



# A LOOK AHEAD

CITY OF PLANO | STATUS REPORT | 2021-22

**THREE-YEAR FINANCIAL FORECAST**  
**FISCAL YEAR 2022-23 THROUGH 2024-25**

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**CITY OF PLANO, TEXAS**  
**2021-22 STATUS REPORT & THREE-YEAR FINANCIAL FORECAST**  
*Fiscal Year 2022-23 through 2024-25*

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*Kayci Prince*  
Place 4



**John Muns**  
Mayor



**Deputy Mayor Pro Tem**  
*Maria Tu*  
Place 1



*Anthony Ricciardelli*  
Place 2



*Rick Grady*  
Place 3



*Shelby Williams*  
Place 5



*Julie Holmer*  
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**Mark D. Israelson, City Manager**  
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March 28, 2022

Honorable Mayor & City Council  
City of Plano  
Plano, Texas 75074

Dear Mayor and Council Members:

I am pleased to present the City of Plano's Three-Year Financial Forecast for Fiscal Years 2022-23 through 2024-25. This forecast reviews the status of the current FY 2021-22 Budget and provides an opportunity to take **A Look Ahead** into the near future, and identify challenges and opportunities likely to face the City of Plano in the next three years. The Three-Year Financial Forecast focuses on the General Fund, General Obligation Debt Fund, Capital Maintenance Fund and the City's enterprise funds – Water & Sewer, Sustainability & Environmental Services, Municipal Drainage, Convention & Tourism, Recreation Revolving, and the Municipal Golf Course. The financial projections included here represent the starting point for the development of the FY 2022-23 Budget. With knowledge of significant trends and issues in this report, Council and Management will proceed in developing goals, objectives and priorities for the next fiscal year and beyond.

In keeping with last year's budget theme, A Budget for Sustaining Plano's Excellence, this year's budget development will focus on the following initiatives:

1. **QUALITY INFRASTRUCTURE:** Maintaining and improving our City's \$2.8 billion growing infrastructure including funding our Capital Maintenance Fund.
2. **SERVICE DEMANDS:** Preserving exceptional, quality city services for residents, businesses and the Plano community while also preparing for future service demands.
3. **FINANCIAL POLICIES/RATINGS:** Maintaining our AAA bond rating and adhering to our financial policies.
4. **PERSONNEL:** Retaining our high quality workforce and continue to remain competitive with other cities and private organizations within the Metroplex.
5. **PROPERTY TAX:** Maintain a property tax rate which allows for funding of our infrastructure, service demands, adherence to our financial policies and retain our valuable people.

As we anticipated during last year's budget cycle, the City of Plano's financial condition continues to recover from the impact of the COVID-19 pandemic as reflected within this forecast. However, we are still facing significant challenges with supply chain issues, rising fuel cost, construction delays and inflation. This forecast was prepared based on the information currently available. During the upcoming budget process we will work through these challenges and will make adjustments necessary going forward. Please note that every annual budget adopted by City Council is statutorily required to be balanced. Therefore, any projected shortfall is assumed to be rectified during the year when the shortfall is projected to occur to reach the working capital requirements set by Plano's Financial Policies.

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John B. Muns Mayor	Kayci Prince Mayor Pro Tem	Maria Tu Deputy Mayor Pro Tem	Anthony Ricciardelli Place 2	Rick Grady Place 3	Shelby Williams Place 5	Julie Holmer Place 7	Rick Smith Place 8	Mark D. Israelson City Manager
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Financial policies adopted by City Council stipulate that the General Fund must maintain a working balance of 30 days. Based on this forecast, the projected working capital at the end of FY 2022-23 is projected at 30 days of working capital. This is due primarily to anticipated increases in existing and new property coming on-line, sales tax collections and a \$15.7 million reimbursement from the American Rescue Plan Act (ARPA) related to COVID-19 received in FY 2021-22. However in FY 2023-24, the General Fund falls short of the Council goal by \$21.7 million and then by \$20.0 million in FY 2024-25. These deficit positions reflect the work required during the upcoming budget process in order to bring expenditures in line with revenues to provide a structurally balanced budget in future years.

Following preliminary discussions with both Collin County and Denton County Central Appraisal Districts, total assessed property values are projected at \$50.0 billion in the coming year, with existing property values projected to increase \$1.7 billion as compared to FY 2021-22. New property coming on-line is projected to add \$625 million to Plano's property tax base in FY 2022-23. The combination of these increases translates to 4.81% increase in total assessed property value. According to the Collin Central Appraisal District (CCAD), Notices of Appraisals we be mailed to taxpayers on April 15<sup>th</sup>. The CCAD is continuing to analyze the market but they are anticipating an average home value increase of 28% to 30%, comparing 2021 to 2022 for Collin County. It is important to remember that the City of Plano offers a 20% homestead exemption, a \$40,000 tax exemption plus a tax freeze for 65 and over and/or disabled tax payers. In addition, state law caps assessed property values with a homestead exemption from increasing more than 10% per year to protect taxpayers from market value increases. The City of Plano is scheduled to receive Certified Estimated Taxable Values for 2022-23 on April 29, 2022. We will provide the City Council with more information during the upcoming budget process.

The current ad valorem tax rate of 44.65 cents per \$100 of assessed property valuation is maintained throughout the forecast. However beginning in FY 2022-23, 0.25 cents of the operating tax rate will need to be transferred to the debt tax rate each year in order to support debt service payments for funding the Community Investment Program and to meet the minimum requirement of 2.5% of each year's debt service levy of the fund balance as required by our Financial Policies. The impact of this transfer is a loss \$3.9 million to fund General Fund operations for the forecast period.

Sales tax receipts, the General Fund's second largest source of revenue, have been re-estimated for FY 2021-22 at \$101.0 million, up from \$87.1 million originally budgeted in FY 2021-22. For the first five-months of FY 2021-22, sales tax collections are \$5.9 million above last year's collections for the same period. The current fiscal year has seen an unexpected increase in sales tax receipts as we come out of the COVID-19 pandemic. Consumer spending is robust and much greater than anticipated. As in the past, any amount collected over the \$101.0 million can be used for one-time expenditures, assigned to fund balance to build reserves for future fiscal years or transferred to the Capital Maintenance Fund or the Reserve Fund. Based on City Council policy, sales tax is projected at our three-year collection average net audit adjustments of \$92.7 million for the entire forecast period.

The Water & Sewer Fund continues to be a focal point as we look ahead the next three-years. Given preliminary information shared by the North Texas Municipal Water District, water rates will increase throughout the forecast period. Wholesale water rates are scheduled to increase between 4.98% to 7.36% in each year of the forecast. During FY 2020-21, all thirteen NTMWD Member Cities and the Districts agreed on an amended water services contract. The new allocation method gradually adjust the annual minimums over the next eight years to more closely align the member city's portion with historical actual consumption. Our new take or pay minimum for FY 2021-22 is 26.6 billion gallons down from 26.7 billion gallons set in 2001. For FY 2022-23, the annual water rate for Plano is projected at \$3.21 per thousand gallons, \$3.37 per thousand gallons in FY 2023-24, and \$3.55 per thousand gallons





in FY 2024-25. Wastewater treatment rates are projected to increase 6.61% in FY 2022-23, followed by 6.98% in FY 2023-24 and 7.97% in FY 2024-25. In this forecast all water and sewer rate increases proposed by NTMWD are passed through to customers effective November 1<sup>st</sup> each year. The forecast also assumes our annual water consumption remains at a normal consumption level between 22 to 23 billion gallons per year.

### Significant Features and Issues of the Forecast

- **Not included** in the fund projections are program enhancements related to increases for mandates, growth, additional or expanded services, technology requests, or other causes for the three-year period. All discretionary items will be considered during the annual budget development process.
- In order to retain our high quality workforce and to remain competitive with other North Texas cities, **salary projections assume a 3% increase for both Civil Service and Non-Civil Service employees** in the first year of the forecast. In addition, attrition is projected at 4.0% for the General Fund, Water & Sewer Fund and the Municipal Drainage Fund. A 1.0% attrition rate is projected for all other funds. In order to allocate for a 3% across the board salary increase effective October 1, 2022, it will require \$6.8 million for all funds with \$5.8 million of this for the General Fund.
- In order to meet the **City's goal to equitably address compensation matters** that fall outside our compensation philosophy and commitments to its employees, \$2.0 million is included in this forecast for 2022-23 in the General Fund to assist with this initiative.
- **Supplies & services costs are projected to increase 4.0% in 2022-23, 4.0% in 2023-24 and 2.0% in 2024-25** based on various inflationary indexes. Due to the anticipated inflationary impact on supplies and services cost, \$1.0 million has been earmarked in the FY 2022-23 budget to help offset the anticipated increase across the General Fund.
- **A 5% increase to health insurance** has been included in this forecast to help offset increased costs incurred by the plan due to COVID-19. Additionally, the rate of 16.75% for TMRS has been included in the annual salary and wage expenditures with no other benefit cost increases being anticipated.
- **Assumed to be funded** within the forecast are all operating expenditures associated with CIP Projects completed during the three-year forecast. Operating and maintenance costs associated with Community Investment Projects coming on-line during the forecast period total \$1.4 million. These projects include the addition of a Fire Training Center, improvements to restrooms located at Jack Carter and Bob Woodruff parks, the expansion of Harrington Library, additional Park Improvements, and various other Facilities additions and expansions. Details associated with CIP projects coming on-line are in the Appendix Section of this document.
- The General Fund transfer to the **Capital Maintenance Fund is expected to remain constant at \$35.3 million in each of the three years of the forecast.** Setting aside funding for repair and renovation projects with lifespans over 10 years will continue to be a priority for the City of Plano as it seeks to use pay-go funding and to avoid using debt for its existing streets, park system and city facilities in the future.
- The **Economic Development Incentive Fund** was implemented in FY 2006-07 to remain competitive with surrounding neighboring cities in an effort to attract businesses to the area and to provide funding for redevelopment purposes. Funding for the Economic Development Incentive Fund has been included throughout the forecast. The forecast includes the transfer of \$9.9 million in FY 2022-23; \$10.3 million in FY 2023-24; and \$10.6 million in FY 2024-25. These forecasted amounts represent only the actual two-cent property tax revenue and does not include any supplemental funding from the General Fund.



- The forecast assumes issuing approximately **\$83.9 million in new debt** in each of the years of the forecast due to the passage of the May 2021 Bond Referendum. Interest rates are projected at 4% in throughout the forecast, with bond sales occurring in the spring of each year.

My special thanks are offered to the Executive Team, all Department Managers and the Budget & Research Department for their cooperation in putting together this Financial Forecast. In addition, I look forward to discussing this information with you at the March 28<sup>th</sup> Council meeting.

Respectfully submitted,

Mark D. Israelson  
City Manager





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## Looking Ahead, a City of Plano Economic Overview

This Economic Outlook and Overview is intended to serve as a forecast and budgetary planning tool for the citizens and leaders of Plano. This publication makes an effort to provide the reader with a realistic, sensible financial overview of the present and future financial conditions of the City. Presentation of this document to the City Council begins the 2022-23 Budgetary Planning Process for the City of Plano with the united belief that we live, work, and play in one of the finest communities in the nation. Here are a few of the key attributes of our unique community:

**A Prosperous City** One of the marquee cities of the Dallas-Fort Worth Metroplex, Plano is the largest city in Collin County, Texas with an estimated population of 289,600. Regularly recognized for providing an excellent business and living environment, Plano continues to enjoy some of the best economic conditions in the United States, a result of years of well-planned residential and commercial development accompanied by high quality public services. As an established city, Plano continues to maintain its distinguished charm and vitality. Community leaders are committed to encouraging high-quality new development and support re-development opportunities that are aligned with Plano’s civic vision. Residents live in a community with a proud heritage, a stable economic foundation and strong citizen involvement. Plano has the proven ability to provide valuable services that protect and improve the daily lives of residents.





**Location Plano** holds a key ingredient in the global economy: location. As the largest city in Collin County, Plano is located 19 miles north of the Dallas Texas Central Business District and was once considered part of the “outer loop” of the DFW Metroplex ring of suburban cities. Plano is now considered an “inner circle” of suburban city due to continued growth in one of the nation’s leading metropolitan regions. With a prime Metroplex location, Plano city boundaries cover 72.2 square miles and anchor much of the region’s northward growth. The location produces favorable commute times to employment centers outside its city limits thanks to four major regional transportation arteries. Thanks to a sunbelt and central time zone location, Plano enjoys a temperate climate where businesses and residents have the ability to interact with both coasts during normal business hours, and all major U.S. cities are accessible within four hours of flight time. Plano’s membership in the area’s major regional public transportation system, DART, links Plano to Dallas, Fort Worth and most other regional cities via a light rail and bus system. Secure neighborhoods and a wide variety of quality of life amenities identify Plano as a great community for families to call their hometown.

In the past twelve months, Plano has been the recipient of many accolades:

- **Plano is the Safest City in Texas According To [WalletHub](#)**
- **Plano is the 11<sup>th</sup> Best City in the US for Jobs, 2<sup>nd</sup> in Texas by [WalletHub](#)**
- **Plano is 2<sup>nd</sup> in Texas and 22<sup>nd</sup> in the USA for New Businesses in 2022 ([Franchising.com](#))**
- **Plano is the 2<sup>nd</sup> Top City Where Your Paycheck Goes the Furthest by [GOBankingRates](#)**
- **Plano ranked 22<sup>nd</sup> nationwide in a study of the happiest places in the country by [WalletHub](#)**
- **Plano is the Best Place to live in Texas and 17<sup>th</sup> Best Place to Live in America by [Livability.com](#)**
- **Plano is the Best City in Texas and 9<sup>th</sup> Best in US for Keeping New Year's Resolutions by [WalletHub](#)**

Unlike many suburbs, Plano has a wide variety of housing options, from historic Victorian homes, to traditional subdivision developments, to loft-style living and new urbanist townhomes and apartments. Plano residents have access to state recognized and award-winning public schools, campuses within the Collin County Community College District and college level institutions that help support Plano’s educated and motivated population. There are multiple area hospitals in Plano, as well as several specialty treatment and rehabilitation centers. The past decade has seen a number of senior living facilities open in Plano, ranging from retirement communities to assisted living and skilled nursing facilities. Consumers enjoy access to regional malls, major shopping areas and neighborhood shopping centers, with each venue offering a variety of goods and services. Diners can eat at more than 1,000 establishments through Plano, covering just about every form of cuisine imaginable. Plano has approximately 7,200 hotel rooms within its city limits with more on the horizon. A number of these hotels are occupied by guests in town for events held at the city-operated Plano Event Center, which offers a full-service convention facility with 86,400 square feet and on-site catering and event support.

Plano seeks to keep residents informed about City services and programs using both television and the Internet. **Plano Television (PTV)**, which is city-operated and reaches a large majority of Plano households, has received a number of awards from both state and national government broadcasting organizations for its programming. The City’s list of **eGovernment services** currently includes: utility bills, traffic citations, registration for recreation programs, requests for inspections, garage sale permits, library services, property standards complaints and voter

registration. A variety of reports and information regarding Plano's city departments and activities are available at [www.plano.gov](http://www.plano.gov).

Over the years, the City has repeatedly received national accreditations and recognitions, ensuring best practices are in place while providing outstanding levels of services local citizens and businesses. Currently, Building Inspections, Fire, Health, Parks & Recreation, Library, Police, Public Safety Communications, Public Works & Engineering and Purchasing Departments all maintain accreditations.

**Excellent Quality of Life** Time and again, Plano is recognized as a great place to live for a variety of people at different stages of their lives. Plano Parks & Recreation is the 2015 National Recreation and Parks Association (NRPA) **Gold Medal** award winner for Excellence in Parks and Recreation and has been **Nationally Accredited** as recent as 2019. Both out of town guests as well as local residents have access to a full-service convention center. Community sites and attractions include the Heritage Farmstead Museum; the Interurban Railway Museum; Historic Old Downtown Plano; Legacy West Development, the ArtCentre of Plano and the Courtyard Theatre. To support a sense of community and culture, the City annually provides grants and partial funding for a variety of community groups and cultural arts events, such as performing group presentations, outdoor festivals and other entertainment and recreational opportunities. Started in 1979, perhaps the best known of these endeavors is the **Plano Balloon Festival**, which is held each September with the exception of 2020 due to the pandemic. A new event, the **Texas Forever Fest**, will start in March, 2022, and will celebrate the food, art and people of Texas. Plano's location places guests and residents conveniently close to a multitude of cultural and recreation activities throughout the DFW Metroplex area, which boasts a variety of professional sports teams, world-class museums and first-rate entertainment.

Residents and visitors to Plano can take advantage of a wonderful collection of parks, recreation facilities and organized activities thanks to Plano's Parks & Recreation Department, which is 1 of just 16 Texas parks and recreation systems accredited by the Commission for Accreditation of Parks and Recreation Agencies (CAPRA). Established in 1968, the department operates and maintains 85 public parks, 90 miles of recreation trails and 1 nature and retreat center, which occupy over 4,375 acres of land in Plano. The department also maintains 841 acres of city medians, rights-of-way and public grounds around city facilities, as well as helps Plano maintain the Tree City USA designation it has held for more than three decades. Athletic opportunities are available both through the city and in partnership with a number of non-profit youth and community sports groups, who use Plano's 15 athletic complexes, 4 synthetic turf athletic fields, 71 playgrounds and 90 miles of recreation trails. Plano also operates 4 recreation centers and 1 senior center that offers fitness, indoor sports, community activities as well as 5 indoor and 4 outdoor swimming pools. These recreation centers offer a variety of programming for all segments of the population, from youth to seniors, competitive sports to arts and crafts, therapeutic programs to special events. The department also operates a tennis center, a municipal golf course, a museum and 4 event venues. Also, at the Oak Point Nature and Retreat Center, one can experience a tree top adventure operated by Go Ape!

Plano's **Public Library System** has 5 locations where learning is valued, and a trusted source of information and resources. In 2020-21, the library had a collection of 729,551 items with circulation of approximately 3.7 million and 186,277 registered borrowers. Plano residents interested in furthering their education with a GED, delving into research, building their business skills, learning a language, or preparing for college entrance exams can find helpful resources at the library. Resume preparation, job search techniques and technology training help prepare

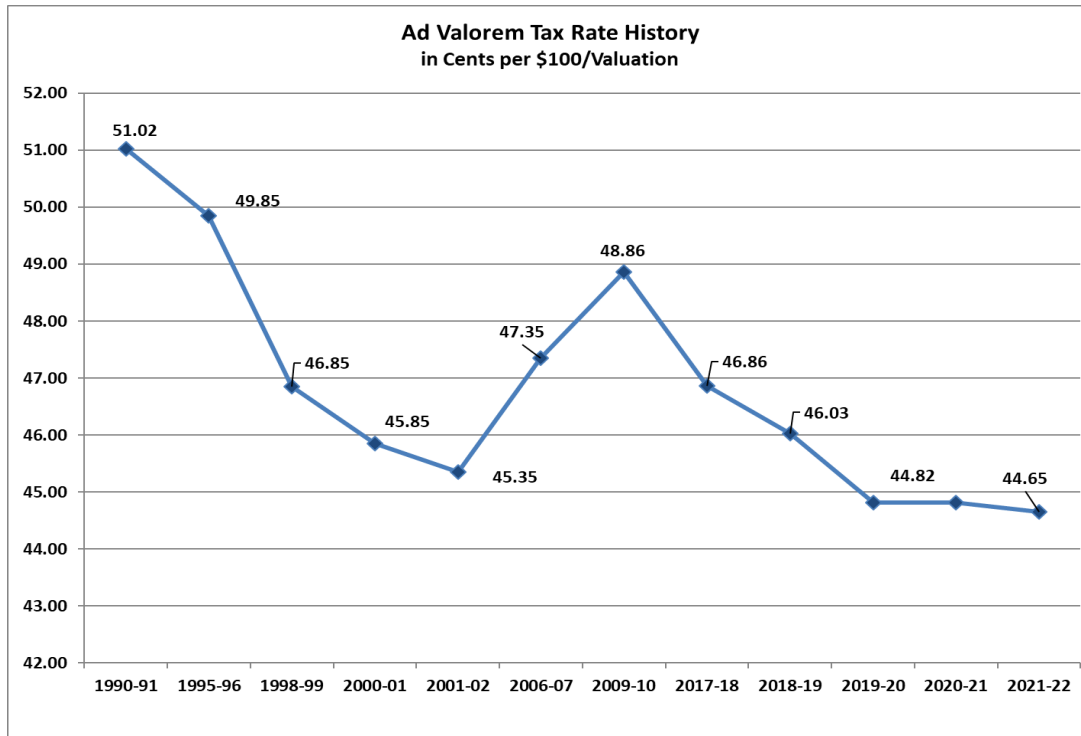


patrons for success in the marketplace. Business resources and databases assist small business and entrepreneurs with research to grow and build. The library offers access to computers and internet, as well as technology training programs, and professional staff assist the community with research, tools and skill-building. Plano Public Library provides opportunities to innovate and create by teaching 21<sup>st</sup> Century skills such as coding, robotics, circuitry and 3D design, and supports parents with a myriad of resources to help their children develop early literacy skills. As a destination that facilitates learning and offers cultural and recreational experiences, Plano Public Library enhances quality of life in the community.

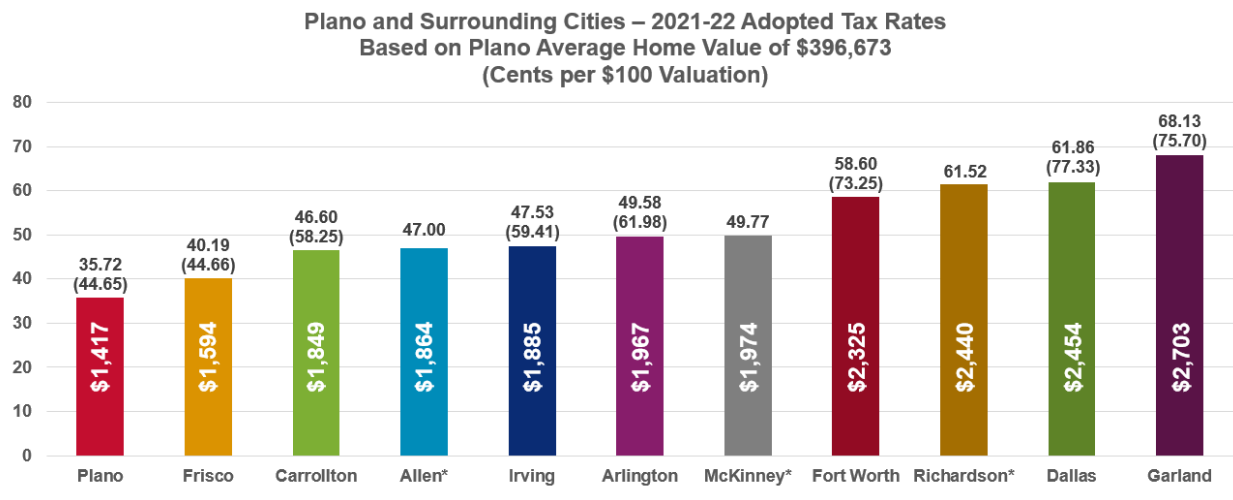
**2021 Technology Training Outreach Recognized with Library of the Future Award** - The innovative work of Plano Public Library and community partners received national recognition from the American Library Association and Information Today, Inc. this year. Coordinating with local nonprofits, the Brain Injury Network of Dallas and Chase Oaks Family Center, as well as several senior living facilities, library staff provided basis technology assistance. Hundreds of people have gained confidence using technology through these efforts. Plano Public Libraries received the **2021 Achievement of Excellence Award** from the Texas Municipal Library Directors Association. Also, Plano Public Libraries has been accredited as a fully qualified member of the Texas Library System for 2021-22 by the **Texas State Library and Archives Commission**.

**Low Property Taxes** Plano's tax rate remains the lowest rate among large cities in the Dallas-Fort Worth Metroplex. The City of Plano reduced the tax rate from 44.82 in 2020-21 to 44.65 cents per \$100 of assessed property valuation in 2021-22. It should be noted that within the 44.65 tax rate, 2.0 cents are still dedicated solely to raise funds for the **Economic Development Incentive Program**. This program was established in 2006-07. Revenue from that 2.0 cent increase continues to be used to fund economic development projects and enhance both attraction and retention programs for major businesses. The City's tax base remains nearly evenly divided between residential and commercial property in value, with the average home in Plano having a value of \$396,673. The real estate and housing market continues to remain vibrant and continues to show strong growth in the single-family property market in Plano. Plano remains the only community in Collin County to offer residents a **20% Homestead Exemption**, and additional **\$40,000 Disability and 65 and Over exemptions**. The City also offers a **tax freeze** for homeowners 65 and over of age, their spouses and the disabled. A majority of Plano residents also benefit from living in jurisdictions with low comparative property tax rates for the North Texas region, such as Collin County, Plano ISD and a Collin County Community College District.





The following chart illustrates how Plano’s property tax rate compares to the surrounding cities.



\*Cities do not offer Homestead Exemption

Some of the columns on the chart have two numbers; in these cases the smaller number represents the tax rate which includes the homestead exemption. The cities with an asterisk do not offer a homestead exemption, and display only one rate.

**Sound, AAA Credit Worthy Financial Stewardship** With a strong economic outlook, sound financial operations and recognized leadership from both elected officials and senior management, all 3 major ratings agencies have given Plano the highest possible ‘AAA’ ratings for its General Obligation Bonds and Certificates of Obligation. Plano remains one of only a

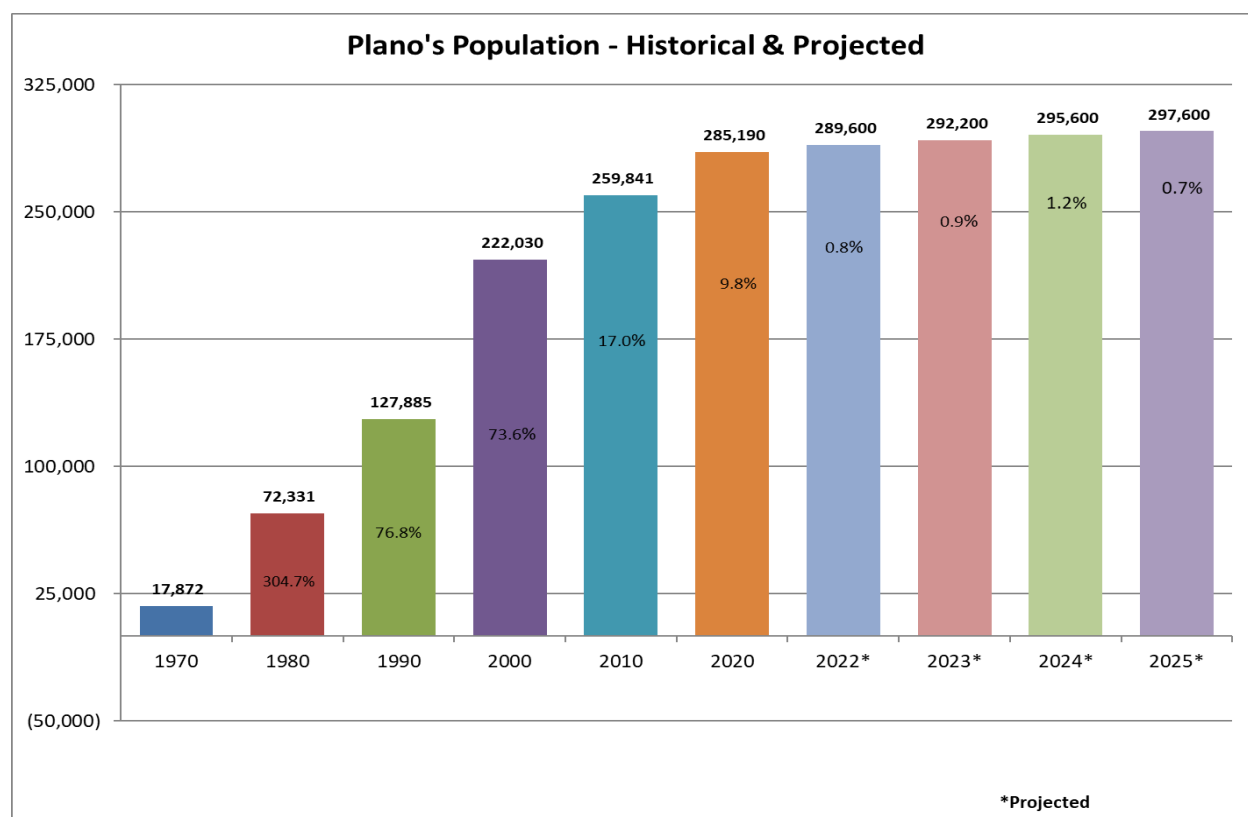




handful of Texas cities to receive the highest possible ratings from Standard & Poor’s, Moody’s and Fitch Ratings. These ratings reflect the City of Plano’s quality of fiscal management, diverse economic development and corporate headquarter relocation and retention success.

**Population and Culture** Plano is one of America’s most populous suburbs, with the 9<sup>th</sup> largest population among Texas cities and ranking 70<sup>st</sup> nationwide in the 2020 Census. In the Dallas-Fort Worth Metroplex, only Dallas, Fort Worth and Arlington have larger populations. These figures would have surprised Plano residents a generation ago. In 1960, Plano’s population was 3,695; today the estimated January 1, 2022 population is 289,600. In Plano you can hear many foreign languages, see different places of worship and taste foods from throughout the world; however, while the population is diverse, it shares common values and unites around shared institutions and experiences.

According to the U.S. Census Bureau, Plano residents are well-educated with 57.6% of adults over age 25 holding a Bachelor’s degree or higher. Plano’s median household income is \$96,348, over 51% higher than the Texas median household income of \$63,826. 22.3% of Plano residents are under 18 years of age, while another 13.2% are 65 years and over. Plano has seen its minority population grow with the city; currently the largest minority groups are Asian (21.8%), Hispanic/Latino (15.0%) and African American (8.6%). After booming population growth in the 1970’s, 80’s and 90’s, Plano’s population has stabilized; this can be seen in the fact that Plano’s population grew by 73.6% in the 1990’s and 17.0% from 2000-2010.



Plano’s population growth continues to level off as the few remaining land parcels are developed and most future residential growth will come from rezoning land and existing development. Reflecting on this fact, City leaders pro-actively prepare, and use forecasts as tools to set the

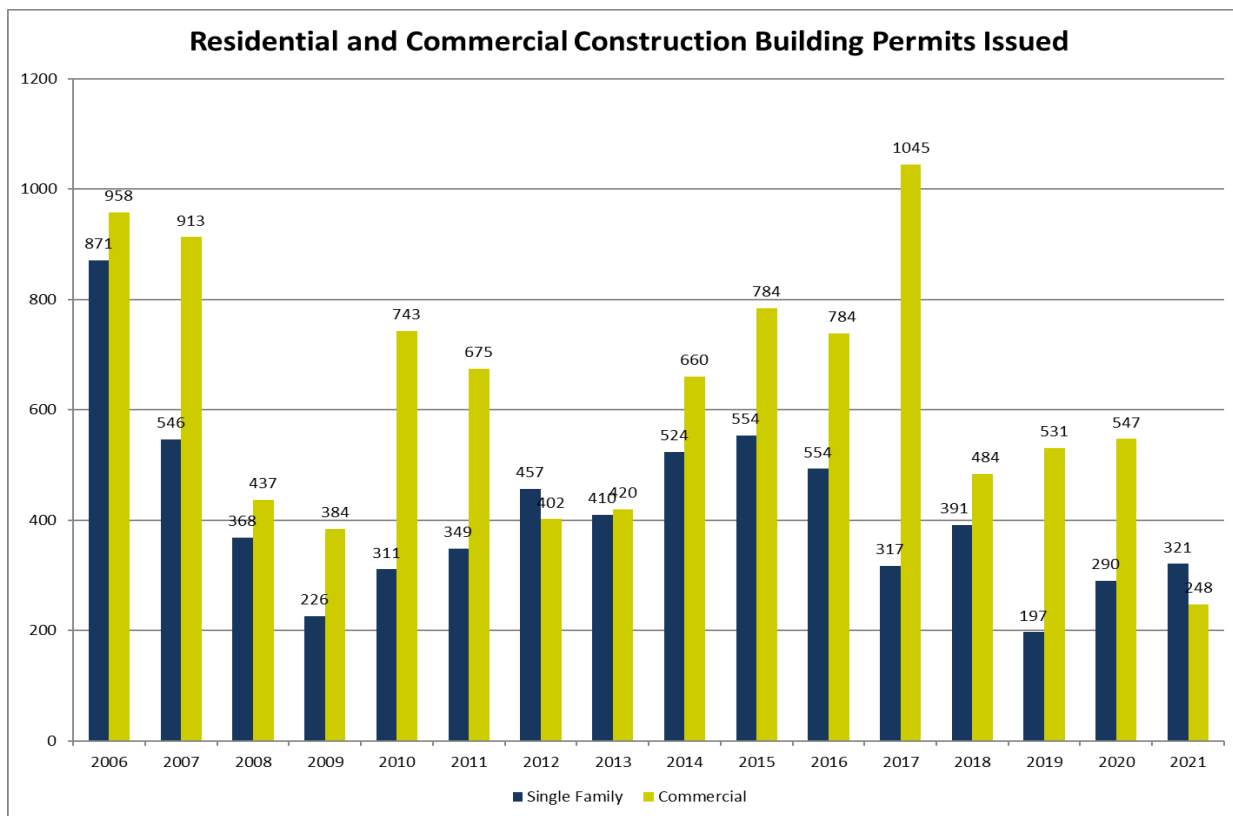
guidelines for the level of service standards preferred by the community. The budget process involves vigilant monitoring, both long-range and short-term planning, combined with balancing the impacts of decreasing revenues and increasing maintenance costs. For purposes of this Forecast, 0.90% annual population growth is projected for 2022-23; 1.20% for 2023-24; and 0.70% for 2024-25.

**Construction, Renovation & Build-Out** Plano was not immune to the downward shifts in both residential and commercial real estate started during the 2008-09 recession, where new housing construction reached a historically low level nationwide and many developers delayed, scaled down or abandoned new projects. Building permits, as indicators of development, are important because they reflect actual construction activity and in turn, indicate changes and additions to the appraisal value for Plano's property tax base.

The City's Housing Trends Analysis Report (Economic & Planning Systems, 2018) found that between 2002 and 2015, the City added 84,000 jobs but only 25,000 new housing units were added. Plano's job to housing ratio was 4:1, meaning that the city grew by just one housing unit for every four new jobs. This supply/demand trend has played a major role in the affordability of housing in Plano, as demand has remained constant but supply constrained. The strain on supply pushes the sales price and market value of existing homes higher and increases rental rates, while new homebuyers seeking to purchase in Plano must spend more of their income on housing. The Housing Trends Analysis also found that a household earning the city's median income can no longer afford the median-priced home. In 2001, a household earning median income could comfortably afford a median-priced home, with the affordable purchase price for that household being \$15,000 more than the median sales price. However, in 2017, that trend had reversed, with a household earning median income coming up \$20,000 short of being able to afford a median priced home.

According to the National Association of Realtors Homebuyers Affordability Index, as of December 2020 the national and regional indices were all above 100, meaning that a family with the median income had more than the income required to afford a median-priced home. A higher index equals more affordable, and a level above 100 signifies that a family earning the median income more than qualifies for a mortgage loan on a median-priced home. It is expected that the Federal Reserve will raise the interest rates in the upcoming years. The raising interest rates will surely take a toll on housing affordability. Additionally, the recent soaring inflation and higher material costs will add to the mix causing increased construction costs which will continue to impact home sales and housing affordability.

In 2021, Plano issued construction permits for 321 new single family homes and 248 commercial projects. The number of commercial projects dramatically dropped in 2021 due to the COVID-19 pandemic. As the amount of land in Plano diminishes for initial development for single family residential, multi-family residential opportunities are increasing. In 2021, growth in multi-family residential housing is expected to remain flat as growth in the region has leveled off. Additionally, a shift in focus has now began in the redevelopment of existing space as opposed to creating new commercial structures. Future revenues related to the number of new construction permits issued are predicted to remain flat for 2022-23, 2023-24 and 2024-25.



The popularity of Legacy West and redevelopment around downtown Plano are indicative of a trend towards more compacted living spaces such as patio and town homes, duplexes and pedestrian-friendly multi-purpose developments. The Rosewood development (Heritage Creekside), a 156-acre mixed-use development near North Central Expressway and the President George Bush Turnpike, continues this trend. As these developments occur, Plano faces the challenge of maintaining a balance between residential and commercial properties, which is an integral part of the foundation that makes this community an attractive choice to new residential and commercial investors, aids in business retention, and promotes appreciation of property values for both homeowners and institutional commercial property owners.

While the North Texas development market continues to be a hotbed for building related construction activities, including residential homes, commercial buildings, schools, restaurants and remodeling projects. Plano has been very fortunate to reap the benefits of such a robust development market, both currently and in recent years. However, many of the large commercial projects, such as Toyota, Liberty Mutual, and Chase have been completed. Because some of the major commercial projects are nearing completion, all building & development related revenues are predicted to remain constant in 2022-23, 2023-24 and 2024-25. There will still be building related construction activities but it will be at a decreased rate and amount relative to our years prior.

**The Texas Job Market** Since peaking in April 2020 at 12.6%, the unemployment rate for Texas has dropped considerably. Texas, for a variety of reasons, has weathered the COVID-19 pandemic better than many other states. According to the Texas Workforce Commission, Texas unemployment was 4.8% at the end of December 2021. The Texas workforce is now 13,084,400 Texans strong.

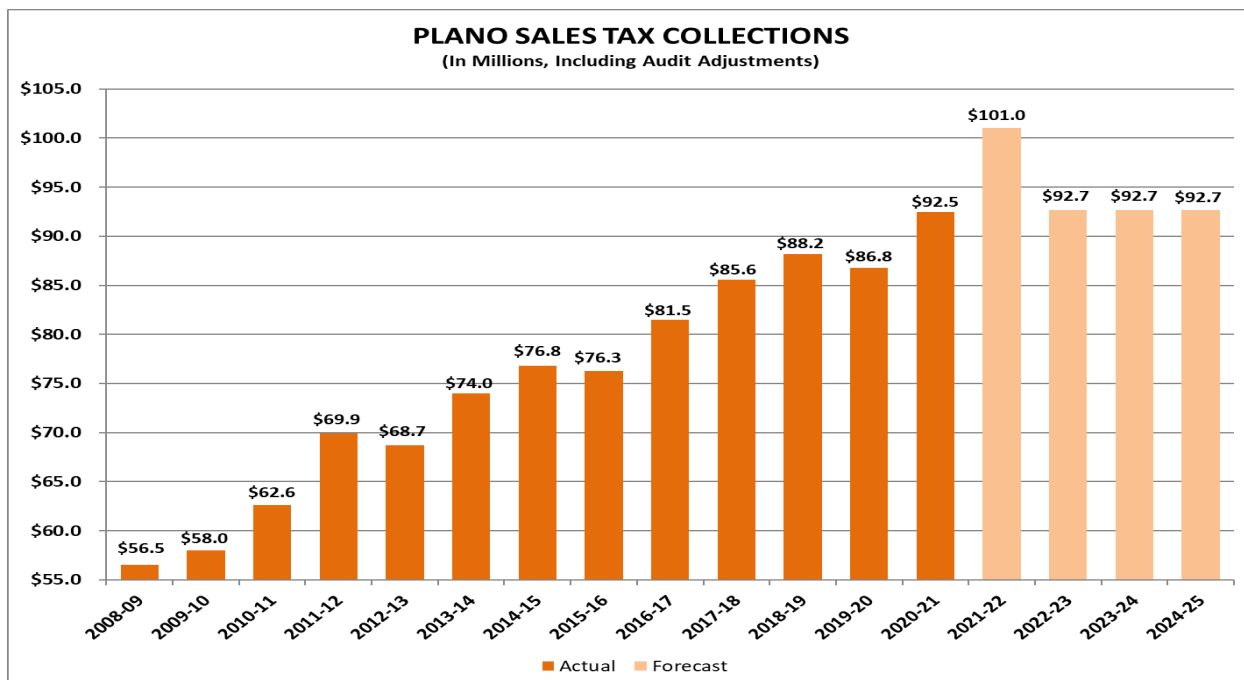
Plano's economic strength continues to reflect the strength and diversity of its employment base and boasts an educated workforce that is twice the national average. With world-class business parks and amenities, companies have taken advantage of all Plano has to offer. City leaders continue to work with the economic development department to recruit and retain businesses, which contributes to the economic well-being of the community. The impressive and diverse roster of corporate citizens help mitigate the severity of an economic downturn and cushion against economic shock.

