rates of Cities 40,000 - 50,000 Population by Total Tax Rate



Property Tax Rates of Cities 40,000 - 50,000 population by M&O Tax Rate



Property Tax Rates of Cities 40,000 - 50,000 population by Property Taxes per Capita



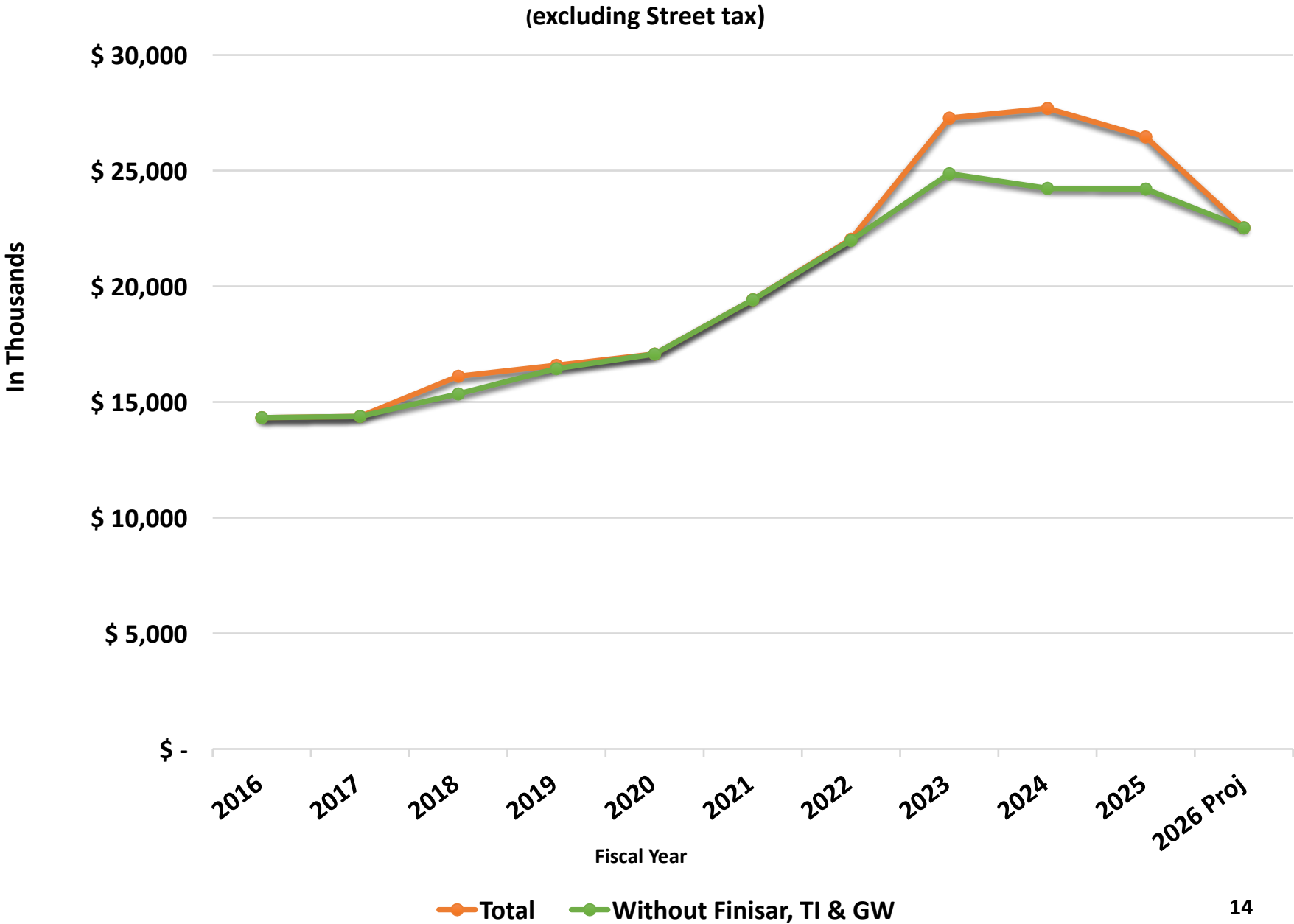
# Property Tax Assessed Value

|                                                | FY2024               | FY2025               | FY2026                 | <i>FY2027 Est</i>    |
|------------------------------------------------|----------------------|----------------------|------------------------|----------------------|
| <b>Beginning Tax Roll</b>                      | <b>4,918,058,459</b> | <b>5,778,423,011</b> | <b>8,467,325,806</b>   | <b>7,732,674,138</b> |
| <b>Growth in Beginning Tax Roll Properties</b> | <b>566,700,936</b>   | <b>446,909,581</b>   | <b>203,969,239</b>     | <b>463,960,448</b>   |
| <b>TI - net</b>                                | <b>125,000,000</b>   | <b>1,500,110,643</b> | <b>(1,064,561,826)</b> | <b>(99,792,830)</b>  |
| <b>GW - net</b>                                | <b>-</b>             | <b>450,000,000</b>   | <b>(225,800,991)</b>   | <b>(33,625,139)</b>  |
| <b>New Value</b>                               | <b>168,663,617</b>   | <b>291,882,571</b>   | <b>351,741,910</b>     | <b>166,255,791</b>   |
| <b>January 1, Tax Roll for Levy</b>            | <b>5,778,423,012</b> | <b>8,467,325,806</b> | <b>7,732,674,138</b>   | <b>8,229,472,408</b> |

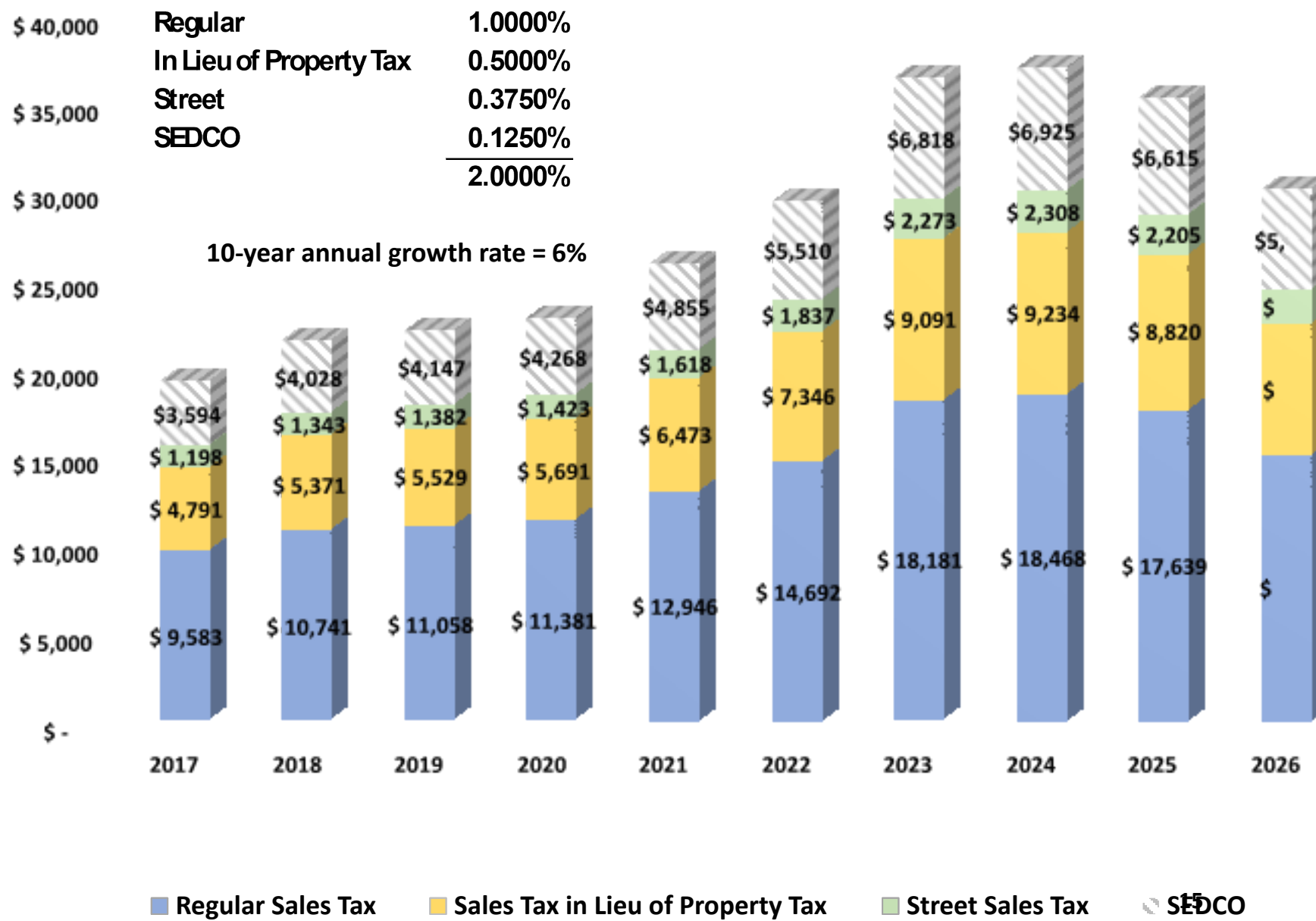
# Property Tax Rates

|                                                  | <b>FY2024</b>     | <b>FY2025</b>     | <b>FY2026</b>     | <b><i>FY2027 est.</i></b> |
|--------------------------------------------------|-------------------|-------------------|-------------------|---------------------------|
| <b>M&amp;O Rate</b>                              | <b>0.2638</b>     | <b>0.3075</b>     | <b>0.2584</b>     | <b><i>0.265109</i></b>    |
| <b>Debt Rate</b>                                 | <b>0.2442</b>     | <b>0.2005</b>     | <b>0.2496</b>     | <b><i>0.242891</i></b>    |
| <b>M&amp;O Taxes</b>                             | <b>15,443,396</b> | <b>25,956,591</b> | <b>19,841,269</b> | <b><i>21,897,796</i></b>  |
| <b>Debt Taxes</b>                                | <b>12,335,342</b> | <b>15,203,154</b> | <b>17,500,091</b> | <b><i>17,710,000</i></b>  |
| <br><b><i>(assumes adopted rate is .508)</i></b> |                   |                   |                   |                           |
| <b>Voter-<br/>approval<br/>Rate</b>              | <b>0.5293</b>     | <b>0.5235</b>     | <b>0.6615</b>     | <b><i>0.6657</i></b>      |

# Sales Tax History



Sales Tax



# City of Sherman

## UTILITY FUND

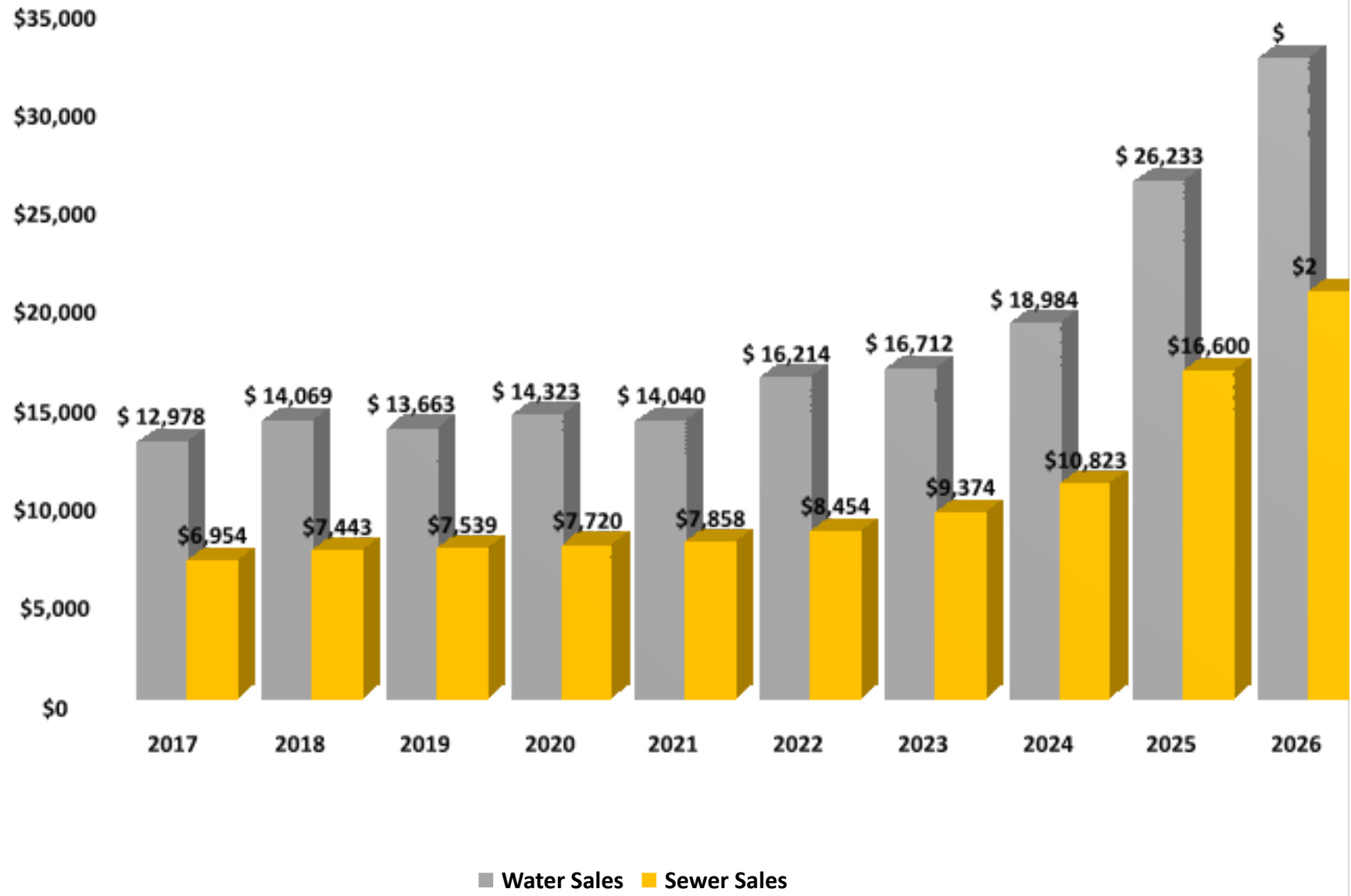
### With Rate Change Ordinance Adoption in April

