

# B u d g e t W o r k s h o p

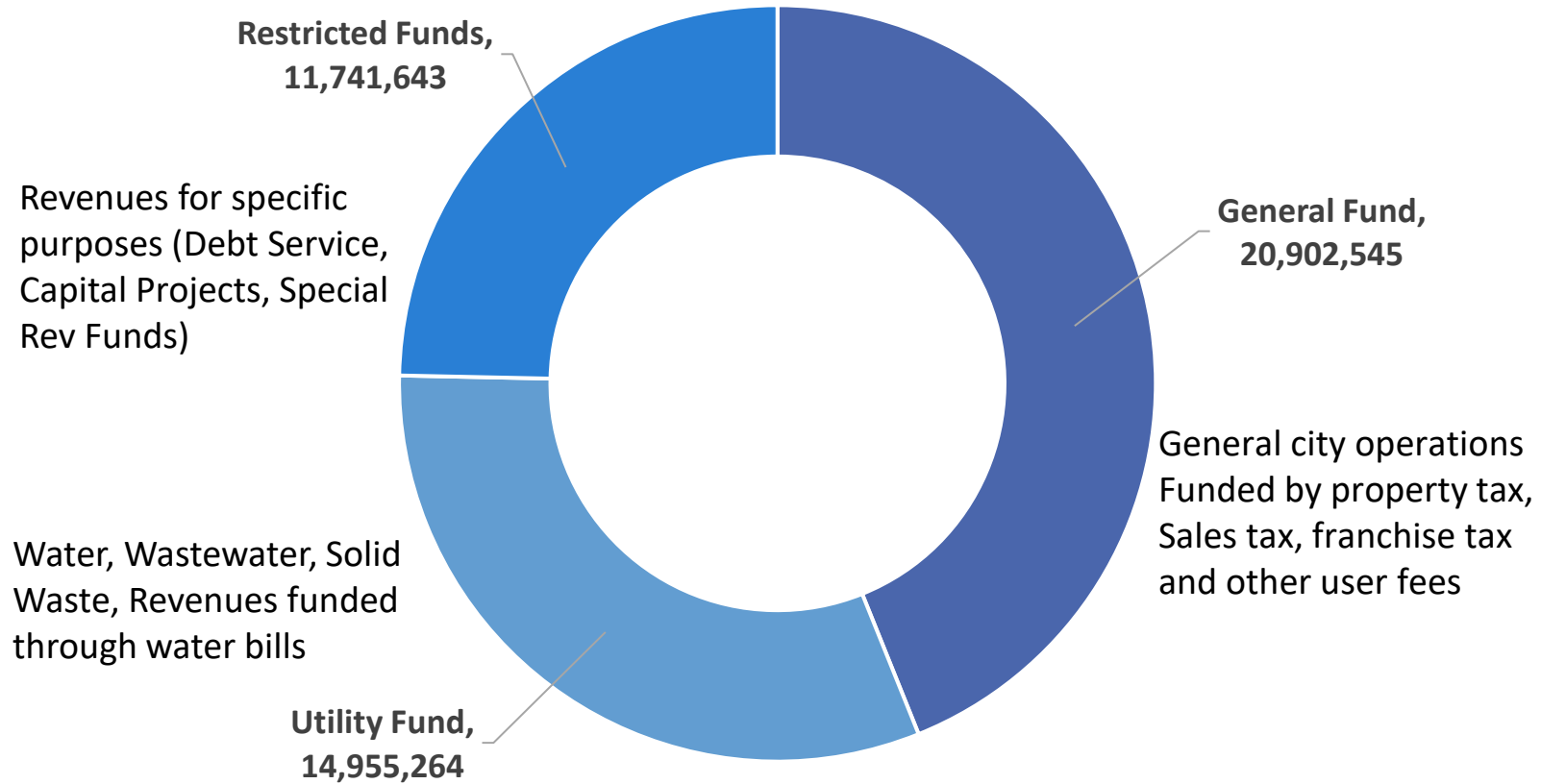
•  
City of Balch Springs, Texas

September 7, 2021

Draft 5

Presented by Geneva Mendez, CFO/Susan Cluse, City Manager

# TOTAL BUDGET - \$48.3. MILLION



# GENERAL FUND SUMMARY

PROPOSED BUDGET 2022

|   | 2022 PROPOSED BUDGET | NO-NEW REVENUE | DE MIMIMIS   | VOTER APPROVAL |
|---|----------------------|----------------|--------------|----------------|
| M&O Tax Rate  | 0.755253             | 0.746882       | 0.78209      | 0.813011       |
| I&S Tax Rate  | 0.047747             | 0.047747       | 0.047747     | 0.047747       |
| Total Tax Rate  | 0.803000             | 0.794629       | 0.829837     | 0.860758       |
| Revenues  | \$20,575,316         | \$20,475,757   | \$20,894,496 | \$21,262,248   |
| Expenditures  | \$20,438,755         | \$20,438,755   | \$20,438,755 | \$20,438,755   |
| Revenue Over / (Under) Expenditures   | \$136,561            | \$37,002       | \$455,741    | \$823,493      |
| FY2022 Projected Ending Fund Balance  | \$3,638,231          | \$3,538,672    | \$3,957,411  | \$4,325,163    |
| Fund Balance as a Percentage of Expenditures*   | 19.04%               | 18.52%         | 20.71%       | 22.63%         |
| <i>*Target fund balance percentage is 14%, excludes capital expenditures, includes Emergency Reserve Fund Balance</i> |                      |                |              |                |
| Add: Reductions to GF   | \$463,790            | \$463,790      | \$463,790    | \$463,790      |
| <i>Proposed Salary Increases - \$435,790</i>  |                      |                |              |                |
| <i>Proposed Grant Contingency/Overruns - \$28,000</i>   |                      |                |              |                |
| Less: Additions to GF   | \$0                  | \$0            | \$0          | \$0            |
| Net: Proposed Changes   | \$463,790            | \$463,790      | \$463,790    | \$463,790      |
| FY2022 Projected Ending Fund Balance  | \$3,174,441          | \$3,074,882    | \$3,493,621  | \$3,861,373    |
| Fund Balance as a Percentage of Expenditures  | 16.61%               | 16.09%         | 18.28%       | 20.21%         |

# PROPERTY TAX RATES & BUDGET IMPACT

| Prop Tax Rates             | FB Appropriations | Est Fund Bal \$ | Est Fund Bal % | Days of Operations |
|----------------------------|-------------------|-----------------|----------------|--------------------|
| Current Rate (Proposed)    | (\$327,229)       | 3,174,441       | 16.61%         | 61                 |
| No New Revenue NNR (+0.0%) | (\$426,788)       | 3,074,882       | 16.09%         | 59                 |
| De Minimis (+\$500k)       | (\$8,049)         | 3,493,621       | 18.28%         | 67                 |
| Voter Approval (+3.5%)     | \$359,703         | 3,861,373       | 20.21%         | 74                 |

