

Combined Debt Proposal (Adjusted for Inflation by City) (CIP as of 5-2-24)

	2024	2025	2026	2027	2028	2029	Total
Roadways	\$ 1,119,579	\$ 2,973,875	\$ 2,742,236	\$ 3,166,075	\$ 4,722,162	\$ 1,785,502	\$ 16,509,429
Less: Cash/Grant Funding	509,429	-	-	-	-	-	509,429
General Obligation Bond Funding	\$ 610,150	\$ 2,973,875	\$ 2,742,236	\$ 3,166,075	\$ 4,722,162	\$ 1,785,502	\$ 16,000,000
Drainage	\$ 249,044	\$ 324,480	\$ 523,062	\$ 272,331	\$ 493,853	\$ -	\$ 1,862,770
Less: Cash/Grant Funding	-	-	-	-	-	-	-
Certificate of Obligation Funding	\$ 249,044	\$ 324,480	\$ 523,062	\$ 272,331	\$ 493,853	\$ -	\$ 1,862,770
Total General Fund Projects	\$ 1,368,623	\$ 3,298,355	\$ 3,265,298	\$ 3,438,406	\$ 5,216,015	\$ 1,785,502	\$ 18,372,199
Less: Cash/Grant Funding	509,429	-	-	-	-	-	509,429
Total General Fund Debt Funding	\$ 859,194	\$ 3,298,355	\$ 3,265,298	\$ 3,438,406	\$ 5,216,015	\$ 1,785,502	\$ 17,862,770
Water System Improvements	\$ 3,186,367	\$ 4,856,420	\$ 4,314,527	\$ -	\$ -	\$ -	\$ 12,357,314
Less: Cash Funding	104,419	170,000	-	-	-	-	274,419
Debt Funding	\$ 3,081,947	\$ 4,686,420	\$ 4,314,527	\$ -	\$ -	\$ -	\$ 12,082,894
Wastewater System Improvements	\$ 650,000	\$ 1,828,508	\$ 3,549,292	\$ -	\$ -	\$ -	\$ 6,027,801
Less: Cash Funding	-	113,521	-	-	-	-	113,521
Debt Funding	\$ 650,000	\$ 1,714,987	\$ 3,549,292	\$ -	\$ -	\$ -	\$ 5,914,280
Combined Utility Debt Funding	\$ 3,731,947	\$ 6,401,408	\$ 7,863,819	\$ -	\$ -	\$ -	\$ 17,997,174

General Obligation Bonds

Proposition A: Streets	\$ 610,150	\$ 2,973,875	\$ 2,742,236	\$ 3,166,075	\$ 4,722,162	\$ 1,785,502	\$ 16,000,000
Street Projects	\$ 3,584,025	\$ -	\$ 2,742,236	\$ 3,166,075	\$ 6,507,664	\$ -	\$ 16,000,000
<i>Bond Par Amount (Rounded to \$5,000 Increment)</i>	\$ 3,585,000	\$ -	\$ 2,745,000	\$ 3,170,000	\$ 6,500,000	\$ -	\$ 16,000,000

Certificates of Obligation

Drainage Projects (General Fund)	\$ 249,044	\$ 1,613,726	\$ -	\$ -	\$ -	\$ -	\$ 1,862,770
Water System Projects (Utility Fund)	\$ 3,081,947	\$ 4,686,420	\$ 4,314,527	\$ -	\$ -	\$ -	\$ 12,082,894
Wastewater System Projects (Utility Fund)	650,000	1,714,987	3,549,292	-	-	-	5,914,280
Total Utility Fund Projects	\$ 3,731,947	\$ 6,401,408	\$ 7,863,819	\$ -	\$ -	\$ -	\$ 17,997,174
Total Certificate of Obligation Projects	\$ 3,980,991	\$ 8,015,134	\$ 7,863,819	\$ -	\$ -	\$ -	\$ 19,859,944
<i>CO Par Amount (Rounded to \$5,000 Increment)</i>	\$ 3,985,000	\$ 8,020,000	\$ 7,865,000	\$ -	\$ -	\$ -	\$ 19,870,000

Total Debt (Bonds and COs)

All Projects	\$ 7,565,016	\$ 8,015,134	\$ 10,606,055	\$ 3,166,075	\$ 6,507,664	\$ -	\$ 35,859,944
<i>Bonds and COs Par Amount (Rounded to \$5,000 Increment)</i>	\$ 7,570,000	\$ 8,020,000	\$ 10,610,000	\$ 3,170,000	\$ 6,500,000	\$ -	\$ 35,870,000