|                                              | Actual<br>2024-2025      | Adjusted<br>Budget<br>2025-2026 | Projected<br>2025-2026   |
|----------------------------------------------|--------------------------|---------------------------------|--------------------------|
| Beginning Reserve                            | \$ 8,738,762             | \$ 15,793,073                   | \$ 14,574,242            |
| <b>Revenues</b>                              |                          |                                 |                          |
| Water Sales                                  | 26,233,291               | 35,833,358                      | 32,494,153               |
| Sewer Sales                                  | 16,599,841               | 23,098,548                      | 20,621,012               |
| Laboratory                                   | 175,212                  | 176,000                         | 176,000                  |
| Service Charges & Penalties                  | 732,273                  | 700,000                         | 840,000                  |
| Charges for Services                         | 242,407                  | 250,000                         | 300,000                  |
| Interest Income                              | 238,418                  | 180,000                         | 320,000                  |
| Intergovernmental                            | 417,870                  | 1,416,085                       | 2,416,085                |
| Miscellaneous Revenue                        | 671,774                  | 55,000                          | 150,000                  |
| <b>Total Revenues</b>                        | <b>45,311,085</b>        | <b>61,708,991</b>               | <b>57,317,250</b>        |
| Transfers In                                 | 474,000                  | 3,641,000                       | 3,641,000                |
| <b>Total Revenues and Transfers In</b>       | <b>45,785,085</b>        | <b>65,349,991</b>               | <b>60,958,250</b>        |
| <br><b>Total Funds Available</b>             | <br><b>54,523,847</b>    | <br><b>81,143,064</b>           | <br><b>75,532,492</b>    |
| <b>Expenditures</b>                          |                          |                                 |                          |
| Personnel                                    | 10,235,194               | 11,539,230                      | 11,389,230               |
| Supplies                                     | 2,905,468                | 6,808,921                       | 3,850,721                |
| Repair & Maintenance                         | 5,096,276                | 5,025,098                       | 5,025,098                |
| Utilities                                    | 2,973,109                | 3,371,960                       | 3,071,960                |
| Information Technology                       | 456,720                  | 529,540                         | 529,540                  |
| Debt Service                                 | 10,204,238               | 28,149,364                      | 25,055,814               |
| Services & Charges                           | 1,989,892                | 3,169,964                       | 2,969,964                |
| Vehicle Usage                                | 918,462                  | 808,300                         | 808,300                  |
| Fleet Services & Charges                     | 142,547                  | 590,644                         | 590,644                  |
| Capital Expenses                             | 293,130                  | 179,103                         | 179,103                  |
| <b>Total Expenditures</b>                    | <b>35,215,036</b>        | <b>60,172,125</b>               | <b>53,470,375</b>        |
| Transfers Out                                | 4,734,569                | 5,523,358                       | 5,523,358                |
| <b>Total Expenditures and Transfers Out</b>  | <b>39,949,605</b>        | <b>65,695,483</b>               | <b>58,993,733</b>        |
| <br><b>Excess Revenues over Expenditures</b> | <br><b>5,835,480</b>     | <br><b>(345,492)</b>            | <br><b>1,964,517</b>     |
| <br><b>Ending Reserve</b>                    | <br><b>\$ 14,574,242</b> | <br><b>\$ 15,447,581</b>        | <br><b>\$ 16,538,759</b> |
| <br><b>Days in Fund Balance</b>              | <br><b>133</b>           | <br><b>86</b>                   | <br><b>102</b>           |

**City of Sherman**  
**UTILITY FUND**  
**No Mid-year Rate Change**

|                                             | Actual<br>2024-2025  | Adjusted<br>Budget<br>2025-2026 | Projected<br>2025-2026 |
|---------------------------------------------|----------------------|---------------------------------|------------------------|
| <b>Beginning Reserve</b>                    | <b>\$ 8,738,762</b>  | <b>\$ 15,793,073</b>            | <b>\$ 14,574,242</b>   |
| <b>Revenues</b>                             |                      |                                 |                        |
| Water Sales                                 | 26,233,291           | 35,833,358                      | 27,782,586             |
| Sewer Sales                                 | 16,599,841           | 23,098,548                      | 14,448,352             |
| Laboratory                                  | 175,212              | 176,000                         | 176,000                |
| Service Charges & Penalties                 | 732,273              | 700,000                         | 840,000                |
| Charges for Services                        | 242,407              | 250,000                         | 300,000                |
| Interest Income                             | 238,418              | 180,000                         | 320,000                |
| Intergovernmental                           | 417,870              | 1,416,085                       | 2,416,085              |
| Miscellaneous Revenue                       | 671,774              | 55,000                          | 150,000                |
| <b>Total Revenues</b>                       | <b>45,311,085</b>    | <b>61,708,991</b>               | <b>46,433,023</b>      |
| Transfers In                                | 474,000              | 3,641,000                       | 3,641,000              |
| <b>Total Revenues and Transfers In</b>      | <b>45,785,085</b>    | <b>65,349,991</b>               | <b>50,074,023</b>      |
| <b>Total Funds Available</b>                | <b>54,523,847</b>    | <b>81,143,064</b>               | <b>64,648,265</b>      |
| <b>Expenditures</b>                         |                      |                                 |                        |
| Personnel                                   | 10,235,194           | 11,539,230                      | 11,389,230             |
| Supplies                                    | 2,905,468            | 6,808,921                       | 3,850,721              |
| Repair & Maintenance                        | 5,096,276            | 5,025,098                       | 5,025,098              |
| Utilities                                   | 2,973,109            | 3,371,960                       | 3,071,960              |
| Information Technology                      | 456,720              | 529,540                         | 529,540                |
| Debt Service                                | 10,204,238           | 28,149,364                      | 25,055,814             |
| Services & Charges                          | 1,989,892            | 3,169,964                       | 2,969,964              |
| Vehicle Usage                               | 918,462              | 808,300                         | 808,300                |
| Fleet Services & Charges                    | 142,547              | 590,644                         | 590,644                |
| Capital Expenses                            | 293,130              | 179,103                         | 179,103                |
| <b>Total Expenditures</b>                   | <b>35,215,036</b>    | <b>60,172,125</b>               | <b>53,470,375</b>      |
| Transfers Out                               | 4,734,569            | 5,523,358                       | 5,523,358              |
| <b>Total Expenditures and Transfers Out</b> | <b>39,949,605</b>    | <b>65,695,483</b>               | <b>58,993,733</b>      |
| <b>Excess Revenues over Expenditures</b>    | <b>5,835,480</b>     | <b>(345,492)</b>                | <b>(8,919,710)</b>     |
| <b>Ending Reserve</b>                       | <b>\$ 14,574,242</b> | <b>\$ 15,447,581</b>            | <b>\$ 5,654,532</b>    |
| <b>Days in Fund Balance</b>                 | <b>133</b>           | <b>86</b>                       | <b>35</b>              |

Water and Sewer Revenues



**City of Sherman**  
**SOLID WASTE FUND**  
 No RSW Rate Increase

|                                   | Actual<br>2024-2025 | Adjusted<br>Budget<br>2025-2026 | Projected<br>2025-2026 |
|-----------------------------------|---------------------|---------------------------------|------------------------|
| Beginning Fund Balance            | \$ 1,879,417        | \$ 2,278,244                    | \$ 2,235,775           |
| Revenues                          |                     |                                 |                        |
| Solid Waste Service               | 9,751,510           | 10,417,000                      | 8,922,300              |
| Service Charges & Penalties       | 125,492             | 150,000                         | 125,000                |
| Interest Income                   | 77,834              | 70,000                          | 55,000                 |
| Miscellaneous Revenue             | 1,275,503           | 1,170,000                       | 1,310,000              |
| Total Revenues                    | 11,230,339          | 11,807,000                      | 10,412,300             |
| Total Funds Available             | 13,109,756          | 14,085,244                      | 12,648,075             |
| Expenditures                      |                     |                                 |                        |
| Personnel                         | 2,780,157           | 2,933,170                       | 2,883,170              |
| Supplies                          | 439,695             | 478,631                         | 478,631                |
| Repair & Maintenance              | 119,788             | 97,507                          | 97,507                 |
| Utilities                         | 42,368              | 56,400                          | 56,400                 |
| Information Technology            | 122,978             | 153,280                         | 153,280                |
| Services & Charges                | 3,514,813           | 3,681,001                       | 3,101,477              |
| Vehicle Usage                     | 1,665,442           | 1,879,670                       | 1,879,670              |
| Capital Expenses                  | 114,525             | -                               | -                      |
| Fleet Services & Charges          | 40,000              | 25,000                          | 25,000                 |
| Transfers Out                     | 2,034,215           | 2,611,661                       | 2,611,661              |
| Total Expenditures                | 10,873,981          | 11,916,320                      | 11,286,796             |
| Excess Revenues over Expenditures | 356,358             | (109,320)                       | (874,496)              |
| Ending Fund Balance               | \$ 2,235,775        | \$ 2,168,924                    | \$ 1,361,279           |
| Days in Fund Balance              | 75                  | 66                              | 44                     |

# City of Sherman

## SOLID WASTE FUND

RSW Rate Increase June 2026 for 70 Days Reserve Target in FY2027

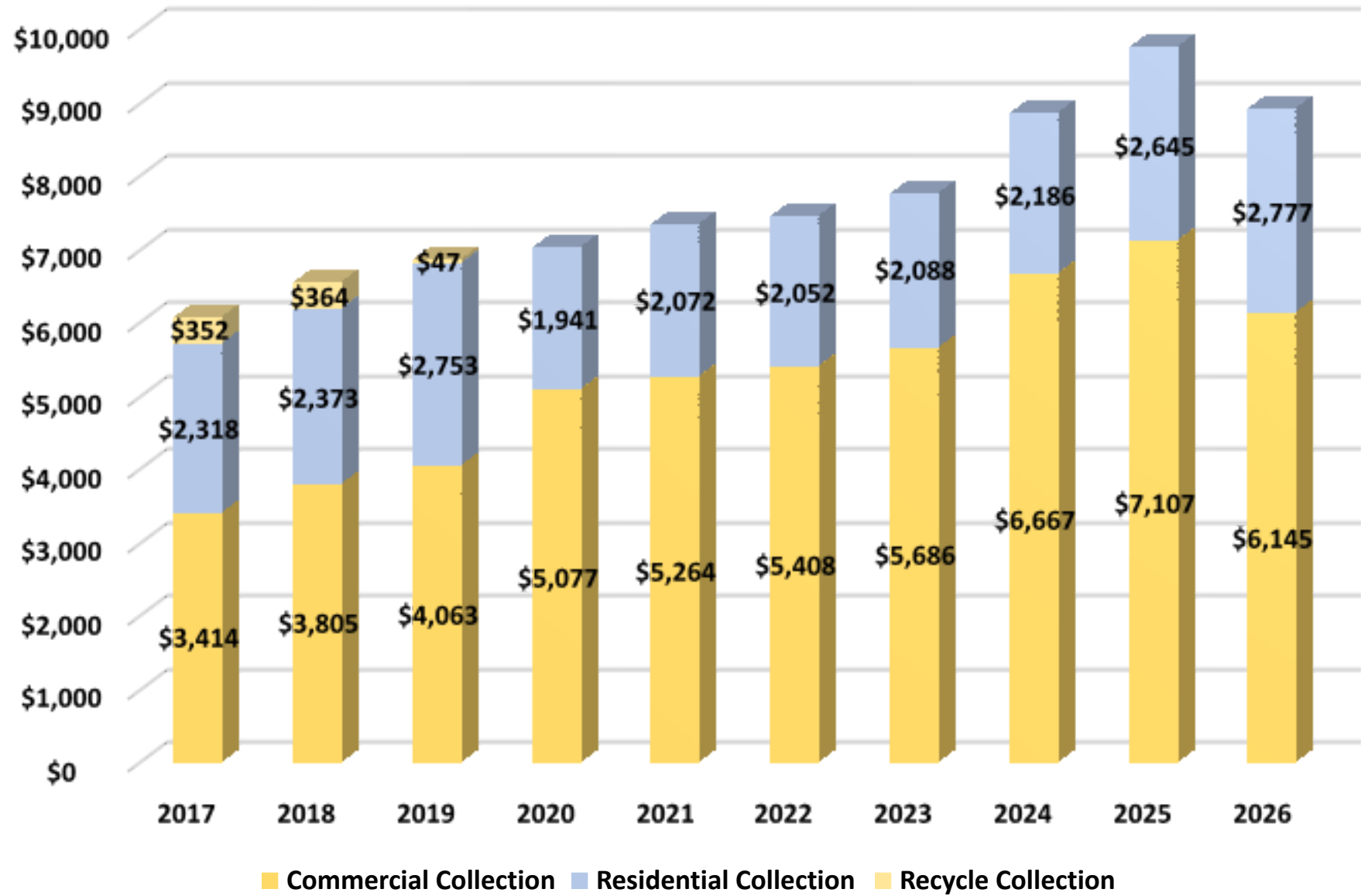
|                                   | Actual<br>2024-2025 | Adjusted<br>Budget<br>2025-2026 | Projected<br>2025-2026 |
|-----------------------------------|---------------------|---------------------------------|------------------------|
| Beginning Fund Balance            | \$ 1,879,417        | \$ 2,278,244                    | \$ 2,235,775           |
| Revenues                          |                     |                                 |                        |
| Solid Waste Service               | 9,751,510           | 10,417,000                      | 9,553,300              |
| Service Charges & Penalties       | 125,492             | 150,000                         | 125,000                |
| Interest Income                   | 77,834              | 70,000                          | 55,000                 |
| Miscellaneous Revenue             | 1,275,503           | 1,170,000                       | 1,310,000              |
| Total Revenues                    | 11,230,339          | 11,807,000                      | 11,043,300             |
| Total Funds Available             | 13,109,756          | 14,085,244                      | 13,279,075             |
| Expenditures                      |                     |                                 |                        |
| Personnel                         | 2,780,157           | 2,933,170                       | 2,883,170              |
| Supplies                          | 439,695             | 478,631                         | 478,631                |
| Repair & Maintenance              | 119,788             | 97,507                          | 97,507                 |
| Utilities                         | 42,368              | 56,400                          | 56,400                 |
| Information Technology            | 122,978             | 153,280                         | 153,280                |
| Services & Charges                | 3,514,813           | 3,681,001                       | 3,101,477              |
| Vehicle Usage                     | 1,665,442           | 1,879,670                       | 1,879,670              |
| Capital Expenses                  | 114,525             | -                               | -                      |
| Fleet Services & Charges          | 40,000              | 25,000                          | 25,000                 |
| Transfers Out                     | 2,034,215           | 2,611,661                       | 2,611,661              |
| Total Expenditures                | 10,873,981          | 11,916,320                      | 11,286,796             |
| Excess Revenues over Expenditures | 356,358             | (109,320)                       | (243,496)              |
| Ending Fund Balance               | \$ 2,235,775        | \$ 2,168,924                    | \$ 1,992,279           |
| Days in Fund Balance              | 75                  | 66                              | 64                     |
| New Rate                          |                     |                                 | 25.86                  |