Today, Plano is home to over 12,000 businesses and 35 Forbes' Global 2000 companies which includes many globally-recognized brands. There are five (5) major employment districts in Plano which includes: Legacy Business Park, the Research and Technology Crossroads, Granite Park, International Business Park and Legacy Central. These business parks support the various industries in our community including professional/business services, financial services, electronics, telecommunications and manufacturing. In addition, many of our corporate citizens are in close proximity to three major retail shopping areas including The Shops at Willow Bend, The Shops at Legacy and Legacy West.

**Here and Now** The Dallas-Fort Worth area is expected to outperform the national economy yet again this year, but risks include: supply constraints, high inflation and additional COVID-19 waves. Decisions regarding the level of services for City programs are now part of the budget cycle each year. Water and Sewer revenues continue to remain an area of concern as they can be adversely affected by unusual weather conditions that cannot be predicted, and are also greatly impacted by regulatory mandates from the EPA (Environmental Protection Agency) and the TCEQ (Texas Commission on Environmental Quality).

Another major factor in recent years has been the energy market. Oil prices fluctuate daily and were depressed by the COVID-19 pandemic. Prices have snapped back faster and higher than many expected because supply has not kept up with demand. Furthermore, the Russian invasion of Ukraine has caused prices to increase. These actions have resulted in political and social unrest impacting the global market. The City does anticipate an increase in fuel prices. Energy cost uncertainties and a strong community desire for sustainable energy practices encouraged the implementation of energy efficiencies at City facilities, including adjustments to heating and cooling systems and building temperatures, as well as modifying lighting fixtures in office areas. These changes, coupled with energy price contracts, have helped to control utility expenditures at the City of Plano. Natural gas prices are projected to increase 2.0% in 2022-23 and then remain flat in 2023-24 and 2024-25.

Sales tax revenues continue to remain strong, with \$92.5 million collected in 2020-21 and a positive outlook in this forecast period. Plano's strong sales tax can be attributed to a very strong collection of firms whose services and products lend themselves to business-to-business. Additionally, retail sales in Plano have strengthened from the prior year, as consumer confidence (spending) remains strong. While Plano served as the primary retail destination for Collin County through the middle of last decade, consumers in cities such as Frisco, Allen and McKinney now have the same retail outlets located closer to home. As a result, Plano's share of the regional retailing market is not expected to expand significantly in the near future.



Current year sales tax collections are very strong. Based on collections received thus far at the time of this forecast, 2021-22 sales tax collections are projected to end around \$101.0 million. This projection is based on collections received thus far and include conservative projections for the remaining months of this fiscal year.

Based on City Council policy, sales tax projections will be based on the past three-year average of sales tax collections net any audit adjustments. At this time, \$92.7 million represents the latest three-year average and is included for the forecast period. Any amount collected over the \$92.7 million can be used to purchase one-time expenditures, assigned to the fund balance to be used for offsets in the next fiscal year or can be transferred to the Capital Maintenance Fund or the Reserve Fund. To be cautiously conservative, sales tax revenue is projected to remain constant throughout the forecast period at \$92.7 million.

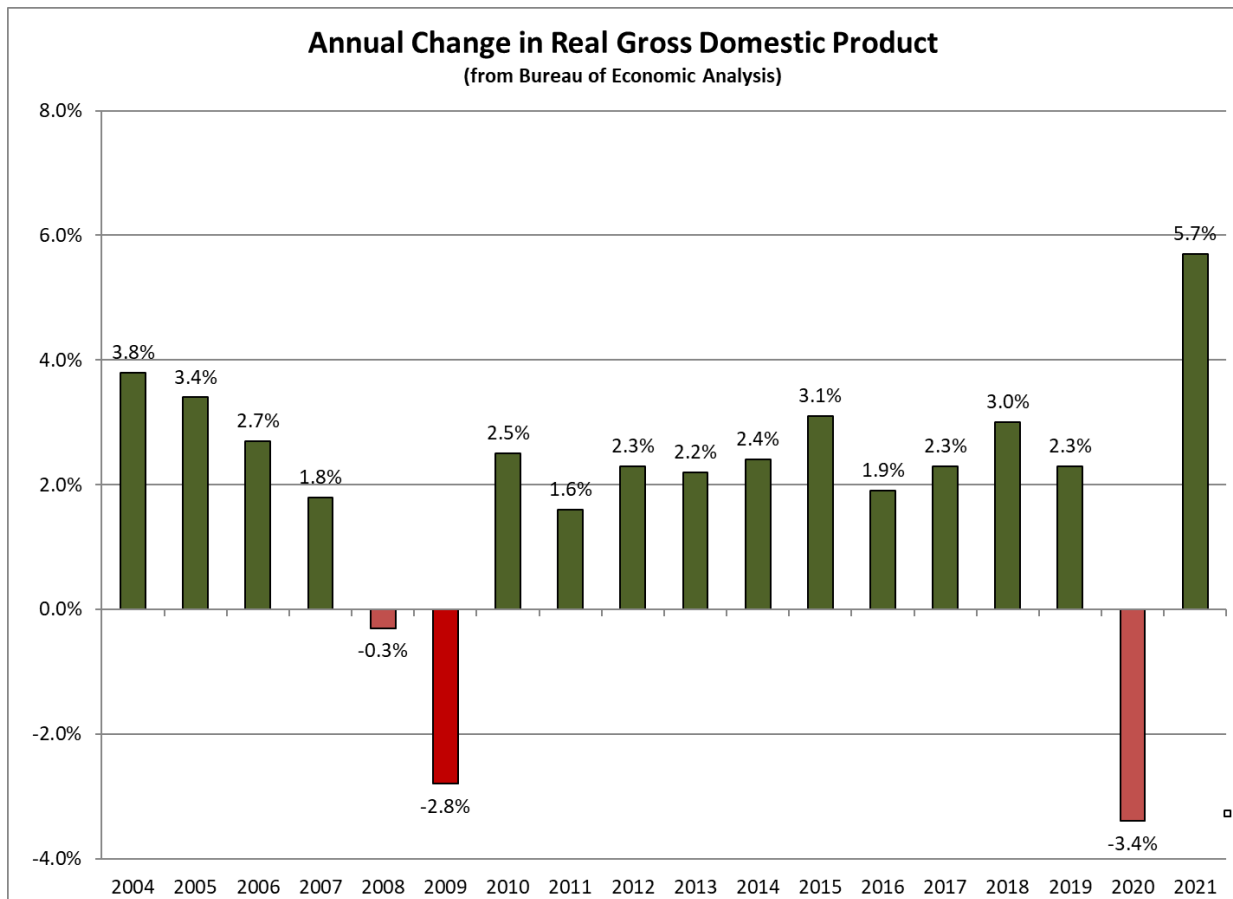
Plano continues to seek out high quality opportunities for economic development and business growth. With a history of attracting new construction and business expansions, Plano remains well positioned to benefit from the internal U.S. migration of people and businesses to Texas. Plano's Economic Development Department works tirelessly to promote the benefits of our city to key business leaders making site and relocation decisions.

**National Economic Trends** As a country, we have faced numerous challenges over the past few years, yet even with these difficulties, Plano remains strong. Nationally, as well as locally, home prices have seen a strong uptick in value with supply of new and existing homes dwindling. Housing is a hugely important sector of the economy that includes not only construction, but everything that feeds off of it.

Texas continues to remain one of the best business climates in the United States. Plano was recently named the 22<sup>nd</sup> (2<sup>nd</sup> in Texas) Best U.S. City for New Businesses in 2022 by Franchising.com. Texas is frequently selected as one of the best areas for business relocation and expansion and has been named a leader in foreign trade zones. A number of factors lead to

such a desirable economic environment, including an advantageous location, lower taxes and costs of doing business, free labor markets, a culture seen as business-friendly and good quality of life. Plano has a strong and thriving economic presence both regionally and nationally. In addition to the new relocations, many existing corporations expanded their headquarters thereby creating more jobs and employment opportunities.

One indicator of the national economy is Real Gross Domestic Product (GDP), which measures the output of goods and services produced by labor and property located in the United States while taking inflation into account. The following graph shows the changes to this measure over the past decade from the Bureau of Economic Analyses archives.

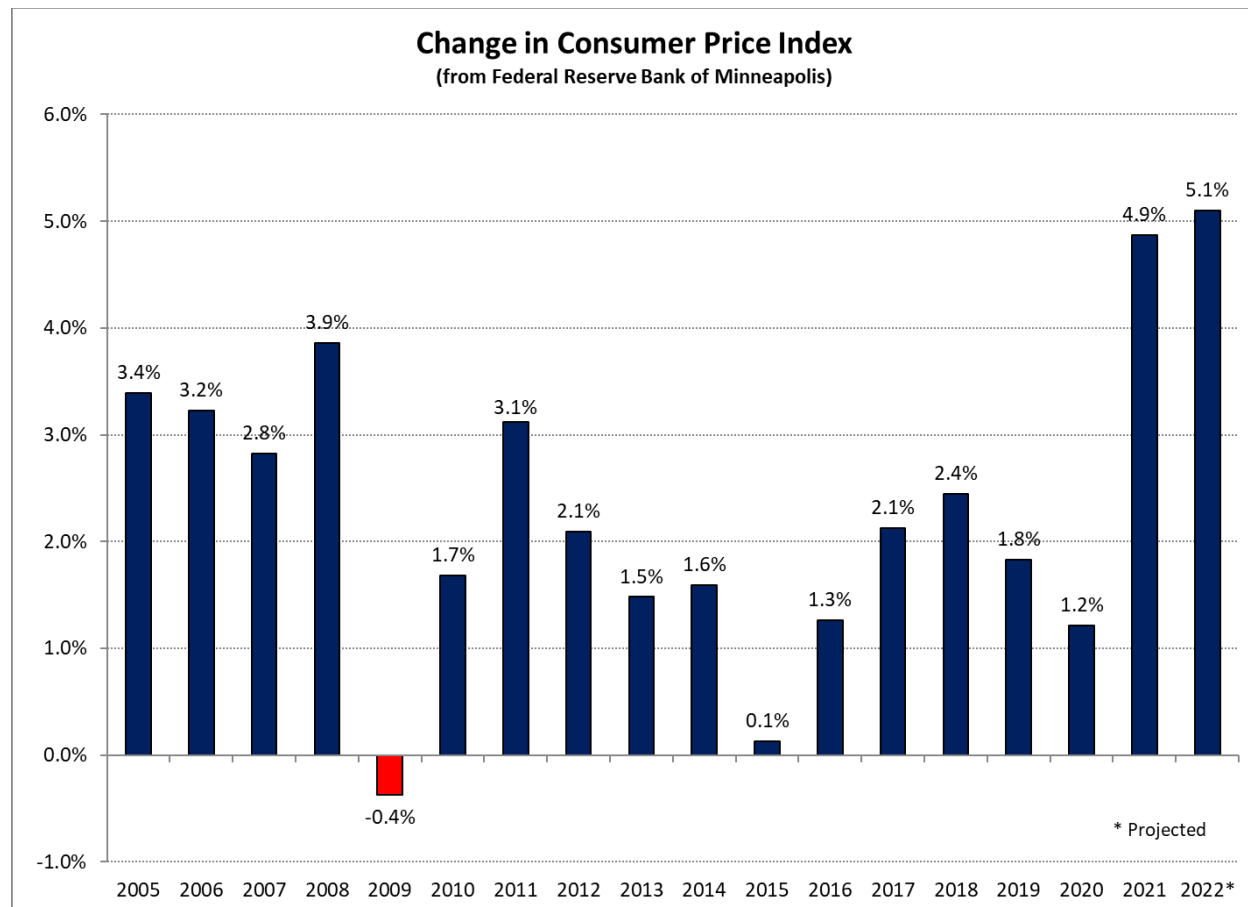


The COVID-19 pandemic triggered an economic recession from February to April 2020, which led to substantial and immediate declines in output and employment. According to the U.S. Bureau of Labor Statistics, total employment is projected to grow over the 2020-30 decade by 11.9 million jobs. This increase reflects an annual growth rate of 0.7 percent, which is better than expected while coming out of the pandemic and its associated recession. Employment in the leisure and hospitality sector is projected to increase the fastest, largely driven by recovery growth, while the healthcare and social assistance sector is projected to add the most new jobs.

An additional measure of the overall economy is the Consumer Price Index (CPI) prepared by the Bureau of Labor Statistics (BLS), a direct indicator of inflation in the economy. Inflation, as measured by the annual percentage change in the CPI, is seeing a dramatic increase beginning in late 2021. From December 2020 to December 2021, consumer prices for all items rose 7.0



percent, the largest December to December percent change since 1981. This upward trend is expected to continue into 2022. CPI is also influenced by a direct relationship to energy prices which has increased from the previous year. The Federal Reserve’s monetary policy provides for tools which can be activated to help control and limit inflationary times. As shown in the following chart, inflation remained relatively stable for the last several years up until 2021.



For purposes of this forecast, an inflation rate of 4.0% for 2022-23, which is equal to a variety of inflationary indexes, is included in order to estimate future potential expenditures. The inflation rate in this forecast remains at 4.0% in 2023-24 and then drops to 2.0% in 2024-25.

**What this means for Plano** Although economic forecasts for Plano and the region remain generally favorable, single family residential build-out and the pace of national economic growth continue to influence the City. Financial sustainability and a looming physical build-out have required a shift in focus from growth to maintenance activities. The demands for additional housing in Plano have been heard and re-zoning in some of the undeveloped areas of the City is occurring. The City is aware of the effects of maturation in its neighborhoods and commercial areas, as both private development and public infrastructure have been in place in some areas for more than 20 to 40 years. The City Of Plano operates under a long-range guide for future growth, development and redevelopment in the city. These circumstances require Plano to continue diligently monitoring financial conditions, while reviewing current policies and guidelines so that a balanced budget is maintained and expenditures are maintainable. Meticulous attention is given to the capital funds, such as the Capital Maintenance Fund and Community Investment



Program (CIP) each year. During the annual budget process capital projects are re-examined and ranked, using financial oversight and planning to ensure that the funds are available for these projects as needed. The Council and managers practice visionary planning, with an eye towards the horizon, looking for potential opportunities and anticipating coming challenges to the community.

The City each year anticipates and reviews requests for services that are likely to increase and/or shift as the city matures, while continuing to explore and promote inter-local cooperation with Collin County and other Metroplex municipalities. Such planning is the purpose of this Status Report and Three-Year Financial Summary.

**Forecast Notes** Economic expansion continues to generate employment and other business opportunities in Plano, and combines with other factors to motivate business relocations and new residents to settle in our city.

As is the case with all projections, many developments could cause economic outcomes to differ substantially in one direction or another. External issues can heavily influence economic activity and weaken the economy. Significant outside factors impacting the City of Plano include: unpredictable acts of nature, terrorism or war; uncertainty about interest rates at the Federal Reserve; legislative impacts, uncertainty about oil and other energy prices; uncertainty about performance and the creditability of the global financial markets, especially in Europe and Asian markets; and the impacts of inflation. Barring any serious developments in these areas, Plano is poised to continue benefitting from a sound economy over the next three years.

**This financial forecast was based on and represents a certain point in time. We fully realize the potential implications of all external factors and will make necessary budgetary adjustments going forward.**





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**Budget Assumption Matrix  
Revenues and Expenses  
2022-23 thru 2024-25**

	Assumption	Projected		
		2022-23	2023-24	2024-25
<b><u>Population:</u></b>				
January 1, 2022	January 1, 2022 (Estimate): 289,600 (Planning Dept.)			
2022-23	Increase 0.90% to 292,200 (Planning Dept.)	0.90%		
2023-24	Increase 1.20% to 295,600 (Planning Dept.)		1.20%	
2024-25	Increase 0.70% to 297,600 (Planning Dept.)			0.70%
<b><u>Property Values:</u></b>				
<b>Existing Property Value:</b>				
2022-23	Increase 3.50% to \$49,361,539,128 (Central Appraisal District)	3.50%		
2023-24	Increase 3.00% to \$51,486,135,302 (Central Appraisal District)		3.00%	
2024-25	Increase 2.00% to \$53,025,858,008 (Central Appraisal District)			2.00%
<b>New Property Value:</b>				
2022-23	Increase \$625,000,000 (Based on Central Appraisal District)			
2023-24	Increase \$500,000,000 (Based on Building Permit Projections)			
2024-25	Increase \$500,000,000 (Based on Building Permit Projections)			
<b>Total Property Value:</b>				
2022-23	\$49,986,539,128			
2023-24	\$51,986,135,302			
2024-25	\$53,325,858,008			
<b><u>Revenues:</u></b>				
<b>Taxes</b>				
<b>Ad Valorem Taxes:</b>				
Current	Assume 99% collection rate			
Delinquent	Assume 1% delinquent rate			
Penalty & Interest	Based on past trends in delinquent accts.			
<b>New Debt</b>				
2021-22 Re-Estimate	\$79,170,000 (Bond Authority)			
2022-23	\$80,685,000 (Bond Authority)			
2023-24	\$90,557,500 (Bond Authority)			
2024-25	\$80,552,500 (Bond Authority)			
<b>Sales Tax:</b>				
2021-22 Re-Estimate	\$100,958,465 (Revised based on actuals YTD)			
2022-23	\$92,659,787 (Constant)			
2023-24	\$92,659,787 (Constant)			
2024-25	\$92,659,787 (Constant)			
<b>Franchise Taxes:</b>				
2022-23	Constant for all, except Fiber Optics, Gas and Cable TV			
2023-24	Constant for all, except Cable TV			
2024-25	Constant for all, except Cable TV			
<b>Interest Earnings</b>				
2022-23	Based on historical actuals and the ending working balance of each individual fund			
2023-24	Based on historical actuals and the ending working balance of each individual fund			
2024-25	Based on historical actuals and the ending working balance of each individual fund			
<b>Building &amp; Development Related Revenues</b>				
2022-23	Constant at \$6,792,227	0.00%		
2023-24	Constant		0.00%	



**Budget Assumption Matrix**  
**Revenues and Expenses**  
**2022-23 thru 2024-25**

	Assumption	Projected		
		2022-23	2023-24	2024-25
2024-25	Constant			0.00%
<b>Direct Population-Based (DP)</b>				
2022-23	Increase 0.90% (Planning Dept.)	0.90%		
2023-24	Increase 1.20% (Planning Dept.)		1.20%	
2024-25	Increase 0.70% (Planning Dept.)			0.70%
<b>Indirect Population-Based (IP)</b>				
2022-23	Increase 0.45% (Planning Dept.)	0.45%		
2023-24	Increase 0.60% (Planning Dept.)		0.60%	
2024-25	Increase 0.35% (Planning Dept.)			0.35%
<b>Direct Economy-Based (DE)</b>				
2022-23	Increase 4.00% (Projection based on various indexes)	4.00%		
2023-24	Increase 4.00% (Projection based on various indexes)		4.00%	
2024-25	Increase 2.00% (Projection based on various indexes)			2.00%
<b>Indirect Economy-Based (IE)</b>				
2022-23	Increase 2.00% (Projection based on various indexes)	2.00%		
2023-24	Increase 2.00% (Projection based on various indexes)		2.00%	
2024-25	Increase 1.00% (Projection based on various indexes)			1.00%
<b>GENERAL FUND</b>				
Sales Tax	Based on 3-year average (City Policy)			
Mixed Drink Tax	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Bingo Gross Receipts Tax	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
<b>Franchise Fees</b>				
Electrical Franchise	Constant	0.00%	0.00%	0.00%
Telephone Franchise	Constant	0.00%	0.00%	0.00%
Fiber Optics Franchise	Increase	0.00%	0.00%	0.00%
Gas Franchise	Increase	1.50%	0.00%	0.00%
Cable TV Franchise	Decrease	-5.00%	-5.00%	-5.00%
<b>Fines &amp; Forfeits</b>				
Municipal Court	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Library Fines	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
<b>Miscellaneous Revenue</b>				
Interest Earnings	Based on historical actuals and the ending working balance of each individual fund			
Sale/Rental of Property	Based on rental lease agreements			
Insurance Collections	4.0% per year increase	4.00%	4.00%	4.00%
Sundry	Constant	0.00%	0.00%	0.00%
<b>Licenses &amp; Permits</b>				
Food Handlers Permits	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Land/Burning/Liquid Waste	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Grease Trap Permits	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Rental Registratin Fees	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Fire Inspection Fees	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Animal Licenses	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Restaurant Plan Review	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Alarm Permits	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Filing Fees	Based on building & development projection	0.00%	0.00%	0.00%



**Budget Assumption Matrix**  
**Revenues and Expenses**  
**2022-23 thru 2024-25**

	Assumption	Projected		
		2022-23	2023-24	2024-25
Fire Protection Plan Review	Based on building & development projection	0.00%	0.00%	0.00%
Building Permits	Based on building & development projection	0.00%	0.00%	0.00%
Electrical Permits	Based on building & development projection	0.00%	0.00%	0.00%
Plumbing Permits	Based on building & development projection	0.00%	0.00%	0.00%
Heating & A/C Permits	Based on building & development projection	0.00%	0.00%	0.00%
Fence Permits	Based on building & development projection	0.00%	0.00%	0.00%
Swimming Pool Permits	Based on building & development projection	0.00%	0.00%	0.00%
Pool Inspection	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Irrigation Permits	Based on building & development projection	0.00%	0.00%	0.00%
Day Laborer Fees	Constant	0.00%	0.00%	0.00%
Sign Permits	Based on building & development projection	0.00%	0.00%	0.00%
Reoccupancy Permits	Based on building & development projection	0.00%	0.00%	0.00%
Misc. Licenses & Permits	Constant	0.00%	0.00%	0.00%
<b>Fees &amp; Charges for Services</b>				
Animal Pound & Adopt. Fee	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Ambulance Service	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
False Alarm Response	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Emergency 911	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Contractor Registration Fee	Based on building & development projection	0.00%	0.00%	0.00%
Engineering Inspection Fee	Based on building & development projection	0.00%	0.00%	0.00%
Residential Building Plan Review	Based on building & development projection	0.00%	0.00%	0.00%
Reinspection Fee	Based on building & development projection	0.00%	0.00%	0.00%
File Searches	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Same Day Inspection Fee	Based on building & development projection	0.00%	0.00%	0.00%
Convenience Copiers	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Lease Fee	Constant	0.00%	0.00%	0.00%
Recreation User Fee	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Recreation Rental Fee	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Swimming Fee	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Recreation Membership Card Fee	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Tennis Center Fee	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Food Manager/Handler Training	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Tree Trimming Assessments	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Child Safety Fee	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Sundry	4.0% per year increase	4.00%	4.00%	4.00%
<b>Intergovernmental Revenue</b>				
Payments from Fisd:				
School Liaison	Based upon schedule of costs reimbursed			
Payments from Pisd:				
School Liaisons	Based upon schedule of costs reimbursed			
Plano-Richardson Trng. Ctr./Misc.	Based upon schedule of costs reimbursed			
<b>Intragovernmental Transfers</b>				
Intra-Fund Transfers From:				
Water & Sewer Fund	5.0% of selected Water & Sewer revenues; indirect costs(MGT); and allocations for additional costs			
Sustainability & Env. Svcs. Fund	Based on Indirect Cost Allocation Study by MGT			
Recreation Revolving Fund	Based on Indirect Cost Allocation Study by MGT			



**Budget Assumption Matrix**  
**Revenues and Expenses**  
**2022-23 thru 2024-25**

	Assumption	Projected		
		2022-23	2023-24	2024-25
Golf Course Fund	5.0% of Golf Course Fund revenues			
Convention & Tourism Fund	Based on Indirect Cost Allocation Study by MGT			
Municipal Drainage Fund	Based on Indirect Cost Allocation Study by MGT			
<b>WATER &amp; SEWER FUND</b>				
Water Income	Direct Population based increase (DP), and North Texas Municipal Water District	0.90%	1.20%	0.70%
Water Taps	Indirect Economy based increase (IE)	2.00%	2.00%	1.00%
Sewer Income	Direct Population based increase (DP), and North Texas Municipal Water District	0.90%	1.20%	0.70%
Water & Sewer Penalties	Direct Population based increase (DP)	0.90%	1.20%	0.70%
Water Meters	Indirect Economy based increase (IE)	2.00%	2.00%	1.00%
Construction Water	Indirect Economy based increase (IE)	2.00%	2.00%	1.00%
Service Connect Fee	Indirect Economy based increase (IE)	2.00%	2.00%	1.00%
Backflow Testing	Indirect Economy based increase (IE)	2.00%	2.00%	1.00%
Sewer Tie-On	Indirect Economy based increase (IE)	2.00%	2.00%	1.00%
Pre-Treatment Permits	Indirect Economy based increase (IE)	2.00%	2.00%	1.00%
Interest Earnings	Based on historical actuals & ending working bal.			
Misc. Income	Indirect Economy based increase (IE)	2.00%	2.00%	1.00%
<b>CONVENTION &amp; TOURISM FUND</b>				
Hotel/Motel Receipts	Direct Economy based increase (DE), plus occupancy projections	4.00%	4.00%	2.00%
Civic Center Fees	Direct Economy based increase (DE)	4.00%	4.00%	2.00%
Miscellaneous	Constant	0.00%	0.00%	0.00%
Interest Earnings	Based on historical actuals & ending working balance			
<b>SUSTAINABILITY &amp; ENVIRONMENTAL SERVICES FUND</b>				
Commercial Franchise	Direct Economy based increase (DE)	4.00%	4.00%	2.00%
Special Refuse Collection	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Residential Collection	Direct Population based increase (DP)	0.90%	1.20%	0.70%
Allied Waste, Inc.	Direct Economy based increase (DE)	4.00%	4.00%	2.00%
Recycling	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Sale of Landscape Bags	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Tipping Fee	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Contributions via Utility Billing	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Sale of Compost	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Miscellaneous	Indirect Economy based increase (IE)	2.00%	2.00%	1.00%
Disposal Reimbursements	Direct Economy based increase (DE)	4.00%	4.00%	2.00%
<b>MUNICIPAL DRAINAGE FUND</b>				
Residential Class Fees	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Commercial Class Fees	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Interest Earnings	Based on historical actuals & ending working bal.			
<b>MUNICIPAL GOLF COURSE FUND</b>				
Golf Fees	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Concessions	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Miscellaneous	Constant	0.00%	0.00%	0.00%
Interest Earnings	Based on historical actuals & ending working bal.			
<b>RECREATION REVOLVING FUND</b>				
Recreation Fees	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Contributions	Indirect Population based increase (IP)	0.45%	0.60%	0.35%
Sundry	Indirect Population based increase (IP)	0.45%	0.60%	0.35%



**Budget Assumption Matrix**  
**Revenues and Expenses**  
**2022-23 thru 2024-25**

	Assumption	Projected		
		2022-23	2023-24	2024-25
Interest	Based on historical actuals & ending working balance			
<b>Expenses:</b>				
<b>Inflation Index</b>				
2022-23	Projection based on various indexes	4.00%		
2023-24	Projection based on various indexes		4.00%	
2024-25	Projection based on various indexes			2.00%
<b>Salaries, Wages &amp; Benefits</b>				
2022-23 (Civil & Non-Civil Service)	Across the Board - Market Based	3.00%		
2023-24	Across the Board - Market Based		0.00%	
2024-25	Across the Board - Market Based			0.00%
<b>RSP</b>				
2022-23	Remain constant at 3.9% of salary (RSP Board)			
2023-24	Remain constant at 3.9% of salary (RSP Board)			
2024-25	Remain constant at 3.9% of salary (RSP Board)			
<b>Life Insurance</b>				
2022-23	Remain constant at 1.00% of salary (Calculation)			
2023-24	Remain constant at 1.00% of salary (Calculation)			
2024-25	Remain constant at 1.00% of salary (Calculation)			
<b>Disability</b>				
2022-23	Remain constant at 0.07% of salary (Calculation)			
2023-24	Remain constant at 0.07% of salary (Calculation)			
2024-25	Remain constant at 0.07% of salary (Calculation)			
<b>Medicare</b>				
2022-23	Remain constant at 1.45% of salary (Calculation)			
2023-24	Remain constant at 1.45% of salary (Calculation)			
2024-25	Remain constant at 1.45% of salary (Calculation)			
<b>TMRS</b>				
2022-23	Remain constant at 16.75% of salary (Full TMRS Phase in Rate)			
2023-24	Remain constant at 16.75% of salary (Full TMRS Phase in Rate)			
2024-25	Remain constant at 16.75% of salary (Full TMRS Phase in Rate)			
<b>Health Insurance</b>				
2022-23	Increase 5%			
2023-24	Increase 5%			
2024-25	Increase 5%			
<b>OPEB</b>				
2022-23	\$1,944 (Human Resources)			
2023-24	Remain constant at \$1,944			
2024-25	Remain constant at \$1,944			
<b>Attrition</b>				
2022-23	4.0% for General Fund, Water & Sewer and Municipal Drainage and 1.0% for other Funds			
2023-24	4.0% for General Fund, Water & Sewer and Municipal Drainage and 1.0% for other Funds			
2024-25	4.0% for General Fund, Water & Sewer and Municipal Drainage and 1.0% for other Funds			



**Budget Assumption Matrix**  
**Revenues and Expenses**  
**2022-23 thru 2024-25**

	Assumption	Projected		
		2022-23	2023-24	2024-25
<b>Depreciation</b>				
2022-23	Method remains constant each year (Historical & ERF)			
2023-24	Method remains constant each year (Historical & ERF)			
2024-25	Method remains constant each year (Historical & ERF)			
<b>Municipal Garage Charges</b>				
2022-23	Increase 4.0% (Equip. Svcs, gas and oil price inc.)	4.00%		
2023-24	Increase 2.0% (Equip. Svcs, gas and oil price inc.)		2.00%	
2024-25	Increase 2.0% (Equip. Svcs, gas and oil price inc.)			2.00%
<b>Postage</b>				
2022-23	Based on USPS Projection	5.00%		
2023-24	Based on USPS Projection		5.00%	
2024-25	Based on USPS Projection			5.00%
<b>Electricity</b>				
2022-23	Flat (US Energy Information Administration)	0.00%		
2023-24	Flat (US Energy Information Administration)		0.00%	
2024-25	Flat (US Energy Information Administration)			0.00%
<b>Natural Gas</b>				
2022-23	Increase 2.00% (US Energy Information Administration)	2.00%		
2023-24	Flat (US Energy Information Administration)		0.00%	
2024-25	Flat (US Energy Information Administration)			0.00%
<b>Library Books</b>				
2022-23	\$1,400,000 per year for library books (Historical)			
2023-24	\$1,400,000 per year for library books (Historical)			
2024-25	\$1,400,000 per year for library books (Historical)			
<b>Existing Expenditures</b>				
2022-23	Based on Inflation	4.00%		
2023-24	Based on Inflation		4.00%	
2024-25	Based on Inflation			2.00%
<b>North Texas Municipal Water District (NTMWD)</b>				
<b>Water</b>				
2021-22	Price per 1,000 gal \$2.99			
2022-23	Increase \$0.22 per 1,000 gal to \$3.21	7.36%		
2023-24	Increase \$0.16 per 1,000 gal to \$3.37		4.98%	
2024-25	Increase \$0.18 per 1,000 gal to \$3.55			5.34%
<b>Wastewater</b>				
2021-22	Price per 1,000 gal \$2.42			
2022-23	Increase \$0.16 per 1,000 gal to \$2.58	6.61%		
2023-24	Increase \$0.18 per 1,000 gal to \$2.76		6.98%	
2024-25	Increase \$0.22 per 1,000 gal to \$2.98			7.97%
<b>Upper East Fork Interceptor System</b>				
2021-22	Price per 1,000 gal \$1.60			
2022-23	Increase \$0.12 per 1,000 gal to \$1.72	7.50%		
2023-24	Increase \$0.13 per 1,000 gal to \$1.85		7.56%	
2024-25	Increase \$0.13 per 1,000 gal to \$1.98			7.03%

**Budget Assumption Matrix**  
**Revenues and Expenses**  
**2022-23 thru 2024-25**

		<b>Projected</b>			
		<b>Assumption</b>	2022-23	2023-24	2024-25
<b>EWS-Regional Landfill</b>					
2021-22		Price per ton \$38.25			
2022-23		Remaining flat \$38.25	0.00%		
2023-24		Increase \$1.03 to \$39.28		2.69%	
2024-25		Increase \$1.27 to \$40.55			3.23%
<b>GENERAL FUND TRANSFERS</b>					
<b>Capital Maintenance</b>					
2021-22		\$46,000,549 (calculation)			
2022-23		Transfer \$35,250,540 (Constant)			
2023-24		Transfer \$35,250,540 (Constant)			
2024-25		Transfer \$35,250,540 (Constant)			
<b>Economic Dev. Incentive Fund</b>					
2022-23		Transfer \$9,897,335 (2 cents on tax rate)			
2023-24		Transfer \$10,293,255 (2 cents on tax rate)			
2024-25		Transfer \$10,558,520 (2 cents on tax rate)			
<b>Technology Funds</b>					
2022-23		Total transfer to remain constant @ \$1.9 million a year, divided among Funds who contribute: (Calculation)			
2023-24		General Fund = \$1,500,000			
2024-25		Water & Sewer Fund = \$300,000			
		Sustainability & Env. Svcs. Fund = \$60,000			
		Municipal Drainage Fund = \$20,000			
		Convention & Tourism Fund = \$20,000			
<b>PTV Fund</b>					
2022-23		Transfer \$250,000 (Calculation)			
2023-24		Transfer \$250,000 (Calculation)			
2024-25		Transfer \$250,000 (Calculation)			
<b>Risk Management Fund</b>					
2022-23		Transfer \$7,000,000 (Calculation)			
2023-24		Transfer \$7,000,000 (Calculation)			
2024-25		Transfer \$7,000,000 (Calculation)			





## GENERAL FUND

	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Budget	Re-Est.	Projected	Projected	Projected
<b>Recurring Revenue</b>							
Ad Valorem Taxes	\$145,852,722	\$150,746,759	\$152,928,764	\$152,270,724	\$160,387,585	\$164,485,975	\$168,216,680
Sales Tax	86,754,811	92,525,917	87,149,229	100,958,465	92,659,787	92,659,787	92,659,787
Franchise Fees	20,948,685	19,088,696	19,194,571	20,066,406	19,165,581	19,046,231	18,932,848
Fines & Forfeits	4,710,210	4,231,309	4,607,563	4,600,184	5,120,885	5,151,610	5,169,641
Building & Development	5,426,951	8,675,751	6,222,676	7,142,227	6,792,227	6,792,227	6,792,227
Licenses & Permits	3,384,724	3,553,351	3,390,545	3,458,395	3,470,163	3,485,925	3,495,174
Fees & Charges for Services	12,075,911	11,977,189	12,054,724	12,669,724	12,879,538	13,009,255	13,113,655
Intergovernmental	1,421,116	2,051,148	2,163,284	2,117,112	2,173,479	2,231,538	2,231,538
Interest Income	3,312,931	449,654	1,710,000	1,000,000	1,000,000	1,000,000	1,000,000
Transfers In	22,352,219	21,007,309	21,593,920	21,593,920	22,240,067	22,907,411	23,594,679
Other	3,828,503	3,898,617	3,522,814	4,171,552	4,180,353	4,216,074	4,247,185
<b>Total Recurring Revenue</b>	<b>\$310,068,783</b>	<b>\$318,205,700</b>	<b>\$314,538,090</b>	<b>\$330,048,710</b>	<b>\$330,069,665</b>	<b>\$334,986,033</b>	<b>\$339,453,414</b>
<b>Recurring Expenditures</b>							
Salaries & Wages	\$208,643,616	\$213,797,183	\$225,528,191	\$220,718,873	\$232,141,080	\$231,417,463	\$232,752,493
Supplies & Services	61,898,655	62,491,141	71,566,533	76,897,162	73,630,595	75,811,777	77,001,873
Reimbursements:	(2,646,521)	(6,227,789)	(5,104,267)	(5,104,267)	(5,257,395)	(5,231,395)	(5,257,395)
CARES Act Reimbursement	(14,009,411)	(9,765,984)	0	0	0	0	0
ARPA Reimbursement	0	0	0	(15,712,158)	0	0	0
CIP Coming On-Line	0	0	0	0	1,073,734	216,897	137,885
Capital Outlay	1,081,876	222,362	1,507,710	2,402,537	0	0	0
<b>Total Recurring Expenditures</b>	<b>\$254,968,215</b>	<b>\$260,516,913</b>	<b>\$293,498,167</b>	<b>\$279,202,147</b>	<b>\$301,588,014</b>	<b>\$302,188,742</b>	<b>\$304,634,856</b>
Transfers Out	52,175,377	55,901,806	60,235,396	64,185,396	53,897,875	54,293,795	54,598,660
<b>Fund Balance - Beginning</b>	<b>\$58,680,053</b>	<b>\$61,605,244</b>	<b>\$63,557,414</b>	<b>\$63,392,225</b>	<b>\$50,053,392</b>	<b>\$24,637,168</b>	<b>\$24,837,431</b>
<b>Total Recurring Revenue</b>	<b>\$310,068,783</b>	<b>\$318,205,700</b>	<b>\$314,538,090</b>	<b>\$330,048,710</b>	<b>\$330,069,665</b>	<b>\$334,986,033</b>	<b>\$339,453,414</b>
<b>Total Recurring Expenditures</b>	<b>\$254,968,215</b>	<b>\$260,516,913</b>	<b>\$293,498,167</b>	<b>\$279,202,147</b>	<b>\$301,588,014</b>	<b>\$302,188,742</b>	<b>\$304,634,856</b>
<b>Less: Transfers Out</b>	<b>\$52,175,377</b>	<b>\$55,901,806</b>	<b>\$60,235,396</b>	<b>\$64,185,396</b>	<b>\$53,897,875</b>	<b>\$54,293,795</b>	<b>\$54,598,660</b>
<b>Fund Balance - Ending</b>	<b>\$61,605,244</b>	<b>\$63,392,225</b>	<b>\$24,361,942</b>	<b>\$50,053,392</b>	<b>\$24,637,168</b>	<b>\$3,140,664</b>	<b>\$5,057,329</b>
<b>Required 30 Day Balance</b>						<b>\$24,837,431</b>	<b>\$25,038,481</b>
<b>Add'l Revenues or Program</b>							
<b>Reductions to Meet 30 Days</b>						<b>(\$21,696,767)</b>	<b>(\$19,981,152)</b>
<b>Days of Operation</b>				65	30	30	30
<b>Total Assessed Property Value</b>				<b>\$47,692,308,339</b>	<b>\$49,986,539,128</b>	<b>\$51,986,135,302</b>	<b>\$53,525,858,008</b>
<b>Tax Split:</b>							
<b>Debt</b>		0.1110	0.1135	0.1135	0.1160	0.1185	0.1210
<b>Operations</b>		0.3372	0.3330	0.3330	0.3305	0.3280	0.3255
		0.4482	0.4465	0.4465	0.4465	0.4465	0.4465
<b>Operating Tax Rate to be</b>							
<b>Transferred from Debt</b>					(0.0025)	(0.0025)	(0.0025)
<b>Equivalent Amount</b>					<b>(\$1,249,663)</b>	<b>(\$1,299,653)</b>	<b>(\$1,338,146)</b>

## General Fund Forecast

*The General Fund is the City's largest single fund, and serves as the primary operating fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in the General Fund.*

*The sources of revenue that comprise the General Fund are described below:*

### Operating Revenue Sources:

#### **Ad Valorem Tax**

Ad valorem taxes are levied against the tangible assessed valuation of real and personal property within the city. The property is assessed by both the Central Appraisal Districts of Collin and Denton County at 100% of estimated market value and certified by the Appraisal Review Board.

#### **Sales Tax**

The City authorizes a 1% local sales and use tax on the receipts from the retail sale of all taxable items within the city. Local sales and use tax revenue is collected by the Comptroller of the State of Texas.

#### **Mixed Drink Tax**

The City receives a portion of the State of Texas tax on mixed beverages sold by private clubs within the city limits.

#### **Bingo Gross Receipts Tax**

The City authorizes a 2% collection of gross receipts resulting from conduct of bingo games by an authorized organization in any calendar month. The first \$2,500 of gross receipts each month are exempted.

#### **Franchise Fees**

Franchise fees are assessments, based upon gross receipts, for electric, telephone, fiber optics, gas, and cable television.

#### **Fines & Forfeits**

This category of revenue includes court fines and forfeitures, traffic fines, and library fines.

#### **Licenses & Permits**

Licenses and permits include revenue for building & development related, food handlers, restaurant plan review, animal, alarm, fire protection plan review, grease trap, and pool inspections.