Rates Reflect Truth In Taxation Values

^Includes Unused Increment%

# PROPOSED REDUCTIONS – GENERAL FUND

| Department/Function                     | Amount         | Frequency | Description  |
|---|----------------|-----------|--|
|   | 4,000          | On-going  | Increased Funds - Scholarships   |
|   | 16,800         | On-going  | Council part-time Clerical help \$15/20 hrs.   |
|   | 25,000         | On-going  | Council Retreat/Training/Workshop/Consulting   |
|   | 4,000          | On-going  | Increase council contingency   |
| <b>Total Add'l Council</b>              | <b>49,800</b>  |           |  |
|   | 16,800         | On-going  | Salaries /Benefits - PT College Intern (\$15/20hrs per week)   |
|   | 61,245         | On-going  | Swaggit Services Additional Cost for Added Services  |
|   | 5,400          | On-going  | Newsletter Printing Cost Increase (from \$33,360 to \$38,800)  |
| <b>Total Add'l Information Tech</b>     | <b>83,445</b>  |           |  |
|   | 16,500         | One-Time  | LED Indoor Projector Screen Replacement  |
|   | 3,800          | One-Time  | Laptop Replacement (Replacing Outdated Equipment)  |
| <b>Total Add'l Civic Center</b>         | <b>20,300</b>  |           |  |
|   | 65,000         | On-going  | Building Inspector (Salary & Benefits) Upon Multi Family Porg Approval                               |
|   | 53,000         | On-going  | Permits Clerk (Salary & Benefits) Upon Multi Family Prog Approval                                    |
|   | 10,000         | One Time  | New Inspector Vehicle Annual Lease Upon Multi-Family Prog Approval                                   |
|   | 4,200          | One Time  | New Inspector Equipment - Laptop, Portable Printer, Cell Phone, IPAD Upon Multi-Family Prog Approval |
|   | 500            | One Time  | New Permit Clerk - Uniforms, Office Supplies   |
|   | 4,700          | One Time  | Air Conditioner Unit - to prevent equipment Overheating in Council Chambers                          |
| <b>Total Add'l Building Inspections</b> | <b>137,400</b> |           |  |

# PROPOSED REDUCTIONS – GENERAL FUND

| Department/Function               | Amount         | Frequency | Description   |
|-----------------------------------|----------------|-----------|---|
|                                   | 35,900         | On-going  | Additional Training   |
|                                   | 9,650          | On-going  | Additional Travel   |
|                                   | 500            | On-going  | Mileage and Parking   |
|                                   | 99,340         | On-going  | Community Engagement FTE  |
|                                   | 4,000          | On-going  | Community Engagement Supplies   |
|                                   | 32,500         | On-going  | Sign-on Bonus/Academy Costs   |
|                                   | 5,950          | On-going  | Crime Prevention  |
|                                   | 7,500          | On-going  | Maintenance Computers   |
|                                   | 9,500          | On-going  | Small Tools and Equipment   |
| <b>Total Add'l Police Exp</b>     | <b>204,840</b> |           |   |
|                                   | 2,000          | On-going  | Supplies  |
|                                   | 4,115          | On-going  | Contracted Services   |
|                                   | 2,335          | On-going  | Training  |
|                                   | 1,550          | On-going  | Travel  |
| <b>Total Add'l Animal Control</b> | <b>10,000</b>  |           |   |
|                                   | 60,000         | On-going  | 6 Positions for reclassifications from Firefighter to Apparatus Operator    |
|                                   | 8,817          | On-going  | Reclassification one position from Captain to Equivalent of Battalion Chief |
|                                   | 23,372         | One-Time  | Grant overrun for 90/20 split   |
|                                   | 10,000         | One-Time  | Advertising and Promotions - Job Fairs and Events                           |
|                                   | 75,000         | On-going  | Careflite Ambulance Contract Increase for Contract Renewal                  |
|                                   | 13,500         | On-going  | Tuition Reimbursement   |
|                                   | 7,500          | On-going  | License and Fees  |
|                                   | 19,605         | On-going  | Contracted Services   |
| <b>Total Add'l Fire Exp</b>       | <b>217,794</b> |           |   |

# PROPOSED REDUCTIONS – GENERAL FUND

| Department/Function                    | Amount           | Frequency       | Description  |
|--|------------------|-----------------|--|
|  | 50,000           | One-Time        | Compensation Study   |
|  |                  |                 | Efficiency   |
|  | 20,000           | One-Time        | Study  |
|  | 5,000            | On-going        | Training   |
| <b>Total Add'l Human Resources</b>     | <b>75,000</b>    |                 |  |
| <b>Total City Secretary</b>            | <b>5,000</b>     | <b>On-going</b> | <b>City Secretary open Records and retention</b>                         |
| <b>Total Add'l Veh Replacement</b>     | <b>10,000</b>    | <b>On-going</b> | <b>Building Insp Leased Vehicle Housed in this Fund (trsfrd from GF)</b> |
| <b>Total Add'l Rec Center/Senior</b>   | <b>10,000</b>    | <b>On-going</b> | <b>Meals for Seniors</b>   |
| <b>Unassigned Fund Balance</b>         | <b>442,187</b>   | <b>On-going</b> | <b>Proposed increased for Non-Civil Service Staff</b>                    |
| <b>Unassigned Fund Balance</b>         | <b>28,000</b>    | <b>On-going</b> | <b>Grants Over-Runs Contingency</b>                                      |
| <b>Total Reduction to General Fund</b> | <b>1,293,766</b> |                 |  |

# GOVERNMENTAL FUNDS— BONDED DEBT

CITY OF BALCH SPRINGS, TEXAS  
SCHEDULE OF REQUIREMENTS  
GOVERNMENTAL FUNDS - DEBT SERVICE

PROPOSED BUDGET 2022

| Year | DEBT SERV FUND      | TIF DEBT SERV FUND                          | GENERAL FUND                          |                                      | GENERAL FUND | Total             |
|------|---------------------|---|---------------------------------------|--------------------------------------|--------------|-------------------|
|      | GO Ref Bds Ser 2012 | TIF No. 2: Combo Tax & Rev C/O Bds Ser 2019 | Capital Lease - Fire Dept Trucks 2015 | Capital Lease - Fire Dept Truck 2016 |              |                   |
| 2022 | 624,026             | 218,250                                     | 150,771                               | 28,910                               |              | 1,021,957         |
| 2023 | 621,000             | 218,750                                     | 150,771                               | 28,910                               |              | 1,019,431         |
| 2024 | 622,450             | 219,000                                     | 150,771                               | 28,910                               |              | 1,021,131         |
| 2025 | 543,200             | 219,000                                     | 150,771                               | 28,910                               |              | 941,881           |
| 2026 | 541,050             | 218,750                                     | 150,771                               | 28,910                               |              | 939,481           |
| 2027 | 543,376             | 219,350                                     | -                                     | -                                    |              | 762,726           |
| 2028 | -                   | 219,750                                     | -                                     | -                                    |              | 219,750           |
| 2029 | -                   | 219,950                                     | -                                     | -                                    |              | 219,950           |
| 2030 | -                   | 219,950                                     | -                                     | -                                    |              | 219,950           |
| 2031 | -                   | 221,050                                     | -                                     | -                                    |              | 221,050           |
| 2032 | -                   | 222,000                                     | -                                     | -                                    |              | 222,000           |
| 2033 | -                   | 477,800                                     | -                                     | -                                    |              | 477,800           |
| 2034 | -                   | 480,800                                     | -                                     | -                                    |              | 480,800           |
| 2035 | -                   | 478,350                                     | -                                     | -                                    |              | 478,350           |
| 2036 | -                   | 478,575                                     | -                                     | -                                    |              | 478,575           |
| 2037 | -                   | 478,244                                     | -                                     | -                                    |              | 478,244           |
| 2038 | -                   | 482,675                                     | -                                     | -                                    |              | 482,675           |
| 2039 | -                   | 481,750                                     | -                                     | -                                    |              | 481,750           |
|      | <u>3,495,102</u>    | <u>5,773,994</u>                            | <u>753,854</u>                        | <u>144,551</u>                       |              | <u>10,167,501</u> |



# GOVERNMENTAL FUNDS – DEBT OVERVIEW

CITY OF BALCH SPRINGS, TEXAS

SCHEDULE OF REQUIREMENTS

GOVERNMENTAL FUNDS - BONDED DEBT

## DEBT SERVICE FUND

### *GO Refunding Bonds, Series 2012*

PURPOSE: Proceeds from the sale of the Bonds will be used to (i) refund a portion of the City's outstanding debt (the "Refunded Obligations") to achieve a present value debt service savings, and (ii) pay costs of professional services including the costs of issuance of the Bonds. See "PLAN OF FINANCING – Purpose" and Schedule I attached hereto for a detailed description of the Refunded Obligations

2012 General Obligation Bonds, callable 08/01/2022

| FY   | Principal 9/1 | Interest 3/1 | Interest 9/1 | FY Total  |
|------|---------------|--------------|--------------|-----------|
| 2022 | 515,000       | 54,513       | 54,513       | 624,026   |
| 2023 | 530,000       | 45,500       | 45,500       | 621,000   |
| 2024 | 550,000       | 36,225       | 36,225       | 622,450   |
| 2025 | 490,000       | 26,600       | 26,600       | 543,200   |
| 2026 | 505,000       | 18,025       | 18,025       | 541,050   |
| 2027 | 525,000       | 9,188        | 9,188        | 543,376   |
|      | 3,615,000     | 252,064      | 252,064      | 4,119,128 |
|      |               |              | 504,128      |           |

The current bond rating is A+ (Standard & Poor).