# Residential Solid Waste Information

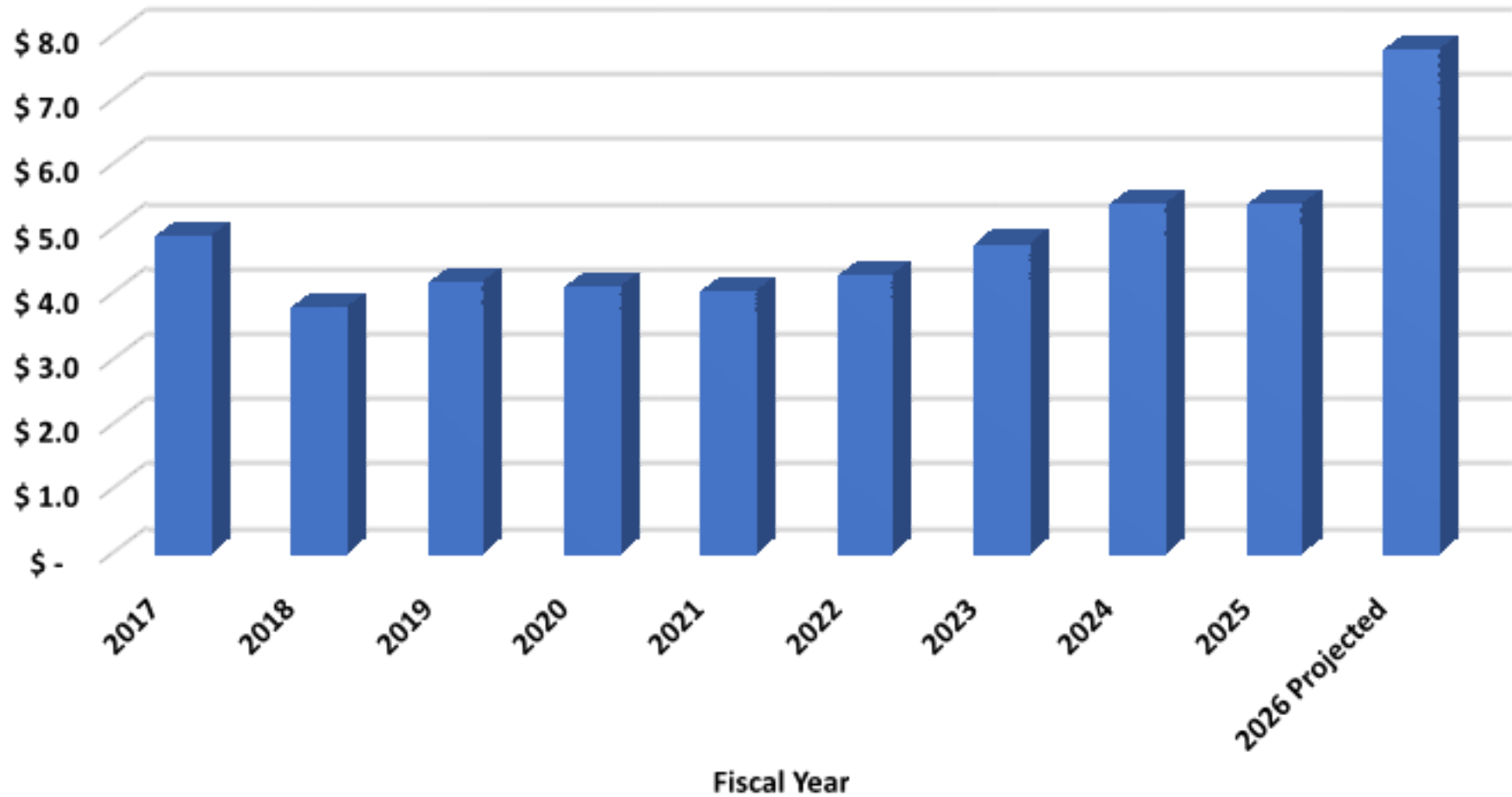
- RSW rates are half of other peer cities
- Every 1% increase in RSW fee is about \$28,000
- TASWA distribution is equal to a 40% increase in RSW rate
- CSW subsidizes RSW by about \$1.7 million per year
- RSW only pays for about half the cost of its operations
- Costs
  - New RSW truck = \$460k
  - Driver = \$60k/year



# Solid Waste Revenues



### Group Health Claims History



## City of Sherman EMPLOYEE INSURANCE FUND

|                                          | Actual<br>2024-2025 | Budget<br>2025-2026 | Projected<br>2025-2026 |
|------------------------------------------|---------------------|---------------------|------------------------|
| Beginning Fund Balance                   | \$ 1,408,446        | \$ 1,031,840        | \$ 1,604,350           |
| <b>Revenues</b>                          |                     |                     |                        |
| Employer Contributions                   | 5,279,966           | 5,384,810           | 5,711,000              |
| Employee Contributions                   | 1,236,930           | 1,150,000           | 1,320,000              |
| Retiree Contributions                    | 96,653              | 100,000             | 80,000                 |
| COBRA Contributions                      | 1,792               | 1,000               | 6,000                  |
| Miscellaneous Revenue                    | -                   | 350,000             | 350,000                |
| Interest Income                          | 67,441              | 60,000              | 40,000                 |
| Transfers In                             | -                   | -                   | -                      |
| <b>Total Revenues</b>                    | <b>6,682,782</b>    | <b>7,045,810</b>    | <b>7,507,000</b>       |
| <b>Total Funds Available</b>             | <b>8,091,228</b>    | <b>8,077,650</b>    | <b>9,111,350</b>       |
| <b>Expenditures</b>                      |                     |                     |                        |
| Health Insurance Claims                  | 5,361,963           | 6,696,000           | 7,760,000              |
| Administration & Premiums                | 1,062,787           | 1,256,000           | 1,250,000              |
| Life Insurance Premiums                  | 62,129              | 69,000              | 73,200                 |
| Transfers Out                            | -                   | -                   | -                      |
| <b>Total Expenditures</b>                | <b>6,486,878</b>    | <b>8,021,000</b>    | <b>9,083,200</b>       |
| <b>Excess Revenues over Expenditures</b> | <b>195,904</b>      | <b>(975,190)</b>    | <b>(1,576,200)</b>     |
| <b>Ending Fund Balance</b>               | <b>\$ 1,604,350</b> | <b>\$ 56,650</b>    | <b>\$ 28,150</b>       |

# CIPs

**City of Sherman**  
**GENERAL IMPROVEMENT FUND – City Funds**

|                                             | <b>Actual<br/>2024-2025</b> | <b>Total Budget<br/>as of 9/30/26</b> | <b>Project-to-Date<br/>3/31/2026</b> |
|---------------------------------------------|-----------------------------|---------------------------------------|--------------------------------------|
| <b>Transportation</b>                       |                             |                                       |                                      |
| <b>Projects</b>                             |                             |                                       |                                      |
| (2) Street Material                         | 1,949,771                   | 2,558,807                             | 2,558,195                            |
| (2) Grand Ave Solar Lights                  | 108,392                     | 110,000                               | 108,392                              |
| (1) Signal FM1417 and Quail Run             | 27,419                      | 27,420                                | 27,419                               |
| <b>Total</b>                                | <b>2,085,583</b>            | <b>2,696,227</b>                      | <b>2,694,007</b>                     |
| <b>Funding Sources</b>                      |                             |                                       |                                      |
| (1) General Fund transfers                  |                             | 27,420                                |                                      |
| (2) Tax Notes                               |                             | 2,668,807                             |                                      |
|                                             |                             | <b>2,696,227</b>                      |                                      |
| <b>Facility Maintenance</b>                 |                             |                                       |                                      |
| <b>Projects</b>                             |                             |                                       |                                      |
| (2) Municipal Bldg 3-ton Splits (3)         | 32,700                      | 32,700                                | 32,700                               |
| (2) Municipal Bldg ADA Approaches           | 22,900                      | 22,900                                | 22,900                               |
| (2) Muni Bldg Auditorium (plaster, balcony, | 3,800                       | 3,800                                 | 3,800                                |
| (2) Muni Bldg Ballroom (floor, stage)       | 62,081                      | 62,081                                | 62,081                               |
| (2) Muni Bldg Drop Ceiling                  | 2,125                       | 2,125                                 | 2,125                                |
| (2) Muni Bldg EMS System                    | 44,000                      | 44,000                                | 44,000                               |
| (2) Muni Bldg Main Entry Front              | 18,941                      | 18,941                                | 18,941                               |
| (2) Kerr East Exterior Repair               | 8,000                       | 8,000                                 | 8,000                                |
| (2) Animal Shelter HVAC                     | 20,800                      | 20,800                                | 20,800                               |
| (2) Animal Shelter Lobby                    | 61,995                      | 100,000                               | 95,929                               |
| (2) Columbarium                             | -                           | 47,350                                | 47,350                               |
| (2) Mausoleum repair                        | 36,489                      | 200,000                               | 36,489                               |
| (2) Senior Center Renovation                | 25,800                      | 25,800                                | 25,800                               |
| (2) Muni Bldg Bathroom Remodel              | -                           | 200,000                               | -                                    |
| (2) Muni Building Exterior Stairs           | -                           | 100,000                               | -                                    |
| <b>Total</b>                                | <b>339,631</b>              | <b>888,497</b>                        | <b>420,915</b>                       |
| <b>Funding Sources</b>                      |                             |                                       |                                      |
| (1) General Fund transfers                  |                             | -                                     |                                      |
| (2) Tax Notes                               |                             | 888,497                               |                                      |
| (3) General CIP Fund 222 transfer           |                             | -                                     |                                      |
|                                             |                             | <b>888,497</b>                        |                                      |

**City of Sherman**  
**GENERAL IMPROVEMENT FUND – City Funds**

|                                        | <b>Actual<br/>2024-2025</b> | <b>Total Budget<br/>as of 9/30/26</b> | <b>Project-to-Date<br/>3/31/2026</b> |
|----------------------------------------|-----------------------------|---------------------------------------|--------------------------------------|
| <b>Transportation</b>                  |                             |                                       |                                      |
| <b>Projects</b>                        |                             |                                       |                                      |
| (2) Street Material                    | 1,949,771                   | 2,558,807                             | 2,558,195                            |
| (2) Grand Ave Solar Lights             | 108,392                     | 110,000                               | 108,392                              |
| (1) Signal FM1417 and Quail Run        | 27,419                      | 27,420                                | 27,419                               |
| <b>Total</b>                           | <b>2,085,583</b>            | <b>2,696,227</b>                      | <b>2,694,007</b>                     |
| <b>Funding Sources</b>                 |                             |                                       |                                      |
| (1) General Fund transfers             |                             | 27,420                                |                                      |
| (2) Tax Notes                          |                             | 2,668,807                             |                                      |
|                                        |                             | <b>2,696,227</b>                      |                                      |
| <b>Facility Maintenance</b>            |                             |                                       |                                      |
| <b>Public Safety</b>                   |                             |                                       |                                      |
| <b>Projects</b>                        |                             |                                       |                                      |
| (1) Watchguard video evidence platform | 134,000                     | 97,722                                | 97,722                               |
| <b>Total</b>                           | <b>134,000</b>              | <b>97,722</b>                         | <b>97,722</b>                        |
| <b>Funding Sources</b>                 |                             |                                       |                                      |
| (1) General Fund transfers             |                             | 97,722                                |                                      |
|                                        |                             | <b>97,722</b>                         |                                      |
| <b>Other</b>                           |                             |                                       |                                      |
| <b>Projects</b>                        |                             |                                       |                                      |
| (1) Airport Pavement Maintenance-City  | 24,405                      | 382,000                               | 24,405                               |
| (1) Energov Implementation             | 87,315                      | 430,000                               | 87,315                               |
| (1) Kidd Key Fountain                  | 73,449                      | 74,000                                | 73,449                               |
| <b>Total</b>                           | <b>185,169</b>              | <b>886,000</b>                        | <b>185,169</b>                       |
| <b>Funding Sources</b>                 |                             |                                       |                                      |
| (1) General Fund transfers             | -                           | 886,000                               |                                      |
| (2) Tax Notes                          | -                           | -                                     |                                      |
|                                        |                             | <b>886,000</b>                        |                                      |
| <b>Total Expenditures</b>              |                             |                                       |                                      |
|                                        | <b>\$ 2,744,382</b>         | <b>\$ 4,568,446</b>                   | <b>\$ 3,397,813</b>                  |

**City of Sherman**  
**GENERAL IMPROVEMENT FUND – Bond Funds**

|                                                          | Actual<br>2024-2025 | Total Budget as<br>of 9/30/26 | Project-to-Date<br>3/31/2026 |
|----------------------------------------------------------|---------------------|-------------------------------|------------------------------|
| <b>Transportation</b>                                    |                     |                               |                              |
| <b>Projects</b>                                          |                     |                               |                              |
| FM 1417 Engineering & ROW - SH 82 to SH 56               | 22                  | 5,450,000                     | 5,448,020                    |
| Bridges-Center/McGee/Travis                              | 8,822               | 805,871                       | 805,690                      |
| Flanary Rd and Progress Rd Engineering                   | 28,311              | 219,300                       | 215,627                      |
| Moore Street                                             | 304,146             | 14,800,000                    | 7,933,236                    |
| FM 1417 design/ROW - SH 56 to W. Travis                  | 2,792,082           | 4,600,000                     | 4,435,830                    |
| Shepherd Dr                                              | 4,337,576           | 18,200,000                    | 17,577,744                   |
| Bel Air Blvd Ph II/Beach Club/London Ln                  | 4,708,387           | 9,400,000                     | 9,349,569                    |
| Major Street Rebuilds-Washington & Sunset                | 2,278,550           | 2,500,000                     | 2,422,805                    |
| Sherman St Improvements                                  | 3,697               | 200,000                       | 184,530                      |
| Lamberth & Friendship-Shady Oaks thru Hickory Hill       | 1,093,156           | 4,000,000                     | 3,603,496                    |
| Progress Drive & Tortilla Way                            | -                   | 5,780,000                     | 100                          |
| Flanary Road                                             | 114                 | 5,400,000                     | 114                          |
| Center St Bridge at Post Oak Creek                       | 468,965             | 1,378,366                     | 1,245,592                    |
| OB Groner - west of FM 1417 Design                       | 500,000             | 1,500,000                     | 508,250                      |
| Pebblebrooke Phase IV Drainage                           | 889                 | 546,000                       | 538,679                      |
| FM 1417 signal at Bel Air Blvd Design                    | 70,500              | 400,000                       | 80,000                       |
| Heritage Ranch Ramps -Eng                                | 72,042              | 410,000                       | 360,577                      |
| Heritage Ranch Phase I                                   | 5,433,667           | 7,400,000                     | 6,572,412                    |
| Heritage Ranch Utilities for SISD                        | 413,102             | 1,100,000                     | 434,844                      |
| Wells St Rebuild/Extension                               | 62,914              | 200,000                       | 132,483                      |
| Crossroads Infrastructure (includes TxDOT participation) | 550,988             | 14,400,000                    | 7,152,630                    |
| Cherry St Rebuild                                        | 1,117,974           | 3,100,000                     | 1,439,625                    |
| Travis Heights/Bel Air Blvd                              | 209                 | 2,400,000                     | 2,023                        |
| Traffic signal - Luella Rd & FM 1417                     | 70,500              | 400,000                       | 80,000                       |
| TxDOT Hwy 75 and Taylor-move manhole                     | -                   | 120,000                       | 109,792                      |
| Retaining Wall on FM 1417                                | 100                 | 90,000                        | 80,582                       |
| <b>Total</b>                                             | <b>24,316,712</b>   | <b>104,799,537</b>            | <b>70,714,251</b>            |