Fair Oaks Ranch, City of
Tax Rate Impact Analysis
June 7, 2024

FYE (9/30)	TAV ⁽¹⁾	Existing Debt		\$3,585,000	\$250,000	\$1,615,000	\$2,745,000	\$3,170,000	\$6,500,000	Projected Debt	
		Service	I&S ⁽³⁾	GO's, Series 2024 ⁽²⁾	CO's, Series 2024 ⁽²⁾	CO's, Series 2025 ⁽²⁾	GO's, Series 2026 ⁽²⁾	GO's, Series 2027 ⁽²⁾	GO's, Series 2028 ⁽²⁾	Service	I&S ⁽³⁾
2023	\$ 2,046,397,330	\$ 552,130	\$ 0.0268							\$ 552,130	\$ 0.0268
2024	2,388,156,944	553,163	0.0229							553,163	0.0229
2025	2,626,972,638	552,475	0.0210	\$ 587,694	\$ 20,413					1,160,581	0.0451
2026	2,758,321,270	550,950	0.0200	231,113	19,988	\$ 412,250				1,214,300	0.0449
2027	2,896,237,334	548,575	0.0189	226,863	19,563	258,750	\$ 225,000			1,278,750	0.0451
2028	3,041,049,201	550,888	0.0181	124,738	19,138	175,625	220,500	\$ 251,125		1,342,013	0.0450
2029	3,193,101,661	552,825	0.0173	124,738	18,713	47,500	128,250	153,750	\$ 383,500	1,409,275	0.0450
2030	3,193,101,661	548,100	0.0172	124,738	18,288	47,500	128,250	153,750	380,500	1,401,125	0.0448
2031	3,193,101,661	-	-	276,444	17,863	91,375	230,625	270,750	538,375	1,425,431	0.0456
2032	3,193,101,661	-	-	279,644	17,438	89,125	235,125	269,625	536,875	1,427,831	0.0456
2033	3,193,101,661	-	-	277,525	17,013	91,750	234,250	268,250	539,750	1,428,538	0.0457
2034	3,193,101,661	-	-	280,088	16,588	89,250	233,125	266,625	537,000	1,422,675	0.0455
2035	3,193,101,661	-	-	277,331	16,163	91,625	231,750	269,625	538,625	1,425,119	0.0455
2036	3,193,101,661	-	-	279,256	20,631	88,875	235,000	267,250	534,625	1,425,638	0.0456
2037	3,193,101,661	-	-	280,756	19,994	91,000	232,875	269,500	535,000	1,429,125	0.0457
2038	3,193,101,661	-	-	276,938	19,356	88,000	235,375	266,375	534,625	1,420,669	0.0454
2039	3,193,101,661	-	-	277,800	18,719	89,875	232,500	267,875	538,375	1,425,144	0.0455
2040	3,193,101,661	-	-	278,238	18,081	91,500	234,250	268,875	536,250	1,427,194	0.0456
2041	3,193,101,661	-	-	278,250	17,444	88,000	230,625	269,375	538,250	1,421,944	0.0454
2042	3,193,101,661	-	-	277,838	16,806	89,375	231,625	269,375	539,250	1,424,269	0.0455
2043	3,193,101,661	-	-	277,000	16,169	90,500	232,125	268,875	539,250	1,423,919	0.0455
2044	3,193,101,661	-	-	275,738	20,425	91,375	232,125	267,875	538,250	1,425,788	0.0456
2045	3,193,101,661	-	-	-	-	87,125	231,625	266,375	536,250	1,121,375	0.0358
2046	3,193,101,661	-	-	-	-	-	230,625	269,250	538,125	1,038,000	0.0332
2047	3,193,101,661	-	-	-	-	-	-	266,500	538,750	805,250	0.0257
2048	3,193,101,661	-	-	-	-	-	-	-	538,125	538,125	0.0172
Total		\$ 4,409,105		\$ 5,312,725	\$ 368,788	\$ 2,290,375	\$ 4,425,625	\$ 5,121,000	\$ 10,439,750	\$ 32,367,368	

⁽¹⁾ Assumes 10% growth for 1 year and 5% for 4 years and no growth thereafter.

⁽²⁾ Preliminary, subject to change. Interest calculated to be 4.00% for Series 2024, 4.50% for Series 2025, 5.00% for Series 2026, 5.25% for Series 2027 and Series 2028 for illustrative purposes only.

⁽³⁾ FYE 2025 and beyond assume 98% tax collections.

Homeowner Impact Analysis (I&S Rate Only)				
Taxable Home Value (Net of Exemptions)		I&S Tax Rate Increase from Current (FYE 2024)		
			Monthly Tax Increase	Annual Tax Increase
\$	400,000	\$ 0.0228	\$ 7.59	\$ 91.08
	500,000	0.0228	9.49	113.85
	650,000	0.0228	12.33	148.01
	800,000	0.0228	15.18	182.16
	1,000,000	0.0228	18.98	227.70
	1,250,000	0.0228	23.72	284.63
	1,500,000	0.0228	28.46	341.55