#### **Fees & Charges for Services**

Fees and charges for services include revenue for animal adoption, ambulance service, 911, false alarm response, charges for parks and recreation programs, contractor registration, engineering inspection, re-inspection, tree trimming, food handler training, and child safety.

#### **Intergovernmental Resources**

These resources are comprised of revenues received from other governmental entities.



**Other**

Miscellaneous receipts include revenues such as interest income, rents, and insurance collections.

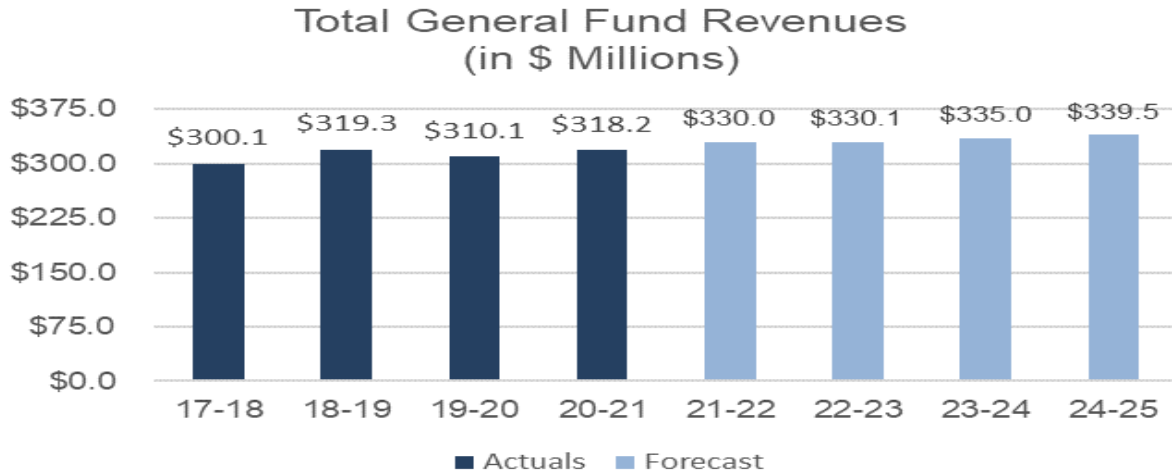
**Other Financing Sources:**

**Operating Transfers In**

Transfers from other City funds.

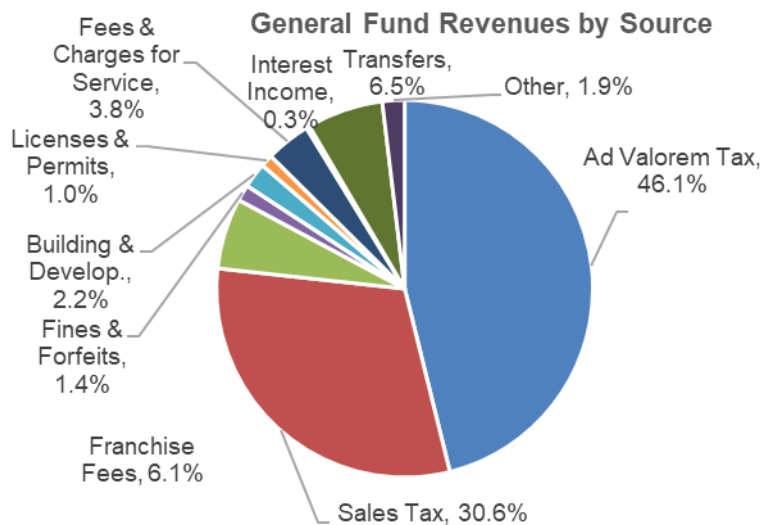
**Operating Revenues**

The General Fund accounts for most financial resources except those required for debt or specifically attributable to the enterprise funds. Resources are generated by property (ad valorem) and other taxes, franchise fees, fines & forfeits, licenses & permits, and fee & charges for services.



The graph above shows the historical trends and projections for all General Fund revenues. As illustrated, total revenues in the General Fund took a downturn in 2019-20 as a result of the COVID-19 pandemic. Beginning in 2020-21, the General Fund experienced an upturn in overall revenues, due in part to a \$9.8 million Coronavirus Aid, Relief, and Economic Security Act (CARES) reimbursement. In addition, the General Fund benefitted from a \$15.7 million American Rescue Plan Act (ARPA) reimbursement in 2021-22. The remaining years represented in the graph assumes a healthy and recovering economy.

The continued rebound in revenues received continues today and this forecast projects an ending 2022-23 General Fund balance of 30 days of operation which is in compliance with the financial policies adopted by City Council. The anticipated confidence in the recovering local and national economy and the projected increases in sales tax as well as existing property values coupled with anticipated new property growth are all factors contributing to projected overall increases in revenues during the three-year forecast period. By 2024-25, total General Fund revenues are estimated to be \$339.5 million.



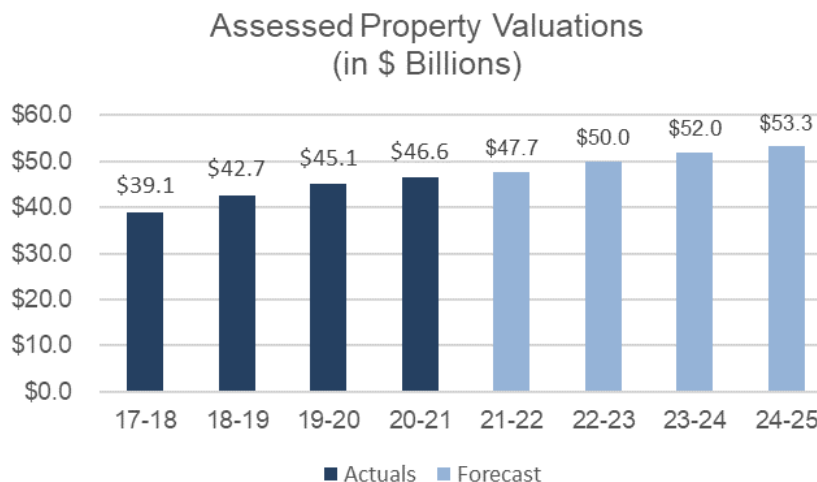
The major sources that make up the General Fund revenues for 2021-22 include: Ad Valorem Tax (46.1%), Sales Tax (30.6%), Franchise Fees (6.1%), Fines & Forfeits (1.4%), Building & Development (2.2%), Licenses & Permits (1.0%), Fees & Charges for Services (3.8%), Interest Income (0.3%), Transfers (6.5%), and Other (1.9%). A description of each source as well as a discussion of the outlook over the next three years follows.



## Ad Valorem Taxes

Ad valorem (property) taxes are the City's largest revenue source. Ad valorem tax revenue is determined by two major factors: the total assessed value established by both the Central Appraisal Districts of Collin County and Denton County plus the tax rate established by the City Council. The City's current tax rate of 44.65 cents per \$100 of assessed valuation is maintained throughout the forecast, and the amount allocated between debt and operations is adjusted accordingly.

Ad valorem tax revenue is based on maintaining the current tax rate of 44.65 cents per \$100 valuation for the next 3 years and assumes a 99.0% collection rate. At no time during the forecast period does the change in distribution between operation and debt exceed the current 3.5% voter approved tax rate effective January 1, 2020 per Senate Bill 2. Even with a projected increase in assessed property values, it is anticipated that all existing bond authority for Community Investment Program (CIP) projects within the forecast period will be used. Based on this projection, the debt allocation of the tax rate will require an additional 0.25 cents to 11.60 cents from 11.35 cents or \$1.2 million in 2022-23 to be transferred from

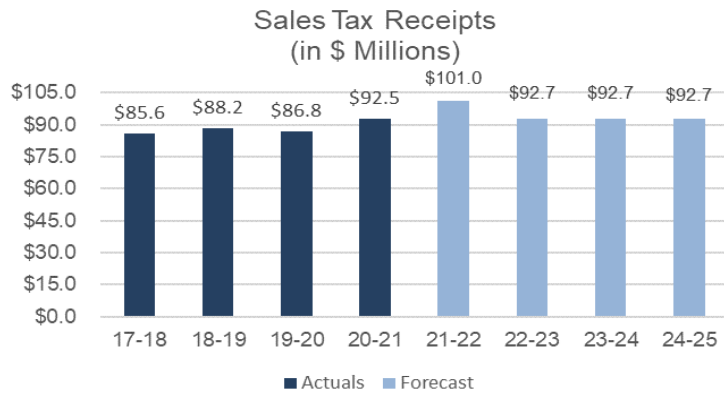


operations. The operations allocation of the tax rate is projected to be 33.05 cents per \$100 valuation in 2022-23. In 2023-24, an additional 0.25 cents to 11.85 cents will need to be transferred to the debt rate. The operating rate will decrease by 0.25 cents to 32.80 cents. Finally, in 2024-25, an additional 0.25 cents to 12.10 cents will need to be transferred to the debt rate leaving the operating rate at 32.55 cents. The incremental increases to the debt rate are necessary in order to support debt service payments for funding the Community Investment Program and to meet the minimum requirement of 2.5% of each year's debt service levy for the fund balance as required by our Financial Policies.

Based on projections attained by both Central Appraisal Districts, existing property values are projected to increase 3.5% in 2022-23, 3.0% in 2023-24, and 2.0% in 2024-25. New growth is projected at \$625.0 million for 2022-23, another \$500.0 million in 2023-24, and \$500.0 million in 2024-25.

## Sales Tax

Sales tax receipts, the General Fund's second largest revenue source, have been re-estimated for 2021-22 at \$101.0 million, up from the \$87.1 amount originally budgeted in 2021-22. The current fiscal year has seen an unexpected increase in sales tax receipts as we come out of the COVID-19 pandemic. Consumer spending is robust and much greater than anticipated. Based on the three-year sales tax cap policy, we have projected sales tax at \$92.7 million for the entire forecast period. As in the past, any revenues collected over these amounts in any year can be used to purchase one-time expenditures, assigned to the fund balance to be used for offsets in the next fiscal year or can be transferred to the Capital Maintenance Fund or the Reserve Fund.



Sales tax collections will continue to be somewhat uncertain as we try and work through the current economic environment and as we continue to rebound from the COVID-19 pandemic. It's hard to know how long the consumer confidence and spending will continue as we move forward.

In addition to the unknown longevity of robust consumer spending, we still need to be cognizant of the volatility of this revenue source and factors such as the increasing loss of retail market share to

surrounding communities, the "Back-To-School" and "Energy Star" Sales Tax Holiday, weather conditions, geo-political tensions and any impending future legislation.

The graph shows the historical trends and projections for sales tax receipts.

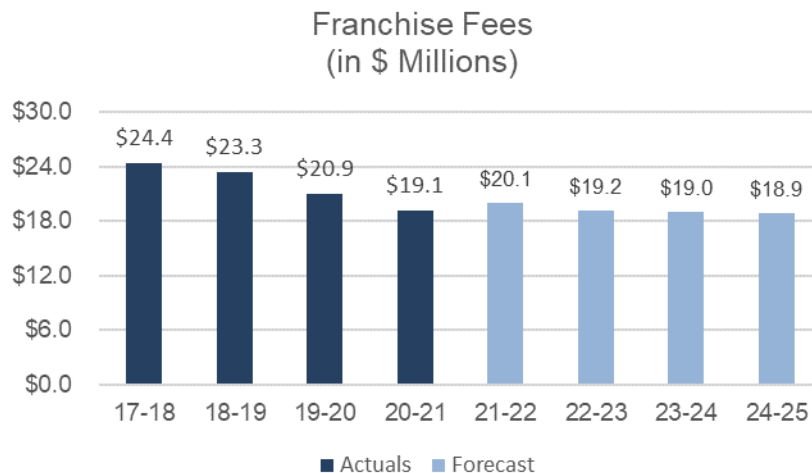
### Franchise Fees

Franchise fees for 2021-22 are expected to total \$20.1 million, or 6.1% of the total General Fund revenue. Franchise fees are collected from assessments, based upon gross receipts, for electric, telephone, fiber optics, gas, and cable television.

Electrical and Telephone franchise fees are projected to remain relatively constant for the forecast period. Telephone franchise fees have now become more constant now that the new legislation (Senate Bill 1152) has been implemented which changed the way that municipalities may charge telecommunications providers for use of the City's right-of-way. Fiber Optics franchise fees are expected to increase from \$66,420 in 2021-22 to \$96,956 in 2022-23 and beyond due to an increase in payment received from AT&T Long Distance. Cable TV franchise fees are projected to decrease 5.0% each year of the forecast period. Overall, franchise fee revenues continue to decrease due to legislation and also to greater migration of customers to wireless and bundled solutions.

Gas franchise fees are re-estimated in 2021-22 at \$4.1 million, up from the original budgeted amount of \$3.1 million. This significant increase is due to a one-time legal settlement between Atmos Energy Mid Tex and the Atmos Steering Committee Cities whereby the City of Plano received revenues related to a pipe replacement project. In addition, the impacts of Winter Storm Uri added to this increase as well.

Gas franchise fees are expected to go back down to \$3.3 million beginning in 2022-23 and remain constant in 2023-24 and 2024-25.



Electrical franchise fees are re-estimated constant for 2021-22 at \$11.7 million and Telephone franchise fees are re-estimated down slightly for 2021-22 at \$1.7 million. Fiber Optics franchise fees are re-estimated up for 2021-22 at \$66,420.

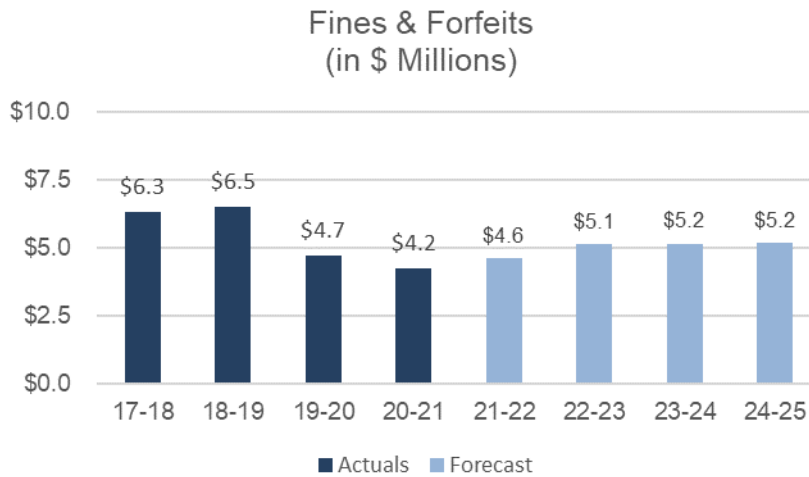


Cable Television franchise fees are re-estimated for 2021-22 constant at \$2.5 million. It is anticipated that Cable Television franchise fees will decrease 5.0% in 2022-23, 2023-24 and also in 2024-25.

The graph above shows the historical trends and projections for franchise fee revenue. By 2024-25, this revenue source is estimated to be decreasing slightly to \$18.9 million, a 5.6% decrease over 2020-21 revenues.

**Fines & Forfeits**

Fines & Forfeits for 2021-22 are expected to remain constant at \$4.6 million, the same amount as originally budgeted. Municipal Court citation revenues, which comprise the overwhelming majority of Fines & Forfeits, are projected to return to pre-pandemic levels in 2022-23 of \$5.1 million. Fines & Forfeits represent 1.4% of the total General Fund revenue. It is anticipated that this revenue source will increase based on the indirect population-based rate of 0.45% in 2022-23, 0.60% in 2023-24 and 0.35% in 2024-25. This category of revenue includes court fines and forfeitures, traffic fines, and fines for lost library books.



The graph shows the historical trends and projections for fines and forfeits revenue. By 2024-25, this revenue source is estimated to be \$5.2 million, up 12.4% over 2020-21 revenues.

**Licenses & Permits (Including Building & Development)**

Licenses and permits for 2021-22 are expected to total \$10.6 million, or 3.2% of the total General Fund revenue. Included within the licenses and permits category are food handlers permits, grease trap permits, animal licenses, alarm permits, building & development related revenues, and various other permits.

During the pandemic time, the pace of construction dramatically slowed. However, even during this time, while the construction pace slowed, the North Texas development market continued to be ripe for building related construction activities, including residential homes, commercial buildings, schools, restaurants and remodeling projects. Overall, building and development related permit revenues have experienced an overall increase since mid-year 2020-21 and is expected to continue through this year. There is however,

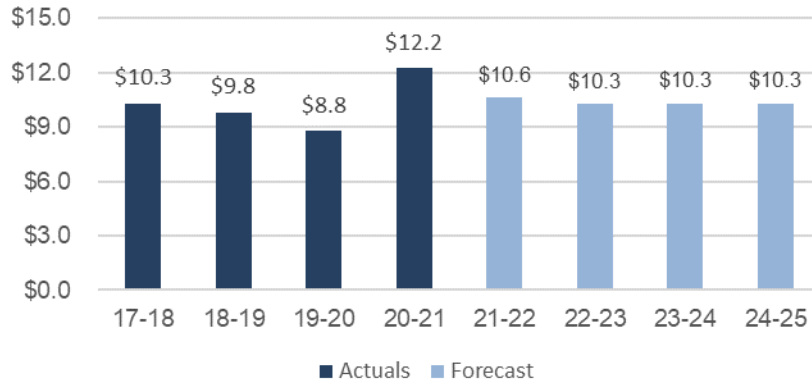
an anticipated leveling off of construction related permits going forward. We currently have some projects on the planning side ready to move forward with approvals and some that are underway but in a slow pace due to supply chain issues in construction products. Because of these delays and because the majority of the major commercial projects have been completed, all building & development related revenues are projected to remain constant throughout the forecast period. There will still

be building related construction activities but it will be at a much decreased rate and amount.

Most other licenses and permits revenues are projected to increase at the indirect population-based rate of 0.45% in 2022-23, 0.60% in 2023-24, and 0.35% in 2024-25.

The graph shows the historical trends and projections for licenses and permits revenue. By 2024-25, this revenue source is estimated to be \$10.3 million.

Licenses & Permits  
(in \$ Millions)

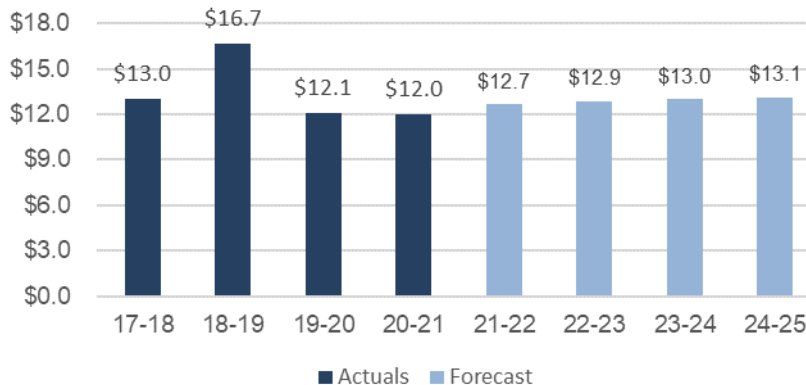


### Fees & Charges for Services

Fees and charges for services for 2021-22 are expected to total \$12.7 million, or 3.8% of the total General Fund revenue. Included within the fees and charges for services category are animal adoption fees, ambulance service fees, emergency 911 fees, false alarm fees, recreation user fees, recreation membership fees, tennis center fees, swimming fees, child safety fees, and various other fees.

Overall, most fees and charges for services are projected to increase at the indirect population-based rate of 0.45% in 2022-23, 0.60% in 2023-24, and 0.35% in 2024-25. All Recreation Centers are experiencing increased participation and a return to normalcy as the COVID-19 pandemic winds down.

Fees & Charges for Services  
(in \$ Millions)



The graph shows the historical trends and projections for fees and charges for services revenue. By 2024-25, this revenue source is estimated to be \$13.1 million, a 9.5% increase over 2020-21 revenues.

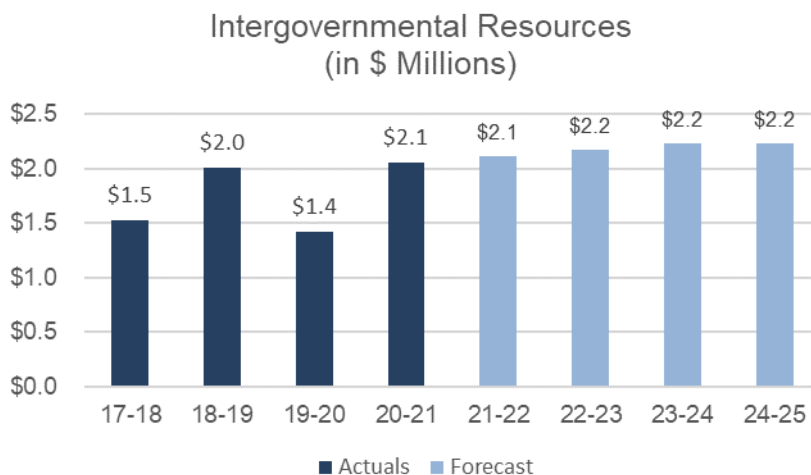




### Intergovernmental Resources

Intergovernmental resources for 2021-22 are expected to total \$2.1 million. These resources are comprised of revenues received from other governmental entities such as payments from Frisco I.S.D. and Plano I.S.D. for School Liaison Officers. This revenue source comprises the majority of the \$2.1 million in overall Intergovernmental Resources. Also included are Plano-Richardson Police training facility revenue.

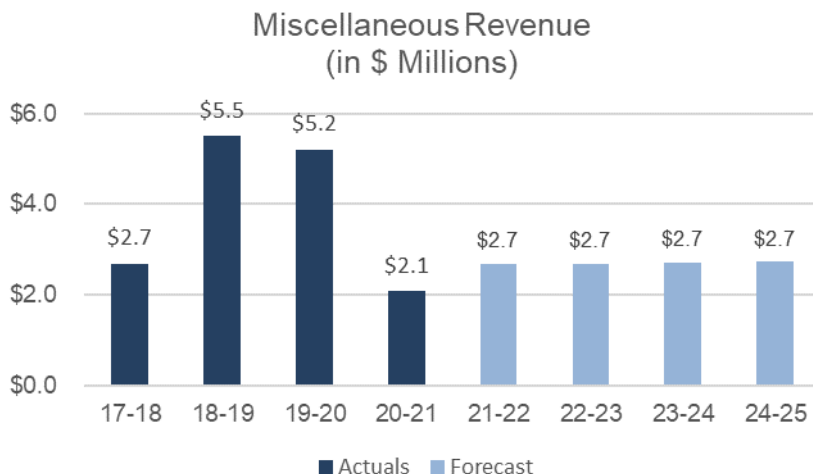
Payments from both Frisco I.S.D. and Plano I.S.D. are projected to increase 3.0% in 2022-23 to coincide with the 3.0% across-the-board pay increase included in this forecast and then remain constant for the remainder of the forecast period since no salary increases are included in 2023-24 or 2024-25. Total intergovernmental resources are projected to be at \$2.2 million by 2024-25.



The graph shows the historical trends and projections for intergovernmental revenue.

### Other

Miscellaneous revenues for 2021-22 are expected to total \$2.7 million. Miscellaneous receipts include revenues such as interest income, rents, insurance collections, and other miscellaneous revenue sources.



Interest income is projected to be \$1.0 million in 2021-22 and is projected to remain constant throughout the forecast period.

The graph shows the historical trends and projections for miscellaneous/ other revenue. By 2024-25, this revenue source is estimated to be \$2.7 million.

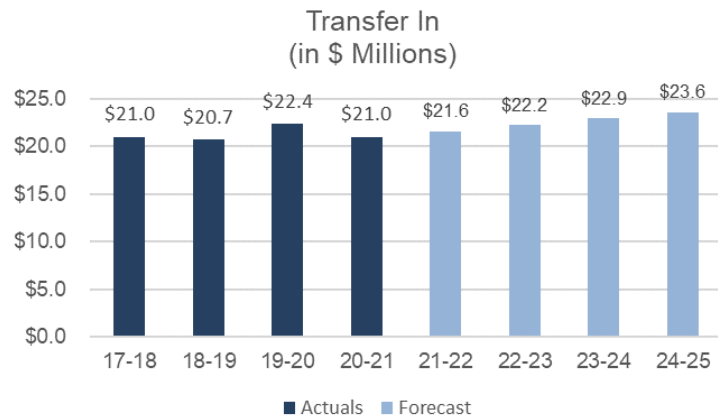
### Other Financing Sources:

#### Operating Transfers In

Transfers in for 2021-22 are expected to total \$21.6 million, or 6.5% of the total General Fund revenue. Transfers in include intra-fund transfers from the Water & Sewer Fund, the Sustainability &

Environmental Services Fund, the Recreation Revolving Fund, the Municipal Golf Course Fund, the Convention & Tourism Fund, the Municipal Drainage Fund, and a one-time transfer in 2019-20 from the Technology Fund. All transfers are based on either an indirect cost allocation amount or a percentage allocation of revenues received in each of these funds. Therefore, some of the revenues received in future years depend on revenues generated in each of these funds over the next three years.

The graph shows the historical trends and projections for transfers in. By 2024-25, this revenue source is estimated to reach \$23.6 million, a 12.3% increase over 2020-21 revenues.



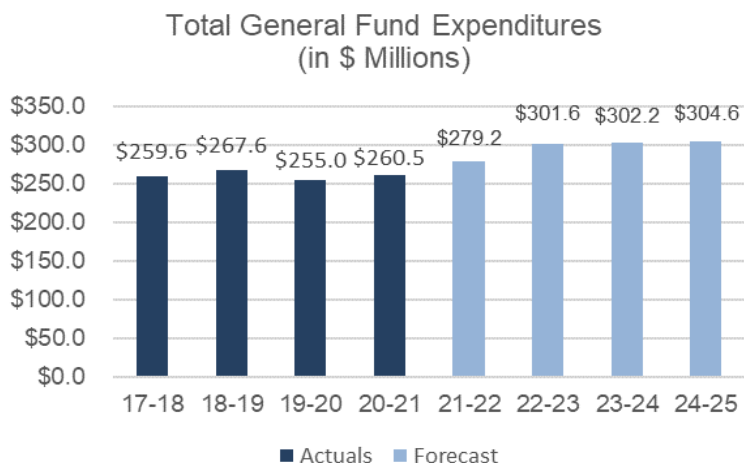
**CIP Coming On-Line**

There are no additional revenues anticipated in the future as a result of new facilities coming on-line during the forecast period.

**Operating Expenditures**

Four decades of rapid growth stimulated local business and development activity and created generous municipal revenues and opportunities. The community, in turn, placed demands on the City to maintain and/or enhance the services provided for citizens. As a result of this ever-changing environment, careful financial planning and budgeting are integral to the budget process as it is known today. In keeping with Plano’s five (5) main values/priorities: 1.) Quality Infrastructure, 2.) Service Demands, 3.) Financial Policies/Ratings, 4.) Personnel, and 5.) Property Tax; we are committed to providing exceptional city services at the greatest possible value. Focusing on the priorities that have made Plano successful, with a commitment to adapt when necessary, will help Plano as the best value in North Texas.

In addition, in keeping with the City of Plano’s commitment, we strive to maintain and improve the City’s \$2.8 billion growing infrastructure and provide additional funding for Capital Maintenance, maintain our AAA bond rating and adhere to our financial policies, and maintain a property tax rate which allows for funding of our infrastructure and service demands. We also strive to sustain the organization and community values that have made Plano the best City in North Texas to live, work and play while recognizing the historic confluence of challenges we have faced and will continue to face over the next few years.



The following graph shows the historical trends and projections for all General Fund expenditures. General Fund expenditures account for the continued revitalization of city infrastructure, maintaining and preparing for future service demands, maintaining the quality of services that citizens have come to expect, addressing maintenance of City assets, and continuing to focus on public safety.

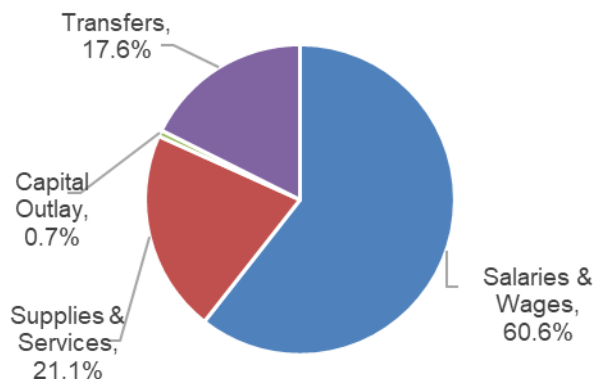
The major expenditures that make up the General Fund by category for 2021-22 include: Salaries & Wages (60.6%), Supplies & Services

(21.1%), Capital Outlay (0.7%) and Transfers (17.6%). A description of each expenditure category as well as a discussion of the outlook over the next three years follows.

### Salaries, Wages and Employee Benefits

Salary projections include a 3.0% increase for both Civil Service and Non-Civil Service employees in 2022-23 and then remain constant in 2023-24 and 2024-25 and assume current staffing levels remain constant throughout the forecast period. In addition, attrition is projected at 4.0% for the General Fund. The health insurance rate is expected to increase 5.0% in each year of the forecast as Plano's self-funded insurance fund has felt the negative impacts of the COVID-19 pandemic. TMRS is projected at our full phased-in rate of 16.75% while the RSP rate is expected to remain the same at 3.9% through 2024-25. Other benefit rates are expected to remain constant.

**General Fund Expenditures by Source**



In order to meet the City's goal to equitably address compensation matters that fall outside our compensation philosophy and commitments to its employees, \$2.0 million is included in this forecast for 2022-23 in the General Fund's Non-Departmental budget to assist in this initiative. These budgeted dollars will allow all positions to align with our compensation philosophy and will allow for in-range progression to acknowledge time in position.

### Supplies & Services

Supplies & services costs are projected to increase 4.0% in 2022-23, 4.0% in 2023-24, and 2.0% in 2024-25 based on various inflationary indexes. Due to the anticipated inflationary impact on supplies & services costs, \$1.0 million has been earmarked in the General Fund's Non-Departmental budget in 2022-23 to help offset the anticipated increases across the General Fund.

In addition, municipal garage charges are projected to increase 4.0% in 2022-23 and 2.0% in both 2023-24 and 2024-25 based on projected fuel and oil costs as well as the planned labor rate. Electricity charges are projected to remain flat in each year of the forecast period. Natural gas is expected to increase 2.0%

in 2022-23 and then remain flat in the remaining last 2 years of the forecast period. Finally, a total of \$1,400,000 is included in this category of expenses each year of the forecast period for library books and digital materials.

### Capital Outlay

No new capital outlay is included in 2022-23, 2023-24 or 2024-25.

### Transfers

The Capital Maintenance Fund policy aims to allocate 75.0% of the annual depreciation to be transferred from the General Fund. The transfer to the Capital Maintenance Fund increased by \$2.75 million in the 2021-22 Re-Estimate as a result of one-time excess Sales Tax collections. This transfer is projected to remain constant at \$35.3 million in 2022-23, 2023-24 and 2024-25. These transfers will help in the effort to ultimately obtain the goal of transferring 75% of annual depreciation to the Capital Maintenance Fund.

The Risk Management Fund transfer is projected based on a three-year average of General Fund losses. The transfer is projected at \$7.0 million in each of the forecast periods. The Risk Management Fund transfer is necessary to pay Workers Compensation and Judgments & Damages claims.

A transfer to the Technology Fund in the amount of \$1.0 million in all forecast periods is representative of the General Fund's proportionate share for technology related expenses. In addition, a transfer to the TS Replacement Fund is scheduled at \$500,000 for each year of the forecast period.

The transfer to the PTV Fund was resumed in 2021-22 in the amount of \$250,000 and will continue at this amount 2022-23, 2023-24 and 2024-25.

This forecast continues the transfer to the Economic Development Incentive Fund which was established in 2006-07 when the City Council approved a 2.00 cent tax rate increase to be dedicated solely for economic development incentives and redevelopment purposes. The forecast includes the transfer to include \$9.9 million in 2022-23; \$10.3 million in 2023-24; and \$10.6 million in 2024-25. These forecasted amounts represent only the actual two-cent property tax revenue and does not include any supplemental funding from the General Fund.

Detailed information regarding specific transfers is provided in the Appendix section: *Three-Year Financial Forecast – Transfers*.

### Community Investment Program Impacts

Included in this forecast are new project operating and maintenance costs associated with Community Investment Projects coming on-line during the forecast period totaling approximately \$1.4 million. These projects include renovations and expansion of the Parkway Service Center and also the Fleet Center, Fire Stations #5 and #8 Expansions, and Harrington Library Expansion. Also included are the Oak Point Park Maintenance Facility expansion and relocation, an addition of a Fire Training Center, additional Park Improvements, and various other Facility Additions & Expansions. Please refer to *Projected General Fund O&M Expenses – Community Investment Program* in the Appendix Section of this document for a detailed list.

### Outlook & Analysis

Financial policies adopted by City Council stipulate that the General Fund must maintain a working capital balance of 30 days. Based on this forecast, the projected working capital at the end of 2022-23 is at 30 days which is within compliance with the financial policies adopted by City Council. This is due primarily to



increases in existing property values and new property coming on-line, robust sales tax collections as well as the ARPA reimbursement received in 2021-22 in the amount of \$15.7 million. This significant reimbursement has helped stabilize the fund during the difficult pandemic time.

In 2023-24, the General Fund will fall short of the 30 day working capital requirement and will need an additional \$21.7 million in additional revenues, reduced expenditures, or a combination of both to reach the 30 day working capital balance requirement. A total of \$1.2 million of the shortfall is the result of transferring an additional 0.25 cents from operations to the debt fund to provide funding for the Community Investment Program (CIP). In 2024-25, the General Fund is once again projected to fall short of the 30 day working capital balance and will need an additional \$20.0 million in additional revenues, reduced expenditures, or a combination of both in order to meet the 30 day requirement.

***Please note that every annual budget adopted by City Council is statutorily required to be balanced. Therefore, any projected shortfall is assumed to be rectified during the year when the shortfall is projected to occur to reach the working capital requirements set by Plano's financial policies.***

Over the next several months, as we prepare the Fiscal Year 2022-23 Budget and Community Investment Program, we will continue our focus on preserving exceptional, quality services for residents, businesses and the Plano community. This includes maintaining and improving our City's \$2.8 billion growing infrastructure and provide additional funding for Capital Maintenance. We also strive to preserve exceptional, quality services for residents, businesses and the Plano community, maintain our AAA bond rating and adhere to our financial policies, retain our high quality workforce, and maintain a property tax rate which allows for funding of our infrastructure and service demands. Also, we will strive to look ahead and project service levels that are sustainable over the long-term, as the pace of development will likely slowdown from the high levels Plano has recently experienced.

In addition, we will continue to search for any potential cost reductions. Part of this process will also include identifying and evaluating any impacts or outcomes that would result from these additional cost reductions and what direct impacts it would have on service level delivery.



**GENERAL OBLIGATION DEBT SERVICE**

	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Re-Est.	2022-23 Projected	2023-24 Projected	2024-25 Projected
<b>Recurring Revenue</b>							
Ad Valorem Taxes	\$47,995,385	\$49,583,006	\$52,085,782	\$50,540,747	\$55,796,881	\$59,220,366	\$62,167,082
Interest Income	1,243,469	165,124	300,000	300,000	300,000	300,000	300,000
Police Training Ctr Reimbursement	134,574	118,543	115,097	115,097	75,494	75,494	16,218
<b>Total Recurring Revenue</b>	<b>\$49,373,428</b>	<b>\$49,866,673</b>	<b>\$52,500,879</b>	<b>\$50,955,844</b>	<b>\$56,172,375</b>	<b>\$59,595,860</b>	<b>\$62,483,300</b>
<b>Recurring Expenditures</b>							
Principal	\$26,020,000	\$28,330,000	\$30,710,000	\$30,710,000	\$33,333,247	34,316,550	\$40,643,210
Interest	16,873,908	18,720,441	18,821,322	18,821,322	20,184,347	21,192,485	23,248,958
Transfer to CO's Radio System	329,738	\$0	0	0	0	0	0
Transfer to Tax Nt Radio Repl & PLL	997,300	\$999,100	0	0	0	0	0
Transfer to Tax Nt NextGen Program	2,570,450	\$2,569,200	2,567,700	2,567,700	2,570,700	2,570,700	0
Exchange Fees	13,750	\$11,500	13,500	12,750	13,500	14,250	15,000
New Debt	0	0	1,565,100	0	1,613,700	1,811,150	1,611,050
<b>Total Recurring Expenditures</b>	<b>\$46,805,146</b>	<b>\$50,630,241</b>	<b>\$53,677,622</b>	<b>\$52,111,772</b>	<b>\$57,715,494</b>	<b>\$59,905,135</b>	<b>\$65,518,218</b>
<b>Fund Balance - Beginning</b>	<b>\$5,548,057</b>	<b>\$8,116,339</b>	<b>\$7,917,563</b>	<b>\$7,352,771</b>	<b>\$6,196,844</b>	<b>\$4,653,725</b>	<b>\$4,344,450</b>
<b>Total Recurring Revenue</b>	<b>\$49,373,428</b>	<b>\$49,866,673</b>	<b>\$52,500,879</b>	<b>\$50,955,844</b>	<b>\$56,172,375</b>	<b>\$59,595,860</b>	<b>\$62,483,300</b>
<b>Total Recurring Expenditures</b>	<b>\$46,805,146</b>	<b>\$50,630,241</b>	<b>\$53,677,622</b>	<b>\$52,111,772</b>	<b>\$57,715,494</b>	<b>\$59,905,135</b>	<b>\$65,518,218</b>
<b>Fund Balance - Ending</b>	<b>\$8,116,339</b>	<b>\$7,352,771</b>	<b>\$6,740,820</b>	<b>\$6,196,844</b>	<b>\$4,653,725</b>	<b>\$4,344,450</b>	<b>\$1,309,532</b>
<b>Total Assessed Property Value</b>				<b>\$47,692,308,336</b>	<b>\$49,986,539,128</b>	<b>\$51,986,135,302</b>	<b>\$53,525,858,008</b>
<b>Tax Split:</b>							
Debt		0.1110	0.1135	0.1135	0.1160	0.1185	0.1210
Operations		0.3372	0.3330	0.3330	0.3305	0.3280	0.3255
		0.4482	0.4465	0.4465	0.4465	0.4465	0.4465



## General Obligation Debt Service Fund Forecast

*The General Obligation Debt Service Fund accounts for the accumulation of monies set aside to pay principal and interest on debt incurred through sale of bonds and other debt instruments. These tax bonds finance long-term community investment projects such as streets, parks, buildings and technology projects.*

### Operating Revenue Sources:

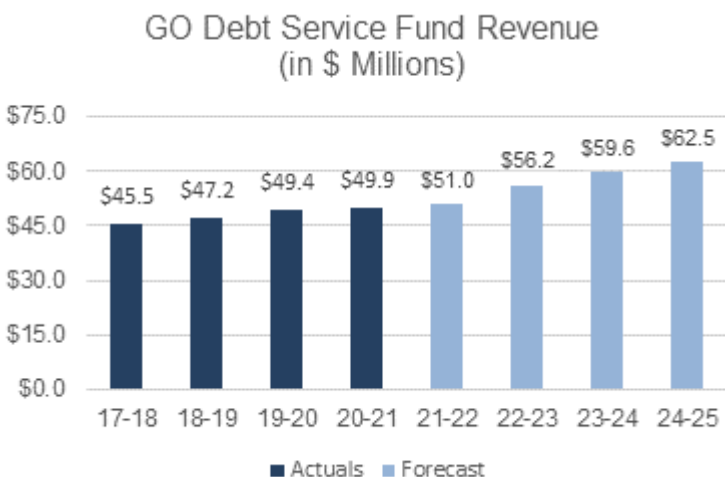
#### Ad Valorem Tax

Ad valorem taxes are taxes levied against the assessed valuation of real and business personal property within the city. Properties are assessed by the Central Appraisal Districts of either Collin County or Denton County at 100% of their estimated market value and certified by the Appraisal Review Board.

#### Other

The General Obligation (G.O.) Debt Fund also receives revenues from interest income and a reimbursement from the the City of Richardson for a portion of the debt shared through an agreement to construct the Plano-Richardson Police Training Center.

### Operating Revenues



The ad valorem taxes necessary to be collected in the G.O. Debt Service Fund are determined by using the projected assessed value for each year, and appropriating the funds required for principal and interest payments on existing and anticipated new debt. All additional revenue that is collected in the General Obligation (G.O.) Debt Service Fund, such as interest earnings and reimbursements for Police Training Center debt, helps to reduce the amount of ad valorem tax revenue required to meet the minimum requirement of 2.5% of the current year debt service levy for the year-end fund balance as prescribed

by the City of Plano's financial policies.