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

|                                        | <b>Actual<br/>2024-2025</b> | <b>Total Budget as<br/>of 9/30/26</b> | <b>Project-to-Date<br/>3/31/2026</b> |
|----------------------------------------|-----------------------------|---------------------------------------|--------------------------------------|
| <b>Parks and Recreation</b>            |                             |                                       |                                      |
| Projects                               |                             |                                       |                                      |
| Asphalt Pump Track at Binkley Park     | 136,593                     | 500,000                               | 498,793                              |
| Master Plan Trail Construction         | 62                          | 750,000                               | 277,227                              |
| Northcreek Subdivision Park            | 21,800                      | 500,000                               | 451,902                              |
| Trail Lighting and Restroom and PGE    | 1,239,371                   | 2,000,000                             | 1,353,469                            |
| OSP Lighting - Phase I                 | 27,122                      | 1,500,000                             | 50,535                               |
| Fairview Park playground               | 1,296,923                   | 6,400,000                             | 2,286,011                            |
| Hawn Park playground                   | 47,184                      | 2,200,000                             | 130,755                              |
| MLK Park/Mt Carmel Property Purchase   | 1,722                       | -                                     | 64,201                               |
| Pebblebrook Phase IV Park              | 1,462                       | 2,500                                 | 6,350                                |
| Hickory Hill Park                      | 403                         | 403                                   | 403                                  |
| Fairview Tennis Courts                 | -                           | 210,600                               | 200,786                              |
| Total                                  | <u>2,772,640</u>            | <u>14,063,503</u>                     | <u>5,320,432</u>                     |
| <b>Downtown</b>                        |                             |                                       |                                      |
| Projects                               |                             |                                       |                                      |
| Texas Laundry property for parking lot | 1,500                       | -                                     | 1,500                                |
| Downtown Lighting and Electrical       | 7,875                       | 600,000                               | 7,875                                |
| Total                                  | <u>9,375</u>                | <u>600,000</u>                        | <u>9,375</u>                         |
| <b>Facilities</b>                      |                             |                                       |                                      |
| Projects                               |                             |                                       |                                      |
| City Hall Renovation                   | 4,560,322                   | 6,400,000                             | 6,319,376                            |
| West Hill Cemetery Creek Erosion       | 532,581                     | 1,000,000                             | 966,502                              |
| Public Works Facility - Design         | 11,140                      | 1,000,000                             | 46,784                               |
| Fleet Maintenance Facility             | -                           | 900,000                               | 342,289                              |
| Total                                  | <u>5,104,043</u>            | <u>9,300,000</u>                      | <u>7,674,951</u>                     |

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

|                                      | <b>Actual<br/>2024-2025</b> | <b>Total Budget as<br/>of 9/30/26</b> | <b>Project-to-Date<br/>3/31/2026</b> |
|--------------------------------------|-----------------------------|---------------------------------------|--------------------------------------|
| <b>Public Safety</b>                 |                             |                                       |                                      |
| Projects                             |                             |                                       |                                      |
| Combine Fire Sta. 1 & 2              | 2,737,075                   | 8,050,000                             | 7,757,237                            |
| Fire Station #4 Training Tower       | 287,222                     | 1,000,000                             | 506,463                              |
| Public Safety Trunking System        | 66,460                      | 3,500,000                             | 3,466,201                            |
| Fire Station #5 Land                 | 7,325                       | 500,000                               | 7,325                                |
| Fire Station #3 Remodel              | 156,237                     | 4,300,000                             | 375,190                              |
| Total                                | <u>3,254,320</u>            | <u>17,350,000</u>                     | <u>12,112,417</u>                    |
| <b>Drainage</b>                      |                             |                                       |                                      |
| Projects                             |                             |                                       |                                      |
| Blanton St Drainage (Birge to McGee) | 46,630                      | 2,500,000                             | 46,630                               |
| McGee St Bridge Erosion              | 209,162                     | 1,430,000                             | 680,650                              |
| Setting Suns Drainage Phase III      | 1,750                       | 245,000                               | 231,312                              |
| Lamberth Rd Post Oak Creek Crossing  | 179,960                     | 2,100,000                             | 838,164                              |
| Hills of Sherman Drainage            | -                           | 500,000                               | 500,000                              |
| Total                                | <u>437,502</u>              | <u>6,775,000</u>                      | <u>2,296,756</u>                     |
| <b>Total Expenditures</b>            |                             |                                       |                                      |
|                                      | <u><u>\$ 35,894,592</u></u> | <u><u>\$ 152,888,040</u></u>          | <u><u>\$ 98,128,182</u></u>          |

# **Tax-Supported Debt**

# Outstanding CO/GO Debt - Current

|                              | Interest             | Principal            | Total                |
|------------------------------|----------------------|----------------------|----------------------|
| 2016 CO                      | \$ 719,925           | \$ 4,435,000         | \$ 5,154,925         |
| 2017 A Stormwater            | 577,869              | 2,665,000            | 3,242,869            |
| 2017 CO General Imp          | 1,482,718            | 6,293,076            | 7,775,794            |
| 2017 CO TIRZ #5              | 660,114              | 2,801,712            | 3,461,826            |
| 2017 CO TIRZ #6              | 516,243              | 2,191,082            | 2,707,326            |
| 2017 CO TIRZ #7              | 406,224              | 1,724,130            | 2,130,355            |
| 2017 Refunding Auditorium    | 38,394               | 498,769              | 537,163              |
| 2017 Refunding General Imp   | 278,453              | 2,853,437            | 3,131,891            |
| 2017 Refunding TIF #1        | 6,903                | 67,794               | 74,697               |
| 2018 CO General Improvements | 5,723,631            | 15,780,000           | 21,503,631           |
| 2019 CO General Imp          | 5,921,300            | 16,170,000           | 22,091,300           |
| 2021 CO General Imp          | 8,672,319            | 26,745,000           | 35,417,319           |
| 2021 Tax Notes               | 14,000               | 350,000              | 364,000              |
| 2022 Tax Notes               | 56,000               | 740,000              | 796,000              |
| 2023 General Imp             | 62,465,250           | 71,025,000           | 133,490,250          |
| 2023 Tax Notes               | 165,750              | 1,630,000            | 1,795,750            |
| 2024 CO                      | 13,925,919           | 18,705,000           | 32,630,919           |
| 2024 Tax Notes               | 326,000              | 2,545,000            | 2,871,000            |
| 2025 Tax Notes               | 882,500              | 5,695,000            | 6,577,500            |
| 2025 CO                      | 23,213,800           | 24,750,000           | 47,963,800           |
| 2026 Tax Notes               | 641,979              | 4,045,000            | 4,686,979            |
|                              | <hr/> \$ 126,695,292 | <hr/> \$ 211,710,000 | <hr/> \$ 338,405,292 |

# Outstanding CO/GO Debt - Current

|                              | Final Maturity | Avg Annual<br>Debt Service | Total          |
|------------------------------|----------------|----------------------------|----------------|
| 2016 CO                      | 8/15/2036      | 468,280                    | 5,154,925      |
| 2017 A Stormwater            | 8/15/2037      | 270,054                    | 3,242,869      |
| 2017 CO General Imp          | 8/15/2037      | 647,539                    | 7,775,794      |
| 2017 CO TIRZ #5              | 8/15/2037      | 288,288                    | 3,461,826      |
| 2017 CO TIRZ #6              | 8/15/2037      | 225,456                    | 2,707,326      |
| 2017 CO TIRZ #7              | 8/15/2037      | 177,408                    | 2,130,355      |
| 2017 Refunding Auditorium    | 8/15/2029      | 134,199                    | 537,163        |
| 2017 Refunding General Imp   | 8/15/2029      | 782,437                    | 3,131,891      |
| 2017 Refunding TIF #1        | 8/15/2026      | 74,697                     | 74,697         |
| 2018 CO General Improvements | 8/15/2043      | 1,193,919                  | 21,503,631     |
| 2019 CO General Imp          | 8/15/2044      | 1,161,862                  | \$ 22,091,300  |
| 2021 CO General Imp          | 8/15/2051      | 1,361,344                  | 35,417,319     |
| 2021 Tax Notes               | 8/15/2026      | 364,000                    | 364,000        |
| 2022 Tax Notes               | 8/15/2027      | 398,000                    | 796,000        |
| 2023 General Imp             | 8/15/2043      | 7,411,613                  | 133,490,250    |
| 2023 Tax Notes               | 8/15/2028      | 598,037                    | 1,795,750      |
| 2024 CO                      | 8/15/2054      | 1,124,460                  | 32,630,919     |
| 2024 Tax Notes               | 8/15/2029      | 717,259                    | 2,871,000      |
| 2025 Tax Notes               | 8/15/2030      | 1,314,780                  | 6,577,500      |
| 2025 CO                      | 8/15/2055      | 1,597,772                  | 47,963,800     |
| 2026 Tax Notes               | 8/15/2031      | 780,807                    | 4,686,979      |
|                              |                | \$ 21,092,210              | \$ 338,405,292 |

C.O Bond Summary

|                                                                                      | 2016 C.O. |      | 2017 C.O. |      | 2018 C.O. |      | 2019 C.O. |      | 2021 C.O. |      | 2023 C.O. |      | 2024 CO |   | 2025 CO |   | Total Issued |
|--------------------------------------------------------------------------------------|-----------|------|-----------|------|-----------|------|-----------|------|-----------|------|-----------|------|---------|---|---------|---|--------------|
| TXDOT Projects                                                                       |           |      |           |      |           |      |           |      |           |      |           |      |         |   |         |   |              |
| TxDOT 1417 & W. Travis Intersection                                                  | \$        | -    | \$        | -    | \$        | -    | \$        | 1.68 | \$        | -    | \$        | -    | \$      | - | \$      | - | \$ 1.68      |
| TxDOT-Hwy 75 Gap Project                                                             |           | -    |           | -    |           | -    |           | 8.20 |           | -    |           | -    |         | - |         | - | 8.20         |
| * TXDOT Ramp Reversal at 75/1417                                                     |           | -    |           | 2.50 |           | -    |           | -    |           | -    |           | -    |         | - |         | - | 2.50         |
| 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 |           | 3.00 |         | - |         | - | 4.60         |
|                                                                                      |           |      |           |      |           |      |           |      |           |      |           |      |         | - |         | - |              |
| Thoroughfares                                                                        |           |      |           |      |           |      |           |      |           |      |           |      |         |   |         |   |              |
| Friendship Road - Eng, ROW & Construction                                            |           | 1.20 |           | -    |           | -    |           | -    |           | 0.10 |           | -    |         | - |         | - | 1.30         |
| 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 |           | 1.25 |         | - |         | - | 4.00         |
| Hilre Drive Extension                                                                |           | -    |           | -    |           | -    |           | 0.50 |           | -    |           | -    |         | - |         | - | 0.50         |
| OB Groner west of FM 1417 Design and Developer Agreement                             |           | -    |           | -    |           | -    |           | -    |           | -    |           | 0.50 |         | - |         | - | 0.50         |
| Retaining wall FM1417 & Lamberth                                                     |           |      |           |      |           |      |           |      |           |      |           | 0.10 |         | - |         | - | 0.10         |
| Park Ave Realignment (net)                                                           |           | -    |           | -    |           | 1.90 |           | 0.10 |           | -    |           | -    |         | - |         | - | 2.00         |
| Steeplechase Drive Ext                                                               |           | -    |           | -    |           | -    |           | 0.15 |           | -    |           | -    |         | - |         | - | 0.15         |

CO Bond Summary (continued)

|                        | 2016 C.O. | 2017 C.O. | 2018 C.O. | 2019 C.O. | 2021 C.O. | 2023 C.O. | 2024 CO | 2025 CO | Total Issued |
|------------------------|-----------|-----------|-----------|-----------|-----------|-----------|---------|---------|--------------|
| Bel Air                |           |           |           |           |           |           |         |         |              |
| Beach Club             |           |           |           |           |           |           |         |         |              |
| Blvd/London Ln         | -         | -         | -         | -         | -         | 5.90      | -       | -       | 5.90         |
| Bel Air Blvd           |           |           |           |           |           |           |         |         |              |
| Construction Ph II     |           |           |           |           |           |           |         |         |              |
| (excludes utilities)   | -         | -         | -         | -         | 1.90      | -         | -       | -       | 1.90         |
| Travis Heights/Bel Air |           |           |           |           |           |           |         |         |              |
| Blvd                   |           |           |           |           |           | 0.19      | 1.28    | 0.93    | 2.40         |
| SEDCO/Industrial Park  |           |           |           |           |           |           |         |         |              |
| * 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            | -         | -         | -         | -         | -         | 4.48      | -       | 1.30    | 5.78         |
| Tortilla Way           |           |           |           |           |           | 1.00      | -       | -       | 1.00         |
| Moore St./Interurban   |           |           |           |           |           |           |         |         |              |
| 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      | 7.70      | -       | -       | 9.90         |
| New Developments       |           |           |           |           |           |           |         |         |              |
| Crossroads             |           |           |           |           |           |           |         |         |              |
| Infrastructure         | -         | -         | -         | -         | -         | 2.30      | -       | 12.10   | 14.40        |
| Munson Planned         |           |           |           |           |           |           |         |         |              |
| Development            | -         | -         | -         | 0.10      | -         | -         | -       | -       | 0.10         |