# GOVERNMENTAL FUNDS – DEBT OVERVIEW Continued

## TIF DEBT SERVICE FUND - ZONE NO. 2

### Combo Tax & Revenue Certificates of Obligation, Series 2019

PURPOSE: Proceeds from the sale of the Certificates will be used for the purpose of paying contractual obligations to be incurred for (i) constructing, reconstructing, widening and improving streets, roads, alleys, bridges and sidewalks including right-of-way acquisitions related to such improvements, related utility relocation, drainage, signalization, landscaping, screening walls, lighting and signage; and (ii) legal, fiscal and engineering fees in connection with such projects.

2019 Certificate of Obligation Bonds, callable 09/01/2029

| FY   | Principal 9/1 | Interest 3/1 | Interest 9/1 | FY Total  |
|------|---------------|--------------|--------------|-----------|
| 2022 | 90,000        | 64,125       | 64,125       | 218,250   |
| 2023 | 95,000        | 61,875       | 61,875       | 218,750   |
| 2024 | 100,000       | 59,500       | 59,500       | 219,000   |
| 2025 | 105,000       | 57,000       | 57,000       | 219,000   |
| 2026 | 110,000       | 54,375       | 54,375       | 218,750   |
| 2027 | 115,000       | 52,175       | 52,175       | 219,350   |
| 2028 | 120,000       | 49,875       | 49,875       | 219,750   |
| 2029 | 125,000       | 47,475       | 47,475       | 219,950   |
| 2030 | 130,000       | 44,975       | 44,975       | 219,950   |
| 2031 | 135,000       | 43,025       | 43,025       | 221,050   |
| 2032 | 140,000       | 41,000       | 41,000       | 222,000   |
| 2033 | 400,000       | 38,900       | 38,900       | 477,800   |
| 2034 | 415,000       | 32,900       | 32,900       | 480,800   |
| 2035 | 425,000       | 26,675       | 26,675       | 478,350   |
| 2036 | 435,000       | 21,788       | 21,788       | 478,575   |
| 2037 | 445,000       | 16,622       | 16,622       | 478,244   |
| 2038 | 460,000       | 11,338       | 11,338       | 482,675   |
| 2039 | 470,000       | 5,875        | 5,875        | 481,750   |
|      | 4,315,000     | 729,497      | 729,497      | 5,773,994 |
|      |               |              | 1,458,994    |           |

The current bond rating is A+ (Standard & Poor).

The City and the Balch Springs Industrial and Economic Development Corporation (the "BSIEDC") entered into a funding agreement to transfer to the City, from Net Available BSIEDC Sales Tax Revenues, an amount equal to the annual principal and interest requirements of the Certificates, excluding any amount of unabated ad valorem taxes levied on the increased value of new taxable improvements within the City, or all of its Net Available BSIEDC Sales Tax Revenues during each fiscal year (commencing with fiscal year 2019/2020) through the final maturity of the City Debt Obligations. Transfers from the BSIEDC may be reduced by incremental ad valorem property tax revenues within the City's TIRZ # 2. BSIEDC will contribute most of the debt service for FY 2022.