The graph at left shows the historical trends and projections for all General Obligation Debt Service Fund revenues.

The 2022-23, 2023-24 and 2024-25 total revenues for the General Obligation (G.O.) Debt Service Fund are estimated at \$56.2, \$59.6 and \$62.5 million respectively.

#### **Ad Valorem Taxes**

The current tax rate of 44.65 cents per \$100 valuation has been used for projections throughout the three-year period. After the rate sufficient to cover debt service was determined, the remaining amount was made available for operations in Plano's General Fund. The debt allocation of the tax rate is projected to increase by 0.25 cents for each year of the forecast: from the current rate of 11.35 cents to 11.60 cents in FY 2022-23, then to 11.85 cents in FY 2023-24, and then to 12.10 cents in FY 2024-25. These changes are due to an increase in the use of existing bond authority for Community Investment



Program (CIP) projects. According to preliminary estimates provided by the Central Appraisal Districts of Collin County and Denton County, the total assessed property value projected for 2022-23 is \$50.0 billion, which is an increase of 4.8% compared to \$47.7 billion in 2021-22. Adjustments have been made for the TIF District, 380 Agreements and the Senior Tax Freeze.

**Interest**

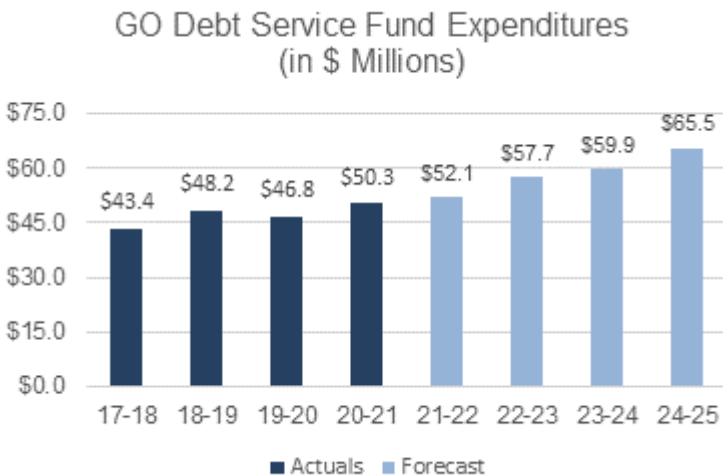
Interest revenues for 2021-22 have been re-estimated at \$300,000 and are anticipated to remain constant throughout the three-year forecast.

**Police Training Center Reimbursement**

The Police Training Center reimbursement from the City of Richardson for 2021-22 totals \$115,097 and is scheduled to be received through 2025, albeit at lower levels, when the construction debt for that facility is paid off.

**Operating Expenditures**

Expenses in this fund are exclusively the principal and interest payments on general obligation debt as well as any fees associated making these payments. The graph below shows the historical trends and projections for all General Obligation (G.O.) Debt Service Fund expenditures.



Existing bond authority will be used to fund CIP projects from the 2019 & 2021 bond referendums in the 2022-23 forecast year. Project funding from the 2021 bond referendums will also support the design and construction of projects in 2023-24 and 2024-25.

Future bond sales are projected to be held in the spring of each year forecast, with the next bond sale totaling \$80.7 million in 2023 with an average interest rate of 4.0%. Two additional bond sales are projected in the Spring 2024 for \$90.6 million and 2025 for \$80.6 million to support

projects for city streets, parks, recreation centers, libraries, public safety facilities and other city facilities. The average interest rates for both of these future issuances are projected at 4.0%. All three issuances are expected to be repaid over a 20 year period, which is consistent with the City of Plano’s debt management practices, and no short-term debt is anticipated at this time. Each issuance is projected to include only one initial interest payment in the year debt is issued.

Primary factors affecting these projections include changes in economic conditions, interest rates, structuring of debt payments and actual amounts in annual bond sales to fund CIP projects.





## WATER & SEWER

	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Re-Est.	2022-23 Projected	2023-24 Projected	2024-25 Projected
<b>Recurring Revenue</b>							
Water Income	\$101,393,996	\$95,097,832	\$103,533,972	\$103,533,972	\$109,267,181	\$115,241,695	\$119,334,588
Sewer Income	65,276,548	68,398,117	70,864,314	72,478,240	77,464,646	83,318,397	89,302,751
Water Taps	43,218	32,596	38,996	32,596	33,248	33,913	34,252
Water & Sewer Penalties	552,788	711,956	1,346,498	1,346,498	1,358,616	1,374,920	1,384,544
Water Meters/AMR Devices	172,646	193,909	177,862	177,862	181,419	185,048	186,898
Construction Water	288,253	263,669	268,390	268,390	273,758	279,233	282,026
Service Connect Fee	219,605	224,540	215,704	215,704	220,018	224,418	226,662
Backflow Testing	684,750	693,750	685,455	685,455	699,164	713,147	720,279
Sewer Tie-On	14,860	19,950	17,998	17,998	18,358	18,725	18,913
Pre-Treatment Permits	22,290	20,577	19,396	19,396	19,784	20,180	20,381
Interest Earnings	852,411	141,254	350,000	150,000	150,000	150,000	150,000
Misc. Income	657,281	603,896	562,854	700,000	574,111	585,593	591,449
<b>Total Recurring Revenue</b>	<b>\$170,178,646</b>	<b>\$166,402,046</b>	<b>\$178,081,439</b>	<b>\$179,626,111</b>	<b>\$190,260,303</b>	<b>\$202,145,269</b>	<b>\$212,252,743</b>
<b>Recurring Expenditures</b>							
Salaries & Benefits	\$10,838,492	\$10,288,043	\$11,658,543	\$11,119,867	\$12,170,298	\$12,266,938	\$12,367,977
Supplies & Services	9,034,814	9,215,368	8,887,240	8,267,808	9,128,909	9,360,459	9,490,758
NTMWD	112,751,036	113,620,674	119,836,607	120,520,699	129,405,042	136,654,805	144,924,081
Reimbursements	969,347	1,028,671	1,034,370	1,034,370	1,065,401	1,065,401	1,065,401
Capital Outlay	4,463	135,944	0	0	0	0	0
<b>Total Recurring Expenditures</b>	<b>\$133,598,152</b>	<b>\$134,288,700</b>	<b>\$141,416,760</b>	<b>\$140,942,744</b>	<b>\$151,769,649</b>	<b>\$159,347,603</b>	<b>\$167,848,217</b>
Transfers Out	39,760,085	39,279,338	41,201,404	41,283,416	41,903,908	42,554,444	43,222,553
<b>Fund Balance - Beginning</b>	<b>\$39,267,803</b>	<b>\$36,088,212</b>	<b>\$27,214,399</b>	<b>\$28,922,220</b>	<b>\$26,322,172</b>	<b>\$22,908,918</b>	<b>\$23,152,140</b>
<b>Total Recurring Revenue</b>	<b>\$170,178,646</b>	<b>\$166,402,046</b>	<b>\$178,081,439</b>	<b>\$179,626,111</b>	<b>\$190,260,303</b>	<b>\$202,145,269</b>	<b>\$212,252,743</b>
<b>Total Recurring Expenditures</b>	<b>\$133,598,152</b>	<b>\$134,288,700</b>	<b>\$141,416,760</b>	<b>\$140,942,744</b>	<b>\$151,769,649</b>	<b>\$159,347,603</b>	<b>\$167,848,217</b>
<b>Less: Transfers Out</b>	<b>\$39,760,085</b>	<b>\$39,279,338</b>	<b>\$41,201,404</b>	<b>\$41,283,416</b>	<b>\$41,903,908</b>	<b>\$42,554,444</b>	<b>\$43,222,553</b>
<b>Fund Balance - Ending</b>	<b>\$36,088,212</b>	<b>\$28,922,220</b>	<b>\$22,677,674</b>	<b>\$26,322,172</b>	<b>\$22,908,918</b>	<b>\$23,152,140</b>	<b>\$24,334,113</b>
<b>Days of Operation</b>			<b>59</b>	<b>68</b>	<b>55</b>	<b>53</b>	<b>53</b>

## Water & Sewer Fund Forecast

*The Water & Sewer Fund, an enterprise fund, provides for the administration, operation and maintenance of the City's water and wastewater system, and billing and collection activities. The services provided by the Water & Sewer Fund are financed through utility customer fees. Common sources of revenue that comprise the Water & Sewer Fund are described below:*

### Operating Revenue Sources:

#### **Water Income**

Monthly service fees charged for potable water, designed to recover customer costs based on customer class, metered water consumption per thousand gallons and meter line size.

#### **Sewer Income**

Monthly service fees charged for wastewater collection, transmission, and treatment services. Sewer fees are based on customer class, metered gallons of water consumed, and use a rolling three-year Winter Quarter Average.

#### **Water Taps**

Fee charged for water line installation and connection from the customer's service line to the meter and the municipal water main.

#### **Water & Sewer Penalties**

A late fee charged for failure to pay the utility bill by the 25<sup>th</sup> day after billing date.

#### **Water Meters**

Fee charged for the installation of water meters. All meters remain the property of the City.

#### **Construction Water**

Fee charged for consumption of water using temporary fire hydrants meters, usually for temporary water connections during construction.

#### **Service Connect Fee**

Fee charged to turn on water service, and for any transfer of service from one name or address to another where no service call is required.

#### **Backflow Testing**

Period fee to test the integrity of water system backflow prevention devices to assure that no cross connection has occurred during the installation or relocation of water lines, sprinkler systems, fire suppression service lines and meters on private property.

#### **Sewer Tie-On**

Fee charged for connection to an existing sanitary sewer line.

#### **Pre-Treatment Permits**

Fee charged for any significant industrial or commercial user which discharges non-domestic waste into the sanitary sewer system.



**Miscellaneous Income**

Includes revenues such as interest income related to the fund balance, sewer taps, disconnect and reconnect fees, rental income, insurance collections, and other miscellaneous sources.

**Other Financing Sources:**

**Operating Transfers In**

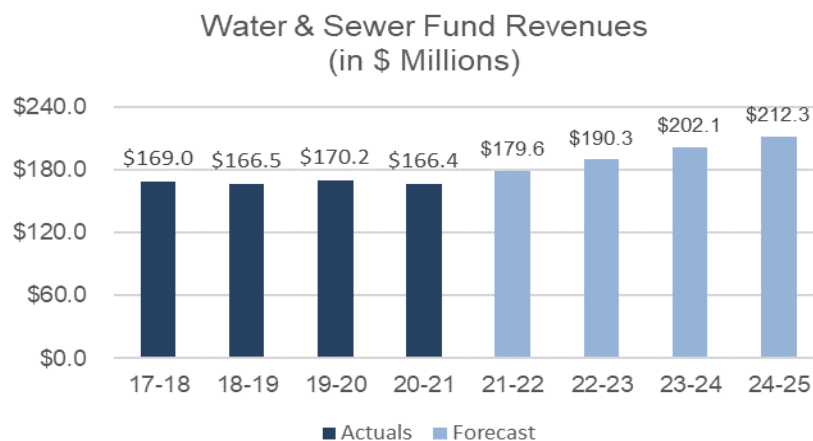
Direct transfers from water and sewer reserve funds and other sources on an as needed/if available basis.

**Operating Revenues**

Changes to annual water consumption volumes, whether increasing or decreasing, precipitation or population-driven, dramatically influence the Water & Sewer Fund. The City of Plano procures water supply and sewer services through a contract with the North Texas Municipal Water District (NTMWD).

Most of the district’s water supply comes from three regional man-made reservoirs, Lake Lavon, Lake Chapman, and Lake Tawakoni. Water is also pumped from Lake Texoma in a pipeline that was completed in 2014. And, an increasing percentage of the water supply comes from a water reclamation program that uses water from the East Fork of the Trinity River. The river water is pumped and then naturally filtered through a wetlands area east of Dallas, and then piped 40 miles back to Lake Lavon and blended with other water at the NTMWD facility. The district also provides wastewater (sewage) treatment services for the City. In turn, Plano residents and commercial customers purchase these services from the City.

To keep the water and wastewater treatments operational, the City of Plano’s Water and Sewer customer service rates and fee structures are reviewed annually with the purpose of generating the operating revenues required to fulfill the contractual obligations with the water district, compensate for the building and replacement of water and sewer delivery lines, storage tanks, and other infrastructure, and cover operating costs. Operating costs include maintaining delivery lines, purchasing and servicing equipment, supply expenditures and personnel costs associated with providing potable water and sanitary sewer services. During 2021, a comprehensive water and sewer fee study was conducted by Willdan Financial Services in order to help determine long-term financial sustainability for the Water & Sewer Fund. The water and sewer projections from the updated 2021 Rate Model have been included within this forecast. Plans are underway to update the Rate Model this summer for the FY 2022-23 Budget.



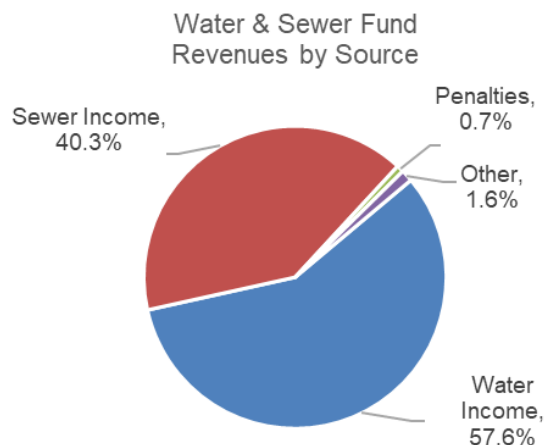
The graph above shows historical revenue data and future revenue projections for the Water & Sewer Fund. Increases to wholesale water purchases and sewer treatment costs have traditionally been passed through to customers incrementally, and only in the amount required to provide the revenues needed to support both water and sewer operations, with the goal of keeping the water revenues paying for the water related programs and projects, and sewer doing the same.

Other factors influencing revenues include: Winter Quarter Averaging for sewer charges based on metered water consumption during the winter months; updates to the Water & Sewer rate model (a rate model is periodically used to ensure that water revenues collected support water costs and sewer revenues support sewer costs); and major sewer and water delivery line repairs. The City has experienced a change in water consumption patterns directly related to water conservation that has been



mandated by the NTMWD. Consumption is also influenced by the City's Sustainability or "living green" programs.

The 2021-22 Water and Sewer Fund re-estimated recurring revenues are currently projected at \$179,626,111. By category this includes: Water Income (57.6%), Sewer Income (40.3%), Penalties (0.7%), and Other (1.6%). A description of each source as well as a discussion of the outlook over the next three years follows. Overall, the 2021-22 Water & Sewer Fund revenues are projected to increase by 0.87%, or \$1.5 million, from the 2021-22 original Budget.



### Water Income

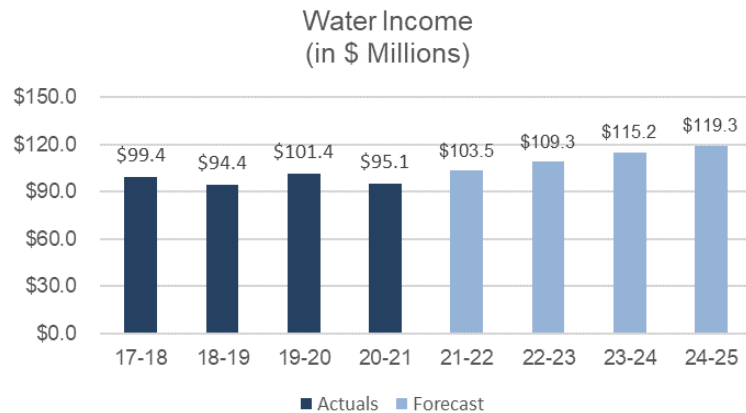
The Water & Sewer Fund's largest revenue source is water income. Water revenues are based directly on the type of customer (residential or nonresidential/commercial), meter size, and consumption or metered gallons. On Oct. 29, 2020, The North Texas Municipal Water District (NTMWD) and the 13 Member Cities that partner in the regional water system announced their agreement on an amended wholesale water services contract. After years of discussions, the 13 member cities and NTMWD were able to negotiate an amended contract and settlement agreement that has now been approved by the city councils of all 13 cities and the NTMWD Board of Directors. The new allocation method developed by the cities will gradually adjust the annual minimums (contractual funding commitments) over the next eight years to more closely align the basis for a member city's portion of the overall system costs with the historical actual consumption of each city. Then, starting in 2029, the contractual allocation method will transition to a combination of the newly established annual minimums and actual water used. Beginning in 2033, the annual minimum for each city will be based on a five-year rolling average of actual consumption.

A primary issue underlying the dispute was the methodology used to allocate system costs in the original water supply contract signed in 1953 and amended in 1988. Under that contract structure, each Member City agreed to pay its share of the regional water system costs based on its highest historic annual water demand. This methodology helped provide guaranteed and necessary funding of the fixed water infrastructure operations and financing costs for the regional water system. However, in light of conservation measures successfully implemented over the past decade, some Member Cities requested NTMWD change the contract structure to take into account trends in lower water use by those cities and higher use by growing cities.

Water usage remains fairly stable (with the exception of drought years, when usage typically increases). Usage is billed monthly per thousand gallons. Plano purchases water from the NTMWD at a wholesale rate based on a 1,000 gallon basis, subject to a 26.6 billion gallon minimum annual purchase in 2021-22. While the City is contractually obligated to purchase 26.6 billion gallons of water in 2021-22, the City usually sells only 18 to 23 billion gallons. The "unused" gallons of water from the minimum required purchase inflates the total wholesale water expenditures to the City. This "gap" costs the City millions of dollars in unsold water each year. Combining normal consumption and to meet current and future water demands, NTMWD must continue to increase both treatment capacity and raw water supplies, all requiring a significant amount of cash for capital outlay. These increased expenditures at NTMWD require considerable water rate increases for several years into the future. Couple these factors with a campaign to persuade consumers to conserve and reduce water consumption, include landscape watering restrictions which include non-compliance fines and penalties, add a limited raw water supply plus the related increases to water delivery costs, and it all becomes a challenge to manage and explain to the consumers.

Plano ended the contract “water year” of August 1, 2020 – July 31, 2021 using 20.4 billion gallons. Current water conservation efforts combined with a La Nina weather patterns, could possibly effect water purchased for fiscal year 2021-22.

The 2021-22 water income is currently re-estimated at \$103.5 million, which is the same amount included in the adopted 2021-22 Budget. While water rates were held constant during 2021-22 in an effort to minimize the impact to the citizens of Plano, future forecast years include increasing rates in order to pass on future increases from NTMWD.



The water income graph illustrates historical trends and projections for water income. By 2024-25, water revenue projections reach \$119.3 million, generating revenues sufficient to cover the projected wholesale water rate increases from NTMWD of 7.36% for 2022-23, 4.98% for 2023-24 and 5.34% for 2024-25.

### Sewer Income

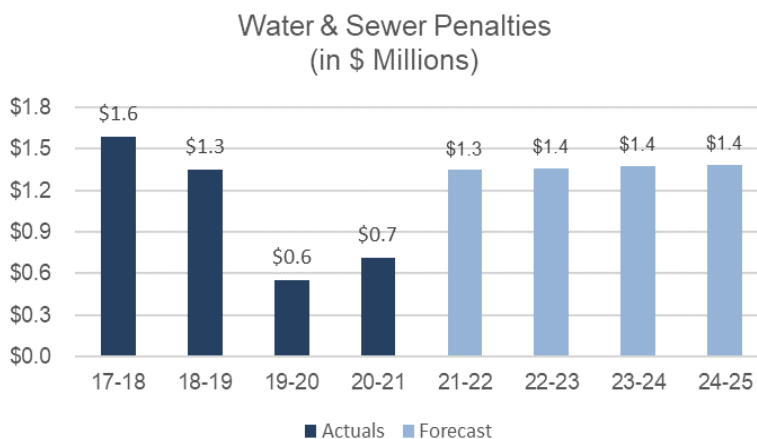
Sewer income represents the Water & Sewer Fund’s second largest revenue source. Projected sewer revenues reflect the use of Winter Quarter Averaging to annually re-set the monthly sewer rates for customers. This method uses the water consumption for each customer based on their December, January, February, and March billings. These billings are typically based on November, December, January, and February actual water consumptions. The highest month of consumption of these four billing periods is disregarded, and the remaining three months are averaged. This quarter average is then averaged with the prior two years Winter Quarter Averages to establish the sewer usage charge for billing over the next 12-monthly billing periods. Once the new annual sewer usage rate is established, this amount is billed for the next 12 months. The advantage of the Winter Quarter Averaging program for residents is that lawn watering and other outdoor water usage during the warmer months does not impact the monthly sewer charges.

The sewer income graph indicates both the historical trends and projections for sewer income. Using 3-year winter quarter averages for water consumption, the 2021-22 Sewer revenues are re-estimated at \$72.5 million, which is an increase of \$1.7 million from the adopted Budget. During the Covid-19 pandemic, sewer revenues decreased significantly due to commercial property and school closures. The forecast includes a return to normal levels and Sewer program revenues are estimated to reach \$89.3 million by 2024-25.



**Water & Sewer Penalties Income**

Water & Sewer Penalties usually trend slightly upwards based on economic conditions, population growth and rate increases. Weather patterns directly influence consumption, and when combined with watering restrictions and financial penalties that force conservation and a decrease in consumption, penalty revenues in the past have trended slightly upwards each year. A penalty is assessed for failure to pay the monthly water and sewer billing by the 25<sup>th</sup> day after the billing date, and also for watering landscape on days and times not allowed under the current watering restrictions guidelines set by the NTMWD.



Water & Sewer penalties were suspended during COVID-19, however they were restored in May 2021. The graph shows the historical trends and projections for Water & Sewer Penalties, reaching \$1.4 million in revenues by 2024-25.

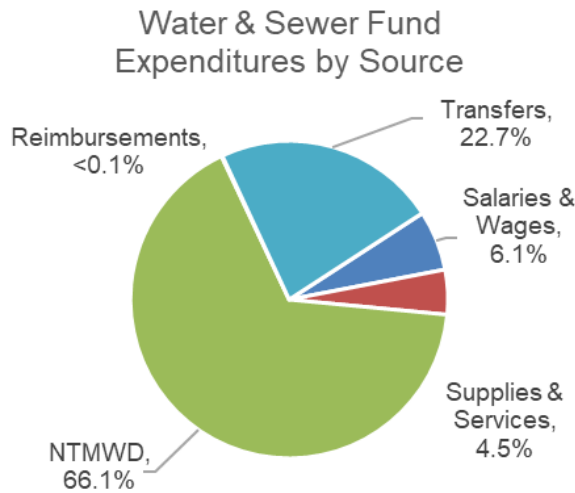
**Other Revenues**

Miscellaneous revenues for 2021-22 are re-estimated at \$2.0 million, or 1.6% of total Water & Sewer Fund Revenues. Miscellaneous sources include revenues such as interest income, water and sewer taps, water meters, transfers in, service connect fees, connection fees, backflow testing, and other miscellaneous sources. Interest income has been reduced to \$150,000 for 2021-22, based on current markets. Annual interest earnings have been affected for several budget cycles of recent years. Charges and fees related to customer deposits, service call fees, after hour charges, and day of appointment time modification fees were reviewed and slightly modified by ordinance updates in November 2012. The City is no longer collecting water and sewer impact fees related to infrastructure, the City Ordinance was modified to discontinue the program in August 2009. Other miscellaneous fund revenue projections have been reviewed and include small projection changes related to current economic trends.



**Operating Expenditures**

Total Water & Sewer expenditures, including transfers, for fiscal year 2024-25 are projected to increase by \$26.9 million, or 19.1% over the 2020-21 total expenditures. The majority of the increase is tied to the escalating costs of water purchased from NTMWD, as well as increases for wastewater treatment.



Major expenditures in the Water & Sewer Fund for the 2021-22 Re-Estimate total \$182.2 million and include: Salaries & Wages (6.1%), Supplies & Services (4.5%), NTMWD (66.1%), Reimbursements (<0.1%), and Transfers (22.7%).

**Salaries, Wages and Employee Benefits**

Salary projections include a 3.0% increase for both Civil Service and Non-Civil Service employees in 2022-23 and then remain constant in 2023-24 and 2024-25 and assume current staffing levels remain constant throughout the forecast period. The health insurance rate is expected to increase 5.0% in each year of the forecast as Plano's self-funded insurance fund has felt the negative impacts of the COVID-19 pandemic. In addition, TMRS is

projected at our full phased-in rate of 16.75% while the RSP rate is expected to remain the same at 3.9% through 2024-25. Other benefit rates are expected to remain constant.

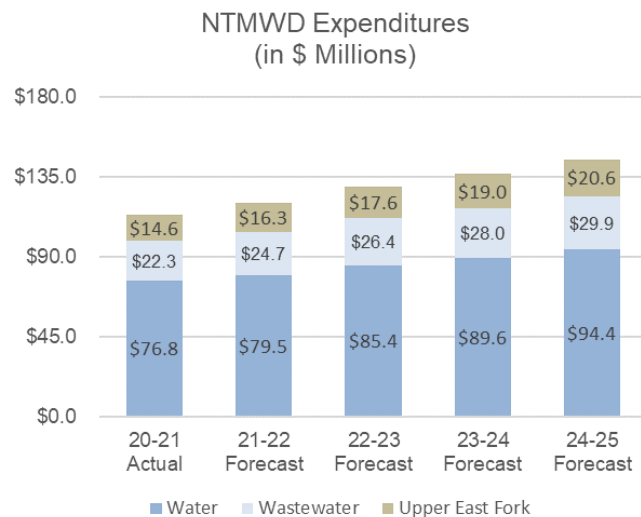
**Supplies & Services**

Supplies & services are projected to increase 4.0% in 2022-23 and 2023-24, then 2.0% for the final forecasted year based on various inflationary indexes. Municipal garage charges are projected to increase 4.0% in 2022-23, then 2.0% in 2023-24 and 2024-25 based on projected fuel and oil costs as well as the planned labor rate. Electricity costs (for water and wastewater pumping) rates are not projected to increase in the Water & Sewer portion of this forecast due to efficiencies in replacement pumps and the City's approval of a new electric provider to continue the effort in reducing the cost of electricity.

**North Texas Municipal Water District**

The following graph outlines the anticipated payments to NTMWD expenditures over the three-year forecast period for Water, Wastewater, and the Upper East Fork Wastewater Interceptor System.

The 2021-22 re-estimated water expenditure is \$79.6 million. Future projected increases from the NTMWD for water and sewer service treatment and delivery during the forecast period total \$24.4 million, a 20.2% total increase over the 2020-21 NTMWD actual expenditures. Projections for Water purchases and Wastewater treatment costs from NTMWD continue to trend steeply upwards.







During the period of 2001-02 to 2021-22, wholesale water rates increased from \$0.72 per thousand gallons to \$2.99 per thousand. This forecast projects 2022-23 wholesale water costs at \$3.21 per thousand gallons, an increase of 7.36% over the current rate. If the rate of \$3.21 is adopted by NTMWD in late September 2022, it will represent a cumulative 346% increase in wholesale water rates to the city from the district since October 1, 2001, the year that the City’s “take or pay” water volume reached 26.7 billion gallons.

The projected NTMWD wholesale water rates include assumptions that the current water conservation plan and water demand increase persist through 2025, and include continued population growth in the region served by the district, especially in the western areas in Plano. Those rates also include major additional capital expenditures to meet District member cities’ requirements and provide for the safe, efficient delivery of water, while meeting federal and state regulations. Fiscal year 2023-24 and 2024-25 water costs are projected at \$3.37 and \$3.55 per thousand gallons, representing cost increases of 4.98% and 5.34% respectively.

Wastewater and Industrial Pre-treatment costs are projected to increase by a combined 6.61% in 2022-23, 6.98% for 2023-24 and 7.97% for 2024-25. Upper East Fork Interceptor Wastewater System costs are projected to increase 7.50% in 2022-23, 7.56% in 2023-24 and 7.03% in 2024-25.

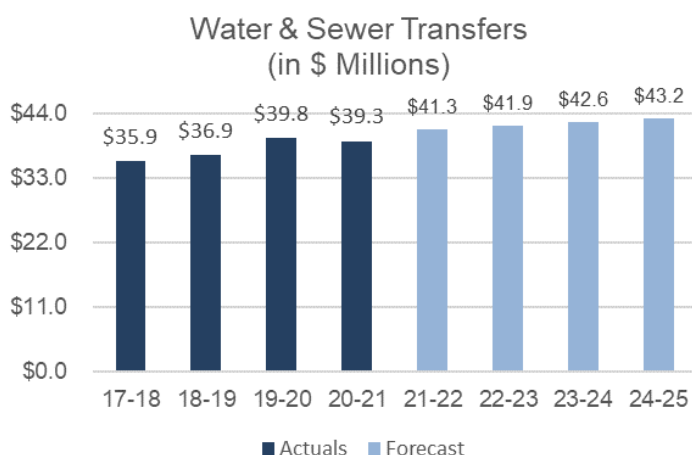
### Capital Outlay

No additional funding for capital outlay has been included for the three-year forecast period.

### Transfers

Expenditure transfers included in the forecast are to other City of Plano funds for services received, Water & Sewer Capital Improvement Projects, Capital Maintenance Fund projects, Technology-related service enhancements.

The following graph shows the historical trends and projections for all Water & Sewer Fund transfers to other City funds. Water & Sewer Fund Transfers increase \$3,943,215 or 10.0% over the 2020-21 actual transfers when compared to 2024-25 projected transfers.



Current Reserve Funds total \$5.8 million. A \$2.25 million transfer was last utilized during 2013-14 to offset the severe decreases in fund revenue during the current drought period. Reserve funds help to stabilize the fund balance and slightly offset rate increases that may be required during periods of drought, or excessive rainfall, and also can help offset escalating costs from the NTMWD. A prior Reserve Fund balance was completely depleted during 2006-07 when those funds were used to offset a sharp water revenue decline caused by a decrease in consumption related to excess rainfall (precipitation) as well as

for expenditures related to a catastrophic sewer line failure in the City. Water & Sewer Fund balance fluctuations have been experienced during periods of extreme weather conditions such as the severe drought and excessive rainfalls previously mentioned. By keeping a Reserve, the City has contained and stabilized the rates charged to Plano’s water customers.

Water & Sewer transfers to the General Fund for services received are based on a percentage of projected Water and Sewer revenues, indirect cost allocations, and an amount in lieu of property taxes (based on total assets). These factors are reviewed each year during the budget process, and the transfer amount is calculated. The annual transfer to the General Fund for 2021-22 is \$17,117,516 and is to increase by 3% per year throughout the forecast. This transfer provides for administrative support of fund operations from Human Resources, Finance, Purchasing, Technology Service and other departments.

Forecast transfers also include a total of \$6.0 million for the 3-year forecast period to the Capital Maintenance Fund for other projects related to Water & Sewer service.

The transfer to the Risk Management Fund transfer has been projected at \$933,349 in 2022-23 through 2024-25 as the Water & Sewer Fund's projected share of estimated expenditures from the Risk Management Fund.

A transfer in the amount of \$300,000 to the Technology Fund is included for each year of the forecast, and is representative of the fund's share of technology improvements and upgrades to the City information infrastructure, in accordance with the City's Technology Plan. The transfer is re-evaluated each year during the regular budget process, based on the Technology Fund balance and future projects.

Detailed information regarding specific transfers is provided in the Appendix section: *Three-Year Financial Forecast - Transfers*.

### **Outlook & Analysis**

Based on the projections in this forecast, the return to an average of 22 to 23 billion gallons per year water consumption usage and a continuation of existing service levels, this forecast does produce enough working capital to meet the goal of 45 days of operating expenses as established by City Council.

Due to various anticipated cost increases from NTMWD, the Water & Sewer Fund continues to require vigilant monitoring of the water and sewer rates and sales volume. Decisions regarding 2022-23 water and sewer rates will be discussed during the budget process this summer once the Water & Sewer Rate Model is updated.



## SUSTAINABILITY & ENVIRONMENTAL SERVICES

	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Budget	Re-Est	Projected	Projected	Projected
<b>Recurring Revenue</b>							
Commercial Franchise	\$8,464,909	\$8,478,963	\$9,301,172	\$9,301,172	\$9,673,219	\$10,060,148	\$10,261,351
Residential Collection	14,123,193	15,118,806	15,191,151	15,191,151	15,327,872	15,511,806	15,620,389
Special Refuse Collection	106,595	97,840	105,167	111,584	112,086	112,759	113,153
Recycling	3,589	188,643	60,000	150,000	150,675	151,579	152,110
Sale of Compost	2,626,022	2,850,051	2,747,391	3,099,146	3,113,092	3,131,771	3,142,732
Sale of Landscape Bags	2,242	0	0	0	0	0	0
Tipping Fees	1,690,407	1,781,836	1,693,788	1,910,195	1,918,791	1,930,304	1,937,060
Contributions via Utility Billing	9,742	7,934	10,120	10,120	10,166	10,227	10,262
Other	530,368	699,763	602,312	602,312	619,293	631,679	637,995
Construction & Demolition Program	310,000	1,333,388	310,000	310,000	310,000	310,000	310,000
<b>Total Recurring Revenue</b>	<b>\$27,867,067</b>	<b>\$30,557,224</b>	<b>\$30,021,101</b>	<b>\$30,685,680</b>	<b>\$31,235,193</b>	<b>\$31,850,271</b>	<b>\$32,185,052</b>
<b>Recurring Expenditures</b>							
Salaries & Wages	\$8,069,995	\$7,728,981	\$8,256,331	\$8,987,061	\$9,525,947	\$9,589,629	\$9,656,202
Supplies & Services	10,003,469	10,759,413	10,469,362	10,487,555	10,484,492	10,847,272	10,988,055
NTMWD	8,338,024	8,242,261	8,969,145	8,969,513	9,059,436	9,395,504	9,749,122
Capital Outlay	257,717	406,826	0	90,000	0	0	0
<b>Total Recurring Expenditures</b>	<b>\$26,669,205</b>	<b>\$27,137,481</b>	<b>\$27,694,838</b>	<b>\$28,534,129</b>	<b>\$29,069,875</b>	<b>\$29,832,405</b>	<b>\$30,393,379</b>
Transfers Out	2,600,027	2,931,747	2,970,537	2,957,462	3,022,338	3,095,367	3,170,587
<b>Fund Balance - Beginning</b>	<b>\$2,897,664</b>	<b>\$1,495,499</b>	<b>\$644,791</b>	<b>\$1,983,495</b>	<b>\$1,177,583</b>	<b>\$320,564</b>	<b>(\$756,937)</b>
<b>Total Recurring Revenue</b>	<b>\$27,867,067</b>	<b>\$30,557,224</b>	<b>\$30,021,101</b>	<b>\$30,685,680</b>	<b>\$31,235,193</b>	<b>\$31,850,271</b>	<b>\$32,185,052</b>
<b>Total Recurring Expenditures</b>	<b>\$26,669,205</b>	<b>\$27,137,481</b>	<b>\$27,694,838</b>	<b>\$28,534,129</b>	<b>\$29,069,875</b>	<b>\$29,832,405</b>	<b>\$30,393,379</b>
<b>Less: Transfers Out</b>	<b>\$2,600,027</b>	<b>\$2,931,747</b>	<b>\$2,970,537</b>	<b>\$2,957,462</b>	<b>\$3,022,338</b>	<b>\$3,095,367</b>	<b>\$3,170,587</b>
<b>Fund Balance - Ending</b>	<b>\$1,495,499</b>	<b>\$1,983,495</b>	<b>\$516</b>	<b>\$1,177,583</b>	<b>\$320,564</b>	<b>(\$756,937)</b>	<b>(\$2,135,852)</b>
<b>Days of Operation</b>			<b>0</b>	<b>15</b>	<b>4</b>	<b>(9)</b>	<b>(26)</b>

## Sustainability & Environmental Services Fund Forecast

*The Sustainability & Environmental Services Fund, an enterprise fund, provides for the administration, operation, and maintenance of the City's environmental waste system. Commercial Franchise and Residential Collection fees finance the greatest portion of the services provided by the Environmental Waste Division. All sources of revenue that comprise the Sustainability & Environmental Services Fund are described below:*

### Operating Revenue Sources:

#### **Commercial Franchise**

A franchise agreement between the City and Republic Services, Inc., whereby Republic Services has exclusive franchise for collection and disposal of solid waste for commercial customers located within the City of Plano and a non-exclusive franchise for collection of recyclable materials from commercial customers located in the City of Plano.

The City receives 7.5% of gross receipts plus a fixed payment collected monthly which includes: revenues for monthly service, rental on roll-off containers, delivery charges, fees for late payment and additional collections. Republic Services also reimburses the City all costs associated with the commercial disposal of solid waste.

#### **Residential Collection**

Fee charged for once a week collection and disposal of solid waste and yard debris, bi-weekly collection of recyclables, monthly collection of bulky waste, on-call collection of household hazardous waste, collection of litter along medians, operation of composting and household hazardous waste facilities, Keep Plano Beautiful program, Commercial Diversion program, and all education/public awareness programs.

#### **Special Refuse Collection**

Fee charged for collections in addition to the regular weekly collection schedule.

#### **Recycling**

City receives 90% of revenues from current recycling processing contractor after paying processing fees.

#### **Sale of Compost**

Proceeds from the sale of compost and compost-related products.

#### **Tipping Fees**

Fee charged to commercial landscapers for disposal of yard debris waste.

#### **Construction and Demolition Program**

Recycling incentive program which assesses a monetary deposit based on the project's square footage and project type.

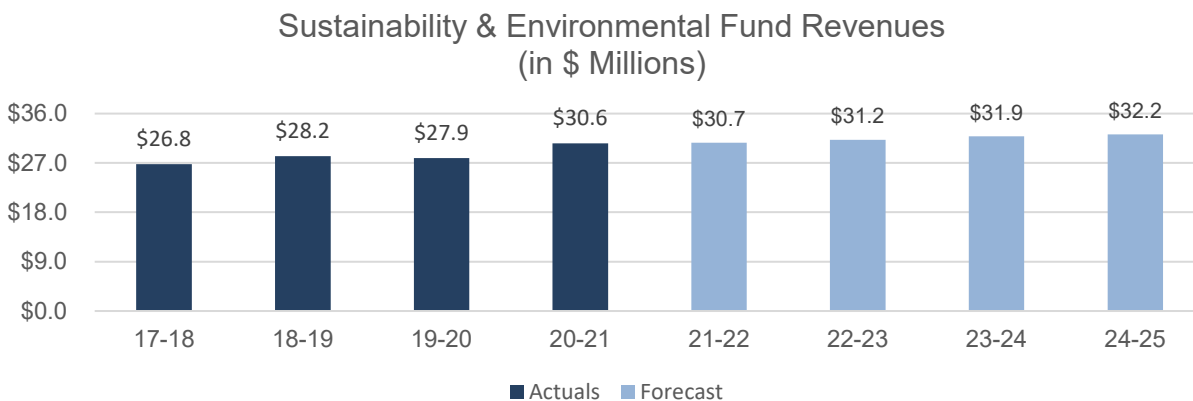
#### **Other**

Miscellaneous receipts include revenues such as interest income, contributions, and insurance collections.



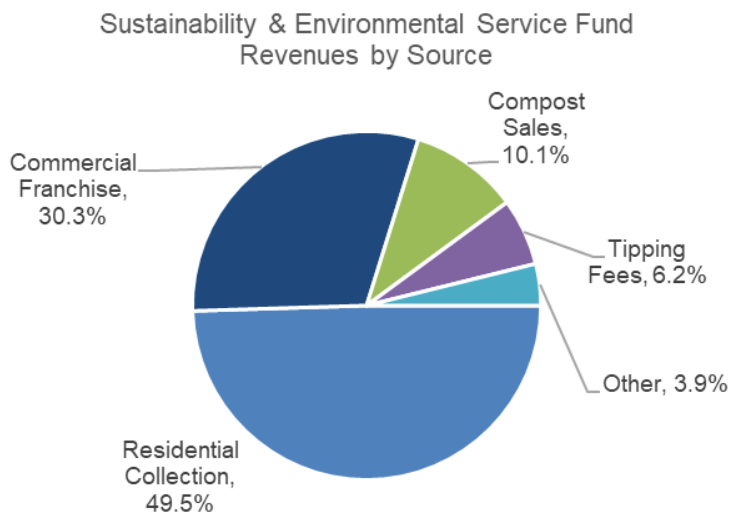
**Operating Revenues**

The City of Plano contracts for services with the North Texas Municipal Water District (NTMWD), whereby NTMWD agrees to provide a solid waste disposal system for the benefit of the City of Plano and other cities. Each participating city agrees to pay its share of an annual requirement for the operating expenses and debt service of NTMWD to be calculated in the same manner as the wastewater contract. The Sustainability & Environmental Services Fund accounts for the provision of solid waste collection and disposal services to customers who are billed monthly at a rate sufficient to cover the cost of providing such services.