CO Bond Summary (continued)

|                                                                                                 | 2016 C.O. | 2017 C.O. | 2018 C.O. | 2019 C.O. | 2021 C.O. | 2023 C.O. | 2024 CO | 2025 CO | Total Issued |
|-------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|---------|---------|--------------|
| Major Street Rebuilds                                                                           | -         | -         | -         | -         |           | -         |         |         |              |
| Wells St                                                                                        | -         | -         | -         | -         | -         | 0.20      | -       | -       | 0.20         |
| Washington & Sunset                                                                             | -         | -         | -         |           | 1.50      | 1.00      | -       | -       | 2.50         |
| Cherry St                                                                                       | -         | -         | -         | 0.62      | 0.10      | 0.08      | 1.60    | -       | 2.40         |
| Engineering (Design for in-house mill & overlay)                                                | -         | -         | -         | -         | -         | -         | 0.70    | -       | 0.70         |
| Sherman St Improvements                                                                         | -         | -         | -         | -         | -         | 0.20      | -       | -       | 0.20         |
| Shepherd Rd                                                                                     |           |           |           |           |           |           |         |         |              |
| Shepherd Rd Design                                                                              | -         | -         | -         | -         | 1.10      | -         | -       | -       | 1.10         |
| Shepherd Rd Design/Construction                                                                 | -         | -         | -         | -         | -         | 12.60     | 0.50    | -       | 13.10        |
| Heritage Ranch                                                                                  |           |           |           |           |           |           |         |         |              |
| Heritage Ranch ramps - Eng                                                                      |           | -         | -         | -         | -         | 0.50      | -       | -       | 0.50         |
| Heritage Ranch Public Utilities                                                                 |           | -         | -         | -         | -         | -         | 1.10    | -       | 1.10         |
| Heritage Ranch Ph I (Lone star Pkwy, roundabout and HRT in front of school), Eng & Construction |           | -         | -         | -         | -         | -         | 0.43    | 6.07    | 6.50         |
| Heritage Ranch Ph II (Finish HRT)                                                               |           | -         | -         | -         | -         | 3.50      | -       | -       | 3.50         |
| Downtown                                                                                        |           |           |           |           |           |           |         |         |              |
| Downtown lighting, electrical                                                                   |           | -         | -         | -         | -         | 0.30      | -       | 0.30    | 0.60         |
| Right-of-Way Agent                                                                              |           |           |           |           |           | 0.05      | -       | -       | 0.05         |
| Total Streets                                                                                   | 7.20      | 8.20      | 9.50      | 20.00     | 12.40     | 50.55     | 5.61    | 20.70   | 134.16       |

CO Bond Summary (continued)

|                          | 2016 C.O. | 2017 C.O. | 2018 C.O. | 2019 C.O. | 2021 C.O. | 2023 C.O. | 2024 CO | 2025 CO | Total Issued |
|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|---------|---------|--------------|
| <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      | 0.50    | -       | 7.75         |
| Fire Dept Training       |           |           |           |           |           |           |         |         |              |
| Tower                    | -         | -         | -         | -         | -         | -         | 1.00    | -       | 1.00         |
| Public Safety            |           |           |           |           |           |           |         |         |              |
| Trunking System          | -         | -         | -         | -         | -         | 3.50      | -       | -       | 3.50         |
| Fire Station #3          |           |           |           |           |           |           |         |         |              |
| remodel                  | -         | -         | -         | -         | -         | 1.30      | 0       | 3.00    | 4.30         |
| Fire Station #5 Land     | -         | -         | -         | -         | -         | -         | 0.50    | -       | 0.50         |
| <b>Other than Public</b> |           |           |           |           |           |           |         |         |              |
| <b>Safety</b>            |           |           |           |           |           |           |         |         |              |
| Library                  | -         | -         | 2.00      | 0.50      | -         | -         | -       | -       | 2.50         |
| City Hall                | -         | -         | -         | -         | -         | 5.40      | -       | -       | 5.40         |
| Public Works Facility    | -         | -         | -         | -         | -         | -         | 0.10    | -       | 0.10         |
| Fleet Maintenance        |           |           |           |           |           |           |         |         |              |
| Facility                 | -         | -         | -         | -         | -         | -         | 9.90    | -       | 9.90         |
| Auditorium Chiller       | -         | -         | -         | -         | -         | 0.20      | -       | -       | 0.20         |
| Total Facilities         | -         | 3.10      | 2.30      | 1.10      | 17.60     | 17.65     | 12.00   | 3.00    | 56.75        |
| <b>TIRZ</b>              |           |           |           |           |           |           |         |         |              |
| TIRZ #5 Sherman          |           |           |           |           |           |           |         |         |              |
| Crossroads               | -         | 3.90      | -         | -         | -         | -         | -       | -       | 3.90         |
| TIRZ #6 Sherman          |           |           |           |           |           |           |         |         |              |
| Landing                  | -         | 3.10      | -         | -         | -         | -         | -       | -       | 3.10         |
| TIRZ #7 Legacy Village   | -         | -         | 2.40      | -         | -         | -         | -       | -       | 2.40         |
| Total TIRZ               | -         | 7.00      | 2.40      | -         | -         | -         | -       | -       | 9.40         |
| <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          | -         | -         | -         | -         | -         | 0.23      | 1.20    | -       | 1.43         |
| Total Bridges            | -         | 0.50      | -         | 1.00      | -         | 0.90      | 1.20    | -       | 3.60         |

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CO Bond Summary (continued)

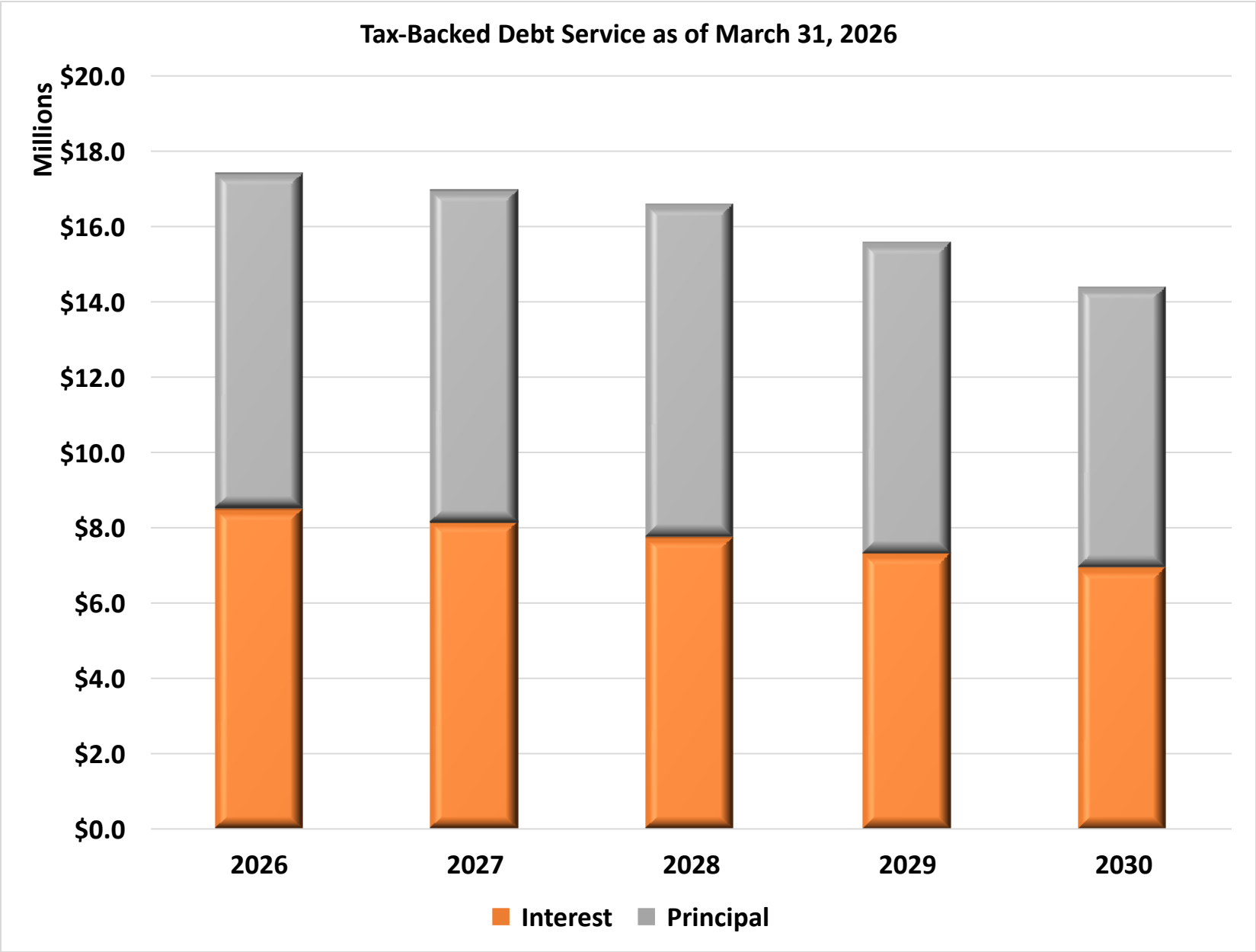
|                           | 2016 C.O. | 2017 C.O. | 2018 C.O. | 2019 C.O. | 2021 C.O. | 2023 C.O. | 2024 CO  | 2025 CO  | Total Issued |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|----------|----------|--------------|
| <i>Parks</i>              |           |           |           |           |           |           |          |          |              |
| Pecan Grove West          |           |           |           |           |           |           |          |          |              |
| Ballfields                | -         | -         | 5.00      | -         | -         | -         | -        | -        | 5.00         |
| PGW Ballfield & Trail     |           |           |           |           |           |           |          |          |              |
| lighting                  | -         | -         | -         | -         | -         | 1.50      | -        | -        | 1.50         |
| PGE Inclusive             |           |           |           |           |           |           |          |          |              |
| playground and parking,   |           |           |           |           |           |           |          |          |              |
| lighting, trail, restroom | -         | -         | -         | -         | -         | 2.00      | -        | -        | 2.00         |
|                           | -         | -         | -         | -         | -         | 0.50      | -        | -        | 0.50         |
| Northcreek Subdivision    |           |           |           |           |           |           |          |          |              |
| Park                      | -         | -         | -         | -         | -         | 0.50      | -        | -        | 0.50         |
| Binkley Park Asphalt      |           |           |           |           |           |           |          |          |              |
| Pump Track                | -         | -         | -         | -         | -         | 0.40      | -        | -        | 0.40         |
| Master Plan Trail         |           |           |           |           |           |           |          |          |              |
| Construction - Land Acq   |           |           |           |           |           |           |          |          |              |
| Washington Meadows,       |           |           |           |           |           |           |          |          |              |
| Birge Trail               | -         | -         | -         | -         | -         | 0.80      | -        | -        | 0.80         |
| Creek Erosion at          |           |           |           |           |           |           |          |          |              |
| Westhill Cemetery         | -         | -         | -         | -         | -         | -         | 1.02     | -        | 1.02         |
| OSP Pickleball            | -         | -         | -         | -         | -         | 1.50      | -        | -        | 1.50         |
| Fairview Park             |           |           |           |           |           |           |          |          |              |
| playground & Pavilion     | -         | -         | -         | -         | -         | 4.73      | -        | -        | 4.73         |
| Fairview Park Tennis      |           |           |           |           |           |           |          |          |              |
| court renovation          | -         | -         | -         | -         | -         | 0.20      | -        | -        | 0.20         |
| Hawn Park Futsal,         |           |           |           |           |           |           |          |          |              |
| Restroom, Parking         | -         | -         | -         | -         | -         | 0.20      | -        | 2.00     | 2.20         |
| Pebblebrook Phase IV      |           |           |           |           |           |           |          |          |              |
| Park                      | -         | -         | -         | -         | -         | 0.50      | -        | -        | 0.50         |
| Total Parks               | -         | -         | 5.00      | -         | -         | 12.83     | 1.02     | 2.00     | 20.85        |
| <i>Drainage</i>           |           |           |           |           |           |           |          |          |              |
| Hills of Sherman          |           |           |           |           |           |           |          |          |              |
| upsized detention         | -         | -         | -         | -         | -         | 0.50      | -        | -        | 0.50         |
| Lamberth Rd Drainage      | -         | -         | -         | -         | -         | 0.90      | 1.20     | -        | 2.10         |
| Blanton/McGee             |           |           |           |           |           |           |          |          |              |
| Drainage (Design)         | -         | -         | -         | -         | -         | -         | -        | 0.10     | 0.10         |
| Setting Suns Phase III    | -         | -         | -         | -         | -         | 0.30      | -        | -        | 0.30         |
| Total Drainage            | -         | -         | -         | -         | -         | 1.70      | 1.20     | 0.10     | 3.00         |
| Totals                    | \$ 7.20   | \$ 18.80  | \$ 19.20  | \$ 22.10  | \$ 30.00  | \$ 83.63  | \$ 21.03 | \$ 25.80 | 227.76       |