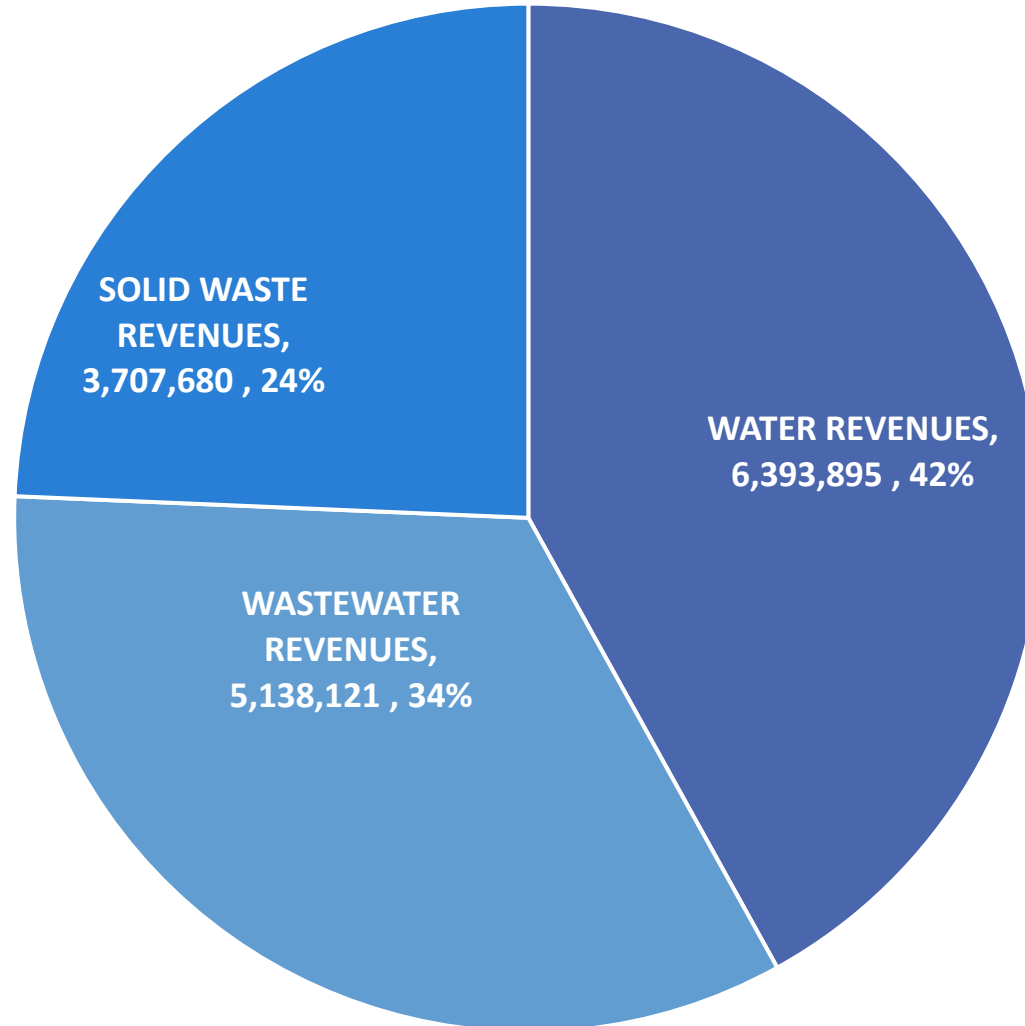


# Utility Fund

CITY OF BALCH SPRINGS

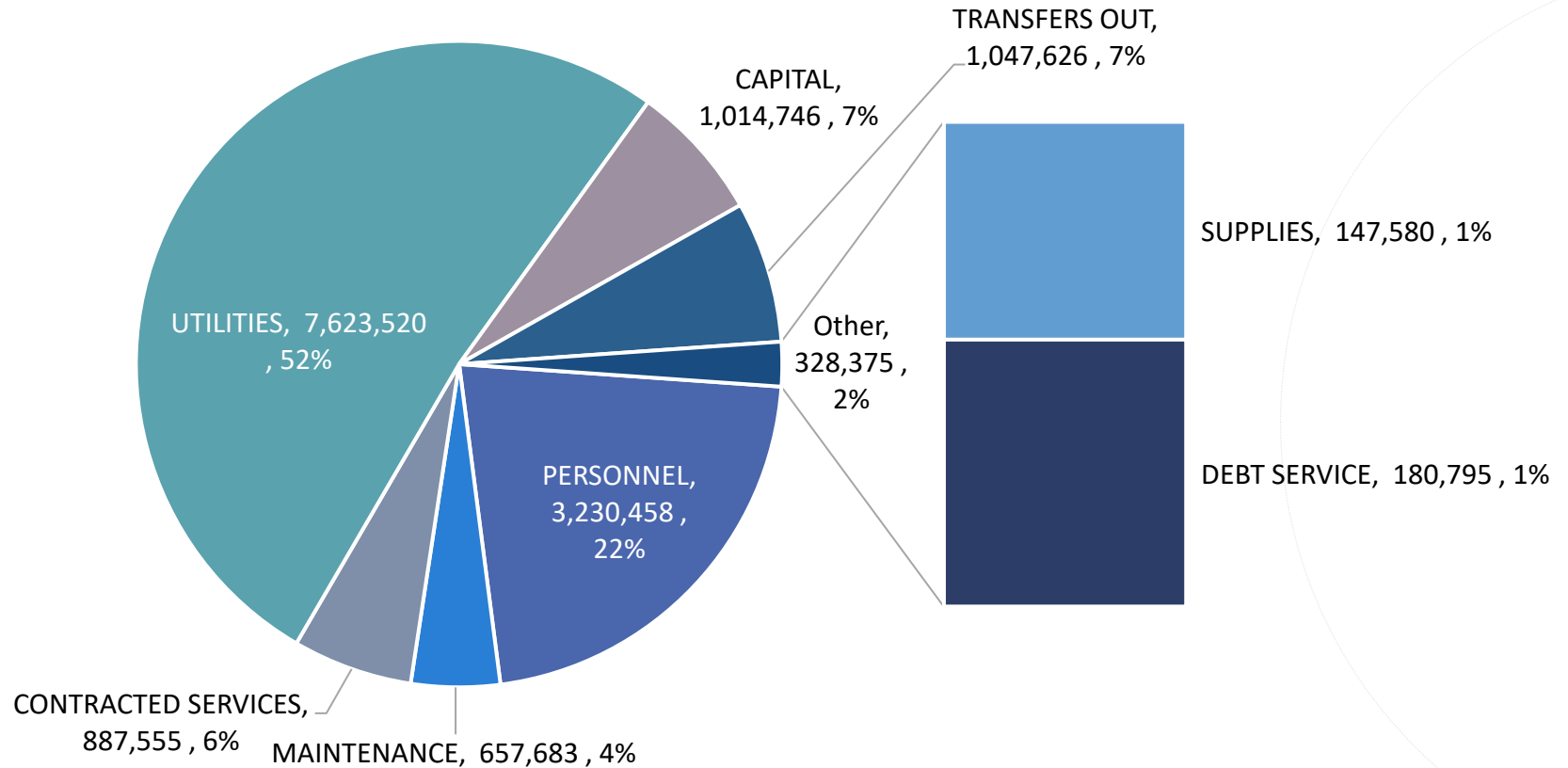
September 7, 2021

# UTILITY FUND REVENUE - \$15.2M



September 7, 2021

# UTILITY FUND EXPENSES - \$14.8M



\*Transfers Out represents only the portion of total Utility Fund expenditures. Transfers to General Fund are based on 7% of Utility Fund Revenues.

# WATER FUND

|                               | 2021<br>BUDGET   | 2021<br>ACTUAL   | 2021<br>PROJECTED | 2022<br>BUDGET   |
|-------------------------------|------------------|------------------|-------------------|------------------|
| TOTAL REVENUES                | 6,388,719        | 5,831,381        | 6,313,381         | 6,393,895        |
| <b>EXPENSES:</b>              |                  |                  |                   |                  |
| CITY MANAGERS OFFICE          | 299,750          | 280,040          | 318,040           | 335,406          |
| FINANCE                       | 657,452          | 553,244          | 607,452           | 666,957          |
| UTILITY BILLING               | 611,218          | 416,354          | 571,218           | 671,843          |
| METER SERVICES                | 232,688          | 188,816          | 232,688           | 236,268          |
| COMPUTER SERVICES             | 195,405          | 133,525          | 185,405           | 228,586          |
| DEBT SERVICE                  | 199,001          | 126,032          | 199,001           | 180,795          |
| WATER ADMINISTRATION          | 420,696          | 415,984          | 441,984           | 604,039          |
| WATER DISTRIBUTION            | 747,164          | 552,318          | 662,164           | 755,164          |
| WATER WHOLESALE               | 1,650,000        | 1,190,194        | 1,600,000         | 1,733,000        |
| WATER CAPITAL PROJECTS        | 806,000          | 749,678          | 780,000           | 576,392          |
| TRANSFERS OUT                 | 543,445          | 445,473          | 543,445           | 463,445          |
| <b>TOTAL EXPENSES</b>         | <b>6,362,819</b> | <b>5,051,658</b> | <b>6,141,397</b>  | <b>6,451,895</b> |
| PROPOSED SALARY INCREASE      |                  |                  |                   | 125,140          |
| NET GAIN (LOSS)               | 25,900           | 779,723          | 171,984           | (183,140)        |
| NET WORKING CAPITAL, BEG      | 11,499,323       | 11,499,323       | 11,499,323        | 11,671,308       |
| PROJ NET WORKING CAPITAL, END | 11,525,223       | 12,279,046       | 11,671,308        | 11,488,168       |

# WASTEWATER FUND

|                               | 2021<br>BUDGET   | 2021<br>ACTUAL   | 2021<br>PROJECTED | 2022<br>BUDGET   |
|-------------------------------|------------------|------------------|-------------------|------------------|
| <b>REVENUES:</b>              |                  |                  |                   |                  |
| SEWER SERVICE                 | 4,907,000        | 4,451,613        | 4,900,000         | 4,997,000        |
| GREASE HAULER                 | 4,000            | 1,600            | 1,600             | 3,000            |
| SEWER SURCHARGE               | 75,000           | 95,612           | 103,000           | 110,000          |
| TAP FEES                      | 15,000           | 1,500            | 2,000             | 150              |
| MISCELLANEOUS REV             | -                | 200              | 200               | 340              |
| GENERAL REFUND                | -                | -                | -                 | -                |
| TRANS FROM GRANTS FUND        | 98,000           | -                | 98,000            | -                |
| <b>TOTAL REVENUES</b>         | <b>5,099,000</b> | <b>4,550,525</b> | <b>5,104,800</b>  | <b>5,110,490</b> |
| <b>EXPENSES:</b>              |                  |                  |                   |                  |
| SEWER COLLECTION              | 672,669          | 637,873          | 650,000           | 824,988          |
| SITE RESTORATION              | 467,261          | 236,780          | 357,261           | 460,155          |
| SEWER WHOLESALE               | 2,820,000        | 1,718,493        | 2,368,493         | 2,879,000        |
| CAPITAL OUTLAY                | 701,000          | 630,151          | 650,000           | 596,277          |
| TRANSFERS OUT                 | 436,550          | 348,110          | 402,110           | 377,701          |
| <b>TOTAL EXPENSES</b>         | <b>5,097,480</b> | <b>3,571,407</b> | <b>4,427,864</b>  | <b>5,138,121</b> |
| PROPOSED SALARY INCREASE      |                  |                  |                   | 33,000           |
| NET GAIN (LOSS)               | 1,520            | 979,118          | 676,936           | (60,631)         |
| NET WORKING CAPITAL, BEG      | 10,396,101       | 10,396,101       | 10,396,101        | 11,073,037       |
| PROJ NET WORKING CAPITAL, END | 10,397,621       | 11,375,219       | 11,073,037        | 11,012,406       |