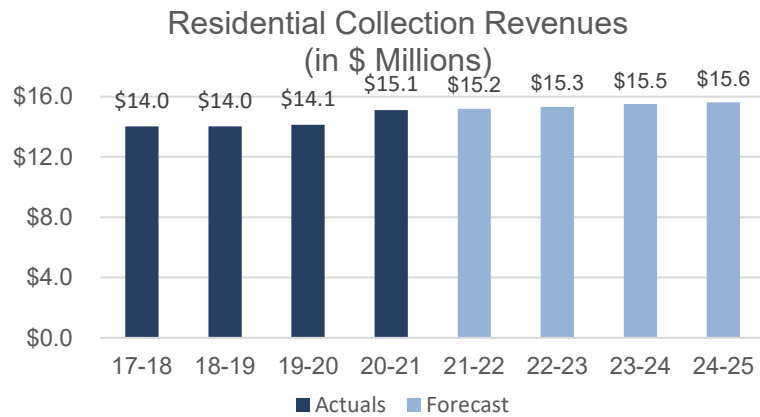
The graph above shows the historical trends and projections for Sustainability & Environmental Services Fund revenues. Sustainability & Environmental Services increased residential rates by \$1.00 per month to \$17.10 for the 95-gallon container and \$12.25 for 68-gallon container, effective November 1, 2020. The annual contract amount paid to NTMWD has fluctuated annually based on tonnage by NTMWD.

By 2024-25, total Sustainability & Environmental Services Fund revenues are estimated to reach \$32.2 million. The major sources that make up the Sustainability & Environmental Services Fund revenues for 2021-22 include: Residential Collection (49.5%), Commercial Franchise (30.3%), Sale of Compost (10.1%), Tipping Fees (6.2%), and Other (3.9%). A description of each source as well as a discussion of the outlook over the next three years follows.



**Residential Collection**

Residential collection revenues represent the Sustainability & Environmental Services Fund's largest revenue source. Customers who wish to use a 68-gallon refuse cart pay a monthly rate of \$12.25 and customers who choose to use the 95-gallon cart pay a monthly rate of \$17.10. The variable rates continue to allow the City to implement environmental programs that will reduce NTMWD disposal tonnage costs and encourage waste minimization and recycling.

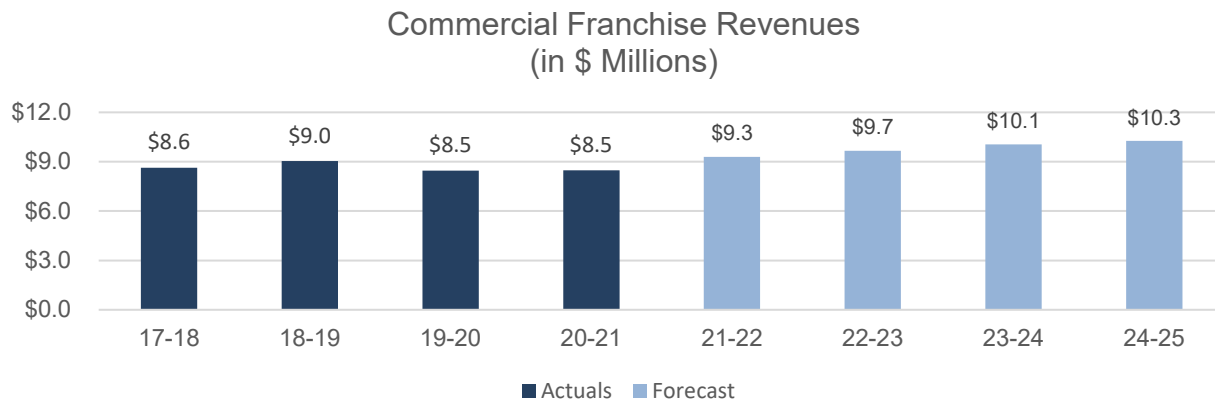


Residential collection revenue is projected to increase 0.9% in 2022-23, 1.2% in 2023-24 and 0.7% in 2024-25.

The graph shows the historical trends and projections for residential collection revenue. By 2024-25, this revenue source is estimated to reach \$15.6 million.

### Commercial Franchise

Commercial franchise revenue represents the Sustainability & Environmental Service Fund’s second largest revenue source, currently re-estimated at \$9.3 million for 2021-22. This revenue source consists of a franchise agreement between the City of Plano and Republic Services, Inc.

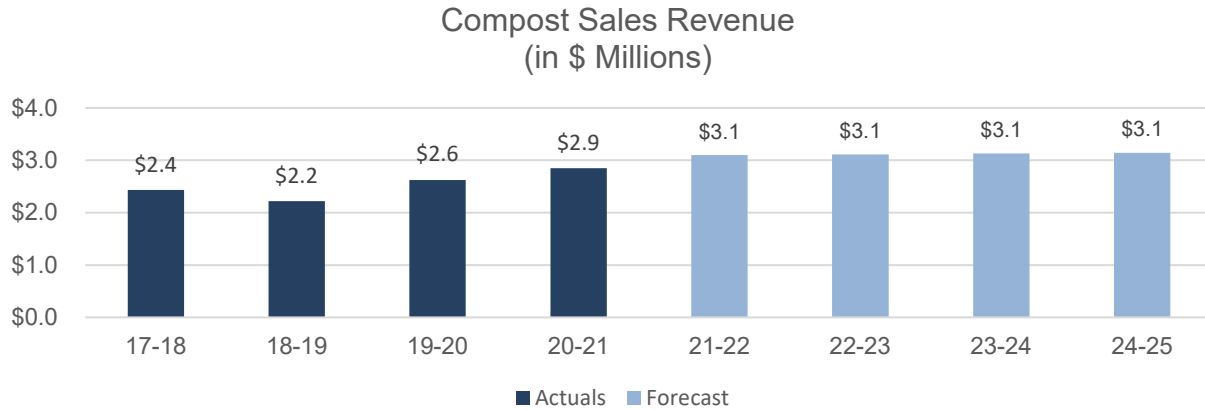


Commercial franchise revenue, based on anticipated direct economic growth, is estimated to increase by 4.0% in 2022-23, 4.0% in 2023-24 and 2.0% in 2024-25. The accompanying graph shows the historical trends and projections for commercial franchise revenue. By 2024-25, this revenue source is estimated to reach \$10.3 million.

### Sale of Compost

Market demands for quality compost products are increasing annually. The City retains proceeds from the sale of compost and compost-related products, while diverting an estimated 50,000 tons of waste from the landfill.

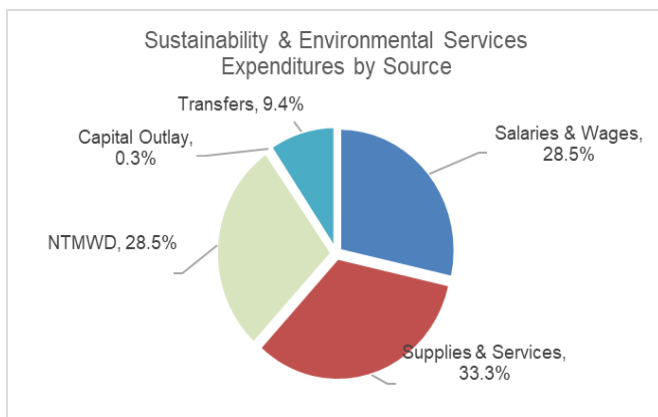
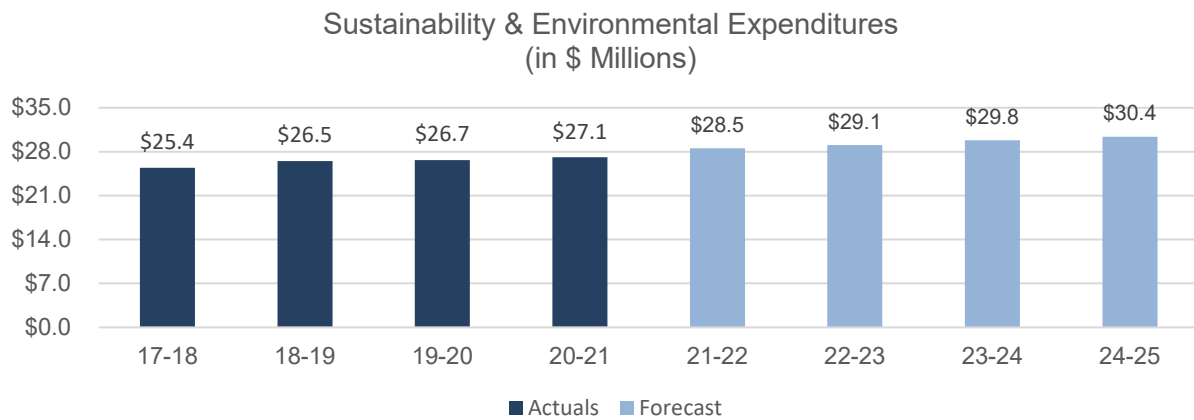
Sale of compost revenue is projected to increase 0.45% in 2022-23, 0.60% in 2023-24, and 0.35% in 2024-25 based on indirect population-based increases.



The graph above shows the historical trends and projections for sale of compost revenues. By 2024-25, this revenue source is estimated to reach \$3,142,732.

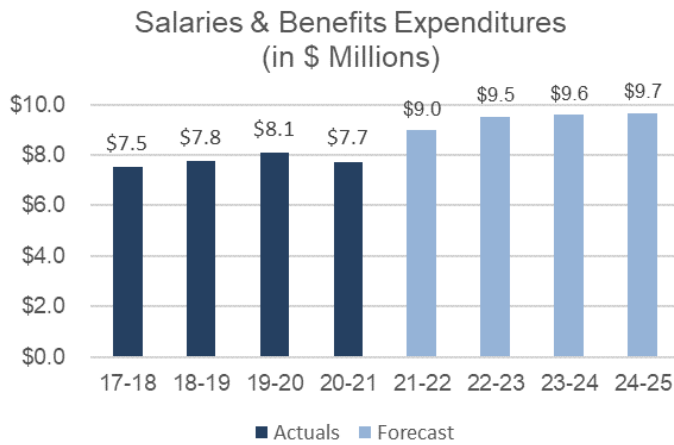
### Operating Expenditures

The graph below shows the historical trends and projections for the Sustainability & Environmental Services Fund. Expenditure increases can fluctuate from year-to-year mainly due to the contractual commitments and capital outlay expenditures.



The major expenditures that make up the Sustainability & Environmental Services Fund by category for 2021-22 include: Salaries & Wages (28.5%), Supplies & Services (33.3%), NTMWD (28.5%), Capital Outlay (0.3%), and Transfers (9.4%). A description of each expenditure category as well as a discussion of the outlook over the next three years follows.

### Salaries, Wages & Employee Benefits

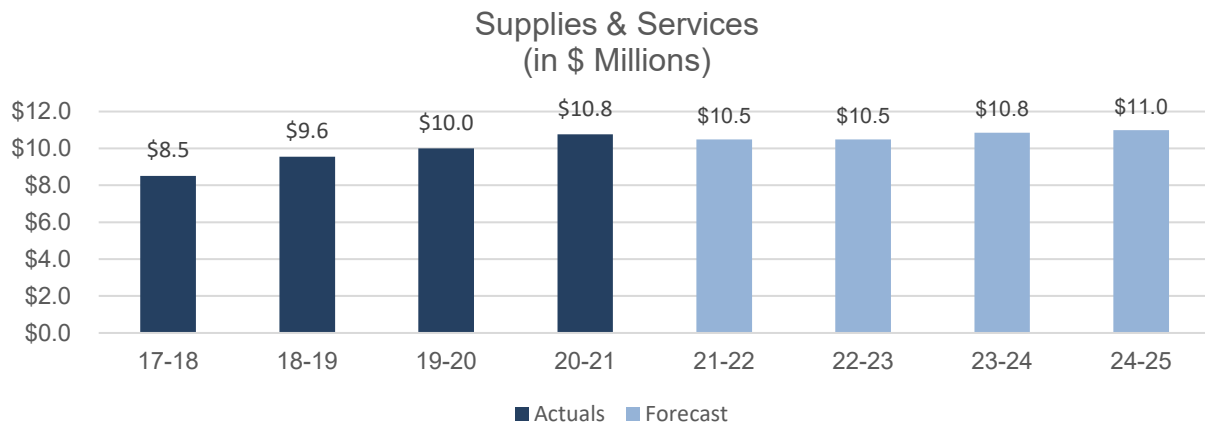


Salary projections include a 3.0% increase for both Civil Service and Non-Civil Service employees in 2022-23 and then remain constant in 2023-24 and 2024-25 and assume current staffing levels remain constant throughout the forecast period. The health insurance rate is expected to increase 5.0% in each year of the forecast as Plano’s self-funded insurance fund has felt the negative impacts of the COVID-19 pandemic. In addition, TMRS is projected at our full phased-in rate of 16.75% while the RSP rate is expected to remain the same at 3.9% through 2024-25. Other benefit rates are expected to remain constant.

### Supplies & Services

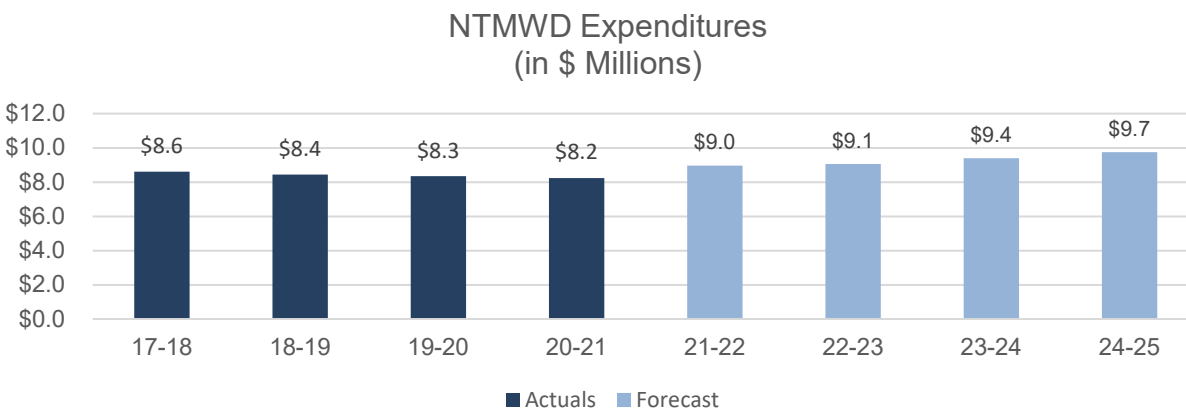
Supplies & services are projected to increase 4.0% in 2022-23 and 2023-24, then 2.0% for the final forecasted year based on various inflationary indexes. Municipal garage charges are projected to increase 4.0% in 2022-23, then 2.0% in 2023-24 and 2024-25 based on projected fuel and oil costs as well as the planned labor rate. Reimbursements are projected at \$298,068 in 2021-22, increase 3.0% in 2022-23 and then remain flat throughout the forecast.

The following Supplies & Services graph shows historical trends and estimates for supplies & services. By 2024-25, operating expenditures for supplies and services are projected at \$11.0 million.



NTMWD landfill contracted expenditures are projected to increase from \$8.2 million in 2020-21 to \$9.7 million in 2024-25, or an 18.3% increase, based on our latest update from NTMWD.





### Capital Outlay

No additional funding for capital outlay has been included for the three-year forecast period.

### Transfers

The transfers to the General Fund for services received are based on the recently updated Cost Allocation Plan and currently projected at approximately \$2.4 million and will increase 3% in each year of the forecast.

A \$60,000 transfer to the Technology Fund is included in each year of the forecast, representative of the fund's share of technology improvements and provide funding for improvements and upgrades to City information infrastructure, in accordance with the City's Technology Plan.

The Risk Management Fund transfer is representative of the Sustainability & Environmental Services Fund's proportionate share of anticipated expenses related to Judgments, Damages and Workers' Compensation claims. The 2022-23 transfer is projected at \$528,032 and is projected to remain flat over the forecast period's three years.

### Outlook & Analysis

Based on projections in this forecast, the Sustainability & Environmental Services Fund does not produce enough working capital to meet the goal of 15 days of operating expenses as established by City Council throughout the forecast period. The fund will need additional revenues, reduced expenditures, or a combination of both in order to meet the 15 day requirement. This projected shortfall will be examined more closely during the 2022-23 budget process.

## MUNICIPAL DRAINAGE UTILITY

	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Re-Est.	2022-23 Projected	2023-24 Projected	2024-25 Projected
<b>Recurring Revenue</b>							
Residential Class Fees	\$3,816,503	\$4,607,681	\$4,606,314	\$4,783,945	\$4,805,473	\$4,834,306	\$4,851,226
Commercial Class Fees	3,873,192	4,834,017	4,828,802	4,979,209	5,001,615	5,031,625	5,049,235
Land/Burning/Liquid Waste Permits	0	0	0	19,855	19,915	19,974	20,034
Liquid Waster Generator Permits	0	0	0	75,947	76,175	76,403	76,633
Miscellaneous	19,932	4,133	11,412	11,412	11,412	11,412	11,412
Interest Income	149,680	24,192	75,000	25,000	25,000	25,000	25,000
<b>Total Recurring Revenue</b>	<b>\$7,859,307</b>	<b>\$9,470,023</b>	<b>\$9,521,528</b>	<b>\$9,895,368</b>	<b>\$9,939,590</b>	<b>\$9,998,720</b>	<b>\$10,033,540</b>
<b>Recurring Expenditures</b>							
Salaries & Wages	\$1,988,715	\$1,939,364	\$2,480,665	\$2,385,527	\$2,570,503	\$2,589,693	\$2,609,753
Supplies & Services	924,797	894,852	1,271,122	1,629,559	1,311,633	1,349,611	1,371,436
Reimbursements	967,299	1,001,320	1,034,932	1,034,932	1,065,980	1,065,980	1,065,980
Capital Outlay	29,866	1,591	75,000	75,000	0	0	0
<b>Total Recurring Expenditures</b>	<b>\$3,910,677</b>	<b>\$3,837,127</b>	<b>\$4,861,719</b>	<b>\$5,125,018</b>	<b>\$4,948,116</b>	<b>\$5,005,284</b>	<b>\$5,047,169</b>
Transfer to General Fund	\$748,531	\$919,523	\$937,913	\$937,913	\$966,051	\$995,032	\$1,024,883
Transfer to Capital Maintenance Fund	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Transfer to Technology Fund	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Transfer to Revenue Debt	2,497,531	2,492,981	3,701,443	3,701,443	3,704,019	3,705,144	3,702,694
Transfers Out	3,766,062	3,932,504	5,159,356	5,159,356	\$5,190,070	5,220,176	5,247,577
<b>Fund Balance - Beginning</b>	<b>\$5,237,675</b>	<b>\$5,420,243</b>	<b>\$4,754,823</b>	<b>\$7,120,635</b>	<b>\$4,707,027</b>	<b>\$4,508,431</b>	<b>\$4,281,691</b>
<b>Total Recurring Revenue</b>	<b>\$7,859,307</b>	<b>\$9,470,023</b>	<b>\$9,521,528</b>	<b>\$9,895,368</b>	<b>\$9,939,590</b>	<b>\$9,998,720</b>	<b>\$10,033,540</b>
<b>Total Recurring Expenditures</b>	<b>\$3,910,677</b>	<b>\$3,837,127</b>	<b>\$4,861,719</b>	<b>\$5,125,018</b>	<b>\$4,948,116</b>	<b>\$5,005,284</b>	<b>\$5,047,169</b>
<b>Less: Transfers Out</b>	<b>\$3,766,062</b>	<b>\$3,932,504</b>	<b>\$5,159,356</b>	<b>\$5,159,356</b>	<b>\$5,190,070</b>	<b>\$5,220,176</b>	<b>\$5,247,577</b>
<b>Less: Est Reserve Requirement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,024,601</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Fund Balance - Ending</b>	<b>\$5,420,243</b>	<b>\$7,120,635</b>	<b>\$4,255,275</b>	<b>\$4,707,027</b>	<b>\$4,508,431</b>	<b>\$4,281,691</b>	<b>\$4,020,485</b>
<b>Days of Operation</b>				<b>335</b>	<b>333</b>	<b>312</b>	<b>291</b>



## Municipal Drainage Fund Forecast

*The Municipal Drainage Fund, an enterprise fund, provides for the administration, operation, and maintenance of the City’s storm water management program in compliance with EPA storm water runoff and treatment requirements. The services provided by the Municipal Drainage Fund are financed almost entirely by Commercial and Residential fees collected thru monthly utility bills.*

### Operating Revenue Sources:

#### Drainage Fees

Drainage fees are charged to municipal utility customers to provide funding for compliance with the U.S. Environmental Protection Agency’s enforcement of the National Pollutant Discharge Elimination System – a program for storm water runoff monitoring and management.

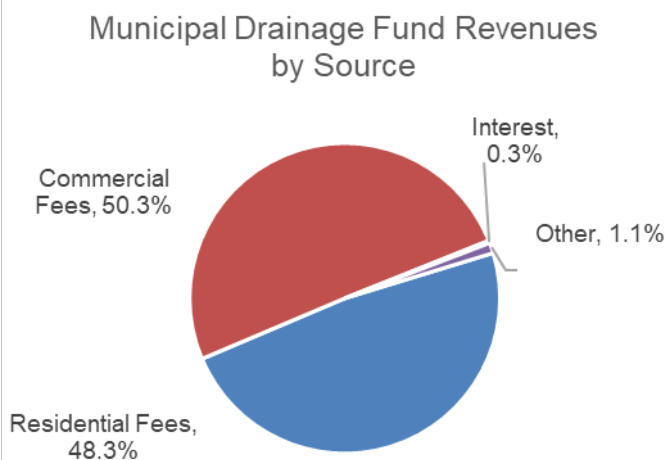
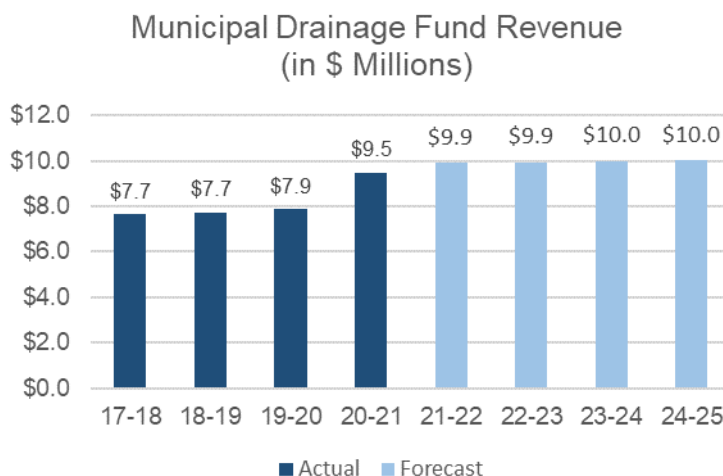
### Operating Revenues

#### Drainage Fees

Drainage fees are the Municipal Drainage Fund’s primary revenue source. With the current rate structure, it is projected that drainage fee revenue will maintain reserve requirements prescribed in the bond covenants, allow for the continuation of current service levels and sustain working capital within levels prescribed by the City of Plano’s financial policies. The Budget Department will evaluate rates in the Drainage Rate Model alongside Plano’s Engineering Department during the upcoming budget process to insure appropriate rates are in place to meet all of the requirements associated with operating a high quality municipal drainage system.

The Community Investment Program for drainage infrastructure projects is expected to progress on a fairly consistent level in the near future. Two rate increase were passed in July and November of 2020 to cover increased debt payments for the Collin Creek Mall drainage project. The project is estimated to cost \$30 million dollars. No additional rate increase is included within this forecast.

The first graph shows historical trends and projections for drainage fund revenues, while the second graph shows the re-estimated 2021-22 Revenues by Source – with drainage fees accounting for 98.6% of total fund revenues.



Drainage fee revenue increases are projected based on indirect population increases; in this forecast revenues increase 1.4%, between the 2021-22 Re-Estimate and the 2024-25 Projected Budget.

**Other**

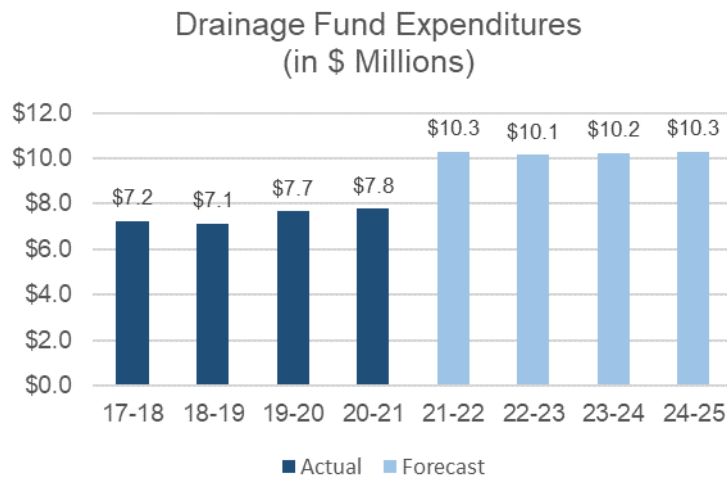
Miscellaneous revenues for 2021-22 are expected to total \$132,214. Miscellaneous revenues are comprised of Interest Income, Land/Burning/Liquid Waste Permits, Liquid Waster Generator Permits, as well as fees charged for city staff time supporting private drainage studies. These revenue sources are expected to remain close to their current levels throughout the forecast period.

**Operating Expenditures**

The graph below shows historical trends and projections for all Municipal Drainage Fund expenditures. A description of each expenditure category as well as a discussion of the outlook over the next three years follows.

**Salaries, Wages and Employee Benefits**

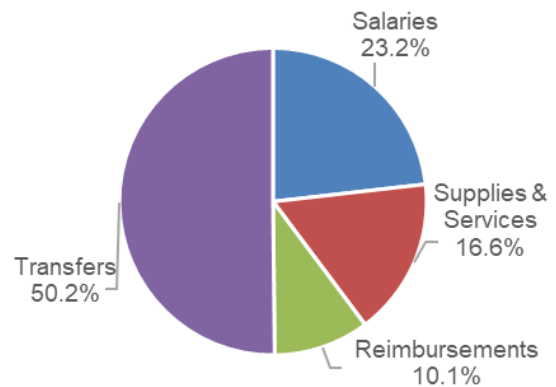
Salary projections include a 3.0% increase for both Civil Service and Non-Civil Service employees in 2022-23 and then remain constant in 2023-24 and 2024-25 and assume current staffing levels remain constant throughout the forecast period. The health insurance rate is expected to increase 5.0% in each year of the forecast as Plano’s self-funded insurance fund has felt the negative impacts of the COVID-19 pandemic. In addition, TMRS is projected at our full phased-in rate of 16.75% while the RSP rate is expected to remain the same at 3.9% through 2024-25. Other benefit rates are expected to remain constant.



**Supplies & Services**

Supplies & services are projected to increase 4.0% in 2022-23 and 2023-24, then 2.0% for the final forecasted year based on projected inflation. Municipal garage charges are projected to increase 4.0% in 2022-23, then 2.0% in 2023-24 and 2024-25 based on projected fuel and oil costs as well as the planned labor rate.

Municipal Drainage Fund Expenditures by Category



**Reimbursements**

Reimbursements paid by the Municipal Drainage Fund related exclusively to offsetting a portion of the salary of benefits of staff members in the other operating funds, primarily the General Fund and Water & Sewer Fund, conducting drainage related work as part of their job duties. Personnel in Plano’s Public Works,



Engineering, Planning, Utility Billing and Health departments all contribute to drainage operations in some capacity. For the purposes of this forecast, these reimbursements are projected at \$1,034,932 in 2021-22, increase 3.0% in 2022-23 and then remain flat throughout the forecast.

### **Capital Outlay**

This forecast includes no new capital outlay items in the Municipal Drainage Fund from 2022-23 through 2024-25. As mentioned above, we are required to replace the drainage culvert at Collin Creek Mall which is included in the Community Investment Program.

### **Transfers**

The largest transfer from the Municipal Drainage Fund is to the Drainage Debt Service Fund, which pays for the principal and interest on outstanding drainage revenue bonds used to design and construct projects for drainage improvements and erosion control throughout Plano's 72 square miles. Future Municipal Drainage CIP projects are assumed to be funded through revenue bonds in all three years of the forecast period. In total, the Municipal Drainage Fund transfer for principal and interest payments on outstanding and future debt over the three forecast years totals just over \$11.1 million.

Transfers to the Capital Maintenance Fund are projected to continue at \$500,000 annually, with a total of \$1.5 million directed towards supporting drainage related street and facility projects across the three future years in this forecast.

Transfers to the General Fund for services received are based on the recently updated Cost Allocation Plano and currently projected at \$937,913 in 2021-22 and then increasing 3.0% per year throughout the forecast. This transfer provides for administrative support of fund operations from Human Resources, Finance, Purchasing, Technology Service and other departments.

The Municipal Drainage Fund transfer for technology for the three forecast years totals \$60,000, at \$20,000 per year for future technology projects that support drainage utility activities.

### **Outlook & Analysis**

It is necessary for the Municipal Drainage Fund to maintain a substantial fund balance due to covenants associated with revenue bonds that were issued for capital drainage projects. This forecast projects that the Municipal Drainage Fund will meet these requirements over the next three years.



**CONVENTION & TOURISM**

	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Budget	Re-Est.	Projected	Projected	Projected
<b>Recurring Revenue</b>							
Hotel/Motel Receipts	\$6,725,576	\$6,945,359	\$10,789,890	\$10,638,502	\$12,482,943	\$13,756,713	15,838,715
Plano Event Center Fees	1,496,463	982,037	1,999,999	2,236,264	2,985,150	3,168,125	3,246,300
Interest Income	245,964	26,277	50,000	30,000	30,000	30,000	30,000
Other	42,076	20,303	25,000	25,000	25,000	25,000	25,000
<b>Total Recurring Revenue</b>	<b>\$8,510,079</b>	<b>\$7,973,976</b>	<b>\$12,864,889</b>	<b>\$12,929,766</b>	<b>\$15,523,093</b>	<b>\$16,979,838</b>	<b>\$19,140,015</b>
<b>Recurring Expenditures</b>							
Salaries & Wages	\$3,144,246	\$2,969,520	\$3,664,496	\$3,614,089	\$3,800,091	\$3,829,790	\$3,860,682
Supplies & Services	4,186,556	3,792,165	7,253,806	6,310,157	6,356,587	7,775,067	8,140,913
Cultural Arts	998,125	800,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Historic Preservation	817,443	590,767	800,000	800,000	800,000	800,000	800,000
Community & Cultural Events	60,346	26,285	487,011	287,011	506,491	526,751	537,286
Music Festival	101,186	0	0	0	0	0	0
Wayfinding Project	0	0	2,250,000	2,250,000	0	0	0
ARPA Reimbursement	0	0	0	(1,000,000)	0	0	0
Capital Outlay	17,099	0	0	0	0	0	0
<b>Total Recurring Expenditures</b>	<b>\$9,325,001</b>	<b>\$8,178,737</b>	<b>\$15,455,313</b>	<b>\$13,261,257</b>	<b>\$12,463,170</b>	<b>\$13,931,608</b>	<b>\$14,338,881</b>
Transfers Out	1,803,720	1,459,432	1,478,221	1,478,221	1,506,968	1,536,577	1,567,074
<b>Fund Balance - Beginning</b>	<b>\$8,565,919</b>	<b>\$5,947,277</b>	<b>\$4,103,021</b>	<b>\$4,283,084</b>	<b>\$2,473,372</b>	<b>\$4,026,327</b>	<b>\$5,537,981</b>
<b>Total Recurring Revenue</b>	<b>\$8,510,079</b>	<b>\$7,973,976</b>	<b>\$12,864,889</b>	<b>\$12,929,766</b>	<b>\$15,523,093</b>	<b>\$16,979,838</b>	<b>\$19,140,015</b>
<b>Total Recurring Expenditures</b>	<b>\$9,325,001</b>	<b>\$8,178,737</b>	<b>\$15,455,313</b>	<b>\$13,261,257</b>	<b>\$12,463,170</b>	<b>\$13,931,608</b>	<b>\$14,338,881</b>
<b>Less: Transfers Out</b>	<b>\$1,803,720</b>	<b>\$1,459,432</b>	<b>\$1,478,221</b>	<b>\$1,478,221</b>	<b>\$1,506,968</b>	<b>\$1,536,577</b>	<b>\$1,567,074</b>
<b>Fund Balance - Ending</b>	<b>\$5,947,277</b>	<b>\$4,283,084</b>	<b>\$34,376</b>	<b>\$2,473,372</b>	<b>\$4,026,327</b>	<b>\$5,537,981</b>	<b>\$8,772,041</b>
<b>Required 30 Day Balance</b>				<b>\$1,089,966</b>	<b>\$1,024,370</b>	<b>\$1,145,064</b>	<b>\$1,178,538</b>
<b>Days of Operation</b>			<b>1</b>	<b>68</b>	<b>118</b>	<b>145</b>	<b>223</b>



## Convention & Tourism Fund Forecast

*The Convention & Tourism Fund, an enterprise fund, accounts for the administration, operation, and maintenance of the Plano Event Center and Visit Plano. The fund is primarily supported by the Hotel/Motel Occupancy Tax, which is restricted by State law to tourism promotion, capital construction, the operation of recreation facilities, and the funding of cultural activities.*

### Operating Revenue Sources:

#### Hotel/Motel Tax Receipts

The City of Plano levies a tax upon the cost of occupancy of any sleeping room furnished by a hotel or motel within the city at the rate of 7.0% of the total charge of the room.

#### Plano Event Center Fees

Plano Event Center administers various service charges and fees for room rentals, concessions, catering, equipment rentals, and other miscellaneous charges.

#### Interest Income/Miscellaneous

This may include revenues from ticket sales for events or other general operating receipts.

### Operating Revenues

The major source of revenues within the Convention & Tourism Fund for 2021-22 include: Hotel/Motel Tax Receipts (82.3%), Plano Event Center Fees (17.3%), and Interest Income/ Miscellaneous (0.4%).

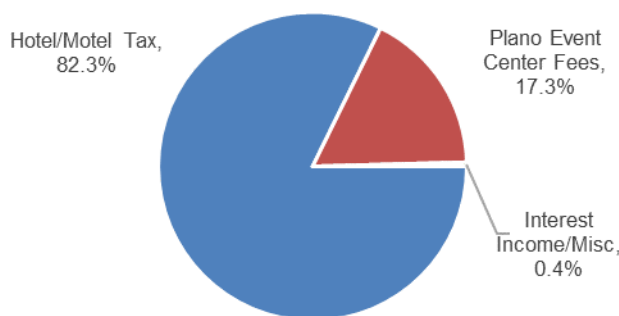
In addition, the Convention & Tourism Fund benefitted from a \$1.0 million American Rescue Plan Act (ARPA) reimbursement in 2021-22.

A description of each source as well as a discussion of the outlook over the next three years follows.

#### Hotel/Motel Tax Receipts

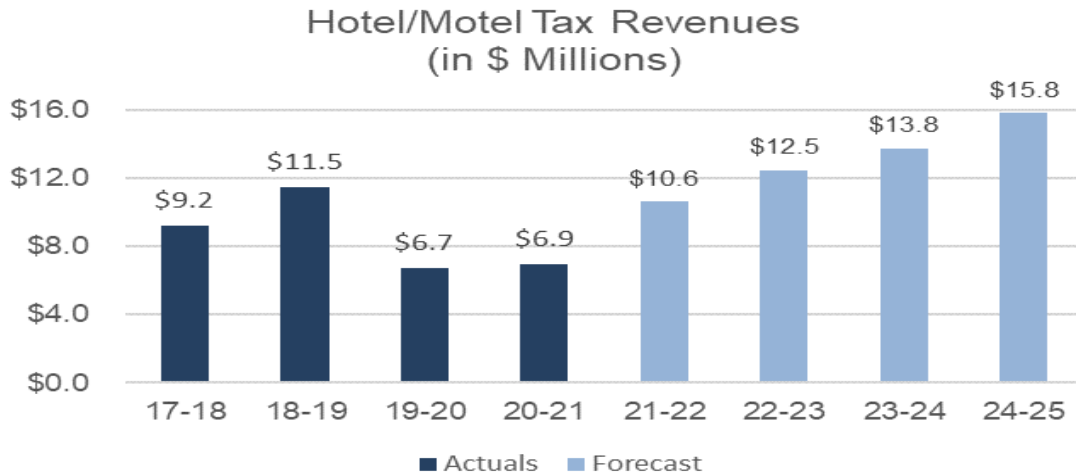
Hotel/Motel Tax receipts are the Convention & Tourism Fund's largest revenue source. All group travel as well as individual travel came to a virtual stop in 2020-21 due to the COVID-19 pandemic. The pandemic had a huge negative impact on hotel/motels stays across the country and Plano was no different. This was reflected in the actual amount of Hotel/Motel Tax received in 2020-21 which came in at \$6.9 million. However, as we come out of the pandemic and as the local economy continues to improve, Hotel/Motel Tax receipts have seen a rebound and at this time, we are projecting 2021-22 Hotel/Motel Tax to be \$10.6 million. Adding to this increase are the tax collections for short-term rentals. As of this writing, Plano hotel/motels are currently averaging around 65.7% occupancy rates.

Convention & Tourism Fund  
Revenues by Source



We do anticipate a continued upswing in the travel-related industry in all years of the forecast, resulting in a continued increase in Hotel/Motel Tax receipts. In addition, we are projecting additional hotel rooms coming on-line throughout the forecast period. It is anticipated that approximately 425 additional rooms will be added during the next 3 years. All future projections are based on 55% to 74% occupancy for hotels with \$85 to \$111 average daily room rate.

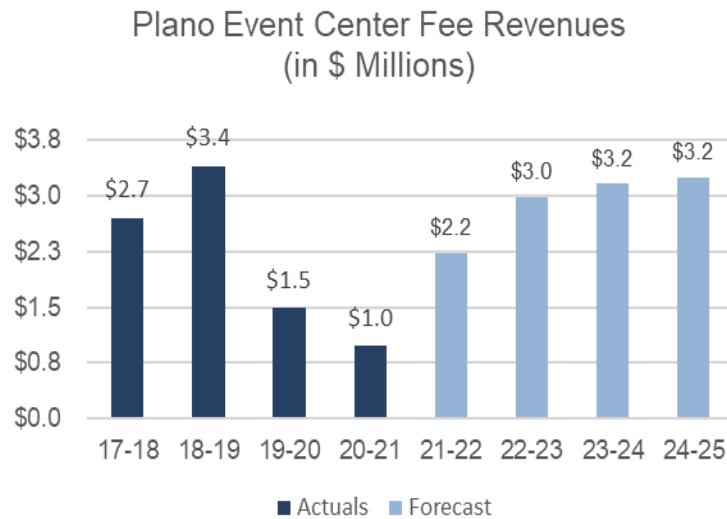
Based on the anticipated increase in the travel-related industry, increased hotel/motel occupancy rates, and increased hotel rooms coming on-line throughout the forecast period, we are projecting a recovery in this revenue source. The following graph shows historical trends and projections for Hotel/Motel Tax receipts. This revenue source is estimated to reach \$15.8 million by 2024-25.



### Plano Event Center Fees

Just as the COVID-19 pandemic had a huge negative impact on Hotel/Motel Tax revenues, the pandemic also negatively impacted Plano Event Center fees. As already mentioned, group travel and group travel-related events came to a virtual stop in 2020-21. This is evidenced by the actual amount of Plano Event Center fees received in 2020-21 which came in at \$1.0 million.

Based on the anticipated increase in the travel-related industry as well as group events, we are projecting a sharp rebound in this revenue source beginning in this current fiscal year, 2021-22. Current year projections for this revenue source total \$2.2 million. The projection for 2022-23 continues to increase to \$3.0 million. The graph shows historical trends and projections for Plano Event Center fees. This revenue source is estimated to reach \$3.2 million by 2024-25.