|                                                               |         |               |         |             |                       |             |                       |             |                       |             |                       |             |                       |             |
|---------------------------------------------------------------|---------|---------------|---------|-------------|-----------------------|-------------|-----------------------|-------------|-----------------------|-------------|-----------------------|-------------|-----------------------|-------------|
| G] Docusign Envelope ID: 0CE2C5E8-E591-8D32-8342-B83B7D6C5101 |         |               |         |             |                       |             |                       |             |                       |             |                       |             |                       |             |
|                                                               | FY 2025 |               | FY 2026 |             | Projection<br>FY 2027 |             | Projection<br>FY 2028 |             | Projection<br>FY 2029 |             | Projection<br>FY 2030 |             | Projection<br>FY 2031 |             |
| Beginning Fund Balance                                        | \$      | 19,516,733    | \$      | 16,644,995  | \$                    | 10,553,905  | \$                    | 13,740,602  | \$                    | 14,820,943  | \$                    | 18,911,499  | \$                    | 26,685,794  |
| Sales Tax                                                     |         | 26,458,732    |         | 22,530,000  |                       | 23,230,789  |                       | 23,695,405  |                       | 24,169,313  |                       | 24,652,700  |                       | 25,145,754  |
| Street Sales Tax                                              |         | 2,204,799     |         | 1,880,000   |                       | 1,935,815   |                       | 1,974,532   |                       | 2,014,022   |                       | 2,054,303   |                       | 2,095,389   |
| Property Tax Rev                                              |         | 25,370,064    |         | 19,239,000  |                       | 29,802,500  |                       | 28,224,500  |                       | 31,706,500  |                       | 35,848,500  |                       | 35,848,500  |
| Franchise & Other Taxes                                       |         | 3,556,125     |         | 3,695,725   |                       | 3,695,000   |                       | 3,695,000   |                       | 3,695,000   |                       | 3,695,000   |                       | 3,695,000   |
| Ambulance                                                     |         | 1,945,791     |         | 2,228,100   |                       | 2,228,100   |                       | 2,228,100   |                       | 2,228,100   |                       | 2,228,100   |                       | 2,228,100   |
| Transfers                                                     |         | 6,479,484     |         | 8,002,863   |                       | 7,543,000   |                       | 7,999,000   |                       | 8,536,000   |                       | 9,112,000   |                       | 9,385,000   |
| Interest                                                      |         | 1,384,470     |         | 1,030,000   |                       | 1,030,000   |                       | 1,030,000   |                       | 1,030,000   |                       | 1,030,000   |                       | 1,030,000   |
| SEDCO                                                         |         | 826,469       |         | 825,704     |                       | 825,704     |                       | 825,704     |                       | 825,704     |                       | 825,704     |                       | 825,704     |
| Grant Rev                                                     |         | 93,815        |         | 50,000      |                       | -           |                       | -           |                       | -           |                       | -           |                       | -           |
| Other Revenue                                                 |         | 6,537,864     |         | 4,908,400   |                       | 5,055,652   |                       | 5,207,322   |                       | 5,363,541   |                       | 5,524,447   |                       | 5,690,181   |
| Total Revenues                                                |         | 74,857,612    |         | 64,389,792  |                       | 75,346,561  |                       | 74,879,562  |                       | 79,568,181  |                       | 84,970,754  |                       | 85,943,627  |
|                                                               |         |               |         |             |                       |             |                       |             |                       |             |                       |             |                       |             |
| Personnel                                                     |         | 45,161,260    |         | 46,684,180  |                       | 47,617,864  |                       | 48,570,221  |                       | 49,541,625  |                       | 50,532,458  |                       | 51,543,107  |
| Other Expenditures                                            |         | 20,069,227    |         | 22,218,914  |                       | 22,885,000  |                       | 23,572,000  |                       | 24,279,000  |                       | 25,007,000  |                       | 25,757,000  |
| Street Repairs                                                |         | 83,695        |         | 457,000     |                       | 457,000     |                       | 457,000     |                       | 457,000     |                       | 457,000     |                       | 457,000     |
| Capital Expenses                                              |         | 3,068,059     |         | 835,788     |                       | 1,200,000   |                       | 1,200,000   |                       | 1,200,000   |                       | 1,200,000   |                       | 1,200,000   |
| Debt Service (Leases)                                         |         | 347,108       |         | -           |                       | -           |                       | -           |                       | -           |                       | -           |                       | -           |
| Transfers                                                     |         | 9,000,000     |         | 285,000     |                       | -           |                       | -           |                       | -           |                       | -           |                       | -           |
| Total Expenditures                                            |         | 77,729,350    |         | 70,480,882  |                       | 72,159,864  |                       | 73,799,221  |                       | 75,477,625  |                       | 77,196,458  |                       | 78,957,107  |
| Excess (Deficit)                                              |         | (2,871,738)   |         | (6,091,090) |                       | 3,186,697   |                       | 1,080,341   |                       | 4,090,555   |                       | 7,774,296   |                       | 6,986,520   |
|                                                               |         |               |         |             |                       |             |                       |             |                       |             |                       |             |                       |             |
| Ending Fund Balance                                           | \$      | 16,644,995    | \$      | 10,553,905  | \$                    | 13,740,602  | \$                    | 14,820,943  | \$                    | 18,911,499  | \$                    | 26,685,794  | \$                    | 33,672,315  |
|                                                               |         |               |         |             |                       |             |                       |             |                       |             |                       |             |                       |             |
| Days in Fund Balance                                          |         | 78            |         | 55          |                       | 70          |                       | 73          |                       | 91          |                       | 126         |                       | 156         |
| Calculated Property Tax Rate                                  |         | 0.51509       |         | 0.66154     |                       | 0.66453     |                       | 0.62695     |                       | 0.61580     |                       | 0.48770     |                       | 0.67914     |
| Estimated Adopted Rate                                        |         | 0.50800       |         | 0.50800     |                       | 0.63300     |                       | 0.56000     |                       | 0.56000     |                       | 0.56000     |                       | 0.56000     |
| Debt Rate                                                     |         | 0.20053       |         | 0.25426     |                       | 0.24289     |                       | 0.22715     |                       | 0.2106      |                       | 0.1930      |                       | 0.1930      |
| Operating (M&O) Rate                                          |         | 0.30747       |         | 0.25374     |                       | 0.39011     |                       | 0.33285     |                       | 0.3494      |                       | 0.3670      |                       | 0.3670      |
| * New Debt in Millions                                        |         |               |         |             |                       |             |                       |             |                       |             |                       |             |                       |             |
|                                                               |         |               |         |             |                       |             |                       |             |                       |             |                       |             |                       |             |
| Sales Tax Growth Rate                                         |         | 0.1%          |         | -7.0%       |                       | 2.0%        |                       | 2.0%        |                       | 2.0%        |                       | 2.0%        |                       | 2.0%        |
| Property Value Growth Rate                                    |         | 46.5%         |         | -8.7%       |                       | 6.0%        |                       | 6.0%        |                       | 6.0%        |                       | 6.0%        |                       | 6.0%        |
| Property tax new value                                        |         | 1,997,629,574 |         | 688,240,288 |                       | 150,000,000 |                       | 150,000,000 |                       | 150,000,000 |                       | 150,000,000 |                       | 150,000,000 |
| Increase in Personnel Costs                                   |         | 5.2%          |         | 0.4%        |                       | 2.0%        |                       |             |                       | 0.0%        |                       | 0.0%        |                       | 0.0%        |
| COLA                                                          |         | 3.0%          |         | 3.0%        |                       | 2.0%        |                       | 2.0%        |                       | 2.0%        |                       | 2.0%        | 40                    | 2.0%        |
| Other Exp rate change                                         |         | 14.5%         |         | 4.0%        |                       | 3.0%        |                       | 3.0%        |                       | 3.0%        |                       | 3.0%        |                       | 3.0%        |

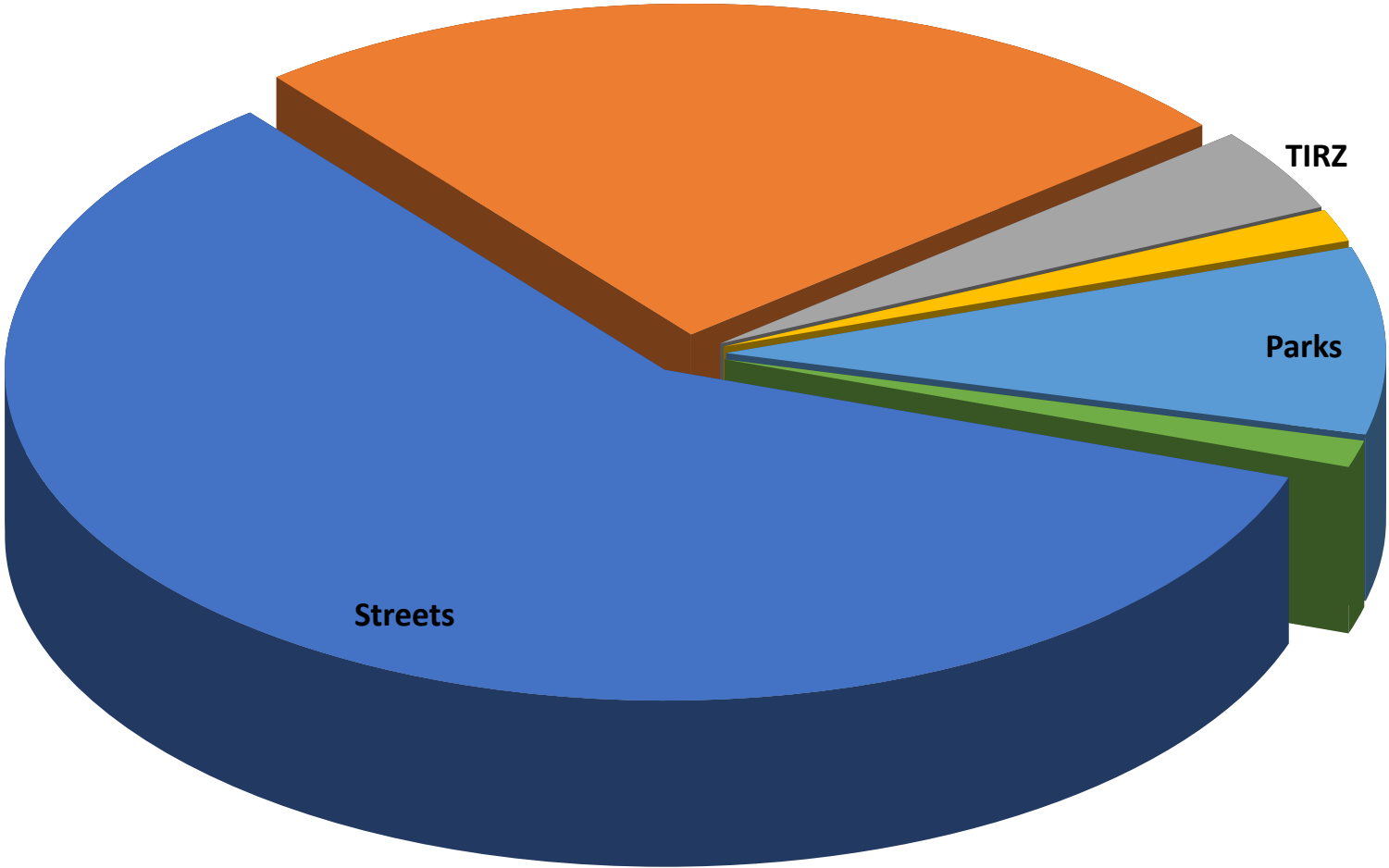
| GENERAL FUND                                               |    | Actual        |    | Projection  |    | Projection  |    | Projection  |    | Projection  |    | Projection  |    |             |  |
|------------------------------------------------------------|----|---------------|----|-------------|----|-------------|----|-------------|----|-------------|----|-------------|----|-------------|--|
| DocuSign Envelope ID: 0CE2C5E8-E591-8D32-8342-B83B7D6C5101 |    | FY 2025       |    | FY 2026     |    | FY 2027     |    | FY 2028     |    | FY 2029     |    | FY 2030     |    | FY 2031     |  |
| Beginning Fund Balance                                     | \$ | 19,516,733    | \$ | 16,644,995  | \$ | 10,553,905  | \$ | 4,765,602   | \$ | 1,751,943   | \$ | 1,456,499   | \$ | 4,514,794   |  |
| Sales Tax                                                  |    | 26,458,732    |    | 22,530,000  |    | 23,230,789  |    | 23,695,405  |    | 24,169,313  |    | 24,652,700  |    | 25,145,754  |  |
| Street Sales Tax                                           |    | 2,204,799     |    | 1,880,000   |    | 1,935,815   |    | 1,974,532   |    | 2,014,022   |    | 2,054,303   |    | 2,095,389   |  |
| Property Tax Rev                                           |    | 25,370,064    |    | 19,239,000  |    | 20,827,500  |    | 24,130,500  |    | 27,320,500  |    | 31,132,500  |    | 31,132,500  |  |
| Franchise & Other Taxes                                    |    | 3,556,125     |    | 3,695,725   |    | 3,695,000   |    | 3,695,000   |    | 3,695,000   |    | 3,695,000   |    | 3,695,000   |  |
| Ambulance                                                  |    | 1,945,791     |    | 2,228,100   |    | 2,228,100   |    | 2,228,100   |    | 2,228,100   |    | 2,228,100   |    | 2,228,100   |  |
| Transfers                                                  |    | 6,479,484     |    | 8,002,863   |    | 7,543,000   |    | 7,999,000   |    | 8,536,000   |    | 9,112,000   |    | 9,385,000   |  |
| Interest                                                   |    | 1,384,470     |    | 1,030,000   |    | 1,030,000   |    | 1,030,000   |    | 1,030,000   |    | 1,030,000   |    | 1,030,000   |  |
| SEDCO                                                      |    | 826,469       |    | 825,704     |    | 825,704     |    | 825,704     |    | 825,704     |    | 825,704     |    | 825,704     |  |
| Grant Rev                                                  |    | 93,815        |    | 50,000      |    | -           |    | -           |    | -           |    | -           |    | -           |  |
| Other Revenue                                              |    | 6,537,864     |    | 4,908,400   |    | 5,055,652   |    | 5,207,322   |    | 5,363,541   |    | 5,524,447   |    | 5,690,181   |  |
| Total Revenues                                             |    | 74,857,612    |    | 64,389,792  |    | 66,371,561  |    | 70,785,562  |    | 75,182,181  |    | 80,254,754  |    | 81,227,627  |  |
| Personnel                                                  |    | 45,161,260    |    | 46,684,180  |    | 47,617,864  |    | 48,570,221  |    | 49,541,625  |    | 50,532,458  |    | 51,543,107  |  |
| Other Expenditures                                         |    | 20,069,227    |    | 22,218,914  |    | 22,885,000  |    | 23,572,000  |    | 24,279,000  |    | 25,007,000  |    | 25,757,000  |  |
| Street Repairs                                             |    | 83,695        |    | 457,000     |    | 457,000     |    | 457,000     |    | 457,000     |    | 457,000     |    | 457,000     |  |
| Capital Expenses                                           |    | 3,068,059     |    | 835,788     |    | 1,200,000   |    | 1,200,000   |    | 1,200,000   |    | 1,200,000   |    | 1,200,000   |  |
| Debt Service (Leases)                                      |    | 347,108       |    | -           |    | -           |    | -           |    | -           |    | -           |    | -           |  |
| Transfers                                                  |    | 9,000,000     |    | 285,000     |    | -           |    | -           |    | -           |    | -           |    | -           |  |
| Total Expenditures                                         |    | 77,729,350    |    | 70,480,882  |    | 72,159,864  |    | 73,799,221  |    | 75,477,625  |    | 77,196,458  |    | 78,957,107  |  |
| Excess (Deficit)                                           |    | (2,871,738)   |    | (6,091,090) |    | (5,788,303) |    | (3,013,659) |    | (295,445)   |    | 3,058,296   |    | 2,270,520   |  |
| Ending Fund Balance                                        | \$ | 16,644,995    | \$ | 10,553,905  | \$ | 4,765,602   | \$ | 1,751,943   | \$ | 1,456,499   | \$ | 4,514,794   | \$ | 6,785,315   |  |
| Days in Fund Balance                                       |    | 78            |    | 55          |    | 24          |    | 9           |    | 7           |    | 21          |    | 31          |  |
| Calculated Property Tax Rate                               |    | 0.51509       |    | 0.66154     |    | 0.66453     |    | 0.62695     |    | 0.61580     |    | 0.48770     |    | 0.67914     |  |
| Estimated Adopted Rate                                     |    | 0.50800       |    | 0.50800     |    | 0.50800     |    | 0.50800     |    | 0.50800     |    | 0.50800     |    | 0.50800     |  |
| Debt Rate                                                  |    | 0.20053       |    | 0.25426     |    | 0.24289     |    | 0.22715     |    | 0.2106      |    | 0.1930      |    | 0.1930      |  |
| Operating (M&O) Rate                                       |    | 0.30747       |    | 0.25374     |    | 0.26511     |    | 0.28085     |    | 0.2974      |    | 0.3150      |    | 0.3150      |  |
| * New Debt in Millions                                     |    |               |    |             |    |             |    |             |    |             |    |             |    |             |  |
| Sales Tax Growth Rate                                      |    | 0.1%          |    | -7.0%       |    | 2.0%        |    | 2.0%        |    | 2.0%        |    | 2.0%        |    | 2.0%        |  |
| Property Value Growth Rate                                 |    | 46.5%         |    | -8.7%       |    | 6.0%        |    | 6.0%        |    | 6.0%        |    | 6.0%        |    | 6.0%        |  |
| Property tax new value                                     |    | 1,997,629,574 |    | 688,240,288 |    | 150,000,000 |    | 150,000,000 |    | 150,000,000 |    | 150,000,000 |    | 150,000,000 |  |
| Increase in Personnel Costs                                |    | 5.2%          |    | 0.4%        |    | 2.0%        |    |             |    | 0.0%        |    | 0.0%        |    | 0.0%        |  |
| COLA                                                       |    | 3.0%          |    | 3.0%        |    | 2.0%        |    | 2.0%        |    | 2.0%        |    | 2.0%        |    | 2.0%        |  |
| Other Exp rate change                                      |    | 14.5%         |    | 4.0%        |    | 3.0%        |    | 3.0%        |    | 3.0%        |    | 3.0%        | 41 | 3.0%        |  |