# SOLID WASTE FUND

|                               | 2021<br>BUDGET   | 2021<br>ACTUAL   | 2021<br>PROJECTED | 2022<br>BUDGET   |
|-------------------------------|------------------|------------------|-------------------|------------------|
| <b>REVENUES:</b>              |                  |                  |                   |                  |
| TRASH SERVICE RESIDENTIAL     | 1,650,480        | 1,220,757        | 1,337,757         | 1,333,000        |
| TRASH SERVICE COMMERCIAL      | 1,387,360        | 1,394,703        | 1,520,703         | 1,555,000        |
| TRASH SERVICE ROLLOFF         | 587,700          | 745,403          | 805,403           | 809,000          |
| TRASH SERVICE BULK PICKUP     | 1,500            | 250              | 500               | 1,500            |
| INTEREST EARNED               | 1,400            | 2,209            | 2,609             | 1,400            |
| MISCELLANEOUS REVENUES        | -                | -                | -                 | -                |
| DISCOUNTS TAKEN               | 1,300            | 1,131            | 1,231             | 1,300            |
| <b>TOTAL REVENUES</b>         | <b>3,636,220</b> | <b>3,364,452</b> | <b>3,668,202</b>  | <b>3,707,680</b> |
| <b>EXPENSES:</b>              |                  |                  |                   |                  |
| SOLID WASTE SERVICES          | 118,219          | 90,702           | 103,202           | 122,690          |
| WATER WHOLESAL                | 2,871,000        | 2,746,357        | 2,950,000         | 2,871,000        |
| WATER CAPITAL PROJECTS        | 250,000          | 244,448          | 244,448           | -                |
| TRANSFERS OUT                 | 206,480          | 211,828          | 251,828           | 206,480          |
| <b>TOTAL EXPENSES</b>         | <b>3,445,699</b> | <b>3,293,336</b> | <b>3,549,479</b>  | <b>3,200,170</b> |
| PROPOSED SALARY INCREASE      |                  |                  |                   | 6,938            |
| NET GAIN (LOSS)               | 190,521          | 71,116           | 118,723           | 500,572          |
| NET WORKING CAPITAL, BEG      | 781,293          | 781,293          | 781,293           | 900,016          |
| PROJ NET WORKING CAPITAL, END | 971,814          | 852,409          | 900,016           | 1,400,588        |



# PROPOSED REDUCTIONS – UTILITY FUNDS

PROPOSED BUDGET 2022

| Department/Function         | Amount           | Frequency | Description   |
|-----------------------------|------------------|-----------|---|
| Utl, Computers              | \$48,000         | On-Going  | Microsoft 365 Email Upgrade - All City Staff with Desktop/Email Address |
| All Non-Civil Staff - Water | 125,140          | On-Going  | Proposed Salary Increase Non-Civil Staff                                |
| All Non-Civil Staff – WW    | \$33,000         | On-Going  | Proposed Salary Increase Non-Civil Staff                                |
| All Non-Civil Staff – SW    | \$6,938          | On-Going  | Proposed Salary Increase Non-Civil Staff                                |
| Utl, Finance                | \$10,000         | On-Going  | Training/CFO/Senior Acct/Tuition Reimb/Accountants                      |
| <b>Total Reductions</b>     | <b>\$223,078</b> |           |   |

# WATER DEBT SERVICE

## CITY OF BALCH SPRINGS, TEXAS

### SCHEDULE OF REQUIREMENTS

#### WATER DEBT SERVICE

| Year | Combo Tax & Surplus Rev Ref<br>Bds, Ser 2016 | Smart Meter AMI Capital Lease<br>Payments, 2018 | Total            |
|------|--|---|------------------|
| 2022 | 627,445                                      | 318,475   | 945,920          |
| 2023 | 627,595                                      | 318,475   | 946,070          |
| 2024 | 627,295                                      | 318,475   | 945,770          |
| 2025 | 631,545                                      | 318,475   | 950,020          |
| 2026 | 630,195                                      | 318,475   | 948,670          |
| 2027 | 628,395                                      | 318,475   | 946,870          |
| 2028 | 631,895                                      | 318,475   | 950,370          |
| 2029 | 630,095                                      | -   | 630,095          |
| 2030 | 628,095                                      | -   | 628,095          |
| 2031 | 265,590                                      | -   | 265,590          |
|      | <u>5,928,145</u>                             | <u>2,229,326</u>                                | <u>8,157,471</u> |

# WATER DEBT SERVICE - OVERVIEW

**Combo Tax & Surplus Rev Ref Bds, Ser 2016**

PURPOSE: These Bonds refunded the WW&SS Revenue Bonds, Series 2008 in which the Bonds are to be used to make improvements to the System and to pay the costs related to the issuance of the Bonds.

2016 Combination Tax and Surplus Revenue Refunding Bonds, Callable on 09/1/2026 @ Par

| FY   | Principal 9/1 | Interest 3/1 | Interest 9/1 | FY Total  |
|------|---------------|--------------|--------------|-----------|
| 2022 | 495,000       | 66,223       | 66,223       | 627,445   |
| 2023 | 510,000       | 58,798       | 58,798       | 627,595   |
| 2024 | 525,000       | 51,148       | 51,148       | 627,295   |
| 2025 | 545,000       | 43,273       | 43,273       | 631,545   |
| 2026 | 560,000       | 35,098       | 35,098       | 630,195   |
| 2027 | 575,000       | 26,698       | 26,698       | 628,395   |
| 2028 | 590,000       | 20,948       | 20,948       | 631,895   |
| 2029 | 600,000       | 15,048       | 15,048       | 630,095   |
| 2030 | 610,000       | 9,048        | 9,048        | 628,095   |
| 2031 | 260,000       | 2,795        | 2,795        | 265,590   |
|      | 5,270,000     | 329,073      | 329,073      | 5,928,145 |
|      |               |              | 658,145      |           |

The current bond rating is A+ (Standard & Poor).

# WATER DEBT SERVICE – OVERVIEW Continued

## **Smart Meter AMI Capital Lease Payments, 2018**

PURPOSE: Proceeds from capital lease will be used to pay for the purchase, installation, activation, software setup, and configuration of the Smart Meter AMI System. The payback period consists of twenty (20) semi-annual payments with an interest rate of 3.05%.