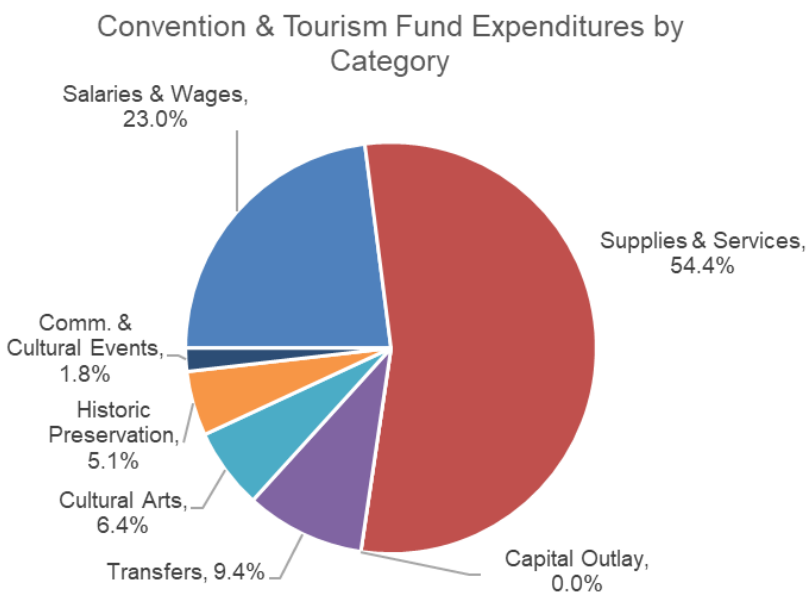


### Interest Income/Misc.

Interest Income and Miscellaneous revenues for 2021-22 are expected to total \$55,000 (\$30,000 and \$25,000 respectively) with both revenue sources remaining constant throughout the forecast period.

### Operating Expenditures

The major expenditures that make up the Convention & Tourism Fund by category for 2021-22 include: Salaries & Wages (23.0%), Supplies & Services (54.4%), Cultural Arts (6.4%), Historic Preservation (5.1%), Community & Cultural Events (1.8%), and Transfers (9.4%). A description of each expenditure category as well as a discussion of the outlook over the next three years follows.



### Salaries, Wages and Employee Benefits

Salary projections include a 3.0% increase for both Civil Service and Non-Civil Service employees in 2022-23 and then remain constant in 2023-24 and 2024-25 and assume current staffing levels remain constant throughout the forecast period. In addition, attrition is projected at 1.0% for the Convention & Tourism Fund. The health insurance rate is expected to increase 5.0% in each year of the forecast as Plano's self-funded insurance fund has felt the negative impacts of the COVID-19 pandemic. TMRS is projected at our full phased-in rate of 16.75% while the RSP rate is expected to remain the same at 3.9% through 2024-25. Other benefit rates are expected to remain constant.

### Supplies & Services

Supplies & services costs are projected to increase 4.0% in 2022-23, 4.0% in 2023-24, and 2.0% in 2024-25 based on various inflationary indexes. Municipal garage charges are projected to increase 4.0% in 2022-23 and 2.0% in both 2023-24 and 2024-25 based on projected fuel and oil costs as well as the planned labor rate. Electricity charges are projected to remain flat in each year of the forecast period. Natural gas is expected to increase 2.0% in 2022-23 and then remain flat in the remaining last 2 years of the forecast period.

Funding for the Wayfinding Project is included the 2021-22 budget in the amount of \$2.25 million. This will be a one-time project cost. Beginning in 2023-24 and also in 2024-25, \$1.1 million is included for a parking space rental agreement at Plano Event Center once the new Plano Event Center hotel comes on-line. This will be an on-going expense.

### **Cultural Arts, Historic Preservation, Community & Cultural Events, Music Festival**

Funding for local cultural arts and historic preservation included in 2021-22 are at \$1,000,000 and \$800,000 respectively. Both of these amounts for each program will remain constant throughout the forecast. Funding for Community & Cultural Events are estimated to fluctuate each year of the forecast period depending on the number of qualified grant applicants. The amount budgeted for Community & Cultural Events dropped by \$200,000 in 2021-22 due to some events still not occurring due to the pandemic. Future funding assumes all events returning back to their normal schedules.

### **Capital Outlay**

No new capital outlay is projected for any year during the forecast period. All discretionary expenditure items will be examined on their individual merit during the budget development process in each year.

### **Transfers**

Transfers to the General Fund for services received are based on our most recently updated Cost Allocation Plano and currently projected at \$958,221 in 2021-22 and then increasing 3.0% per year throughout the forecast.

A transfer to the Technology Fund in the amount of \$20,000 in 2021-22 represents the Convention & Tourism Fund's proportionate share of technology related expenditures. This amount is projected to remain constant for the remainder of the forecast.

A transfer to the Capital Maintenance Fund is included to cover on-going facility improvement costs which will be covered by this fund. The 2021-22 transfer amount is \$500,000 and will remain constant in 2022-23, 2023-24 and 2024-25.

### **Outlook & Analysis**

The financial condition of the Convention & Tourism Fund is improving as we slowly come out of the pandemic and as both personal and business travel rebounds resulting in increased occupancy rates in local hotels/motels. In addition, Plano Event Center is slowly seeing an increase in events booked. As a result, the Convention & Tourism Fund is projected to meet and exceed its 30 day working capital balance in 2021-22 as well as each year of the forecast period, assuming more normal economic conditions.



## RECREATION REVOLVING

	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Budget	Re-Est.	Projected	Projected	Projected
<b>Recurring Revenue</b>							
Recreation Fees	\$1,439,601	\$1,916,107	\$2,750,000	\$3,035,000	\$3,643,658	\$3,765,519	\$3,788,699
Contributions	13,323	2,519	4,274	4,274	4,274	4,300	4,315
Interest Income	23,219	616	1,500	1,500	1,538	1,538	1,538
Other	52,407	19,979	58,485	58,485	58,485	58,836	59,042
<b>Total Recurring Revenue</b>	<b>\$1,528,550</b>	<b>\$1,939,221</b>	<b>\$2,814,259</b>	<b>\$3,099,259</b>	<b>\$3,707,954</b>	<b>\$3,830,192</b>	<b>\$3,853,593</b>
<b>Recurring Expenditures</b>							
Salaries & Wages	\$959,324	\$1,052,217	\$1,333,510	\$1,367,772	\$1,394,314	\$1,398,222	\$1,402,301
Supplies & Services	1,107,990	1,188,538	2,108,659	2,121,647	2,191,675	2,277,930	2,322,823
Capital Outlay	15,387	10,282	0	0	0	0	0
ARPA Reimbursement	0	(1,108,418)	0	0	0	0	0
<b>Total Recurring Expenditures</b>	<b>\$2,082,701</b>	<b>\$1,142,619</b>	<b>\$3,442,169</b>	<b>\$3,489,419</b>	<b>\$3,585,989</b>	<b>\$3,676,152</b>	<b>\$3,725,124</b>
Transfers Out	150,000	153,000	156,060	156,060	160,742	167,171	173,858
<b>Fund Balance - Beginning</b>	<b>\$898,714</b>	<b>\$194,563</b>	<b>\$1,114,630</b>	<b>\$838,165</b>	<b>\$291,945</b>	<b>\$253,169</b>	<b>\$240,038</b>
<b>Total Recurring Revenue</b>	<b>\$1,528,550</b>	<b>\$1,939,221</b>	<b>\$2,814,259</b>	<b>\$3,099,259</b>	<b>\$3,707,954</b>	<b>\$3,830,192</b>	<b>\$3,853,593</b>
<b>Total Recurring Expenditures</b>	<b>\$2,082,701</b>	<b>\$1,142,619</b>	<b>\$3,442,169</b>	<b>\$3,489,419</b>	<b>\$3,585,989</b>	<b>\$3,676,152</b>	<b>\$3,725,124</b>
<b>Less: Transfers Out</b>	<b>\$150,000</b>	<b>\$153,000</b>	<b>\$156,060</b>	<b>\$156,060</b>	<b>\$160,742</b>	<b>\$167,171</b>	<b>\$173,858</b>
<b>Fund Balance - Ending</b>	<b>\$194,563</b>	<b>\$838,165</b>	<b>\$330,660</b>	<b>\$291,945</b>	<b>\$253,169</b>	<b>\$240,038</b>	<b>\$194,648</b>
<b>Days of Operation</b>			<b>35</b>	<b>31</b>	<b>26</b>	<b>24</b>	<b>19</b>

## Recreation Revolving Fund Forecast

*The Recreation Revolving Fund, an enterprise fund, accounts for the recreational programs and activities that are offered to groups and individuals on a fee basis.*

### Operating Revenue Sources:

#### Recreation Fees

Recreation fees are charged for participation in Parks & Recreation classes, sessions and events. These fees are used to cover the cost of instruction, materials and supplies. Also included, are user fees for the use of the City’s public facilities to aid in recovery of the cost of facility maintenance and upkeep.

#### Contributions

The City of Plano accepts monetary contributions from businesses, organizations, institutions and individuals. These contributions are usually earmarked for specific programs.

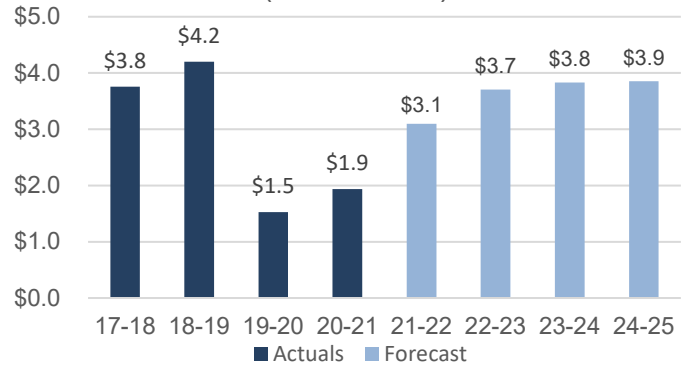
### Operating Revenues

The major sources that make up the Recreation Revolving Fund revenues for 2021-22 include: Recreation Fees (98.0%), Contributions and Other (2.0%).

#### Recreation Fees

Recreation fees are the Recreation Revolving Fund’s main revenue source. All fees are continually reviewed; specifically program fees to ensure expenditures are adequately covered and to allow for continued program growth in the future.

Recreation Revolving Fund Revenues  
(in \$ Millions)

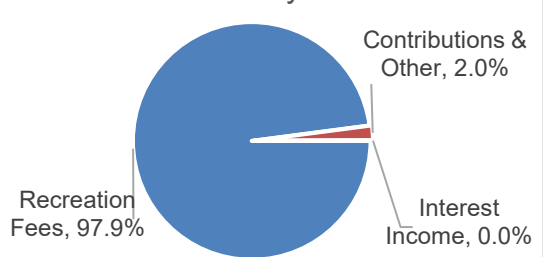


The Recreation Revolving Fund has experienced adverse impacts due to the COVID-19 pandemic. The fund did benefit from the American Rescue Plan Act (ARPA) in 2020-21 which offset a significant loss in fees over the last 2 years. With ARPA, and an increase in program participation during the first quarter of 2021-22, the fund has seen a rebound in revenues to-date; however, some programs continue to struggle with recruitment resulting in staffing shortages at some locations. Currently, fees are expected to increase by approximately 10% of the original 2021-22 budget, then continue to increase each year of the remaining forecast period.

Courses, class and facility demands still remain high and reflect the continued popularity of programs available through the recreation centers. Revenues reflect a re-opening of centers with some reduced pool operating hours and the continuation of online programming created during the pandemic.

The graph above shows the historical trends and projections for recreation fees. In 2024-25, this revenue source is projected to be \$3.9 million, assuming recovery continues.

Recreation Revolving Fund  
Revenues by Source





**Contributions**

The Recreation Revolving Fund enjoys a consistent flow of contribution revenue from the community. There has been a decrease in recent years and contributions are projected to remain at less than \$5,000 per year over the three-year forecast period.

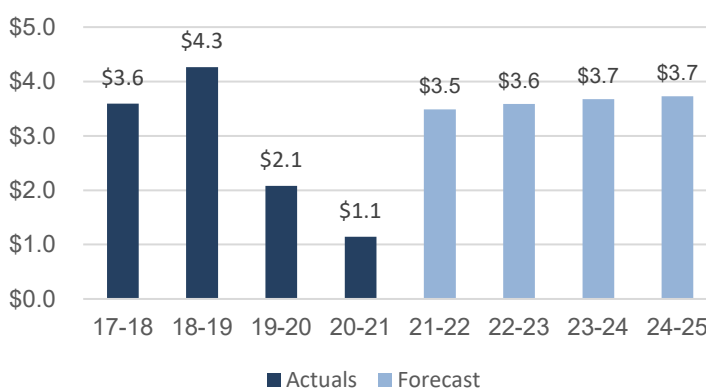
**Other**

Miscellaneous revenues for 2021-22 are re-estimated at \$58,485. Interest income is estimated at \$1,500 and projected to remain constant over the three-year forecast period.

**Operating Expenditures**

Recreation program expenditures are directly correlated to the fees charged for courses and programs. The graph to the right shows the historical trends and projections for all Recreation Revolving Fund expenditures. Expenditure increases can fluctuate from year-to-year mainly due to one-time expenditures. Fluctuation for 2020-21 actuals and the 2021-22 Re-Estimate is a result of re-openings and demand after the pandemic.

Recreation Revolving Fund Expenditures (in \$ Millions)



The major expenditures that make up the Recreation Revolving Fund by category for 2021-22 include: Supplies & Services (58.2%), Salaries & Wages (37.5%), and Transfers (4.3%).

**Salaries, Wages and Employee Benefits**

Salary projections include a 3.0% increase for both Civil Service and Non-Civil Service employees in 2022-23 and then remain constant in 2023-24 and 2024-25 and assume current staffing levels remain constant throughout the forecast period. The health insurance rate is expected to increase 5.0% in each year of the forecast as Plano's self-funded insurance fund has felt the negative impacts of the COVID-19 pandemic. TMRS is projected at our full phased-in rate of 16.75% while the RSP rate is expected to remain the same at 3.9% through 2024-25. Other benefit rates are expected to remain constant.

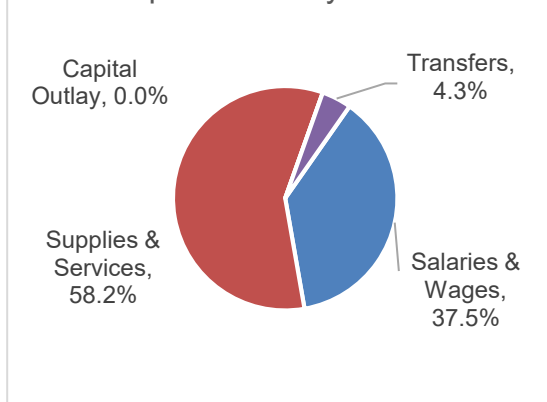
**Supplies & Services**

Supplies & services are projected to increase 4.0% in 2022-23 and 2023-24, then 2.0% for the final forecasted year based on projected inflation. Municipal garage charges are projected to increase 4.0% in 2022-23, then 2.0% in 2023-24 and 2024-25 based on projected fuel and oil costs as well as the planned labor rate.

**Capital Outlay**

No new capital outlay is projected for the 2021-22 Re-Estimate or the remaining years of this forecast. All discretionary expenditure items will be examined on their individual merit during the budget development process in each year.

Recreation Revolving Fund Expenditures by Source



### **Transfers**

The transfer to the General Fund for services received are based on the recently updated Cost Allocation Plan and is projected at \$156,060 for the 2021-22 Re-Estimate with a slight increase projected for each year of the three-year forecasted period. These transfers reimburse the General Fund for expenses incurred in the administration of the Recreation Revolving Fund and programs.

### **Outlook & Analysis**

Based on projections, the Recreation Revolving Fund is projected to meet the 30 day working capital balance during 2021-22. However, it's forecasted to fall slightly short of this requirement in years 2022-23 through 2024-25 and may need additional revenues, reduced expenditures, or a combination of both to meet the 30 day minimum balance. This projected shortfall will be examined more closely during the 2022-23 budget process.



## GOLF COURSE

	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Budget	Re-Est.	Projected	Projected	Projected
<b>Recurring Revenue</b>							
Golf Fees	\$986,890	\$1,175,086	\$1,135,992	\$1,135,992	\$1,138,832	\$1,145,665	\$1,149,675
Concessions	64,641	77,288	74,027	74,027	74,212	74,657	74,919
Interest Income	1,036	878	1,100	1,100	1,128	1,128	1,128
Other	3,188	2,408	5,000	5,000	5,000	5,000	5,000
<b>Total Recurring Revenue</b>	<b>\$1,055,755</b>	<b>\$1,255,660</b>	<b>\$1,216,119</b>	<b>\$1,216,119</b>	<b>\$1,219,173</b>	<b>\$1,226,451</b>	<b>\$1,230,721</b>
<b>Recurring Expenditures</b>							
Salaries & Wages	\$619,020	\$615,180	\$611,576	\$649,494	\$670,424	\$676,247	\$682,860
Supplies & Services	355,522	333,920	348,665	356,294	355,260	362,504	366,625
Capital Outlay	0	0	0	0	0	0	0
<b>Total Recurring Expenditures</b>	<b>\$974,542</b>	<b>\$949,100</b>	<b>\$960,241</b>	<b>\$1,005,788</b>	<b>\$1,025,684</b>	<b>\$1,038,751</b>	<b>\$1,049,485</b>
Transfers Out	\$0	60,655	60,806	60,806	60,959	61,323	61,536
<b>Fund Balance - Beginning</b>	<b>\$161</b>	<b>\$81,374</b>	<b>\$261,037</b>	<b>\$327,277</b>	<b>\$476,802</b>	<b>\$609,332</b>	<b>\$735,710</b>
<b>Total Recurring Revenue</b>	<b>\$1,055,755</b>	<b>\$1,255,660</b>	<b>\$1,216,119</b>	<b>\$1,216,119</b>	<b>\$1,219,173</b>	<b>\$1,226,451</b>	<b>\$1,230,721</b>
<b>Total Recurring Expenditures</b>	<b>\$974,542</b>	<b>\$949,100</b>	<b>\$960,241</b>	<b>\$1,005,788</b>	<b>\$1,025,684</b>	<b>\$1,038,751</b>	<b>\$1,049,485</b>
<b>Less: Transfers Out-Transfers In</b>	<b>\$0</b>	<b>\$60,655</b>	<b>\$60,806</b>	<b>\$60,806</b>	<b>\$60,959</b>	<b>\$61,323</b>	<b>\$61,536</b>
<b>Fund Balance - Ending</b>	<b>\$81,374</b>	<b>\$327,277</b>	<b>\$456,109</b>	<b>\$476,802</b>	<b>\$609,332</b>	<b>\$735,710</b>	<b>\$855,410</b>
<b>Days of Operation</b>				<b>173</b>	<b>217</b>	<b>259</b>	<b>298</b>

## Municipal Golf Course Fund Forecast

The Municipal Golf Course Fund, an enterprise fund, provides for the administration, operation, and maintenance of the City’s golf course – Pecan Hollow. All costs are financed through fees charged to patrons.

### Operating Revenue Sources:

#### Golf Fees

Golf fees are charged for the use of the City’s municipal golf course.

#### Concessions

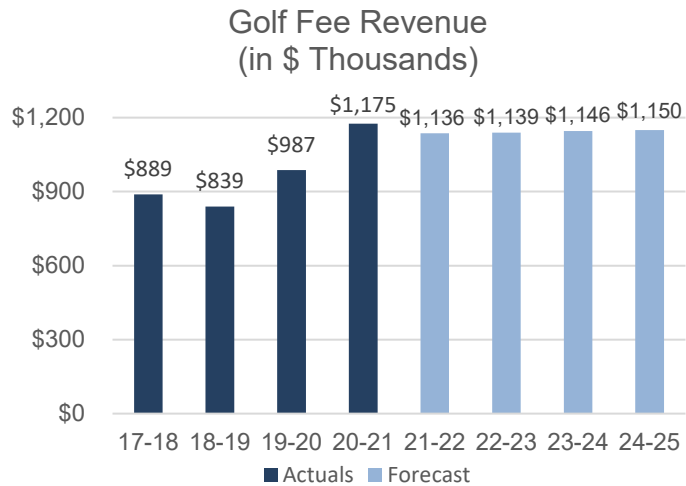
The Municipal Golf Course Fund receives 5.0% of gross sales from the Pro Shop and Pecan Hollow Grille.

### Operating Revenues

The major sources that make up the Municipal Golf Course Fund revenues for 2021-22 include: Golf Fees (93.4%) and Concessions & Room Rental Fees (6.1%).

#### Golf Fees

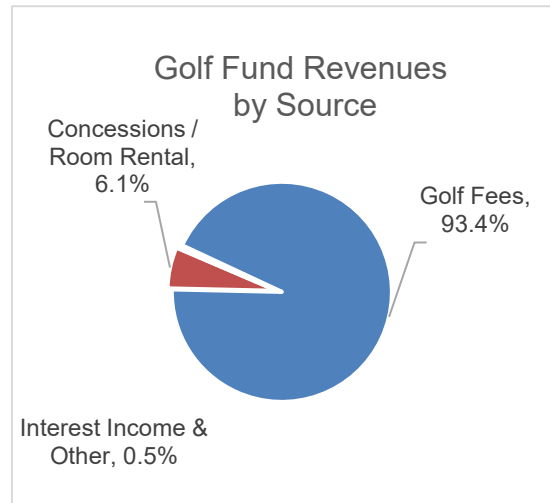
Golf Fees are expected to total \$1,135,992 in 2021-22. While there may be a slight decrease from 2020-21 revenues which spiked during the pandemic, the total for the current fiscal year is still expected to be higher than previous years. When considering closures, weather-related factors have had a minimal impact year-to-date. The course was closed twenty-three (23) days during the first five months of 2021-22, compared to thirty-seven (37) days during the same period last year. In the forecasted years, golf fees are projected to be \$1,138,832 for 2022-23, then increasing by 0.60% for 2023-24 and 0.35% for 2024-25. These projections assume no increase to greens fees, a stable demand for golf rounds and normal weather patterns over the forecast period.



The graph above shows the historical trends and projections for golf fees. By 2024-25, this revenue source is estimated to reach \$1,149,675. In addition, the second graph provides a view of each revenue source.

#### Concessions & Room Rental Fees

Based on the current agreement with the golf course pro, the City receives concession and room rental fee revenues. For the 2021-22 Re-Estimate, combined concession and room rental fees are projected at \$74,027 and are forecasted to increase slightly for the next three years.



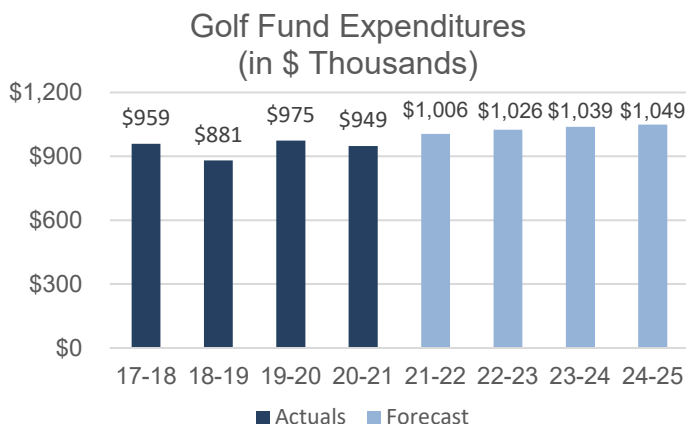




**Operating Expenditures**

The following graphs show the historical trends and projections for all Municipal Golf Course Fund expenditures. Expenditure increases can fluctuate from year-to-year, mainly due to one-time expenditures for capital equipment or extensive repairs.

The major expenditures that make up the Municipal Golf Course Fund by category for 2021-22 include: Salaries & Wages (60.9%), Supplies & Services (33.4%) and Transfers (5.7%). Following, is a description of each expenditure category as well as a depiction of the outlook over the next three years.

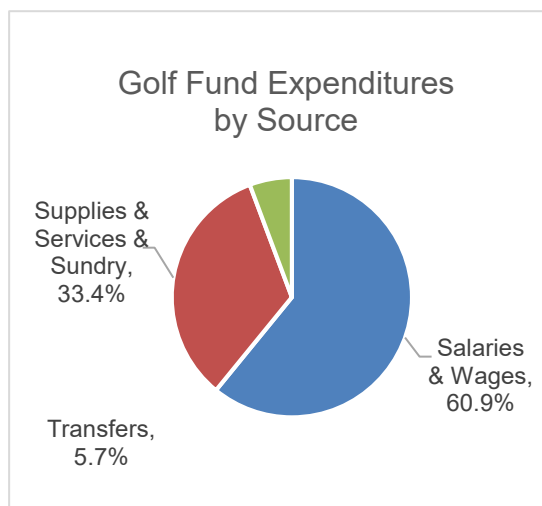


**Salaries, Wages and Employee Benefits**

Salary projections include a 3.0% increase for both Civil Service and Non-Civil Service employees in 2022-23 and then remain constant in 2023-24 and 2024-25 and assume current staffing levels remain constant throughout the forecast period. The health insurance rate is expected to increase 5.0% in each year of the forecast as Plano’s self-funded insurance fund has felt the negative impacts of the COVID-19 pandemic. TMRS is projected at our full phased-in rate of 16.75% while the RSP rate is expected to remain the same at 3.9% through 2024-25. Other benefit rates are expected to remain constant.

**Supplies & Services**

Supplies & services are projected to increase 4.0% in 2022-23 and 2023-24, then 2.0% for the final forecasted year based on projected inflation. Municipal garage charges are projected to increase 4.0% in 2022-23, then 2.0% in 2023-24 and 2024-25 based on projected fuel and oil costs as well as the planned labor rate. Electricity charges are expected to remain flat each year of the forecast period while natural gas is expected to increase 2.0% in 2022-23 then remain flat the final 2 years of the forecast period.



**Capital Outlay**

No new capital outlay is projected for the 2021-22 Re-Estimate or the remaining years of this forecast. All discretionary expenditure items will be examined on their individual merit during the budget development process in each year.

**Transfers**

The transfer to the General Fund is based on 5.0% of total revenues. The 2021-22 Re-Estimate is \$60,806 with a slight increase projected for each year of the three-year forecasted period. These transfers compensate the General Fund for expenses related to the administration of the Municipal Golf Course.



**Outlook & Analysis**

Pecan Hollow Golf Course continues to enjoy a nationwide increase in the popularity of golf. The pandemic has spurred a resurgence of interest in the sport and an increase in revenue has been the result. Based on projections, a positive fund balance is forecasted for the Municipal Golf Course Fund this fiscal year through the remaining forecast period. This fund is subject to change if excessive rainfall causes unplayable days during the forecast period.



## CAPITAL MAINTENANCE FUND

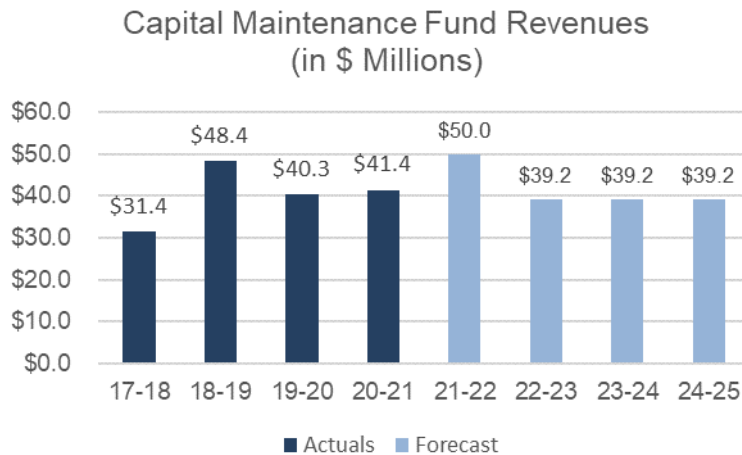
	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Budget	Re-Est.	Projected	Projected	Projected
<b>Fund Revenue</b>							
General Fund Transfer In	\$35,250,549	\$37,376,519	\$43,250,549	\$46,000,549	\$35,250,549	\$35,250,549	\$35,250,549
Water & Sewer Transfer In	2,000,000	2,000,000	2,000,000	\$2,000,000	\$2,000,000	2,000,000	2,000,000
Municipal Drainage Transfer In	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Convention & Tourism Transfer In	850,000	500,000	500,000	500,000	500,000	500,000	500,000
Fund Interest Earnings	1,437,819	216,574	750,000	750,000	750,000	750,000	750,000
Rollback Taxes	240,301	2,363,767	200,000	200,000	200,000	200,000	200,000
Screening Walls & Contributions	7,350	69,650	45,000	45,000	45,000	45,000	45,000
Miscellaneous Revenue	10,969	0	0	0	0	0	0
<b>Total Fund Revenue</b>	<b>\$40,296,988</b>	<b>\$43,026,510</b>	<b>\$47,245,549</b>	<b>\$49,995,549</b>	<b>\$39,245,549</b>	<b>\$39,245,549</b>	<b>\$39,245,549</b>
<b>Project Expenditures</b>							
Street & Drainage Projects	\$41,441,241	\$23,652,314	\$35,295,000	\$31,468,370	\$35,270,000	\$28,000,000	\$28,000,000
Park Renovation Projects	4,483,251	5,081,407	6,917,700	6,827,404	6,041,459	4,875,359	4,931,359
Municipal Facility Projects	5,074,823	2,963,354	13,744,433	17,473,695	11,513,000	6,417,000	6,217,400
Utility & Other Projects	106,737	374,673	1,866,000	680,000	1,866,000	500,000	500,000
<b>Total Project Expenditures</b>	<b>\$51,106,052</b>	<b>\$32,071,748</b>	<b>\$57,823,133</b>	<b>\$56,449,469</b>	<b>\$54,690,459</b>	<b>\$39,792,359</b>	<b>\$39,648,759</b>
<b>Fund Balance - Beginning</b>	<b>\$42,739,449</b>	<b>\$31,930,385</b>	<b>\$26,108,482</b>	<b>\$42,885,147</b>	<b>\$36,431,227</b>	<b>\$20,986,317</b>	<b>\$20,439,507</b>
<b>Total Fund Revenue</b>	<b>\$40,296,988</b>	<b>\$43,026,510</b>	<b>\$47,245,549</b>	<b>\$49,995,549</b>	<b>\$39,245,549</b>	<b>\$39,245,549</b>	<b>\$39,245,549</b>
<b>Total Project Expenditures</b>	<b>\$51,106,052</b>	<b>\$32,071,748</b>	<b>\$57,823,133</b>	<b>\$56,449,469</b>	<b>\$54,690,459</b>	<b>\$39,792,359</b>	<b>\$39,648,759</b>
<b>Fund Balance - Ending</b>	<b>\$31,930,385</b>	<b>\$42,885,147</b>	<b>\$15,530,898</b>	<b>\$36,431,227</b>	<b>\$20,986,317</b>	<b>\$20,439,507</b>	<b>\$20,036,297</b>

## Capital Maintenance Fund Forecast

*The Capital Maintenance Fund is a governmental fund established for maintaining the City of Plano’s existing infrastructure on a pay-go basis as an alternative to the use of debt financing. Funded primarily through transfers from the General Fund, enterprise funds and a special revenue fund, projects are undertaken that will extend the useful life of Plano streets, parks and city facilities by at least 10 years.*

### Capital Maintenance Fund Revenues

After a period of increasing revenues to the Capital Maintenance Fund, overall fund revenues are projected to remain constant throughout the three year forecast.



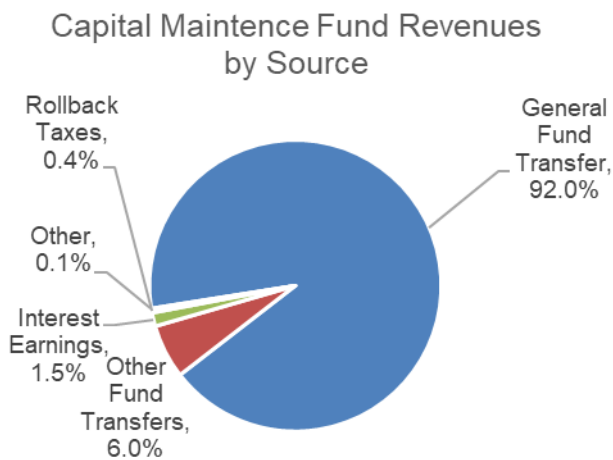
The following graphs show historical trends and projections for Capital Maintenance Fund revenues and re-estimated 2021-22 Revenues by Source.

#### General Fund Transfer

A significant majority of revenue to the Capital Maintenance Fund comes from a transfer from the City of Plano’s General Fund. In the 2021-22 Re-Estimate Budget, \$46.0 million from the General Fund will be moved to the Capital Maintenance Fund for infrastructure projects on

Plano streets, parks and facilities. In addition to the regular budgeted transfer of \$35.3 million, an additional \$8.0 million in American Rescue Plan Act (ARPA) funds and \$2.75 million in excess sales tax collections are included in this total. This transfer represents 92% of current year revenues.

The General Fund Transfer is anticipated to remain constant at \$35.3 million in the three year forecast period. The General Fund Transfer will represent 90% of total Capital Maintenance Fund revenues in those years.



#### Other Fund Transfers

In addition to the transfer from the General Fund, three other funds contribute to the Capital Maintenance Fund.

The Water & Sewer Fund contributes \$2,000,000 annually throughout the forecast period to support utility projects as well as municipal facility projects that are directly related to utility operations or house utility system employees.

The Municipal Drainage Fund contributes \$500,000 in each of the forecast years to pay for a small portion of street repairs since Plano’s streets move storm water from impervious



surfaces into the drainage utility system, silt removal from ponds that accumulates during storm events, as well as municipal facility projects that house employees of the Municipal Drainage Fund.

Finally, the Convention & Tourism Fund will contribute \$500,000 to the Capital Maintenance Fund in each of the three years of the forecast for interior and exterior renovation projects at the Plano Event Center.

**Interest, Rollback Taxes & Other Revenues**

In addition to fund transfers, the Capital Maintenance Fund receives revenues from a few other sources. As with all City of Plano Funds, the Capital Maintenance Fund’s assets earn interest on a monthly basis. Interest earnings are anticipated to remain constant at \$750,000 in 2022-23, 2023-24 and 2024-25.

Rollback taxes, which are assessed when agricultural properties are sold to new owners and are no longer used for agricultural purposes, are deposited to the Capital Maintenance Fund under the City of Plano’s financial policies. As the number of parcels with agricultural uses dwindles, so does this revenue source; this forecast projects rollback tax collections of \$200,000 in FY 2022-23, 2023-24 and 2024-25.

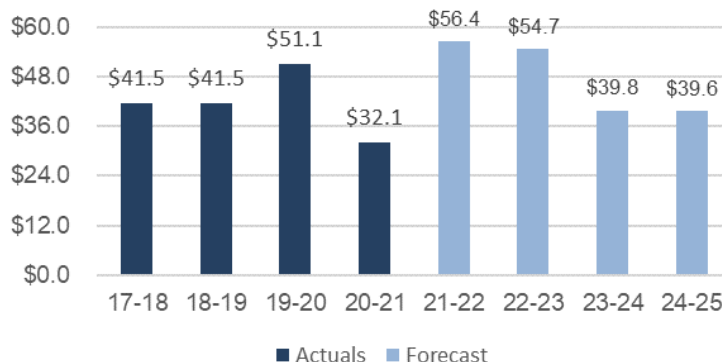
The City of Plano receives payments to maintain screening walls from some subdivisions, with these receipts being deposited to the Capital Maintenance Fund. This source of revenue contributes \$45,000 annually in each of the three forecast years.

**Project Expenditures**

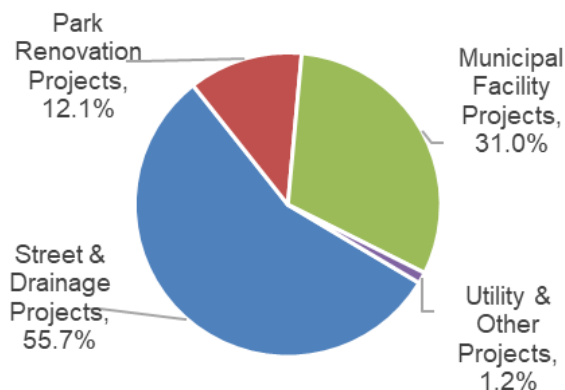
The graph to the right shows historical trends and projections for all Capital Maintenance Fund expenditures, which are solely to fund infrastructure projects that extend the useful life of City of Plano capital assets by at least 10 years.

A description of each project category as well as a discussion of the outlook over the next three years follows.

Capital Maintenance Fund Expenditures (in \$ Millions)



Capital Maintenance Fund Expenditures by Source



**Street & Drainage Projects**

Street and drainage projects make up a majority of the Capital Maintenance Fund’s total expenditures. Plano has 1,060 miles of city maintained streets, 540 miles of paved alley ways and 280 signalized intersections. These projects are to repair and replace pavement on arterial and residential streets, sidewalks, alleys and screening walls, as well as replace traffic signals, traffic signs, guardrails and purchase concrete for repairs performed by City of Plano crews.

Based on the 2021-22 Community Investment Program (CIP), expenditures for street & drainage projects are programmed for \$35.3 million in 2022-23 and then are expected to decrease to \$28.0 million in 2023-24 and 2024-25.

**Park Renovation Projects**

Plano's park system has 4,375 acres, 152 athletic fields, 96 miles of trails and 70 playgrounds throughout the city. A variety of Capital Maintenance Fund projects are planned to support the City of Plano's park system including park, athletic field and median renovations, trail repairs, renovation and replacement of irrigation systems and equipment, landscaping at city facilities and replacement of playground equipment, park restroom facilities, athletic field lighting and park pavilions and other amenities.

Capital Maintenance Fund projects for Plano's Park System are currently programmed at \$6.0 million in 2022-23, and \$4.9 million in 2023-24 and \$4.9 million in 2024-25.

### **Municipal Facility Projects**

The City of Plano has over 100 separate facilities with building elements and systems that need to be periodically replaced, repaired or renovated. Projects in this category include roof replacements, replacement or upgrades to Heating, Ventilation and Air Conditioning (HVAC) systems, flooring replacement, full or partial suite renovations, painting and wall covering projects, foundation repairs, and emergency generator replacement. More specialized projects may also be undertaken from the Capital Maintenance Fund, for example the Plano's Animal Shelter, Courtyard Theater, Recreation Centers, Pools, Libraries and Fire Stations all have unique needs that will arise as the facilities and equipment age.

According to the 2020-21 CIP, expenditures for municipal facilities are expected to total \$11.5 million in 2022-23, \$6.4 million in 2023-24 and \$6.2 million in 2024-25.

### **Utility & Other Projects**

The smallest category of Capital Maintenance Fund is for utility and other projects. Projects in this category have focused on rehabilitation of Plano's pump stations, where the repair, refurbishment or replacement of pumps, motors, valves and electrical and control systems has been necessary. Other projects include updates to the water & sewer utility system's design standards, maintenance agreements and a comprehensive review of Plano infrastructure for compliance with the Americans with Disabilities Act (ADA) requirements.

Across the three year forecast period, projects in this category total \$1.9 million in 2022-23 and \$500,000 in both 2023-24 and 2024-25.

### **Outlook & Analysis**

This forecast projects that the Capital Maintenance Fund will have an ending fund balance of \$21.0 million in FY 2022-23 and is projected to maintain a consistent \$20 million balance throughout the forecast period. A shift in the financing of arterial and residential street repair and replacement to a debt-based approach has helped balance the fund's expenditures with its available resources. However, as city infrastructure continues to age and construction costs continue to rise, the scope of projects within the Capital Maintenance Fund are sure to increase as the City continues its proactive approach to maintaining its assets to extend their lifespan and use.