# Planned Projects 2026/2027

- Streets
  - Planned Developments
    - Heritage Ranch Trail Phase II
    - Crossroads – Aston Drive; pond mitigation ongoing
  - Moore St (Interurban) ongoing
  - SEDCO – Progress Drive, Tortilla Way, Flanary (Interurban) partial
  - Major Street rebuilds – Cherry continuation, engineering for others
- Facilities
  - Fleet Maintenance
- Parks
  - Hawn Park Futsal



**Bond Proceeds 2016-2025 Uses**



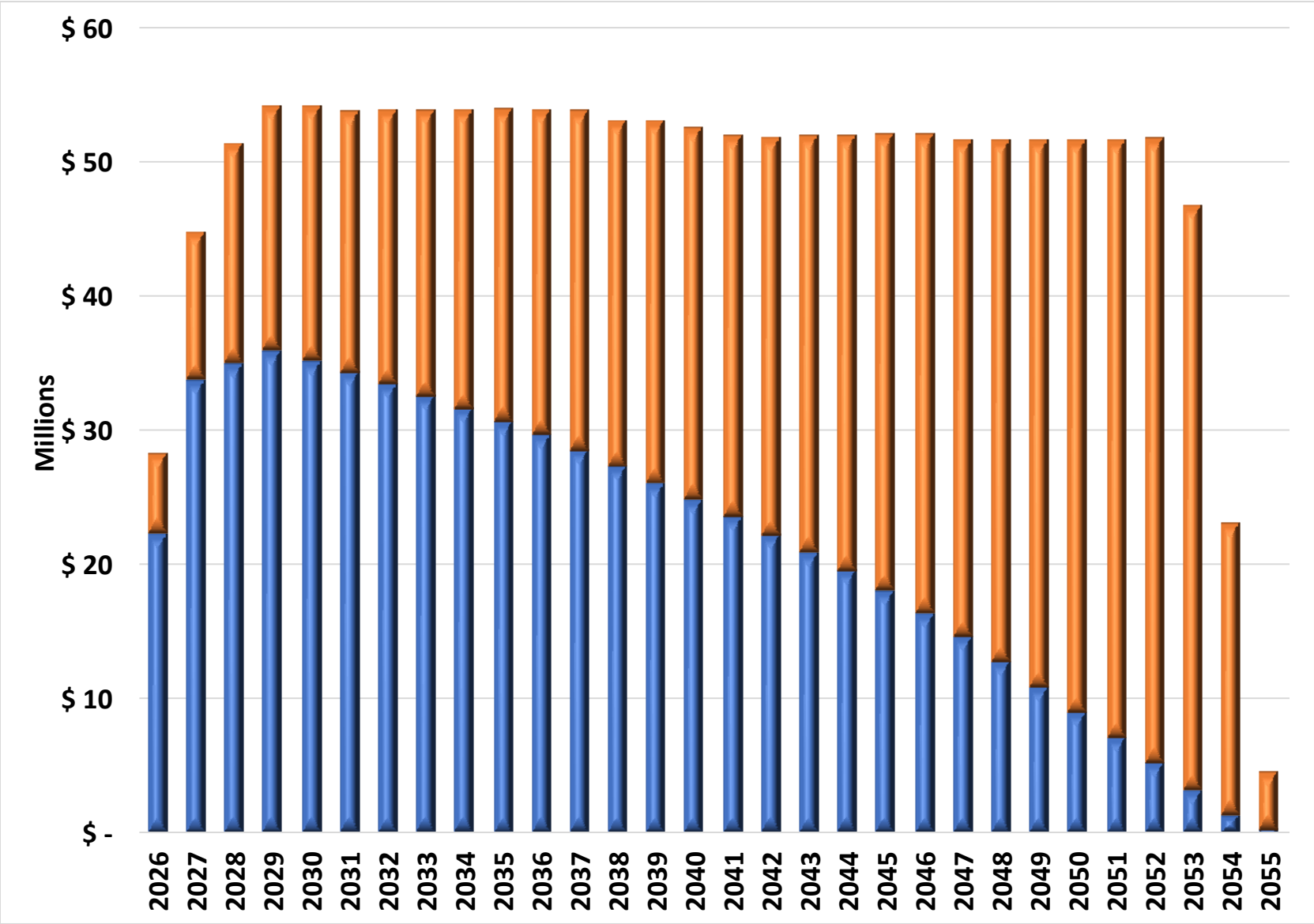
# Utility Supported Debt



# GTUA Contractual Debt Outstanding - Current

| FY                 | Water Principal       | Sewer Principal       | Total Principal All   | Sewer Interest        | Water Interest        | Total Interest before Cap I | Total Cap I           | Total Interest net of Cap I | Principal and Interest net of Cap I |
|--------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------------|-----------------------|-----------------------------|-------------------------------------|
| 2026               | 3,312,567.37          | 2,532,285.73          | 5,844,853.10          | 12,492,296.55         | 9,749,012.25          | 37,282,941.31               | -15,041,632.51        | 22,241,308.80               | 28,086,161.90                       |
| 2027               | 4,548,041.70          | 6,408,959.69          | 10,957,001.39         | 21,894,164.76         | 11,797,362.58         | 36,934,602.34               | -3,243,075.00         | 33,691,527.34               | 44,648,528.73                       |
| 2028               | 5,950,854.18          | 10,378,529.32         | 16,329,383.50         | 22,470,903.76         | 12,431,981.52         | 36,524,422.78               | -1,621,537.50         | 34,902,885.28               | 51,232,268.78                       |
| 2029               | 6,718,168.80          | 11,458,840.27         | 18,177,009.07         | 22,848,756.26         | 12,997,695.45         | 35,846,451.71               | 0.00                  | 35,846,451.71               | 54,023,460.78                       |
| 2030               | 7,263,128.25          | 11,679,359.90         | 18,942,488.15         | 22,326,954.65         | 12,736,976.48         | 35,063,931.13               | 0.00                  | 35,063,931.13               | 54,006,419.28                       |
| 2031               | 7,789,221.11          | 11,728,833.86         | 19,518,054.97         | 21,793,561.76         | 12,448,688.55         | 34,242,250.31               | 0.00                  | 34,242,250.31               | 53,760,305.28                       |
| 2032               | 8,155,594.90          | 12,229,392.34         | 20,384,987.24         | 21,262,937.51         | 12,132,489.03         | 33,395,426.54               | 0.00                  | 33,395,426.54               | 53,780,413.78                       |
| 2033               | 8,629,561.67          | 12,652,643.80         | 21,282,205.47         | 20,711,971.51         | 11,803,259.80         | 32,515,231.31               | 0.00                  | 32,515,231.31               | 53,797,436.78                       |
| 2034               | 9,058,471.44          | 13,181,250.00         | 22,239,721.44         | 20,137,647.51         | 11,450,858.33         | 31,588,505.84               | 0.00                  | 31,588,505.84               | 53,828,227.28                       |
| 2035               | 9,683,797.45          | 13,558,750.00         | 23,242,547.45         | 19,534,496.64         | 11,075,400.45         | 30,609,897.09               | 0.00                  | 30,609,897.09               | 53,852,444.54                       |
| 2036               | 9,341,050.00          | 14,783,950.00         | 24,125,000.00         | 18,907,781.14         | 10,669,062.14         | 29,576,843.28               | 0.00                  | 29,576,843.28               | 53,701,843.28                       |
| 2037               | 9,793,800.00          | 15,496,200.00         | 25,290,000.00         | 18,212,218.20         | 10,230,675.32         | 28,442,893.52               | 0.00                  | 28,442,893.52               | 53,732,893.52                       |
| 2038               | 9,621,000.00          | 16,129,000.00         | 25,750,000.00         | 17,480,404.20         | 9,769,224.06          | 27,249,628.26               | 0.00                  | 27,249,628.26               | 52,999,628.26                       |
| 2039               | 10,077,500.00         | 16,917,500.00         | 26,995,000.00         | 16,716,982.70         | 9,323,933.56          | 26,040,916.26               | 0.00                  | 26,040,916.26               | 53,035,916.26                       |
| 2040               | 10,272,050.00         | 17,442,950.00         | 27,715,000.00         | 15,914,549.20         | 8,857,085.06          | 24,771,634.26               | 0.00                  | 24,771,634.26               | 52,486,634.26                       |
| 2041               | 10,740,900.00         | 17,584,100.00         | 28,325,000.00         | 15,088,497.20         | 8,388,584.06          | 23,477,081.26               | 0.00                  | 23,477,081.26               | 51,802,081.26                       |
| 2042               | 11,215,000.00         | 18,425,000.00         | 29,640,000.00         | 14,233,149.20         | 7,920,307.06          | 22,153,456.26               | 0.00                  | 22,153,456.26               | 51,793,456.26                       |
| 2043               | 11,705,450.00         | 19,269,550.00         | 30,975,000.00         | 13,408,686.20         | 7,439,870.06          | 20,848,556.26               | 0.00                  | 20,848,556.26               | 51,823,556.26                       |
| 2044               | 12,234,800.00         | 20,175,200.00         | 32,410,000.00         | 12,545,535.45         | 6,937,633.31          | 19,483,168.76               | 0.00                  | 19,483,168.76               | 51,893,168.76                       |
| 2045               | 12,817,550.00         | 21,182,450.00         | 34,000,000.00         | 11,600,792.82         | 6,381,138.44          | 17,981,931.26               | 0.00                  | 17,981,931.26               | 51,981,931.26                       |
| 2046               | 13,433,550.00         | 22,276,450.00         | 35,710,000.00         | 10,528,592.82         | 5,773,913.44          | 16,302,506.26               | 0.00                  | 16,302,506.26               | 52,012,506.26                       |
| 2047               | 13,790,450.00         | 23,219,550.00         | 37,010,000.00         | 9,404,251.57          | 5,140,254.69          | 14,544,506.26               | 0.00                  | 14,544,506.26               | 51,554,506.26                       |
| 2048               | 14,463,300.00         | 24,426,700.00         | 38,890,000.00         | 8,225,755.62          | 4,481,600.80          | 12,707,356.42               | 0.00                  | 12,707,356.42               | 51,597,356.42                       |
| 2049               | 15,144,750.00         | 25,645,250.00         | 40,790,000.00         | 6,985,891.20          | 3,790,527.56          | 10,776,418.76               | 0.00                  | 10,776,418.76               | 51,566,418.76                       |
| 2050               | 15,823,450.00         | 26,826,550.00         | 42,650,000.00         | 5,791,209.25          | 3,117,790.75          | 8,909,000.00                | 0.00                  | 8,909,000.00                | 51,559,000.00                       |
| 2051               | 16,518,850.00         | 28,031,150.00         | 44,550,000.00         | 4,617,693.20          | 2,437,494.32          | 7,055,187.52                | 0.00                  | 7,055,187.52                | 51,605,187.52                       |
| 2052               | 17,244,400.00         | 29,280,600.00         | 46,525,000.00         | 3,391,392.70          | 1,727,176.06          | 5,118,568.76                | 0.00                  | 5,118,568.76                | 51,643,568.76                       |
| 2053               | 13,721,850.00         | 29,898,150.00         | 43,620,000.00         | 2,110,329.00          | 985,521.00            | 3,095,850.00                | 0.00                  | 3,095,850.00                | 46,715,850.00                       |
| 2054               | 6,148,650.00          | 15,596,350.00         | 21,745,000.00         | 799,528.51            | 382,340.25            | 1,181,868.76                | 0.00                  | 1,181,868.76                | 22,926,868.76                       |
| 2055               | 2,040,000.00          | 2,210,000.00          | 4,250,000.00          | 110,500.00            | 102,000.00            | 212,500.00                  |                       | 212,500.00                  | 4,462,500.00                        |
| <b>Grand Total</b> | <b>307,257,756.86</b> | <b>510,625,494.92</b> | <b>817,883,251.78</b> | <b>411,547,431.08</b> | <b>232,479,856.38</b> | <b>663,933,532.47</b>       | <b>-19,906,245.01</b> | <b>644,027,287.47</b>       | <b>1,461,910,539.25</b>             |