### 2018 Smart Meter AMI Capital Lease Payments

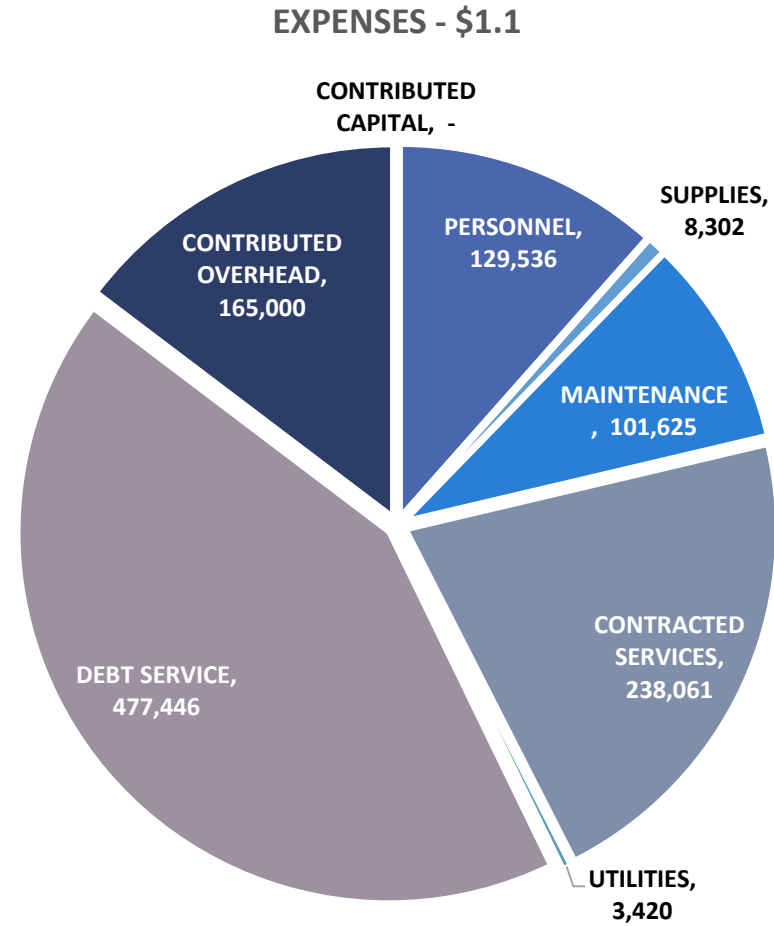
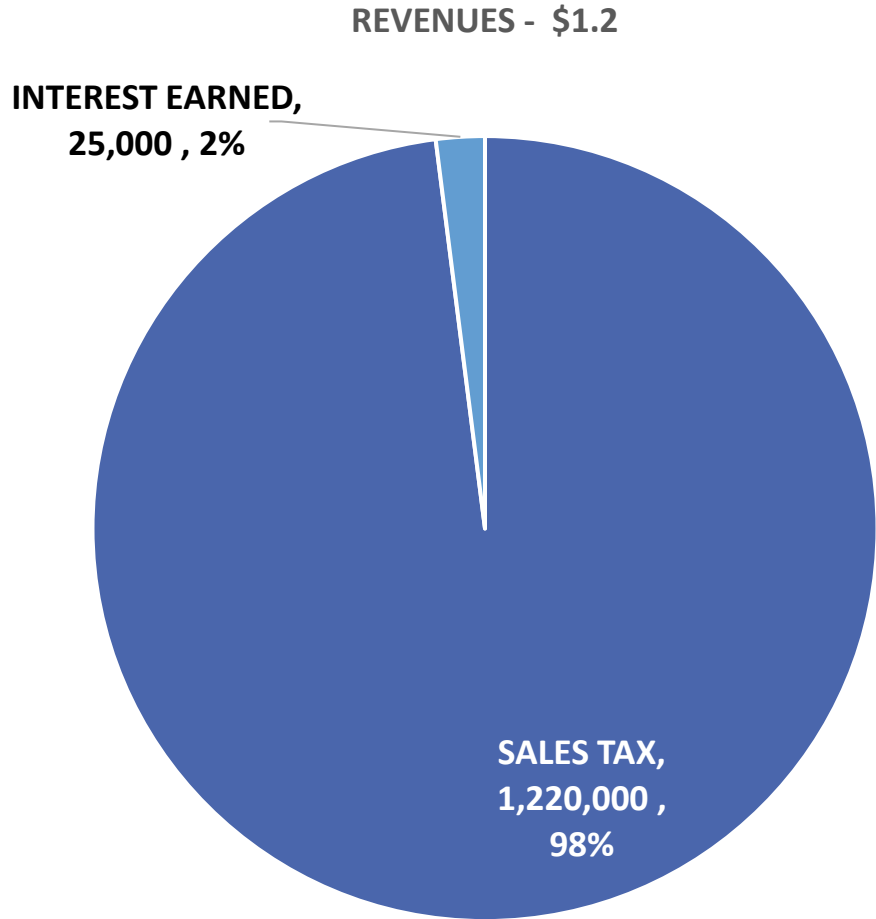
| FY   | Principal 10/15 & 4/15 | Interest 10/15 | Interest 4/15 | FY Total  |
|------|------------------------|----------------|---------------|-----------|
| 2022 | 259,629                | 30,406         | 28,441        | 318,475   |
| 2023 | 267,608                | 26,446         | 24,421        | 318,475   |
| 2024 | 275,832                | 22,365         | 20,278        | 318,475   |
| 2025 | 284,309                | 18,159         | 16,007        | 318,475   |
| 2026 | 293,046                | 13,823         | 11,606        | 318,475   |
| 2027 | 302,053                | 9,354          | 7,068         | 318,475   |
| 2028 | 311,335                | 4,748          | 2,392         | 318,475   |
|      | 1,993,811              | 125,301        | 110,213       | 2,229,326 |
|      |                        |                | 235,515       |           |

# Industrial and Economic Development – Type A

CITY OF BALCH SPRINGS

September 7, 2021

# ECONOMIC DEVELOPMENT TYPE A OPERATIONS



September 7, 2021

# EDC TYPE A

|                               | 2021<br>BUDGET | 2021<br>ACTUAL | 2021<br>PROJECTED | 2022<br>BUDGET   |
|-------------------------------|----------------|----------------|-------------------|------------------|
| TOTAL REVENUES                | 1,125,000      | 1,148,002      | 1,249,002         | 1,245,000        |
| <b>EXPENSES:</b>              |                |                |                   |                  |
| EDC TYPE A ADMINISTRATION     | 219,309        | 145,806        | 189,309           | 234,007          |
| EDC TYPE A ECON DEVELOPMENT   | 114,699        | 52,796         | 74,699            | 237,899          |
| EDC TYPE A ECON DEV DEBT SERV | -              | -              | -                 | -                |
| CAPITAIL OUTLAY               | -              | -              | -                 | -                |
| TRANSFERS OUT                 | 655,950        | 547,581        | 655,950           | 642,446          |
| <b>TOTAL EXPENSES</b>         | <b>989,958</b> | <b>746,183</b> | <b>919,958</b>    | <b>1,114,352</b> |
| PROPOSED SALARY INCREASE      |                |                |                   | 9,038            |
| NET GAIN (LOSS)               | 135,042        | 401,819        | 329,044           | 121,610          |
| FUND BAL UNASSIGNED, BEG      | 1,868,567      | 1,868,567      | 1,868,567         | 2,197,611        |
| PROJ FUND BAL UNASSIGNED, END | 2,003,609      | 2,270,386      | 2,197,611         | 2,319,221        |