## COMBINED OPERATING BUDGET

	Actuals 2019-20	Actuals 2020-21	Budget 2021-22	Re-Est 2021-22	Budget 2022-23	Variance	
						Bud to Bud	Est to Bud
<b>BEGINNING BALANCES</b>							
<b>Operating Funds:</b>							
General Fund	\$58,680,053	\$61,605,244	\$63,557,414	\$63,392,225	\$50,053,392	-21.2%	-21.0%
Water & Sewer Fund	39,267,803	36,088,212	27,214,399	28,922,220	26,322,172	-3.3%	-9.0%
Sustainability & Env. Svc. Fund	2,897,664	1,495,499	644,791	1,983,495	1,177,584	82.6%	-40.6%
Convention & Tourism Fund	8,565,919	5,947,277	4,103,021	4,283,084	2,473,372	-39.7%	-42.3%
Municipal Drainage Utility Fund	5,237,675	5,420,243	4,754,823	7,120,635	4,707,027	-1.0%	-33.9%
Recreation Revolving Fund	898,714	194,563	1,114,630	838,165	291,945	-73.8%	-65.2%
Municipal Golf Course Fund	161	81,374	261,037	327,277	476,802	82.7%	45.7%
PTV Fund	2,163,172	2,182,354	1,189,611	2,033,862	1,088,453	-8.5%	-46.5%
<b>TOTAL OPERATING FUNDS</b>	<b>\$117,711,161</b>	<b>\$113,014,766</b>	<b>\$102,839,725</b>	<b>\$108,900,963</b>	<b>\$86,590,747</b>	<b>-15.8%</b>	<b>-20.5%</b>
<b>Debt Service Funds:</b>							
General Obligation	\$5,548,057	\$8,116,339	\$7,917,563	\$7,352,771	\$6,196,844	-21.7%	-15.7%
Water & Sewer Debt	854,652	887,696	896,196	888,061	896,561	0.0%	1.0%
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>\$6,402,709</b>	<b>\$9,004,035</b>	<b>\$8,813,758</b>	<b>\$8,240,832</b>	<b>\$7,093,404</b>	<b>-19.5%</b>	<b>-13.9%</b>
<b>TOTAL BEGINNING BALANCES</b>	<b>\$124,113,870</b>	<b>\$122,018,801</b>	<b>\$111,653,484</b>	<b>\$117,141,794</b>	<b>\$93,684,151</b>	<b>-16.1%</b>	<b>-20.0%</b>
<b>REVENUES &amp; TRANSFERS IN</b>							
<b>Operating Funds:</b>							
General Fund	\$310,068,783	\$318,205,700	\$314,538,091	\$330,048,710	\$330,069,665	4.9%	0.0%
Water & Sewer Fund	170,178,646	166,402,046	178,081,439	179,626,111	190,260,303	6.8%	5.9%
Sustainability & Env. Svc. Fund	27,867,067	30,557,224	30,021,101	30,685,680	31,235,193	4.0%	1.8%
Convention & Tourism Fund	8,510,079	7,973,976	12,864,889	12,929,766	15,523,093	20.7%	20.1%
Municipal Drainage Utility Fund	7,859,307	9,470,023	9,521,528	9,895,368	9,939,590	4.4%	0.4%
HUD Grant Fund	1,679,292	1,941,095	2,347,649	2,516,309	2,516,309	7.2%	0.0%
Recreation Revolving Fund	1,528,550	1,939,221	2,814,259	3,099,259	3,707,954	31.8%	19.6%
Municipal Golf Course Fund	1,055,755	1,255,660	1,216,120	1,216,119	1,219,173	0.3%	0.3%
PTV Fund	1,011,927	807,377	1,023,792	1,058,004	1,030,729	0.7%	-2.6%
<b>TOTAL OPERATING FUNDS</b>	<b>\$529,759,406</b>	<b>\$538,552,322</b>	<b>\$552,428,866</b>	<b>\$571,075,326</b>	<b>\$585,502,009</b>	<b>6.0%</b>	<b>2.5%</b>
<b>Debt Service Funds:</b>							
General Obligation	\$49,373,428	\$49,866,673	\$52,500,879	\$50,955,844	\$56,172,375	7.0%	10.2%
Water & Sewer Debt	3,304,244	3,277,365	4,606,777	4,605,277	4,599,350	-0.2%	-0.1%
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>\$52,677,672</b>	<b>\$53,144,038</b>	<b>\$57,107,656</b>	<b>\$55,561,121</b>	<b>\$60,771,725</b>	<b>6.4%</b>	<b>9.4%</b>
<b>TOTAL REVENUE &amp; TRANSFERS IN</b>	<b>\$582,437,078</b>	<b>\$591,696,360</b>	<b>\$609,536,522</b>	<b>\$626,636,447</b>	<b>\$646,273,734</b>	<b>6.0%</b>	<b>3.1%</b>
Less: Interfund Transfers	22,602,219	21,257,309	22,093,920	22,093,920	22,740,067	2.9%	2.9%
<b>NET BUDGET REVENUE</b>	<b>\$559,834,859</b>	<b>\$570,439,051</b>	<b>\$587,442,602</b>	<b>\$604,542,527</b>	<b>\$623,533,667</b>	<b>6.1%</b>	<b>3.1%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>\$683,948,729</b>	<b>\$692,457,852</b>	<b>\$699,096,086</b>	<b>\$721,684,321</b>	<b>\$717,217,819</b>	<b>2.6%</b>	<b>-0.6%</b>
<b>APPROPRIATIONS &amp; TRANSFERS OUT</b>							
<b>Operations:</b>							
General Fund	\$307,143,592	\$316,418,719	\$353,733,563	\$343,387,543	\$355,485,889	0.5%	3.5%
Water & Sewer Fund	173,358,237	173,568,038	182,618,164	182,226,160	193,673,557	6.1%	6.3%
Sustainability & Env. Svc. Fund	29,269,232	30,069,228	30,665,375	31,491,591	32,092,213	4.7%	1.9%
Convention & Tourism Fund	11,128,721	9,638,169	16,933,534	14,739,478	13,970,138	-17.5%	-5.2%
Municipal Drainage Utility Fund	7,676,739	7,769,631	10,021,075	10,284,374	10,138,186	1.2%	-1.4%
HUD Grant Fund	1,679,292	1,941,095	2,347,649	2,516,309	2,516,309	7.2%	0.0%
Recreation Revolving Fund	2,232,701	1,295,619	3,598,229	3,645,479	3,746,730	4.1%	2.8%
Municipal Golf Course Fund	974,542	1,009,755	1,021,047	1,066,594	1,086,643	6.4%	1.9%
PTV Fund	992,745	955,869	1,796,473	2,003,413	1,956,375	8.9%	-2.3%
<b>TOTAL OPERATIONS</b>	<b>\$534,455,801</b>	<b>\$542,666,123</b>	<b>\$602,735,109</b>	<b>\$591,360,941</b>	<b>\$614,666,039</b>	<b>2.0%</b>	<b>3.9%</b>
<b>Debt Service Funds:</b>							
General Obligation	\$46,805,146	\$50,630,241	\$53,677,622	\$52,111,772	\$57,715,494	7.5%	10.8%
Water & Sewer Debt	3,271,200	3,277,000	4,596,777	4,596,777	4,590,850	-0.1%	-0.1%
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>\$50,076,346</b>	<b>\$53,907,241</b>	<b>\$58,274,399</b>	<b>\$56,708,549</b>	<b>\$62,306,344</b>	<b>6.9%</b>	<b>9.9%</b>
<b>TOTAL APPROPRIATIONS &amp; TRANSFERS OUT</b>	<b>\$584,532,147</b>	<b>\$596,573,364</b>	<b>\$661,009,508</b>	<b>\$648,069,490</b>	<b>\$676,972,383</b>	<b>2.4%</b>	<b>4.5%</b>
Less: Interfund Transfers	22,602,219	21,257,309	22,093,920	22,093,920	22,740,067	2.9%	2.9%
<b>NET BUDGET APPROPRIATIONS</b>	<b>\$561,929,928</b>	<b>\$575,316,055</b>	<b>\$638,915,587</b>	<b>\$625,975,570</b>	<b>\$654,232,316</b>	<b>2.4%</b>	<b>4.5%</b>

**ENDING BALANCES**
**Operating Funds:**

General Fund	\$61,605,244	\$63,392,225	\$24,361,942	\$50,053,392	\$24,637,168	1.1%	-50.8%
Water & Sewer Fund	36,088,212	28,922,220	22,677,674	26,322,172	22,908,918	1.0%	-13.0%
Sustainability & Env. Svc. Fund	1,495,499	1,983,495	517	1,177,584	320,565	61904.8%	-72.8%
Convention & Tourism Fund	5,947,277	4,283,084	34,376	2,473,372	4,026,327	11612.6%	62.8%
Municipal Drainage Utility Fund	5,420,243	7,120,635	4,255,275	4,707,027	4,508,431	5.9%	-4.2%
Recreation Revolving Fund	194,563	838,165	330,660	291,945	253,169	-23.4%	-13.3%
Municipal Golf Course Fund	81,374	327,277	456,109	476,802	609,332	33.6%	27.8%
PTV Fund	2,182,354	2,033,862	416,930	1,088,453	162,807	-61.0%	-85.0%
<b>TOTAL OPERATING FUNDS</b>	<b>\$113,014,766</b>	<b>\$108,900,963</b>	<b>\$52,533,483</b>	<b>\$86,590,747</b>	<b>\$57,426,717</b>	<b>9.3%</b>	<b>-33.7%</b>

**Debt Service Funds:**

General Obligation	\$8,116,339	\$7,352,771	\$6,740,820	\$6,196,844	\$4,653,725	-31.0%	-24.9%
Water & Sewer Debt	887,696	888,061	906,196	896,561	905,061	-0.1%	0.9%
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>\$9,004,035</b>	<b>\$8,240,832</b>	<b>\$7,647,016</b>	<b>\$7,093,404</b>	<b>\$5,558,785</b>	<b>-27.3%</b>	<b>-21.6%</b>
<b>TOTAL ENDING BALANCES</b>	<b>\$122,018,801</b>	<b>\$117,141,795</b>	<b>\$60,180,498</b>	<b>\$93,684,151</b>	<b>\$62,985,503</b>	<b>4.7%</b>	<b>-32.8%</b>
<b>TOTAL APPROPRIATIONS &amp; ENDING BALANCES</b>	<b>\$683,948,729</b>	<b>\$692,457,850</b>	<b>\$699,096,086</b>	<b>\$719,659,721</b>	<b>\$717,217,819</b>	<b>2.6%</b>	<b>-0.3%</b>





## GENERAL FUND

	Actual	Actual	Budget	Re-Est	Budget	Variance	
	2019-20	2020-21	2021-22	2021-22	2022-23	Bud to Bud	Est to Bud
<b>UNAPPROPRIATED FUND</b>							
<b>BALANCE</b>	<b>\$58,680,053</b>	<b>\$61,605,244</b>	<b>\$63,557,414</b>	<b>\$58,787,480</b>	<b>\$50,053,392</b>	<b>-21.2%</b>	<b>-21.0%</b>
Encumbrance Adjustment				4,604,745			
<b>Revenues</b>							
Taxes	\$234,540,489	\$245,528,689	\$241,904,736	\$255,704,670	\$255,532,801	5.6%	-0.1%
Franchise Fees	20,948,685	19,088,696	19,194,571	20,066,406	19,165,581	-0.2%	-4.5%
Fines & Forfeits	4,710,210	4,231,309	4,607,563	4,600,184	5,120,885	11.1%	11.3%
Miscellaneous Revenue	5,208,478	2,092,258	3,406,071	2,696,071	2,694,924	-20.9%	0.0%
Licenses & Permits	8,215,483	11,428,949	8,902,592	9,439,357	9,451,125	6.2%	0.1%
Charges for Services	12,672,103	12,777,342	12,765,354	13,830,989	13,690,803	7.2%	-1.0%
Intergovernmental Revenue	1,421,116	2,051,148	2,163,284	2,117,112	2,173,479	0.5%	2.7%
Subtotal Revenues	<u>\$287,716,564</u>	<u>\$297,198,391</u>	<u>\$292,944,170</u>	<u>\$308,454,789</u>	<u>\$307,829,599</u>	<u>5.1%</u>	<u>-0.2%</u>
Intragovernmental Transfers	22,352,219	21,007,309	21,593,920	21,593,920	22,240,067	3.0%	3.0%
<b>TOTAL REVENUES &amp; TRANSFERS</b>	<b>\$310,068,783</b>	<b>\$318,205,700</b>	<b>\$314,538,090</b>	<b>\$330,048,710</b>	<b>\$330,069,665</b>	<b>4.9%</b>	<b>0.0%</b>
<b>TOTAL RESOURCES</b>	<b>\$368,748,836</b>	<b>\$379,810,944</b>	<b>\$378,095,505</b>	<b>\$393,440,935</b>	<b>\$380,123,057</b>	<b>0.5%</b>	<b>-3.4%</b>
<b>APPROPRIATIONS</b>							
<b>Operating Expense</b>							
Salaries & Wages	\$208,643,616	\$213,797,183	\$225,528,191	\$220,718,873	\$232,141,080	2.9%	5.2%
Materials & Supplies	8,029,080	7,917,135	9,937,105	11,307,082	10,337,610	4.0%	-8.6%
Contractual	52,400,078	52,826,438	59,681,868	63,367,393	61,284,659	2.7%	-3.3%
Community Services Agencies	555,974	570,380	578,400	578,400	584,400	1.0%	1.0%
Sundry	913,523	1,177,188	1,369,160	1,644,287	1,423,926	4.0%	-13.4%
CIP Coming On-Line	0	0	0	0	1,073,734	0.0%	0.0%
Reimbursements	(2,646,521)	(6,227,789)	(5,104,267)	(5,104,267)	(5,257,395)	3.0%	3.0%
CARES Act Reimbursement	(14,009,411)	(9,765,984)	0	0	0	0.0%	0.0%
ARPA Reimbursement	0	0	0	(15,712,158)	0	0.0%	-100.0%
Subtotal	<u>\$253,886,339</u>	<u>\$260,294,551</u>	<u>\$291,990,457</u>	<u>\$276,799,610</u>	<u>\$301,588,014</u>	<u>3.3%</u>	<u>9.0%</u>
Capital Outlay	1,081,876	222,362	1,507,710	2,402,537	0	0.0%	-100.0%
<b>TOTAL OPERATIONS</b>	<b>\$254,968,215</b>	<b>\$260,516,913</b>	<b>\$293,498,167</b>	<b>\$279,202,147</b>	<b>\$301,588,014</b>	<b>2.8%</b>	<b>8.0%</b>
Capital Maintenance Fund	\$35,250,549	\$39,376,519	\$43,250,549	\$46,000,549	\$35,250,540	-18.5%	-23.4%
Risk Management Fund	5,000,000	5,800,000	5,800,000	7,000,000	7,000,000	20.7%	0.0%
Technology Fund	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	0.0%	0.0%
TS Replacement Fund	1,000,000	500,000	500,000	500,000	500,000	0.0%	0.0%
PTV Fund	0	0	250,000	250,000	250,000	100.0%	100.0%
Economic Development Incentive	8,924,828	9,225,287	9,434,847	9,434,847	9,897,335	4.9%	4.9%
<b>TOTAL TRANSFERS</b>	<b>\$52,175,377</b>	<b>\$55,901,806</b>	<b>\$60,235,396</b>	<b>\$64,185,396</b>	<b>\$53,897,875</b>	<b>-10.5%</b>	<b>-16.0%</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$307,143,592</b>	<b>\$316,418,719</b>	<b>\$353,733,563</b>	<b>\$343,387,543</b>	<b>\$355,485,889</b>	<b>0.5%</b>	<b>3.5%</b>
<b>UNAPPROPRIATED FUND</b>	<b>\$61,605,244</b>	<b>\$63,392,225</b>	<b>\$24,361,942</b>	<b>\$50,053,392</b>	<b>\$24,637,168</b>	<b>1.1%</b>	<b>-50.8%</b>
Days of Operation					30		

## GENERAL FUND REVENUE BY SOURCE

SOURCE OF INCOME	Actual	Actual	Budget	Re-Est	Budget	Variance	
	2019-20	2020-21	2021-22	2021-22	2022-23	Bud to Bud	Est to Bud
<b>Taxes</b>							
Ad Valorem Taxes:							
Current	\$145,759,349	\$150,320,406	\$150,546,533	\$151,556,195	\$157,909,503	4.9%	4.2%
Delinquent	(521,261)	(188,176)	1,588,154	100,000	1,652,055	4.0%	100.0%
Penalty & Interest	614,634	614,529	794,077	614,529	826,028	4.0%	34.4%
Sales Tax	86,754,811	92,525,917	87,149,229	100,958,465	92,659,787	6.3%	-8.2%
Mixed Drink Tax	1,748,846	2,122,801	1,697,154	2,122,801	2,132,354	25.6%	0.4%
Bingo Gross Receipts Tax	93,589	91,508	87,885	87,885	88,280	0.4%	0.4%
Excess Proceeds on Taxes	90,521	41,704	41,704	264,795	264,795	534.9%	0.0%
<b>TOTAL TAXES</b>	<b>\$234,540,489</b>	<b>\$245,528,689</b>	<b>\$241,904,736</b>	<b>\$255,704,670</b>	<b>\$255,532,801</b>	<b>5.6%</b>	<b>-0.1%</b>
<b>Franchise Fees</b>							
Electrical Franchise	\$12,253,681	\$11,606,444	\$11,680,224	\$11,680,224	\$11,680,224	0.0%	0.0%
Telephone Franchise	2,433,454	1,723,254	1,827,244	1,723,254	1,723,254	-5.7%	0.0%
Fiber Optics Franchise	57,680	55,166	53,601	66,420	96,956	80.9%	46.0%
Gas Franchise	3,110,903	3,063,890	3,120,862	4,083,868	3,278,139	5.0%	-19.7%
Cable TV Franchise	3,092,967	2,639,942	2,512,640	2,512,640	2,387,008	-5.0%	-5.0%
<b>TOTAL FRANCHISE FEES</b>	<b>\$20,948,685</b>	<b>\$19,088,696</b>	<b>\$19,194,571</b>	<b>\$20,066,406</b>	<b>\$19,165,581</b>	<b>-0.2%</b>	<b>-4.5%</b>
<b>Fines &amp; Forfeits</b>							
Municipal Court	\$4,678,459	\$4,192,036	\$4,556,732	\$4,556,732	\$5,077,237	11.4%	11.4%
Library Fines	31,751	39,273	50,831	43,452	43,648	100.0%	0.4%
<b>TOTAL FINES &amp; FORFEITS</b>	<b>\$4,710,210</b>	<b>\$4,231,309</b>	<b>\$4,607,563</b>	<b>\$4,600,184</b>	<b>\$5,120,885</b>	<b>11.1%</b>	<b>11.3%</b>
<b>Miscellaneous Revenue</b>							
Interest Earnings	\$3,312,931	\$449,654	\$1,710,000	\$1,000,000	\$1,000,000	-41.5%	0.0%
Sale/Rental of Property	387,234	364,552	437,234	437,234	414,552	-5.2%	-5.2%
Insurance Collections	732,726	535,443	538,382	538,382	559,917	4.0%	4.0%
Sundry	775,587	742,609	720,455	720,455	720,455	0.0%	0.0%
<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>\$5,208,478</b>	<b>\$2,092,258</b>	<b>\$3,406,071</b>	<b>\$2,696,071</b>	<b>\$2,694,924</b>	<b>-20.9%</b>	<b>0.0%</b>
<b>Licenses and Permits</b>							
Food Handlers Permits	\$707,570	\$689,490	\$648,460	\$703,025	\$706,189	8.9%	0.4%
Land / Burning / Liquid Waste	19,255	19,600	19,855	0	0	-100.0%	0.0%
Liquid Waste Generator Permits	80,223	82,050	75,947	0	0	-100.0%	0.0%
Fire Inspection Fees	244,235	289,570	301,256	301,256	301,256	0.0%	0.0%
Rental Registration Fees	393,814	370,149	383,135	383,135	384,859	0.4%	0.4%
Animal Licenses	108,061	103,155	105,731	105,731	106,207	0.4%	0.4%
Restaurant Plan Review	13,750	17,325	12,111	21,300	21,396	76.7%	0.4%
Alarm Permits	1,326,843	1,364,045	1,316,144	1,316,144	1,322,067	0.5%	0.5%
Filing Fees	263,680	311,077	299,402	352,170	352,170	17.6%	0.0%
Fire Protection Plan Review	209,271	307,621	259,586	359,484	359,484	38.5%	0.0%
Building Permits	3,423,248	6,205,789	3,928,562	4,328,562	4,328,562	10.2%	0.0%
Electrical Permits	133,757	206,861	194,301	194,301	194,301	0.0%	0.0%
Plumbing Permits	388,165	486,230	441,277	441,277	441,277	0.0%	0.0%
Heating & A/C Permits	185,447	198,689	193,526	193,526	193,526	0.0%	0.0%
Fence Permits	47,562	59,118	61,021	57,168	57,168	-6.3%	0.0%
Swimming Pool Permits	44,869	42,169	48,151	48,151	48,151	0.0%	0.0%
Pool Inspection	85,821	89,090	85,809	85,809	86,195	0.4%	0.4%
Irrigation Permits	53,168	35,215	35,341	35,341	35,341	0.0%	0.0%
Day Laborer Fees	10,985	11,705	12,291	12,291	12,291	0.0%	0.0%
Sign Permits	175,728	196,145	183,175	183,175	183,175	0.0%	0.0%
Reoccupancy Permits	104,150	122,600	115,000	135,000	135,000	17.4%	0.0%
Misc. Licenses & Permits	195,881	221,256	182,511	182,511	182,511	0.0%	0.0%
<b>TOTAL LICENSES &amp; PERMITS</b>	<b>\$8,215,483</b>	<b>\$11,428,949</b>	<b>\$8,902,592</b>	<b>\$9,439,357</b>	<b>\$9,451,125</b>	<b>6.2%</b>	<b>0.1%</b>
<b>Fees &amp; Service Charges</b>							
Animal Pound & Adoption Fee	\$262,450	\$224,806	\$247,995	\$247,995	\$249,111	0.4%	0.4%
Ambulance Service	6,259,599	4,844,953	4,928,901	4,928,901	4,951,081	0.4%	0.4%
False Alarm Response	204,582	229,090	214,375	233,050	234,099	9.2%	0.4%
Emergency 911	712,698	610,176	609,373	640,176	643,057	5.5%	0.5%
Contractor Registration Fee	174,437	193,914	197,735	197,735	197,735	0.0%	0.0%
Engineering Inspection Fee	242,013	399,790	330,000	750,000	400,000	21.2%	-46.7%
Residential Building Plan Review	68,317	83,246	79,115	85,950	85,950	8.6%	0.0%
Reinspection Fee	52,155	63,863	49,688	68,140	68,140	37.1%	0.0%
File Searches	45,688	37,419	40,061	43,001	43,195	7.8%	0.4%
Same Day Inspection Fee	59,270	59,340	54,091	59,440	59,440	9.9%	0.0%
Convenience Copiers	5,118	4,743	5,015	5,015	5,038	0.5%	0.5%
Lease Fees	81,258	85,163	100,000	100,000	100,000	0.0%	0.0%
Recreation User Fee	656,386	586,700	642,266	642,266	645,156	0.4%	0.4%
Recreation Rental Fee	211,799	325,274	226,610	467,857	469,962	107.4%	0.4%
Swimming Fees	312,242	702,222	801,916	801,916	805,525	0.4%	0.4%
Recreation Membership Card Fee	1,880,253	2,263,672	2,360,166	2,410,979	2,521,828	6.8%	4.6%



Tennis Center Fee	184,560	356,965	364,209	365,761	367,407	0.9%	0.4%
Tree Trimming Assessments	149,078	203,063	170,664	212,874	213,832	25.3%	0.4%
Child Safety Fees	62,754	72,220	69,933	69,933	70,248	0.4%	0.4%
Sundry	1,047,446	1,430,723	1,273,240	1,500,000	1,560,000	22.5%	4.0%
<b>TOTAL FEES &amp; SVC CHARGES</b>	<b>\$12,672,103</b>	<b>\$12,777,342</b>	<b>\$12,765,354</b>	<b>\$13,830,989</b>	<b>\$13,690,803</b>	<b>7.2%</b>	<b>-1.0%</b>
<b>Intergovernmental Revenue -</b>							
FISD School Resource Officer	46,008	71,460	74,274	74,448	76,681	3.2%	3.0%
PISD School Resource Officers	1,049,872	1,741,488	1,805,233	1,804,464	1,858,598	3.0%	3.0%
Plano-Richardson Trng. Ctr. / Misc.	325,236	238,200	283,777	238,200	238,200	-16.1%	0.0%
<b>TOTAL INTERGOVT'L REVENUE</b>	<b>\$1,421,116</b>	<b>\$2,051,148</b>	<b>\$2,163,284</b>	<b>\$2,117,112</b>	<b>\$2,173,479</b>	<b>0.5%</b>	<b>2.7%</b>
<b>TOTAL REVENUE</b>	<b>\$287,716,564</b>	<b>\$297,198,391</b>	<b>\$292,944,170</b>	<b>\$308,454,789</b>	<b>\$307,829,599</b>	<b>5.1%</b>	<b>-0.2%</b>
<b>Intragovernmental Transfers</b>							
Intra-Fund Transfers From:							
Water & Sewer Fund	\$17,172,051	\$16,617,636	\$17,117,516	\$17,117,516	\$17,631,041	3.0%	3.0%
Sustain. & Environ. Services Fund	2,097,917	2,317,063	2,363,404	2,363,404	2,434,306	3.0%	3.0%
Recreation Revolving Fund	150,000	153,000	156,060	156,060	160,742	3.0%	3.0%
Golf Course Fund	0	60,655	60,806	60,806	60,959	100.0%	100.0%
Convention & Tourism Fund	933,720	939,432	958,221	958,221	986,968	3.0%	3.0%
Municipal Drainage Fund	748,531	919,523	937,913	937,913	966,051	3.0%	3.0%
Technology Fund	1,250,000	0	0	0	0	0.0%	0.0%
<b>TOTAL INTRAGOV'T'L TRANSFERS</b>	<b>\$22,352,219</b>	<b>\$21,007,309</b>	<b>\$21,593,920</b>	<b>\$21,593,920</b>	<b>\$22,240,067</b>	<b>3.0%</b>	<b>3.0%</b>
<b>TOTAL GENERAL FUND</b>	<b>\$310,068,783</b>	<b>\$318,205,700</b>	<b>\$314,538,091</b>	<b>\$330,048,710</b>	<b>\$330,069,665</b>	<b>4.9%</b>	<b>0.0%</b>

## GENERAL OBLIGATION DEBT SERVICE

	Actual	Actual	Budget	Re-Est	Budget	Variance	
	2019-20	2020-21	2021-22	2021-22	2022-23	Bud to Bud	Est to Bud
<b>UNAPPROPRIATED FUND BALANCE</b>	<b>\$5,548,057</b>	<b>\$8,116,339</b>	<b>\$7,917,563</b>	<b>\$7,352,771</b>	<b>\$6,196,844</b>	<b>-21.7%</b>	<b>-15.7%</b>
<b>Revenues</b>							
Ad Valorem Tax							
Current	\$47,980,798	\$49,482,912	\$51,328,443	\$50,265,747	\$54,985,100	7.1%	9.4%
Delinquent	(159,487)	(58,203)	540,956	100,000	579,844	7.2%	479.8%
Penalty & Interest	174,075	158,297	216,383	175,000	231,938	7.2%	32.5%
Fund Interest Income	1,243,469	165,124	300,000	300,000	300,000	0.0%	0.0%
Police Academy Reimbursement	134,574	118,543	115,097	115,097	75,494	-34.4%	-34.4%
<b>TOTAL REVENUES</b>	<b>\$49,373,428</b>	<b>\$49,866,673</b>	<b>\$52,500,879</b>	<b>\$50,955,844</b>	<b>\$56,172,375</b>	<b>7.0%</b>	<b>10.2%</b>
<b>TOTAL RESOURCES</b>	<b>\$54,921,485</b>	<b>\$57,983,012</b>	<b>\$60,418,442</b>	<b>\$58,308,615</b>	<b>\$62,369,219</b>	<b>3.2%</b>	<b>7.0%</b>
<b>APPROPRIATIONS</b>							
<b>Bond and Certificates</b>							
Principal	\$26,020,000	\$28,330,000	\$30,710,000	\$30,710,000	\$33,333,247	8.5%	8.5%
Interest	16,873,908	18,720,441	18,821,322	18,821,322	20,184,347	7.2%	7.2%
Transfer to CO's Radio Sys Repl	329,738	0	0	0	0	0.0%	0.0%
Transfer to Tax Notes Radio Repl, PLL, Phone Sys	997,300	999,100	0	0	0	0.0%	0.0%
Transfer to Tax Notes NextGen	2,570,450	2,569,200	2,567,700	2,567,700	2,570,700	0.1%	0.1%
Exchanges Fees & Bond Sale Expense	13,750	11,500	13,500	12,750	13,500	0.0%	5.9%
Subtotal	\$46,805,146	\$50,630,241	\$52,112,522	\$52,111,772	\$56,101,794	7.7%	7.7%
<b>New Debt Projection</b>	<b>0</b>	<b>0</b>	<b>1,565,100</b>	<b>0</b>	<b>1,613,700</b>	<b>3.1%</b>	<b>100.0%</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$46,805,146</b>	<b>\$50,630,241</b>	<b>\$53,677,622</b>	<b>\$52,111,772</b>	<b>\$57,715,494</b>	<b>7.5%</b>	<b>10.8%</b>
<b>UNAPPROPRIATED FUND BALANCE</b>	<b>\$8,116,339</b>	<b>\$7,352,771</b>	<b>\$6,740,820</b>	<b>\$6,196,844</b>	<b>\$4,653,725</b>	<b>-31.0%</b>	<b>-24.9%</b>



## WATER & SEWER

	Actual	Actual	Budget	Re-Est	Budget	Variance	
	2019-20	2020-21	2021-22	2021-22	2022-23	Bud to Bud	Est to Bud
<b>WORKING CAPITAL</b>	<b>\$39,267,803</b>	<b>\$36,088,212</b>	<b>\$27,214,399</b>	<b>\$28,922,220</b>	<b>\$26,322,172</b>	<b>-3.3%</b>	<b>-9.0%</b>
<b>Revenues</b>							
Water Income	\$101,393,996	\$95,097,832	\$103,533,972	\$103,533,972	\$109,267,181	5.5%	5.5%
Sewer Income	65,276,548	68,398,117	70,864,314	72,478,240	77,464,646	9.3%	6.9%
Water Taps	43,218	32,596	38,996	32,596	33,248	-14.7%	2.0%
Water & Sewer Penalties	552,788	711,956	1,346,498	1,346,498	1,358,616	0.9%	0.9%
Water Meters/AMR Devices	172,646	193,909	177,862	177,862	181,419	2.0%	2.0%
Construction Water	288,253	263,669	268,390	268,390	273,758	2.0%	2.0%
Service Connect Fee	219,605	224,540	215,704	215,704	220,018	2.0%	2.0%
Backflow Testing	684,750	693,750	685,455	685,455	699,164	2.0%	2.0%
Sewer Tie-On	14,860	19,950	17,998	17,998	18,358	2.0%	2.0%
Pre-Treatment Permits	22,290	20,577	19,396	19,396	19,784	2.0%	2.0%
Interest Earnings	852,411	141,254	350,000	150,000	150,000	-57.1%	0.0%
Misc. Income	657,281	603,896	562,854	700,000	574,111	2.0%	-18.0%
<b>TOTAL REVENUES</b>	<b>\$170,178,646</b>	<b>\$166,402,046</b>	<b>\$178,081,439</b>	<b>\$179,626,111</b>	<b>\$190,260,303</b>	<b>6.8%</b>	<b>5.9%</b>
<b>TOTAL RESOURCES</b>	<b>\$209,446,449</b>	<b>\$202,490,258</b>	<b>\$205,295,838</b>	<b>\$208,548,331</b>	<b>\$216,582,475</b>	<b>5.5%</b>	<b>3.9%</b>
<b>APPROPRIATIONS</b>							
<b>Operating Expense</b>							
Salaries & Wages	\$10,838,492	\$10,288,043	\$11,658,543	\$11,119,867	\$12,170,298	4.4%	9.4%
Materials & Supplies	1,773,239	2,567,661	2,559,989	2,627,342	2,662,389	4.0%	1.3%
Contractual	5,747,812	4,773,703	5,140,672	4,453,812	5,232,478	1.8%	17.5%
NTMWD - Water	77,364,433	76,813,645	78,900,823	79,536,739	85,388,940	8.2%	7.4%
NTMWD - Wastewater	20,953,001	22,255,741	24,644,138	24,657,547	26,383,575	7.1%	7.0%
NTMWD - Upper E. Fork Interceptor	14,433,602	14,551,288	16,291,646	16,326,413	17,632,526	8.2%	8.0%
Sundry	1,513,763	1,874,004	1,186,579	1,186,654	1,234,042	4.0%	4.0%
Reimbursements	969,347	1,028,671	1,034,370	1,034,370	1,065,401	3.0%	3.0%
Subtotal	\$133,593,689	\$134,152,756	\$141,416,760	\$140,942,744	\$151,769,649	7.3%	7.7%
Capital Outlay	4,463	135,944	0	0	0	0.0%	0.0%
<b>TOTAL OPERATIONS</b>	<b>\$133,598,152</b>	<b>\$134,288,700</b>	<b>\$141,416,760</b>	<b>\$140,942,744</b>	<b>\$151,769,649</b>	<b>7.3%</b>	<b>7.7%</b>
Transfer to General Fund	\$17,172,051	\$16,617,636	\$17,117,516	\$17,117,516	\$17,631,041	3.0%	3.0%
Transfer to W & S CIP	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	0.0%	0.0%
Transfer to Capital Maintenance	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	0.0%	0.0%
Transfer to W&S Debt Service	3,267,700	3,272,000	4,596,777	4,595,277	4,589,350	-0.2%	-0.1%
Transfer to Risk Management Fund	872,881	859,616	851,997	935,509	933,349	9.5%	-0.2%
Transfer to Technology Fund	300,000	300,000	300,000	300,000	300,000	0.0%	0.0%
Transfer to Technology Svcs	3,647,453	3,730,086	3,835,114	3,835,114	3,950,167	3.0%	3.0%
<b>TOTAL TRANSFERS</b>	<b>\$39,760,085</b>	<b>\$39,279,338</b>	<b>\$41,201,404</b>	<b>\$41,283,416</b>	<b>\$41,903,908</b>	<b>1.7%</b>	<b>1.5%</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$173,358,237</b>	<b>\$173,568,038</b>	<b>\$182,618,164</b>	<b>\$182,226,160</b>	<b>\$193,673,557</b>	<b>6.1%</b>	<b>6.3%</b>
<b>WORKING CAPITAL</b>	<b>\$36,088,212</b>	<b>\$28,922,220</b>	<b>\$22,677,674</b>	<b>\$26,322,172</b>	<b>\$22,908,918</b>	<b>1.0%</b>	<b>-13.0%</b>
<b>Days of Operation</b>					55		

**WATER & SEWER DEBT SERVICE**

	Actual	Actual	Budget	Re-Est	Budget	Variance	
	2019-20	2020-21	2021-22	2021-22	2022-23	Bud to Bud	Est to Bud
<b>WORKING CAPITAL</b>	<b>\$854,652</b>	<b>\$887,696</b>	<b>\$896,196</b>	<b>\$888,061</b>	<b>\$896,561</b>	<b>0.0%</b>	<b>1.0%</b>
<b>Revenues</b>							
Transfer In (W & S Fund)	3,267,700	3,272,000	4,596,777	4,595,277	4,589,350	-0.2%	-0.1%
Fund Interest Income	36,544	5,365	10,000	10,000	10,000	0.0%	0.0%
<b>TOTAL</b>	<b>\$3,304,244</b>	<b>\$3,277,365</b>	<b>\$4,606,777</b>	<b>\$4,605,277</b>	<b>\$4,599,350</b>	<b>-0.2%</b>	<b>-0.1%</b>
<b>TOTAL RESOURCES</b>	<b>\$4,158,896</b>	<b>\$4,165,061</b>	<b>\$5,502,973</b>	<b>\$5,493,338</b>	<b>\$5,495,911</b>	<b>-0.1%</b>	<b>0.0%</b>
<b>APPROPRIATIONS</b>							
Principal	\$1,855,000	\$1,935,000	\$2,945,000	\$2,945,000	\$3,020,000	2.5%	2.5%
Interest	1,411,200	1,337,000	1,650,277	1,650,277	1,569,350	-4.9%	-4.9%
Fees	5,000	5,000	1,500	1,500	1,500	0.0%	0.0%
Subtotal	\$3,271,200	\$3,277,000	\$4,596,777	\$4,596,777	\$4,590,850	-0.1%	-0.1%
New Debt Projection	0	0	0	0	0	0.0%	0.0%
<b>TOTAL APPROPRIATIONS</b>	<b>\$3,271,200</b>	<b>\$3,277,000</b>	<b>\$4,596,777</b>	<b>\$4,596,777</b>	<b>\$4,590,850</b>	<b>-0.1%</b>	<b>-0.1%</b>
<b>WORKING CAPITAL</b>	<b>\$887,696</b>	<b>\$888,061</b>	<b>\$906,196</b>	<b>\$896,561</b>	<b>\$905,061</b>	<b>-0.1%</b>	<b>0.9%</b>



## SUSTAINABILITY & ENVIRONMENTAL SERVICES

	Actual	Actual	Budget	Re-Est	Budget	Variance	
	2019-20	2020-21	2021-22	2021-22	2022-23	Bud to Bud	Est to Bud
<b>WORKING CAPITAL</b>	<b>\$2,897,664</b>	<b>\$1,495,499</b>	<b>\$644,791</b>	<b>\$1,983,495</b>	<b>\$1,177,584</b>	<b>82.6%</b>	<b>-40.6%</b>
<b>Revenues</b>							
Commercial Franchise	\$8,464,909	\$8,478,963	\$9,301,172	\$9,301,172	\$9,673,219	4.0%	4.0%
Special Refuse Collection	106,595	97,840	105,167	111,584	112,086	6.6%	0.4%
Residential Collection	14,123,193	15,118,806	15,191,151	15,191,151	15,327,872	0.9%	0.9%
Recycling	3,589	188,643	60,000	150,000	150,675	151.1%	0.5%
Sales of Landscape Bags	2,242	0	0	0	0	0.0%	0.0%
Contributions via Utility Billing	9,742	7,934	10,120	10,120	10,166	0.4%	0.4%
Sale of Compost	2,626,022	2,850,051	2,747,391	3,099,146	3,113,092	13.3%	0.4%
Tipping Fees	1,690,407	1,781,836	1,693,788	1,910,195	1,918,791	13.3%	0.4%
Miscellaneous	352,062	450,572	355,583	355,583	362,695	2.0%	2.0%
Reimbursements	178,306	249,191	246,729	246,729	256,598	4.0%	4.0%
Construction & Demolition Program	310,000	1,333,388	310,000	310,000	310,000	0.0%	0.0%
<b>TOTAL REVENUES</b>	<b>\$27,867,067</b>	<b>\$30,557,224</b>	<b>\$30,021,101</b>	<b>\$30,685,680</b>	<b>\$31,235,193</b>	<b>4.0%</b>	<b>1.8%</b>
<b>TOTAL RESOURCES</b>	<b>\$30,764,731</b>	<b>\$32,052,723</b>	<b>\$30,665,892</b>	<b>\$32,669,175</b>	<b>\$32,412,777</b>	<b>5.7%</b>	<b>-0.8%</b>
<b>APPROPRIATIONS</b>							
<b>Operating Expense</b>							
Salaries & Wages	\$8,069,995	\$7,728,981	\$8,256,331	\$8,987,061	\$9,525,947	15.4%	6.0%
Materials & Supplies	544,243	487,857	570,473	575,909	593,292	4.0%	3.0%
Contractual	8,969,736	9,005,520	9,486,860	9,499,567	9,465,670	-0.2%	-0.4%
NTMWD	8,338,024	8,242,261	8,969,145	8,969,513	9,059,436	1.0%	1.0%
Sundry	276,200	479,009	113,961	114,011	118,519	4.0%	4.0%
Reimbursements	213,290	787,027	298,068	298,068	307,010	3.0%	3.0%
Subtotal	\$26,411,488	\$26,730,655	\$27,694,838	\$28,444,129	\$29,069,875	5.0%	2.2%
Capital Outlay	257,717	406,826	0	90,000	0	0.0%	0.0%
<b>TOTAL OPERATIONS</b>	<b>\$26,669,205</b>	<b>\$27,137,481</b>	<b>\$27,694,838</b>	<b>\$28,534,129</b>	<b>\$29,069,875</b>	<b>5.0%</b>	<b>1.9%</b>
Transfer to General Fund	\$2,097,726	\$2,317,063	\$2,363,404	\$2,363,404	\$2,434,306	3.0%	3.0%
Transfer to Technology Fund	60,000	60,000	60,000	60,000	60,000	0.0%	0.0%
Transfer to Risk Management Fund	442,301	554,684	547,133	534,058	528,032	-3.5%	-1.1%
<b>TOTAL TRANSFERS</b>	<b>\$2,600,027</b>	<b>\$2,931,747</b>	<b>\$2,970,537</b>	<b>\$2,957,462</b>	<b>\$3,022,338</b>	<b>1.7%</b>	<b>2.2%</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$29,269,232</b>	<b>\$30,069,228</b>	<b>\$30,665,375</b>	<b>\$31,491,591</b>	<b>\$32,092,213</b>	<b>4.7%</b>	<b>1.9%</b>
<b>WORKING CAPITAL</b>	<b>\$1,495,499</b>	<b>\$1,983,495</b>	<b>\$517</b>	<b>\$1,177,584</b>	<b>\$320,565</b>	<b>61925.2%</b>	<b>-72.8%</b>
<b>Days of Operation</b>			0	15	4		