# GIUA Contractual Debt Outstanding - Current



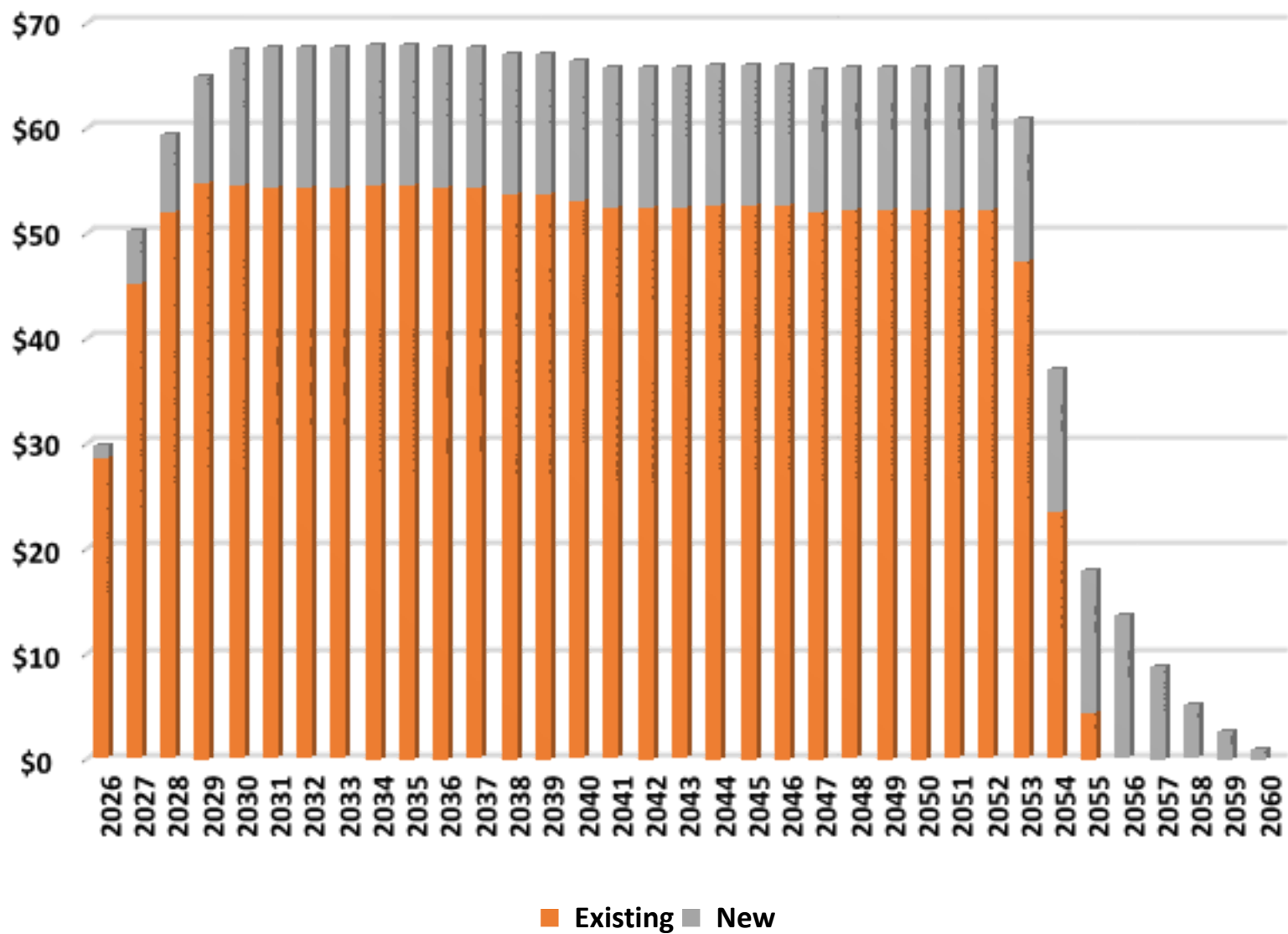
# Detailed Project List – Sewer

|                                |                                                 | 2026 OM          | 2027 OM           | 2028 OM           | 2029 OM           | 2030 OM           | 2031 OM          | Grand Total       |
|--------------------------------|-------------------------------------------------|------------------|-------------------|-------------------|-------------------|-------------------|------------------|-------------------|
| <b>Sewer Collection</b>        | Blalock Park Interceptor                        |                  |                   |                   |                   |                   |                  |                   |
|                                | Downtown Sewer Improvements                     | 2,000,000        |                   |                   |                   |                   |                  | 2,000,000         |
|                                | East Side Lift Station                          | 1,500,000        |                   |                   |                   |                   |                  | 1,500,000         |
|                                | Post Oak Interceptor - Phase I                  | 1,600,000        | 7,330,000         | 10,000,000        | 10,000,000        | 10,000,000        |                  | 38,930,000        |
|                                | Mulberry Creek LS grading                       | 210,000          |                   |                   |                   |                   |                  | 210,000           |
|                                | SW Sewer Line Ext (SW Industr) Phase II         | 1,750,000        |                   |                   |                   |                   |                  | 1,750,000         |
|                                | Town North Sewer Line                           |                  |                   | 260,000           | 350,000           | 330,000           |                  | 940,000           |
|                                | Upsize 21" SS along Choctaw to 36" (CIP 2)      |                  |                   |                   |                   | 1,000,000         |                  | 1,000,000         |
|                                | Upsize 21" from Bel Air to 30" (SW Indust)      |                  |                   |                   |                   |                   | 6,800,000        | 6,800,000         |
|                                | Vernon Holland Sewer Line Replacement           |                  |                   | 460,000           |                   |                   |                  | 460,000           |
|                                | Center St Basin Sewer Line Replacement (#19)    |                  |                   | 630,000           | 4,170,000         |                   |                  | 4,800,000         |
|                                | Heritage Ranch Sewer Line                       |                  |                   | 1,400,000         |                   |                   |                  | 1,400,000         |
| <b>Sewer Collection Total</b>  |                                                 | <b>7,060,000</b> | <b>7,330,000</b>  | <b>12,750,000</b> | <b>14,520,000</b> | <b>11,330,000</b> | <b>6,800,000</b> | <b>59,790,000</b> |
| <b>Sewer Treatment</b>         | Add filters and relift pump at N WWTP           |                  | 6,900,000         |                   |                   |                   |                  | 6,900,000         |
|                                | Blower Bldg & Main Digester Complex             |                  | 1,500,000         | 5,000,000         |                   |                   |                  | 6,500,000         |
|                                | Clarifier #3 rehab & NFPA upgrades to grit bldg | 1,350,000        |                   |                   |                   |                   |                  | 1,350,000         |
|                                | Rehab Decant Lift station at WWTP               |                  | 50,000            |                   |                   |                   |                  | 50,000            |
|                                | Rehab Main Digester Complex                     |                  |                   |                   | 4,000,000         |                   |                  | 4,000,000         |
|                                | Digester Boiler project                         | 400,000          |                   |                   |                   |                   |                  | 400,000           |
|                                | Equalization Basin Blower                       | 1,400,000        |                   |                   |                   |                   |                  | 1,400,000         |
|                                | WWTP Ph II south UV, sludge tank, dewatering    | 2,000,000        | 10,940,000        | 9,400,000         |                   |                   |                  | 22,340,000        |
|                                | WWTP North Expansion                            | 1,500,000        |                   |                   |                   |                   |                  | 1,500,000         |
| <b>Sewer Treatment Total</b>   |                                                 | <b>6,650,000</b> | <b>19,390,000</b> | <b>14,400,000</b> | <b>4,000,000</b>  |                   |                  | <b>44,440,000</b> |
| <b>Water &amp; Sewer</b>       | Annual w/ww line replacements                   |                  |                   |                   |                   |                   | 2,000,000        | 2,000,000         |
|                                | Annual water/wastewater line replacements       |                  | 2,000,000         | 1,000,000         | 2,000,000         | 1,000,000         |                  | 6,000,000         |
| <b>Water &amp; Sewer Total</b> |                                                 |                  | <b>2,000,000</b>  | <b>1,000,000</b>  | <b>2,000,000</b>  | <b>1,000,000</b>  | <b>2,000,000</b> | <b>8,000,000</b>  |

# Detailed Project List – Water

|                                 |                                                | 2026 OM           | 2027 OM           | 2028 OM           | 2029 OM           | 2030 OM           | 2031 OM          | Grand Total        |
|---------------------------------|------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|--------------------|
| <b>Water Distribution</b>       | Taylor St water line - Texoma Pkwy to Loy Lake |                   | 440,000           |                   |                   |                   |                  | 440,000            |
|                                 | Jamaica St Water Line Replacement              | 210,000           |                   |                   |                   |                   |                  | 210,000            |
|                                 | Monte Cristo Water Line Replacement            | 290,000           |                   |                   |                   |                   |                  | 290,000            |
|                                 | Abandon McAfee Well                            |                   | 210,000           |                   |                   |                   |                  | 210,000            |
|                                 | Dripping Springs WL                            |                   | 2,900,000         |                   |                   |                   |                  | 2,900,000          |
|                                 | SE Zone Interconnectivity Imp Construction     | 1,500,000         |                   |                   |                   |                   |                  | 1,500,000          |
|                                 | Dorchester GST & Pump Station Rehab            |                   | 500,000           | 2,800,000         |                   |                   |                  | 3,300,000          |
|                                 | Legacy Surface Water Line Phaes II-III         |                   | 2,300,000         | 1,100,000         |                   |                   |                  | 3,400,000          |
|                                 | Fairview Ground Storage Tank Rehab             |                   |                   | 450,000           |                   |                   |                  | 450,000            |
|                                 | Texoma Relief Line Replacement                 |                   |                   | 840,000           | 3,000,000         |                   |                  | 3,840,000          |
| <b>Water Distribution Total</b> |                                                | <b>2,000,000</b>  | <b>6,350,000</b>  | <b>5,190,000</b>  | <b>3,000,000</b>  |                   |                  | <b>16,540,000</b>  |
| <b>Water Treatment</b>          | Lake Texoma Backup Generator                   | 2,800,000         | 1,940,000         |                   |                   |                   |                  | 4,740,000          |
|                                 | Lake Texoma Water Rights                       |                   |                   |                   |                   |                   |                  |                    |
|                                 | NTMWD Second water line from LTPS to WTP (84") | 42,082,011        |                   |                   |                   |                   |                  | 42,082,011         |
|                                 | Water Storage Lake Texoma                      |                   | 10,106,467        |                   |                   |                   |                  | 10,106,467         |
|                                 | Backwash GST Rehab                             |                   | 2,000,000         |                   |                   |                   |                  | 2,000,000          |
|                                 | WTP Biofouling Mitigation Pilot Project        | 1,400,000         |                   |                   |                   |                   |                  | 1,400,000          |
| <b>Water Treatment Total</b>    |                                                | <b>46,282,011</b> | <b>14,046,467</b> |                   |                   |                   |                  | <b>60,328,478</b>  |
| <b>Grand Total</b>              |                                                | <b>61,992,011</b> | <b>49,116,467</b> | <b>33,340,000</b> | <b>23,520,000</b> | <b>12,330,000</b> | <b>8,800,000</b> | <b>189,098,478</b> |

# GTUA Existing and New Projected Debt Service



# The Plan

- Capitalized Interest
- Accumulating/maintaining reserves in the Utility Fund – More risk + uncertainty = higher reserve requirements
- Timing of projects and debt issuances
- Utility rate changes from prior plan approved by Council because consumption is below projections
- Use of other revenues
  - Impact fees -\$9.6 million accumulated to date
  - SEDCO – Commitment of \$11 million
  - 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  
Rate Change in April 2026

|                        | Actual<br>FY 2025 | Projected<br>FY 2026 | Projected<br>FY 2027 | Projected<br>FY 2028 | Projected<br>FY 2029 | Projected<br>FY 2030 | Projected<br>FY 2031 | Projected<br>FY 2032 |
|------------------------|-------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Beginning Fund Balance | \$ 8,738,762      | \$ 14,574,242        | \$ 16,538,759        | \$ 20,312,911        | \$ 28,481,424        | \$ 32,270,373        | \$ 31,371,747        | \$ 30,643,437        |
| Water Sales            | 26,233,291        | 32,494,153           | 38,985,595           | 45,602,369           | 48,264,033           | 58,825,565           | 64,759,863           | 74,495,059           |
| Sewer Sales            | 16,599,841        | 20,621,012           | 25,438,610           | 28,971,222           | 30,851,906           | 40,776,158           | 47,631,938           | 56,178,388           |
| SEDCO/GTUA             | 417,870           | 417,870              | -                    | 223,267              | 226,247              | 224,958              | 224,958              | 224,958              |
| General Fund Transfers | -                 | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| SEDCO Contribution     | -                 | 2,000,000            | 3,000,000            | 3,000,000            | 3,000,000            | -                    | -                    | -                    |
| Impact Fees            | -                 | 3,250,000            | 2,500,000            | 2,500,000            | 2,500,000            | 5,000,000            | -                    | -                    |
| GTUA Interest          | -                 | 3,093,550            | 16,677,355           | 5,963,000            | 5,963,000            | 1,384,000            | -                    | -                    |
| Risk Contingency       | -                 | -                    | -                    | 2,000,000            | 2,000,000            | -                    | -                    | -                    |
| Unspent Project Funds  | -                 | -                    | -                    | 14,268,000           | 14,268,000           | 4,000,000            | 2,200,000            | -                    |
| Interest Income        | 238,418           | 320,000              | -                    | -                    | -                    | -                    | -                    | -                    |
| Other Revenue          | 1,821,666         | 1,464,215            | 1,464,215            | 1,464,215            | 1,464,215            | 1,464,215            | 1,464,215            | 1,464,215            |
| Transfers in           | 474,000           | 391,000              | 197,000              | 203,000              | 209,000              | 215,000              | -                    | -                    |
| Total Revenues         | 45,785,085        | 64,051,800           | 88,262,775           | 104,195,073          | 108,746,401          | 111,889,896          | 116,280,974          | 132,362,620          |
| Personnel              | 10,235,194        | 11,389,230           | 11,959,000           | 12,557,000           | 13,185,000           | 13,844,000           | 14,536,000           | 15,263,000           |
| Other                  | 14,551,747        | 19,939,778           | 21,340,000           | 23,470,000           | 25,820,000           | 28,400,000           | 28,970,000           | 29,550,000           |
| Debt Service           | 10,211,588        | 25,055,814           | 45,012,520           | 52,310,560           | 57,772,452           | 61,836,523           | 64,571,284           | 64,885,230           |
| Capital Expenses       | 296,507           | 179,103              | 179,103              | 1,235,000            | 1,235,000            | 1,235,000            | 1,235,000            | 1,235,000            |
| Transfers Out          | 4,654,569         | 5,523,358            | 5,998,000            | 6,454,000            | 6,945,000            | 7,473,000            | 7,697,000            | 7,928,000            |
| Total Expenditures     | 39,949,605        | 62,087,283           | 84,488,623           | 96,026,560           | 104,957,452          | 112,788,523          | 117,009,284          | 118,861,230          |
| Excess (Deficit)       | 5,835,480         | 1,964,517            | 3,774,152            | 8,168,513            | 3,788,949            | (898,627)            | (728,310)            | 13,501,390           |
| Ending Fund Balance    | \$ 14,574,242     | \$ 16,538,759        | \$ 20,312,911        | \$ 28,481,424        | \$ 32,270,373        | \$ 31,371,747        | \$ 30,643,437        | \$ 44,144,827        |
| Days in Fund Balance   | 133               | 97                   | 88                   | 108                  | 112                  | 102                  | 96                   | 136                  |

### No Mid-year Rate Change

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# Major Take-Aways thru 2031

- Significant Challenges in FY27-FY31
  - General Fund
    - Re-prioritize projects to fund high priority projects
      - Fleet Maintenance Facility– inadequate to maintain fleet
      - Heritage Ranch Trail (committed through MDA)
    - Maintain existing services
    - Sales Tax 15% below last year and \$3.6 million below budget

# Major Take-Aways thru 2031 (continued)

- Significant Challenges in FY27-FY31
  - Utility Fund
    - Accuracy of TI and GW projections
    - No new projects; only fund those needed to address critical aging infrastructure
    - Phase II of TI and GW not in the 5-year time horizon
    - Explore selling water to other entities or non-traditional customers
    - Continue to look at rates annually and adopt rates to fund debt and operations
    - Current rates significantly below state average

# Major Take-Aways thru 2031 (continued)

- Significant Challenges in FY27-FY31
  - Solid Waste Fund
    - RSW does not cover its costs by about \$1.7 million per year, if TASWA continues same level of distribution.
    - Current rates are about half of peer average

# Council Direction