# Community and Economic Development – Type B

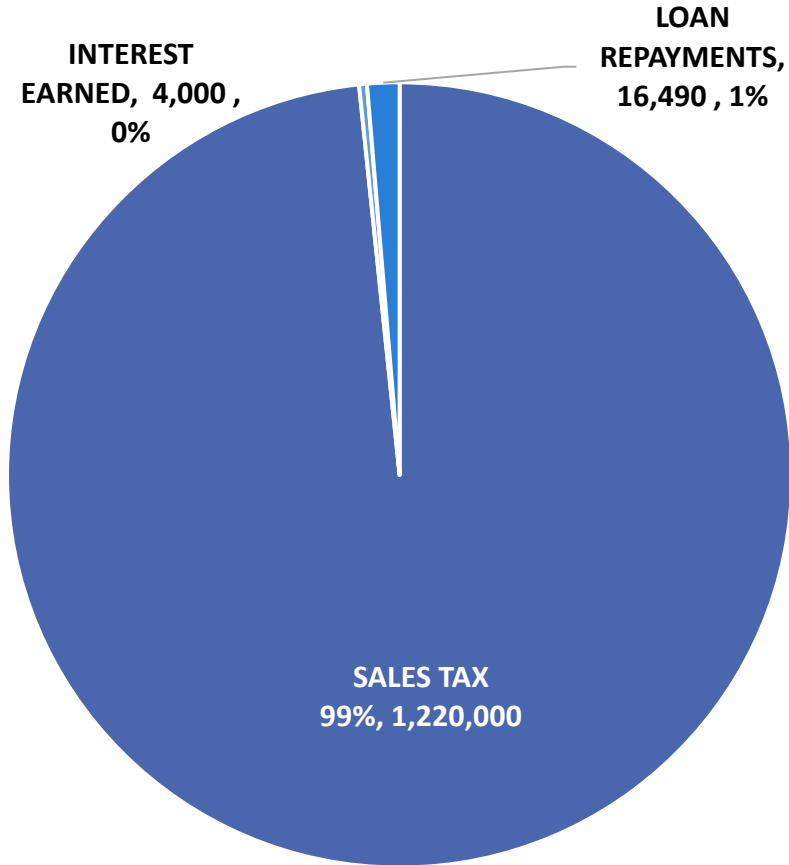
CITY OF BALCH SPRINGS

September 7, 2021

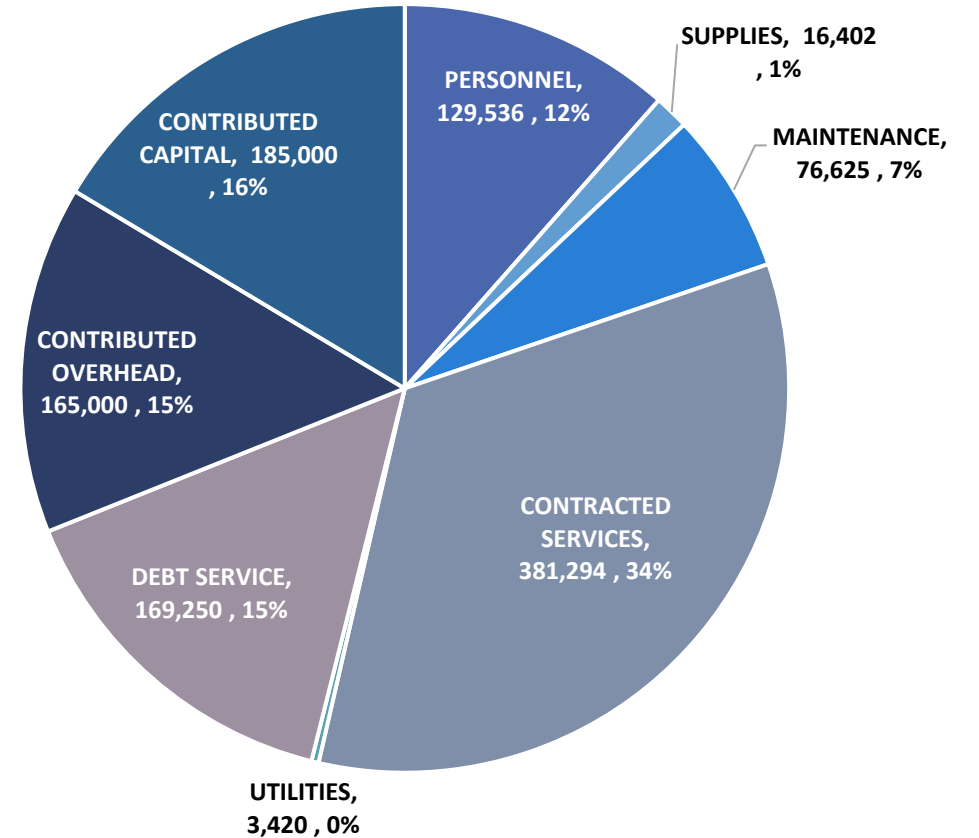


# ECONOMIC DEVELOPMENT TYPE B OPERATIONS

REVENUES - \$1.2



EXPENSES - \$1.1



# EDC TYPE B

|                               | 2021<br>BUDGET | 2021<br>ACTUAL | 2021<br>PROJECTED | 2022<br>BUDGET   |
|-------------------------------|----------------|----------------|-------------------|------------------|
| TOTAL REVENUES                | 1,120,490      | 1,150,358      | 1,252,358         | 1,240,490        |
| <b>EXPENSES:</b>              |                |                |                   |                  |
| EDC TYPE A ADMINISTRATION     | 209,057        | 121,824        | 179,057           | 223,657          |
| EDC TYPE A ECON DEVELOPMENT   | 374,582        | 261,798        | 294,582           | 374,582          |
| EDC TYPE A ECON DEV DEBT SERV | -              | -              |                   | -                |
| TRANSFERS OUT                 | 370,750        | 293,200        | 370,750           | 519,250          |
| <b>TOTAL EXPENSES</b>         | <b>954,389</b> | <b>676,822</b> | <b>844,389</b>    | <b>1,117,489</b> |
| PROPOSED SALARY INCREASE      |                |                |                   | 9,038            |
| NET GAIN (LOSS)               | 166,101        | 473,537        | 407,969           | 113,963          |
| FUND BAL UNASSIGNED, BEG      | 1,893,280      | 1,893,280      | 1,893,280         | 2,301,249        |
| FUND BAL UNASSIGNED, END      | 2,059,381      | 2,366,817      | 2,301,249         | 2,415,212        |

# PROPOSED REDUCTIONS – EDC

| Department/Function     | Amount          | Frequency | Description              |
|-------------------------|-----------------|-----------|--------------------------|
| Type A                  | \$9,038         | On-Going  | Proposed Salary Increase |
| Type B                  | \$9,038         | On-Going  | Proposed Salary Increase |
| <b>Total Reductions</b> | <b>\$18,076</b> |           |                          |

# ECONOMIC DEV – BONDED DEBT

CITY OF BALCH SPRINGS, TEXAS  
SCHEDULE OF REQUIREMENTS  
ECONOMIC DEVELOPMENT CORPORATION

PROPOSED BUDGET 2022

| Year | EDC TYPE A                           | EDC TYPE A                           | EDC TYPE B                           | Total     |
|------|--------------------------------------|--------------------------------------|--------------------------------------|-----------|
|      | Sales Tax Revenue Bonds, Series 2015 | Sales Tax Revenue Bonds, Series 2016 | Sales Tax Revenue Bonds, Series 2019 |           |
| 2022 | 161,123                              | 107,585                              | 169,250                              | 437,957   |
| 2023 | 161,153                              | 106,337                              | 172,000                              | 439,490   |
| 2024 | 161,005                              | 105,090                              | 169,600                              | 435,695   |
| 2025 | 165,680                              | 103,842                              | 171,400                              | 440,922   |
| 2026 | -                                    | 267,595                              | 173,000                              | 440,595   |
| 2027 | -                                    | 268,114                              | 169,400                              | 437,514   |
| 2028 | -                                    | 268,134                              | 170,800                              | 438,934   |
| 2029 | -                                    | 267,655                              | 172,000                              | 439,655   |
| 2030 | -                                    | 271,677                              | 168,000                              | 439,677   |
| 2031 | -                                    | 269,950                              | 169,000                              | 438,950   |
| 2032 | -                                    | 267,725                              | 169,800                              | 437,525   |
| 2033 | -                                    | -                                    | 170,400                              | 170,400   |
| 2034 | -                                    | -                                    | 170,800                              | 170,800   |
| 2035 | -                                    | -                                    | 171,000                              | 171,000   |
| 2036 | -                                    | -                                    | 171,000                              | 171,000   |
| 2037 | -                                    | -                                    | 170,800                              | 170,800   |
| 2038 | -                                    | -                                    | 170,400                              | 170,400   |
| 2039 | -                                    | -                                    | 169,800                              | 169,800   |
| 2040 | -                                    | -                                    | 169,000                              | 169,000   |
| 2041 | -                                    | -                                    | 173,000                              | 173,000   |
| 2042 | -                                    | -                                    | 171,600                              | 171,600   |
|      | 648,960                              | 2,303,700                            | 3,582,050                            | 6,534,710 |

# ECONOMIC DEV – DEBT SERVICE OVERVIEW

Economic Development Corporation  
Debt Service Overview  
Fiscal Year 2022

The Debt Service Funds for Type A and Type B are used to account for the accumulation of financial resources for the payment, interest, and related costs of long-term debt primarily from sales taxes.