**MUNICIPAL DRAINAGE UTILITY**

	Actual	Actual	Budget	Re-Est	Budget	Variance	
	2019-20	2020-21	2021-22	2021-22	2022-23	Bud to Bud	Est to Bud
<b>WORKING CAPITAL</b>	<b>\$5,237,675</b>	<b>\$5,420,243</b>	<b>\$4,754,823</b>	<b>\$7,120,635</b>	<b>\$4,707,027</b>	<b>-1.0%</b>	<b>-33.9%</b>
<b>Revenues</b>							
Environmental Assessment Fees:							
Residential Class Fees	\$3,816,503	\$4,607,681	\$4,606,314	\$4,783,945	\$4,805,473	4.3%	0.4%
Commercial Class Fees	3,873,192	4,834,017	4,828,802	4,979,209	5,001,615	3.6%	0.5%
Land/Burning/Liquid Waste Permits	0	0	0	19,855	19,915	0.0%	0.3%
Liquid Waster Generator Permits	0	0	0	75,947	76,175	0.0%	0.3%
Miscellaneous	19,932	4,133	11,412	11,412	11,412	0.0%	0.0%
Interest Income	149,680	24,192	75,000	25,000	25,000	-66.7%	0.0%
<b>TOTAL REVENUES</b>	<b>\$7,859,307</b>	<b>\$9,470,023</b>	<b>\$9,521,528</b>	<b>\$9,895,368</b>	<b>\$9,939,590</b>	<b>4.4%</b>	<b>0.4%</b>
<b>TOTAL RESOURCES</b>	<b>\$13,096,982</b>	<b>\$14,890,266</b>	<b>\$14,276,350</b>	<b>\$17,016,003</b>	<b>\$14,646,617</b>	<b>2.6%</b>	<b>-13.9%</b>
<b>APPROPRIATIONS</b>							
<b>Operating Expense</b>							
Salaries & Wages	\$1,988,715	\$1,939,364	\$2,480,665	\$2,385,527	\$2,570,503	3.6%	7.8%
Materials & Supplies	167,136	160,305	338,851	446,032	352,405	4.0%	-21.0%
Contractual	721,429	682,995	926,083	1,177,289	952,792	2.9%	-19.1%
Sundry	36,232	51,552	6,188	6,238	6,436	4.0%	3.2%
Reimbursements	967,299	1,001,320	1,034,932	1,034,932	1,065,980	3.0%	3.0%
Subtotal	\$3,880,811	\$3,835,536	\$4,786,719	\$5,050,018	\$4,948,116	3.4%	-2.0%
Capital Outlay	29,866	1,591	75,000	75,000	0	-100.0%	-100.0%
<b>TOTAL OPERATIONS</b>	<b>\$3,910,677</b>	<b>\$3,837,127</b>	<b>\$4,861,719</b>	<b>\$5,125,018</b>	<b>\$4,948,116</b>	<b>1.8%</b>	<b>-3.5%</b>
Transfer to General Fund	\$748,531	\$919,523	\$937,913	\$937,913	\$966,051	3.0%	3.0%
Transfer to Capital Maintenance	500,000	500,000	500,000	500,000	500,000	0.0%	0.0%
Transfer to Technology Fund	20,000	20,000	20,000	20,000	20,000	0.0%	0.0%
Transfer to Revenue Debt	2,497,531	2,492,981	3,701,443	3,701,443	3,704,019	0.1%	0.1%
<b>TOTAL TRANSFERS</b>	<b>\$3,766,062</b>	<b>\$3,932,504</b>	<b>\$5,159,356</b>	<b>\$5,159,356</b>	<b>\$5,190,070</b>	<b>0.6%</b>	<b>0.6%</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$7,676,739</b>	<b>\$7,769,631</b>	<b>\$10,021,075</b>	<b>\$10,284,374</b>	<b>\$10,138,186</b>	<b>1.2%</b>	<b>-1.4%</b>
<b>RESERVE REQUIREMENT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,024,601</b>	<b>0</b>	<b>0.0%</b>	<b>-100.0%</b>
<b>WORKING CAPITAL</b>	<b>\$5,420,243</b>	<b>\$7,120,635</b>	<b>\$4,255,275</b>	<b>\$4,707,027</b>	<b>\$4,508,431</b>	<b>5.9%</b>	<b>-4.2%</b>
Days of Operation				335	333		





## CONVENTION & TOURISM

	Actual	Actual	Budget	Re-Est	Budget	Variance	
	2019-20	2020-21	2021-22	2021-22	2022-23	Bud to Bud	Est to Bud
<b>WORKING CAPITAL</b>	<b>\$8,565,919</b>	<b>\$5,947,277</b>	<b>\$4,103,021</b>	<b>\$4,283,084</b>	<b>\$2,473,372</b>	<b>-39.7%</b>	<b>-42.3%</b>
<b>Revenues</b>							
Hotel/Motel Receipts	\$6,725,576	\$6,945,359	\$10,789,890	\$10,638,502	\$12,482,943	15.7%	17.3%
Plano Event Center Fees	1,496,463	982,037	1,999,999	2,236,264	2,985,150	49.3%	33.5%
Miscellaneous	42,076	20,303	25,000	25,000	25,000	0.0%	0.0%
Interest Income	245,964	26,277	50,000	30,000	30,000	-40.0%	0.0%
<b>TOTAL REVENUES</b>	<b>\$8,510,079</b>	<b>\$7,973,976</b>	<b>\$12,864,889</b>	<b>\$12,929,766</b>	<b>\$15,523,093</b>	<b>20.7%</b>	<b>20.1%</b>
<b>TOTAL RESOURCES</b>	<b>\$17,075,998</b>	<b>\$13,921,253</b>	<b>\$16,967,909</b>	<b>\$17,212,850</b>	<b>\$17,996,465</b>	<b>6.1%</b>	<b>4.6%</b>
<b>APPROPRIATIONS</b>							
<b>Operating Expenses</b>							
Visit Plano	\$3,358,901	\$3,327,108	\$4,866,975	\$4,978,960	\$5,065,970	4.1%	1.7%
Plano Event Center	3,396,901	2,859,577	5,476,327	4,370,286	4,515,708	-17.5%	3.3%
Cultural Arts	998,125	800,000	1,000,000	1,000,000	1,000,000	0.0%	0.0%
Historic Preservation	817,443	590,767	800,000	800,000	800,000	0.0%	0.0%
Community & Cultural Events	60,346	26,285	487,011	287,011	506,491	4.0%	76.5%
Music Festival	101,186	0	0	0	0	0.0%	0.0%
Wayfinding Project	0	0	2,250,000	2,250,000	0	-100.0%	-100.0%
Event Center Equip.Rpl. Charge	500,000	500,000	500,000	500,000	500,000	0.0%	0.0%
Visit Plano Equip.Rpl. Charge	75,000	75,000	75,000	75,000	75,000	0.0%	0.0%
ARPA Reimbursement	0	0	0	(1,000,000)	0	0.0%	-100.0%
Subtotal	\$9,307,902	\$8,178,737	\$15,455,313	\$13,261,257	\$12,463,170	-19.4%	-6.0%
Capital Outlay	17,099	0	0	0	0	0.0%	0.0%
<b>TOTAL OPERATIONS</b>	<b>\$9,325,001</b>	<b>\$8,178,737</b>	<b>\$15,455,313</b>	<b>\$13,261,257</b>	<b>\$12,463,170</b>	<b>-19.4%</b>	<b>-6.0%</b>
Transfer to General Fund	\$933,720	\$939,432	\$958,221	\$958,221	\$986,968	3.0%	3.0%
Transfer to Capital Maint. Fund	850,000	500,000	500,000	500,000	500,000	0.0%	0.0%
Transfer to Technology Fund	20,000	20,000	20,000	20,000	20,000	0.0%	0.0%
<b>TOTAL TRANSFERS</b>	<b>\$1,803,720</b>	<b>\$1,459,432</b>	<b>\$1,478,221</b>	<b>\$1,478,221</b>	<b>\$1,506,968</b>	<b>1.9%</b>	<b>1.9%</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$11,128,721</b>	<b>\$9,638,169</b>	<b>\$16,933,534</b>	<b>\$14,739,478</b>	<b>\$13,970,138</b>	<b>-17.5%</b>	<b>-5.2%</b>
<b>WORKING CAPITAL</b>	<b>\$5,947,277</b>	<b>\$4,283,084</b>	<b>\$34,376</b>	<b>\$2,473,372</b>	<b>\$4,026,327</b>	<b>11612.7%</b>	<b>62.8%</b>
Days of Operation					118		

**GOLF COURSE**

	Actual	Actual	Budget	Re-Est	Budget	Variance	
	2019-20	2020-21	2021-22	2021-22	2022-23	Bud to Bud	Est to Bud
<b>WORKING CAPITAL</b>	<b>\$161</b>	<b>\$81,374</b>	<b>\$261,037</b>	<b>\$327,277</b>	<b>\$476,802</b>	<b>82.7%</b>	<b>45.7%</b>
<b>Revenues</b>							
Golf Fees	\$986,890	\$1,175,086	\$1,135,992	\$1,135,992	\$1,138,832	0.2%	0.2%
Concessions	64,641	77,288	74,027	74,027	74,212	0.2%	0.2%
Interest Income	1,036	878	1,100	1,100	1,128	0.0%	0.0%
Miscellaneous	3,188	2,408	5,000	5,000	5,000	0.0%	0.0%
<b>TOTAL REVENUES</b>	<b>\$1,055,755</b>	<b>\$1,255,660</b>	<b>\$1,216,119</b>	<b>\$1,216,119</b>	<b>\$1,219,173</b>	<b>0.3%</b>	<b>0.3%</b>
<b>TOTAL RESOURCES</b>	<b>\$1,055,916</b>	<b>\$1,337,034</b>	<b>\$1,477,156</b>	<b>\$1,543,396</b>	<b>\$1,695,975</b>	<b>14.8%</b>	<b>9.9%</b>
<b>APPROPRIATIONS</b>							
<b>Operating Expense</b>							
Salaries & Wages	\$619,020	\$615,180	\$611,576	\$649,494	\$670,424	9.6%	3.2%
Supplies	107,468	117,591	105,275	105,275	109,486	4.0%	4.0%
Contractual Services	240,620	212,640	241,320	248,949	243,621	1.0%	-2.1%
Sundry	7,434	3,689	2,070	2,070	2,153	4.0%	4.0%
Subtotal	\$974,542	\$949,100	\$960,241	\$1,005,788	\$1,025,684	6.8%	2.0%
Capital Outlay	0	0	0	0	0	0.0%	0.0%
<b>TOTAL OPERATIONS</b>	<b>\$974,542</b>	<b>\$949,100</b>	<b>\$960,241</b>	<b>\$1,005,788</b>	<b>\$1,025,684</b>	<b>6.8%</b>	<b>2.0%</b>
Transfer to General Fund	0	60,655	60,806	60,806	60,959	100.0%	100.0%
<b>TOTAL TRANSFERS</b>	<b>\$0</b>	<b>\$60,655</b>	<b>\$60,806</b>	<b>\$60,806</b>	<b>\$60,959</b>	<b>100.0%</b>	<b>100.0%</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$974,542</b>	<b>\$1,009,755</b>	<b>\$1,021,047</b>	<b>\$1,066,594</b>	<b>\$1,086,643</b>	<b>6.4%</b>	<b>1.9%</b>
<b>WORKING CAPITAL</b>	<b>\$81,374</b>	<b>\$327,277</b>	<b>\$456,109</b>	<b>\$476,802</b>	<b>\$609,332</b>	<b>33.6%</b>	<b>27.8%</b>
<b>Days of Operation</b>					217		



## RECREATION REVOLVING

	Actual	Actual	Budget	Re-Est	Budget	Variance	
	2019-20	2020-21	2021-22	2021-22	2022-23	Bud to Bud	Est to Bud
<b>WORKING CAPITAL</b>	<b>\$898,714</b>	<b>\$194,563</b>	<b>\$1,114,630</b>	<b>\$838,165</b>	<b>\$291,945</b>	<b>-73.8%</b>	<b>-65.2%</b>
<b>Revenues</b>							
Recreation Fees	\$1,439,601	\$1,916,107	\$2,750,000	\$3,035,000	\$3,643,658	32.5%	20.1%
Contributions	13,323	2,519	4,274	4,274	4,274	0.0%	0.0%
Interest Income	23,219	616	1,500	1,500	1,538	2.5%	2.5%
Miscellaneous	52,407	19,979	58,485	58,485	58,485	0.0%	0.0%
<b>TOTAL REVENUES</b>	<b>\$1,528,550</b>	<b>\$1,939,221</b>	<b>\$2,814,259</b>	<b>\$3,099,259</b>	<b>\$3,707,954</b>	<b>31.8%</b>	<b>19.6%</b>
<b>TOTAL RESOURCES</b>	<b>\$2,427,264</b>	<b>\$2,133,784</b>	<b>\$3,928,889</b>	<b>\$3,937,424</b>	<b>\$3,999,899</b>	<b>1.8%</b>	<b>1.6%</b>
<b>APPROPRIATIONS</b>							
<b>Operating Expense</b>							
Salaries & Wages	\$959,324	\$1,052,217	\$1,333,510	\$1,367,772	\$1,394,314	4.6%	1.9%
Materials & Supplies	107,852	103,082	167,570	175,789	174,273	4.0%	-0.9%
Contractual	987,965	1,070,880	1,910,019	1,914,177	1,985,089	3.9%	3.7%
Sundry	12,173	14,576	31,070	31,681	32,313	4.0%	2.0%
ARPA Reimbursement	0	(1,108,418)	0	0	0	0.0%	#DIV/0!
Subtotal	\$2,067,314	\$1,132,337	\$3,442,169	\$3,489,419	\$3,585,989	4.2%	2.8%
Capital Outlay	15,387	10,282	0	0	0	0.0%	-100.0%
<b>TOTAL OPERATIONS</b>	<b>\$2,082,701</b>	<b>\$1,142,619</b>	<b>\$3,442,169</b>	<b>\$3,489,419</b>	<b>\$3,585,989</b>	<b>4.2%</b>	<b>2.8%</b>
Transfer to General Fund	\$150,000	\$153,000	\$156,060	\$156,060	\$160,742	3.0%	3.0%
<b>TOTAL TRANSFERS</b>	<b>\$150,000</b>	<b>\$153,000</b>	<b>\$156,060</b>	<b>\$156,060</b>	<b>\$160,742</b>	<b>3.0%</b>	<b>3.0%</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$2,232,701</b>	<b>\$1,295,619</b>	<b>\$3,598,229</b>	<b>\$3,645,479</b>	<b>\$3,746,730</b>	<b>4.1%</b>	<b>2.8%</b>
<b>WORKING CAPITAL</b>	<b>\$194,563</b>	<b>\$838,165</b>	<b>\$330,660</b>	<b>\$291,945</b>	<b>\$253,169</b>	<b>-23.4%</b>	<b>-13.3%</b>
<b>Days of Operation</b>							26

**PTV FUND**

	Actual	Actual	Budget	Re-Est	Budget	Variance	
	2019-20	2020-21	2021-22	2021-22	2022-23	Bud to Bud	Est to Bud
<b>WORKING CAPITAL</b>	<b>\$2,163,172</b>	<b>\$2,182,354</b>	<b>\$1,189,611</b>	<b>\$2,033,862</b>	<b>\$1,088,453</b>	<b>-8.5%</b>	<b>-46.5%</b>
<b>Revenues</b>							
Plano Television Network Fee	\$686,657	\$545,504	\$498,292	\$545,504	\$518,229	4.0%	-5.0%
Interest Income	75,270	11,873	25,000	12,000	12,000	-52.0%	0.0%
Transfer In Gen Fund - Franch. Fees	0	0	250,000	250,000	250,000	0.0%	0.0%
Transfer In Technology Fund	250,000	250,000	250,000	250,000	250,000	0.0%	0.0%
Miscellaneous	0	0	500	500	500	0.0%	0.0%
<b>TOTAL REVENUES</b>	<b>\$1,011,927</b>	<b>\$807,377</b>	<b>\$1,023,792</b>	<b>\$1,058,004</b>	<b>\$1,030,729</b>	<b>0.7%</b>	<b>-2.6%</b>
<b>TOTAL RESOURCES</b>	<b>\$3,175,099</b>	<b>\$2,989,731</b>	<b>\$2,213,403</b>	<b>\$3,091,866</b>	<b>\$2,119,182</b>	<b>-4.3%</b>	<b>-31.5%</b>
<b>APPROPRIATIONS</b>							
<b>Operating Expense</b>							
Salaries & Wages	\$662,460	\$618,520	\$628,555	\$652,109	\$672,285	7.0%	3.1%
Materials & Supplies	12,006	6,663	65,165	72,313	67,772	4.0%	-6.3%
Contractual	318,279	330,686	452,753	532,991	470,318	3.9%	-11.8%
Equipment Reserve	0	0	650,000	746,000	746,000	14.8%	0.0%
Subtotal	992,745	955,869	1,796,473	2,003,413	1,956,375	8.9%	-2.3%
Capital Outlay	0	0	0	0	0	0.0%	0.0%
<b>TOTAL APPROPRIATIONS</b>	<b>992,745</b>	<b>955,869</b>	<b>1,796,473</b>	<b>2,003,413</b>	<b>1,956,375</b>	<b>8.9%</b>	<b>-2.3%</b>
<b>WORKING CAPITAL</b>	<b>\$2,182,354</b>	<b>\$2,033,862</b>	<b>\$416,930</b>	<b>\$1,088,453</b>	<b>\$162,807</b>	<b>-61.0%</b>	<b>-85.0%</b>
<b>Days of Operation</b>					30		



## RISK MANAGEMENT FUND

	Actual	Actual	Budget	Re-Est	Budget	Variance	
	2019-20	2020-21	2021-22	2021-22	2022-23	Bud to Bud	Est to Bud
<b>WORKING CAPITAL</b>	<b>\$2,444,450</b>	<b>\$531,802</b>	<b>\$825,664</b>	<b>\$401,341</b>	<b>\$698,633</b>	<b>-15.4%</b>	<b>74.1%</b>
<b>Resources</b>							
General Fund Transfer In	\$5,000,000	\$5,800,000	\$5,800,000	\$7,000,000	\$7,000,000	20.7%	0.0%
Water & Sewer Fund Transfer In	872,881	859,616	851,997	935,509	933,349	9.5%	-0.2%
Sustain. & Env. Svcs. Fund Transfer In	442,301	554,684	547,133	534,058	528,032	-3.5%	-1.1%
Claims Recovered	429,595	372,128	350,000	350,000	350,000	0.0%	0.0%
Interest Earned	193,791	31,809	100,000	50,000	50,000	-50.0%	0.0%
<b>TOTAL REVENUES</b>	<b>\$6,938,568</b>	<b>\$7,618,237</b>	<b>\$7,649,130</b>	<b>\$8,869,568</b>	<b>\$8,861,380</b>	<b>15.8%</b>	<b>-0.1%</b>
<b>TOTAL RESOURCES</b>	<b>\$9,383,018</b>	<b>\$8,150,039</b>	<b>\$8,474,794</b>	<b>\$9,270,909</b>	<b>\$9,560,013</b>	<b>12.8%</b>	<b>3.1%</b>
<b>APPROPRIATIONS</b>							
Workers' Compensation	\$3,849,296	\$3,261,757	\$2,602,058	\$3,304,400	\$3,436,576	32.1%	4.0%
Judgements and Damages	2,665,115	1,806,800	1,500,000	1,500,000	1,500,000	0.0%	0.0%
Risk Management Operations	2,336,805	2,680,141	3,522,742	3,767,876	3,676,228	4.4%	-2.4%
<b>TOTAL APPROPRIATIONS</b>	<b>\$8,851,216</b>	<b>\$7,748,698</b>	<b>\$7,624,800</b>	<b>\$8,572,276</b>	<b>\$8,612,804</b>	<b>13.0%</b>	<b>0.5%</b>
<b>UNAPPROPRIATED FUND BALANCE</b>	<b>\$531,802</b>	<b>\$401,341</b>	<b>\$849,994</b>	<b>\$698,633</b>	<b>\$947,209</b>	<b>11.4%</b>	<b>35.6%</b>

## CAPITAL MAINTENANCE

	Actual	Actual	Budget	Re-Est	Budget	Variance	
	2019-20	2020-21	2021-22	2021-22	2022-23	Bud to Bud	Est to Bud
<b>WORKING CAPITAL</b>	<b>\$42,739,449</b>	<b>\$31,930,385</b>	<b>\$26,108,482</b>	<b>\$42,885,147</b>	<b>\$36,431,227</b>	<b>39.5%</b>	<b>-15.0%</b>
<b>Revenues</b>							
General Fund Transfer In	\$35,250,549	\$37,376,519	\$43,250,549	\$46,000,549	\$35,250,549	-18.5%	-23.4%
Water & Sewer Transfer In	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	0.0%	0.0%
Municipal Drainage Transfer In	500,000	500,000	500,000	500,000	500,000	0.0%	0.0%
Convention & Tourism Transfer In	850,000	500,000	500,000	500,000	500,000	0.0%	0.0%
Fund Interest Earnings	1,437,819	216,574	750,000	750,000	750,000	0.0%	0.0%
Rollback Taxes	240,301	2,363,767	200,000	200,000	200,000	0.0%	0.0%
Screening Walls & Contributions	7,350	69,650	45,000	45,000	45,000	0.0%	0.0%
Miscellaneous Revenue	10,969	0	0	0	0	0.0%	0.0%
<b>TOTAL REVENUE</b>	<b>\$40,296,988</b>	<b>\$43,026,510</b>	<b>\$47,245,549</b>	<b>\$49,995,549</b>	<b>\$39,245,549</b>	<b>-16.9%</b>	<b>-21.5%</b>
<b>TOTAL RESOURCES</b>	<b>\$83,036,437</b>	<b>\$74,956,895</b>	<b>\$73,354,031</b>	<b>\$92,880,696</b>	<b>\$75,676,776</b>	<b>3.2%</b>	<b>-18.5%</b>
<b>APPROPRIATIONS</b>							
Streets & Drainage Projects	\$41,441,241	\$23,652,314	\$35,295,000	\$31,468,370	\$35,270,000	-0.1%	12.1%
Park Improvement Projects	4,483,251	5,081,407	6,917,700	6,827,404	6,041,459	-12.7%	-11.5%
Municipal Facilities Projects	5,074,823	2,963,354	13,744,433	17,473,695	11,513,000	-16.2%	-34.1%
Utility & Other Projects	106,737	374,673	1,866,000	680,000	1,866,000	0.0%	174.4%
Accrued Retainage	0	0	0	0	0	0.0%	0.0%
<b>TOTAL PROJECTS</b>	<b>\$51,106,052</b>	<b>\$32,071,748</b>	<b>\$57,823,133</b>	<b>\$56,449,469</b>	<b>\$54,690,459</b>	<b>-5.4%</b>	<b>-3.1%</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$51,106,052</b>	<b>\$32,071,748</b>	<b>\$57,823,133</b>	<b>\$56,449,469</b>	<b>\$54,690,459</b>	<b>-5.4%</b>	<b>-3.1%</b>
<b>WORKING CAPITAL</b>	<b>\$31,930,385</b>	<b>\$42,885,147</b>	<b>\$15,530,898</b>	<b>\$36,431,227</b>	<b>\$20,986,317</b>	<b>35.1%</b>	<b>-42.4%</b>



## OPERATING BUDGET CALENDAR FISCAL YEAR 2022-23

February 1	Technology requests for the FY 2022-23 Budget due to the Project Management Office.
February 14	<p>Personnel worksheets issued for verification.</p> <p>Budget &amp; Research Department issues calendar and instructions for requesting the following internal review items:</p> <ul style="list-style-type: none"> <li>building modifications</li> <li>cellular telephones &amp; communications devices</li> <li>copiers</li> <li>furniture</li> <li>G.I.S. software/hardware</li> <li>technology requests</li> <li>leased space</li> <li>microfilming &amp; scanning</li> <li>ordinance re-writes</li> <li>parking lot repair</li> <li>radios, radio systems, and maintenance</li> <li>special mail-outs</li> <li>telecommunications and phone equipment/lines</li> <li>vehicles and major equipment</li> </ul>
February 25	Changes to Personnel worksheets due to Budget & Research Department.
March 7	<p>Requests due to service departments for internal review items listed above.</p> <p>Preliminary FY 2022-23 Personnel requests submitted to Technology Services, Human Resources, and City Manager.</p> <p>Equipment Services distributes recommendations for vehicle and rolling stock replacements.</p>
March - May	Budget on-line training available which provides training on instructions, forms, automation, supplements, and other issues.
March 11	Budget & Research Department meets with City Manager and Deputy City Managers to present mid-year revenue and expenditure forecast, review preliminary assumptions, and set budget parameters, targets, and goals. Status of the Community Investment Program is also discussed.
March 18	Cost information and recommendations due back to departments on internal review items.
March 28	Budget & Research Department presents FY 2022-23 Status Report and Three-Year Financial Summary to City Council for review and input.
March 30	At Management Team meeting, Budget & Research Department gives overview and distributes instructions, forms, and departmental targets. Peoplesoft Position Management Dashboard rollout.
April 8	Budget & Research Department re-assesses revenue estimates for the current and upcoming year and advises the City Manager of these changes.

May 9	All departmental Operating Budgets due to area Deputy City Managers.
May 16	All departmental Operating Budget requests due in Budget & Research Department.
May 17 - June 10	Budget & Research Department compiles total Operating Budget requests and Community Investment Program requests.
May 18	Technology Services Steering Committee prioritizes all departmental Technology Requests and submits recommendation to the City Manager.
June 13	Budget & Research Department presents total request to City Manager with highlights, issues, options, and recommendations.
June 14, 15, & 16	City Manager reviews Operating Budgets and Community Investment Program with heads.
July 11	City Manager gives final budget instructions to Budget & Research Department.
July 15	Budget & Research Department notifies departments of preliminary funded FY 2022-23 requests and/or reductions.
July 18	Draft Operating Budget and Community Investment Program submitted to City Manager for review.
July 27	City Manager submits FY 2022-23 Recommended Budget and Proposed Community Investment Program to City Council.
August 8	Presentation of Proposed Community Investment Program to the City Council. Public Hearing on Operating Budget and Community Investment Program. Discuss proposed tax rate for publication of notice Approval of Appraisal Roll.
August 11	Budget Town Hall Meeting
August 13	City Council Budget Work Session including Grants Discussion
September 12	City Council adopts Operating Budget, Community Investment Program and sets Tax Rate. Public Hearing on tax rate
October 1	New fiscal year begins.

*The Budget and Research Department reserves the right to make changes to this calendar, as required or may be appropriate, to facilitate the timely execution of tasks and required productions of publications.*




**HISTORY OF TAX BASE IN PLANO AND PROJECTION FOR 2022-23, 2023-24 & 2024-25**

AD Jan. 1	Taxable Value	New Property	Existing Tax Base	Change in Total Value \$	Change in Total %	Change in Base \$	Change in Base %
2007	\$22,829,141,312	\$556,469,319	\$22,272,671,993	\$1,179,875,927	5.45%	\$623,406,608	2.88%
2008	\$24,511,500,675	\$568,050,666	\$23,943,450,009	\$1,682,359,363	7.37%	\$1,114,308,697	4.88%
2009	\$25,785,315,308	\$559,678,673	\$25,225,636,635	\$1,273,814,633	5.20%	\$714,135,960	2.91%
2010	\$25,507,218,156	\$380,409,056	\$25,126,809,100	(\$278,097,152)	-1.08%	(\$658,506,208)	-2.55%
2011	\$24,680,898,705	\$262,876,373	\$24,418,022,332	(\$826,319,451)	-3.24%	(\$1,089,195,824)	-4.27%
2012	\$25,014,043,679	\$182,400,018	\$24,831,643,661	\$333,144,974	1.35%	\$150,744,956	0.61%
2013	\$25,647,504,913	\$228,485,716	\$25,419,019,197	\$633,461,234	2.53%	\$404,975,518	1.62%
2014	\$26,925,173,431	\$337,707,494	\$26,587,465,937	\$1,277,668,518	4.98%	\$939,961,024	3.66%
2015	\$28,832,885,675	\$511,772,333	\$28,321,113,342	\$1,907,712,244	7.09%	\$1,395,939,911	5.18%
2016	\$31,280,010,953	\$536,099,837	\$30,743,911,116	\$2,447,125,278	8.49%	\$1,911,025,441	6.63%
2017	\$34,352,527,039	\$750,707,776	\$33,601,819,263	\$3,072,516,086	9.82%	\$2,321,808,310	7.42%
2018	\$39,066,059,755	\$1,426,812,524	\$37,639,247,231	\$4,713,532,716	13.72%	\$3,286,720,192	9.57%
2019	\$42,722,086,775	\$1,501,369,243	\$41,220,717,532	\$3,656,027,020	9.36%	\$2,154,657,777	5.52%
2020	\$45,074,890,034	\$829,766,758	\$44,245,123,276	\$2,352,803,259	5.51%	\$1,523,036,501	3.56%
2021	\$46,564,855,153	\$852,220,942	\$45,712,634,211	\$1,489,965,119	3.31%	\$637,744,177	1.41%
2022	\$47,692,308,336	\$613,130,090	\$47,079,178,246	\$1,127,453,183	2.42%	\$514,323,093	1.10%
2023	\$49,986,539,128	\$625,000,000	\$49,361,539,128	\$2,294,230,792	4.81%	\$1,669,230,792	3.50%
2024	\$51,986,135,302	\$500,000,000	\$51,486,135,302	\$1,999,596,174	4.00%	\$1,499,596,174	3.00%
2025	\$53,525,858,008	\$500,000,000	\$53,025,858,008	\$1,539,722,706	2.96%	\$1,039,722,706	2.00%

<b>Three-Year Financial Forecast Ad Valorem Tax Analysis</b>						
<b>Existing Property Values</b>				<b>3.50%</b>	<b>3.00%</b>	<b>2.00%</b>
<b>New Property Growth</b>				<b>625,000,000</b>	<b>500,000,000</b>	<b>500,000,000</b>
	<b>2019-20 Actual</b>	<b>2020-21 Actual</b>	<b>2021-22 Budget</b>	<b>2022-23 Projected</b>	<b>2023-24 Projected</b>	<b>2024-25 Projected</b>
<b>Analysis of Tax Rate</b>						
Total Taxable Value	\$45,074,890,034	\$46,564,855,153	\$47,692,308,336	\$49,986,539,128	\$51,986,135,302	\$53,525,858,008
Change in Total Value (\$)	2,352,803,259	1,489,965,119	1,127,453,183	2,294,230,792	1,999,596,174	1,539,722,706
Change in Total Value (%)	5.51%	3.31%	2.42%	4.81%	4.00%	2.96%
Tax Rate	0.4482	0.4482	0.4465	0.4465	0.4465	0.4465
Levy	202,025,657	208,703,681	212,946,157	223,189,897	232,118,094	238,992,956
Current Collections	193,740,147	199,803,318	210,816,695	220,957,998	229,796,913	236,603,026
Current Collections Percent	95.9%	95.7%	99.0%	99.0%	99.0%	99.0%
Delinquent Collections	(680,748)	(246,379)	2,129,462	2,231,899	2,321,181	2,389,930
Penalty & Interest	788,709	772,826	1,010,460	1,057,965	1,098,987	1,130,198
Total Collections	193,848,107	200,329,765	213,956,616	224,247,862	233,217,081	240,123,154
Total Current Levy	96.0%	96.0%	100.5%	100.5%	100.5%	100.5%
<b>Debt Allocation</b>						
Rate	0.1110	0.1110	0.1135	0.1160	0.1185	0.1210
Current Collections	47,980,798	49,482,912	51,328,443	54,985,100	58,357,916	61,260,354
Delinquent Collections	(159,487)	(58,203)	540,956	579,844	616,036	647,663
Penalty & Interest	174,075	158,297	216,383	231,938	246,414	259,065
<b>General Fund Allocation</b>						
Rate	0.3372	0.3372	0.3330	0.3305	0.3280	0.3255
Current Collections	145,759,349	150,320,406	150,546,533	157,909,503	161,928,258	165,603,280
Delinquent Collections	(521,261)	(188,176)	1,588,154	1,652,055	1,705,145	1,742,267
Penalty & Interest	614,634	614,529	794,077	826,028	852,573	871,133
<b>One Cent Equivalent on Tax Rate</b>				<b>\$4,948,667</b>	<b>\$5,146,627</b>	<b>\$5,299,060</b>



**Three-Year Financial Forecast**

GENERAL FUND							
	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Budget	Re-Est.	Projected	Projected	Projected
<b>Transfers To:</b>							
Capital Maintenance Fund	\$35,250,549	\$39,376,519	\$43,250,549	\$46,000,549	\$35,250,540	\$35,250,540	\$35,250,540
Risk Management Fund	5,000,000	5,800,000	5,800,000	7,000,000	7,000,000	7,000,000	7,000,000
Technology Fund	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
TS Replacement Fund	1,000,000	500,000	500,000	500,000	500,000	500,000	500,000
PTV	0	0	250,000	250,000	250,000	250,000	250,000
Economic Development	8,924,828	9,225,287	9,434,847	9,434,847	9,897,335	10,293,255	10,598,120
<b>Total Transfers</b>	<b>\$52,175,377</b>	<b>\$55,901,806</b>	<b>\$60,235,396</b>	<b>\$64,185,396</b>	<b>\$53,897,875</b>	<b>\$54,293,795</b>	<b>\$54,598,660</b>

GENERAL OBLIGATION DEBT FUND							
	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Budget	Re-Est.	Projected	Projected	Projected
<b>Transfers To:</b>							
C.O.'s - Radio System	\$329,738	\$0	\$0	\$0	\$0	\$0	\$0
Tax Nt Radio Repl, PLL, Phone	997,300	999,100	0	0	0	0	0
Tax Nt NextGen Program	2,570,450	2,569,200	2,567,700	2,567,700	2,570,700	2,570,700	0
<b>Total Transfers</b>	<b>\$3,897,488</b>	<b>\$3,568,300</b>	<b>\$2,567,700</b>	<b>\$2,567,700</b>	<b>\$2,570,700</b>	<b>\$2,570,700</b>	<b>\$0</b>

WATER & SEWER FUND							
	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Budget	Re-Est.	Projected	Projected	Projected
<b>Transfers To:</b>							
General Fund	\$17,172,051	\$16,617,636	\$17,117,516	\$17,117,516	\$17,631,041	\$18,159,973	\$18,704,772
Water & Sewer CIP	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000
Capital Maintenance Fund	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
W & S Debt Srevicce	3,267,700	3,272,000	4,596,777	4,595,277	4,589,350	4,592,450	4,593,700
Risk Management Fund	872,881	859,616	851,997	935,509	933,349	933,349	933,349
Technology Fund	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Technology Services	3,647,453	3,730,086	3,835,114	3,835,114	3,950,167	4,068,672	4,190,733
<b>Total Transfers</b>	<b>\$39,760,085</b>	<b>\$39,279,338</b>	<b>\$41,201,404</b>	<b>\$41,283,416</b>	<b>\$41,903,908</b>	<b>\$42,554,444</b>	<b>\$43,222,553</b>

SUSTAINABILITY & ENVIRONMENTAL SERVICES FUND							
	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Budget	Re-Est.	Projected	Projected	Projected
<b>Transfers To:</b>							
General Fund	\$2,097,726	\$2,317,063	\$2,363,404	\$2,363,404	\$2,434,306	\$2,507,335	\$2,582,555
Technology Fund	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Risk Management Fund	442,301	554,684	547,133	534,058	528,032	528,032	528,032
<b>Total Transfers</b>	<b>\$2,600,027</b>	<b>\$2,931,747</b>	<b>\$2,970,537</b>	<b>\$2,957,462</b>	<b>\$3,022,338</b>	<b>\$3,095,367</b>	<b>\$3,170,587</b>

MUNICIPAL DRAINAGE FUND							
	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Budget	Re-Est.	Projected	Projected	Projected
<b>Transfers To:</b>							
General Fund	\$748,531	\$919,523	\$937,913	\$937,913	\$966,051	\$995,032	\$1,024,883
Technology Fund	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Capital Maintenance Fund	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Revenue Debt	2,497,531	2,492,981	3,701,443	3,701,443	3,704,019	3,705,144	3,702,694
<b>Total Transfers</b>	<b>\$3,766,062</b>	<b>\$3,932,504</b>	<b>\$5,159,356</b>	<b>\$5,159,356</b>	<b>\$5,190,070</b>	<b>\$5,220,176</b>	<b>\$5,247,577</b>

CONVENTION & TOURISM							
	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Budget	Re-Est.	Projected	Projected	Projected
<b>Transfers To:</b>							
General Fund	\$933,720	\$939,432	\$958,221	\$958,221	\$986,968	\$1,016,577	\$1,047,074
Capital Maintenance Fund	850,000	500,000	500,000	500,000	500,000	500,000	500,000
Technology Fund	20,000	20,000	20,000	20,000	20,000	20,000	20,000
<b>Total Transfers</b>	<b>\$1,803,720</b>	<b>\$1,459,432</b>	<b>\$1,478,221</b>	<b>\$1,478,221</b>	<b>\$1,506,968</b>	<b>\$1,536,577</b>	<b>\$1,567,074</b>

RECREATION REVOLVING FUND							
	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Budget	Re-Est.	Projected	Projected	Projected
<b>Transfers To:</b>							
General Fund	\$150,000	\$153,000	\$156,060	\$156,060	\$160,742	\$167,171	\$173,858
<b>Total Transfers</b>	<b>\$150,000</b>	<b>\$153,000</b>	<b>\$156,060</b>	<b>\$156,060</b>	<b>\$160,742</b>	<b>\$167,171</b>	<b>\$173,858</b>

GOLF COURSE FUND							
	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Budget	Re-Est.	Projected	Projected	Projected
<b>Transfers To:</b>							
General Fund	\$0	\$60,655	\$60,806	\$60,806	\$60,959	\$61,323	\$61,536
<b>Total Transfers</b>	<b>\$0</b>	<b>\$60,655</b>	<b>\$60,806</b>	<b>\$60,806</b>	<b>\$60,959</b>	<b>\$61,323</b>	<b>\$61,536</b>

**Projected General Fund O&M Expenses  
Community Investment Program**

	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
<u>Facility Maintenance &amp; Services</u>			
Fire Training Center	31,700		
Fire Station 5 Expansion		33,610	
Fire Station 8 Expansion			12,070
Harrington Library Expansion	3,902		
Oak Point Recreation Center Outdoor Pool	7,433		
Oak Point Park Maintenance Facility			45,815
Lighting Replacements	(3,219)	(3,846)	
<b>Facility O&amp;M Total</b>	<b>39,816</b>	<b>29,764</b>	<b>57,885</b>
<u>Park Maintenance O&amp;M Impact</u>			
Community Parks	22,500		
Chisholm Trail / Collin Creek park site	86,000		
Shawnee Park		59,333	
Neighborhood Parks	18,750		
Spring Creek / Parkwood	166,000		
Park Restroom Improvements	7,500		
Recreational Trails	25,100		
<b>Park Maintenance O&amp;M Total</b>	<b>325,850</b>	<b>59,333</b>	-
<u>Fleet, Facilities &amp; Street O&amp;M Impact</u>			
Fueling Stations	52,800	52,800	
Facilities & Street Projects (21 Bond)	277,268		
<b>Departmental O&amp;M Total</b>	<b>330,068</b>	<b>52,800</b>	-
<u>One-Time Outfitting Expenses</u>			
Fire Station 5 Expansion		75,000	
Fire Station 8 Expansion			80,000
Parkway Service Center	300,000		
Fleet Service Center	78,000		
<b>One-Time Outfitting Expenses Total</b>	<b>378,000</b>	<b>75,000</b>	<b>80,000</b>
<b>Total CIP O&amp;M Expenditures</b>	<b>1,073,734</b>	<b>216,897</b>	<b>137,885</b>
Tax Rate Impact	0.23	0.05	0.03
<u>Cumulative</u>			
New CIP O&M for 2022-23	1,073,734	695,734	695,734
New CIP O&M for 2023-24		216,897	141,897
New CIP O&M for 2024-25			137,885
<b>Total Cumulative O&amp;M</b>	<b>1,073,734</b>	<b>912,631</b>	<b>975,516</b>