## Balch Springs Industrial and Economic Development Corporation - Type A

### ***Sales Tax Revenue Bond, Taxable Series 2015:***

THE PROJECT: The public purpose of providing funds for the purchase of land and the construction of related infrastructure, and other purposes permitted by law (the "Projects"), in order to provide land sites suitable for commercial development within the City and in order to promote and encourage employment and public welfare and to promote and develop new and expanded business enterprises, a qualified project for the purposes authorized under and pursuant to the Act, and to pay the costs incurred in connection with the issuance of the Bond. The Industrial and Economic Development Corporation (Type A) purchased 18.252 acres of land (project - Alexander Phase 1) on South Belt Line Road on September 30, 2015 using bond proceeds of the Sales Tax Revenue Bond, Taxable Series 2015.

### ***Sales Tax Revenue Bond, Taxable Series 2016:***

THE PROJECT: The public purpose of providing funds for the purchase of land and the construction of related infrastructure, and other purposes permitted by law (the "Projects"), in order to provide land sites suitable for commercial development within the City and in order to promote and encourage employment and public welfare and to promote and develop new and expanded business enterprises, a qualified project for the purposes authorized under and pursuant to the Act, and to pay the costs incurred in connection with the issuance of the Bond. The Industrial and Economic Development Corporation (Type A) purchased 18.714 acres of land (project - Beltline Place) at 4540 Lasater Road on August 19th, 2016 using bond proceeds of the Sales Tax Revenue Bond, Taxable Series 2016. The EDC plans to sell the land to a developer to allow for future mixed use including commercial, retail and housing.

## Balch Springs Community and Economic Development Corporation - Type B

### ***Sales Tax Revenue Bonds, Series 2019:***

THE PROJECT: Proceeds from the sale of the Bonds will be used for the purpose of (i) improving parks within the City, (ii) funding a reserve fund for payment of principal and interest on the Bonds, and (iii) paying costs of issuance of the Bonds.

# Special Revenue Funds

CITY OF BALCH SPRINGS

September 7, 2021

# SPECIAL REVENUE FUNDS

PROPOSED BUDGET 2022

|                        | CH 59      | DOJ GRANTS | DOJ FORFEITURES | US TREAS FORFEITURES | MUNI COURT BLDG SECURITY | MUNI COURT TECH | JUVII CASE MANAGER |
|------------------------|------------|------------|-----------------|----------------------|--------------------------|-----------------|--------------------|
| <b>2021</b>            |            |            |                 |                      |                          |                 |                    |
| PROJECTED REVENUES     | \$13,400   | \$26,875   | \$300           | \$145,000            | \$7,820                  | \$9,150         | \$9,500            |
| PROJECTED EXPENDITURES | \$4,000    | \$11,000   | \$5,000         | \$75,000             | \$3,000                  | \$20,000        | \$20,500           |
| NET                    | \$9,400    | \$15,875   | (\$4,700)       | \$70,000             | \$4,820                  | (\$10,850)      | (\$11,000)         |
| 2021 FUND BAL, BEG     | \$45,311   | \$618      | \$40,261        | \$480,487            | \$48,464                 | \$40,997        | \$13,475           |
| 2021 FUND BAL, END     | \$54,711   | \$16,493   | \$35,561        | \$550,487            | \$53,284                 | \$30,147        | \$2,475            |
| <b>2022</b>            |            |            |                 |                      |                          |                 |                    |
| PROPOSED REVENUES      | \$0        | \$24,996   | \$0             | \$0                  | \$9,250                  | \$9,100         | \$10,000           |
| PROPOSED EXPENDITURES  | \$15,000   | \$24,996   | \$17,200        | \$65,825             | \$13,400                 | \$24,380        | \$12,351           |
| NET                    | (\$15,000) | \$0        | (\$17,200)      | (\$65,825)           | (\$4,150)                | (\$15,280)      | (\$2,351)          |
| 2022 FUND BAL, BEG     | \$54,711   | \$16,493   | \$35,561        | \$550,487            | \$53,284                 | \$30,147        | \$2,475            |
| 2022 FUND BAL, END     | \$39,711   | \$16,493   | \$18,361        | \$484,662            | \$49,134                 | \$14,867        | \$124              |

# SPECIAL REVENUE FUNDS Continued

PROPOSED BUDGET 2022

|                        | HOTEL<br>OCCUPANCY | CHILD SAFETY<br>FUND | ABANDONED<br>VEH | EMERGENCY<br>RESERVE | GRANTS      | DONATIONS  |
|------------------------|--------------------|----------------------|------------------|----------------------|-------------|------------|
| <b>2021</b>            |                    |                      |                  |                      |             |            |
| PROJECTED REVENUES     | \$151,600          | \$30,000             | \$75,460         | \$57,800             | \$260,570   | \$27,839   |
| PROJECTED EXPENDITURES | \$93,000           | \$20,000             | \$135,000        | \$0                  | \$824,840   | \$14,957   |
| NET                    | \$58,600           | \$10,000             | (\$59,540)       | \$57,800             | (\$564,269) | \$12,881   |
| 2021 FUND BAL, BEG     | \$289,178          | \$44,486             | \$178,940        | \$48,457             | \$1,107,824 | \$72,803   |
| 2021 FUND BAL, END     | \$347,778          | \$54,486             | \$119,400        | \$106,257            | \$543,555   | \$85,685   |
| <b>2022</b>            |                    |                      |                  |                      |             |            |
| PROPOSED REVENUES      | \$151,850          | \$30,000             | \$65,000         | \$10,000             | \$2,188,450 | \$5,000    |
| PROPOSED EXPENDITURES  | \$324,249          | \$27,920             | \$171,952        | \$0                  | \$2,236,832 | \$43,408   |
| NET                    | (\$172,399)        | \$2,080              | (\$106,952)      | \$10,000             | (\$48,382)  | (\$38,408) |
| 2022 FUND BAL, BEG     | \$347,778          | \$54,486             | \$119,400        | \$106,257            | \$543,555   | \$85,685   |
| 2022 FUND BAL, END     | \$175,379          | \$56,566             | \$12,448         | \$116,257            | \$495,173   | \$47,277   |



# SPECIAL REVENUE FUNDS Continued

PROPOSED BUDGET 2022

|                        | TIF              | DEBT SERVICE     | TIF DEBT SERVICE | TIRZ CAPITAL PROJECTS | STREET MAINTENANCE |
|------------------------|------------------|------------------|------------------|-----------------------|--------------------|
| <b><u>2021</u></b>     |                  |                  |                  |                       |                    |
| PROJECTED REVENUES     | \$121,677        | \$683,500        | \$223,500        | \$3,828               | \$1,226,000        |
| PROJECTED EXPENDITURES | \$124,754        | \$625,775        | \$223,500        | \$3,535,025           | \$2,229,190        |
| NET                    | (\$3,077)        | \$57,725         | \$0              | (\$3,531,197)         | (\$1,003,190)      |
| 2021 FUND BAL, BEG     | \$119,681        | \$322,044        | (\$750)          | \$4,307,509           | \$2,523,691        |
| 2021 FUND BAL, END     | \$116,604        | \$379,769        | (\$750)          | \$776,313             | \$1,520,501        |
| <b><u>2022</u></b>     |                  |                  |                  |                       |                    |
| PROPOSED REVENUES      | \$198,181        | \$602,320        | \$219,000        | \$0                   | \$1,220,000        |
| PROPOSED EXPENDITURES  | \$17,355         | \$625,025        | \$219,000        | \$0                   | \$1,900,624        |
| NET                    | \$180,826        | (\$22,705)       | \$0              | \$0                   | (\$680,624)        |
| 2022 FUND BAL, BEG     | \$116,604        | \$379,769        | (\$750)          | \$776,313             | \$1,520,501        |
| 2022 FUND BAL, END     | <b>\$297,430</b> | <b>\$357,064</b> | <b>(\$750)</b>   | <b>\$776,313</b>      | <b>\$839,877</b>   |

# REMAINING UPDATES TO BUDGET

- Make Changes Upon Council Consensus