City of Fair Oaks Ranch, Texas
Water and Sewer Fund Proforma
April 30, 2024

FYE (9/30)	# of Water Connections (1)	# of Wastewater Connections (1)	Existing Debt				Rate Increase Calculations (4)									
			Revenues (2)	Expenditures (2)	Available for Debt Service	Service	Series 2024 (3)	Series 2025 (3)	Series 2026 (3)	Total	Total Water Debt Service	Revenue Surplus/ (Deficit)	Monthly Water Increase Required	Total Wastewater Debt Service	Monthly Wastewater Increase Required	
2023	3197	1977	\$ 6,523,840	\$ 5,216,551	\$ 1,307,289	\$ 339,746					\$ 339,746	\$ 285,386	\$ 967,544	\$ -	\$ 54,359	\$ -
2024	3213	1989	6,523,840	5,216,551	1,307,289	336,514					336,514	282,671	970,776	(0.07)	53,842	(0.02)
2025	3229	1999	6,523,840	5,216,551	1,307,289	338,256	\$ 1,013,613				1,351,869	936,148	(44,580)	16.79	415,721	15.06
2026	3245	2009	6,523,840	5,216,551	1,307,289	334,974	305,100	\$ 720,000			1,360,074	943,503	(52,785)	16.90	416,571	15.02
2027	3261	2019	6,523,840	5,216,551	1,307,289	336,666	301,888	723,875			1,362,429	944,412	(55,140)	16.84	418,017	15.01
2028	3278	2029	6,523,840	5,216,551	1,307,289	338,308	122,500	317,000	\$ 583,375		1,361,183	945,354	(53,894)	16.78	415,829	14.85
2029	3294	2039	6,523,840	5,216,551	1,307,289	160,808	122,050	485,625	607,750		1,376,233	960,379	(68,944)	17.08	415,854	14.77
2030	3294	2039	6,523,840	5,216,551	1,307,289	-	229,125	479,750	630,375		1,339,250	927,313	(31,961)	16.24	411,938	14.61
2031	3294	2039	6,523,840	5,216,551	1,307,289	-	228,613	483,375	626,875		1,338,863	926,100	(31,574)	16.21	412,763	14.65
2032	3294	2039	6,523,840	5,216,551	1,307,289	-	227,875	481,375	622,875		1,332,125	923,913	(24,836)	16.15	408,213	14.46
2033	3294	2039	6,523,840	5,216,551	1,307,289	-	226,913	483,750	628,125		1,338,788	925,625	(31,499)	16.20	413,163	14.66
2034	3294	2039	6,523,840	5,216,551	1,307,289	-	225,725	480,500	627,500		1,333,725	926,113	(26,436)	16.21	407,613	14.44
2035	3294	2039	6,523,840	5,216,551	1,307,289	-	229,200	481,625	631,000		1,341,825	930,263	(34,536)	16.31	411,563	14.60
2036	3294	2039	6,523,840	5,216,551	1,307,289	-	227,338	482,000	623,750		1,333,088	928,075	(25,799)	16.26	405,013	14.33
2037	3294	2039	6,523,840	5,216,551	1,307,289	-	225,250	481,625	625,750		1,332,625	924,663	(25,336)	16.17	407,963	14.45
2038	3294	2039	6,523,840	5,216,551	1,307,289	-	227,825	485,375	626,750		1,339,950	924,900	(32,661)	16.18	415,050	14.74
2039	3294	2039	6,523,840	5,216,551	1,307,289	-	229,950	478,375	626,750		1,335,075	928,550	(27,786)	16.27	406,525	14.39
2040	3294	2039	6,523,840	5,216,551	1,307,289	-	226,738	480,625	625,750		1,333,113	925,613	(25,824)	16.20	407,500	14.43
2041	3294	2039	6,523,840	5,216,551	1,307,289	-	228,188	481,875	623,750		1,333,813	926,088	(26,524)	16.21	407,725	14.44
2042	3294	2039	6,523,840	5,216,551	1,307,289	-	224,300	482,125	625,625		1,332,050	924,850	(24,761)	16.18	407,200	14.42
2043	3294	2039	6,523,840	5,216,551	1,307,289	-	229,963	481,375	631,125		1,342,463	926,775	(35,174)	16.23	415,688	14.77
2044	3294	2039	6,523,840	5,216,551	1,307,289	-	230,063	479,625	625,375		1,335,063	926,750	(27,774)	16.23	408,313	14.47
2045	3294	2039	6,523,840	5,216,551	1,307,289	-	-	481,750	623,500		1,105,250	724,375	202,039	11.11	380,875	13.34
2046	3294	2039	6,523,840	5,216,551	1,307,289	-	-	-	625,250		625,250	339,625	682,039	1.37	285,625	9.45
2047	3294	2039	6,523,840	5,216,551	1,307,289	-	-	-	630,375		630,375	343,375	676,914	1.47	287,000	9.51
Total						\$ 2,185,271	\$ 5,282,213	\$ 9,951,625	\$ 12,471,625	\$ 29,890,733	\$ 20,600,815				\$ 9,289,918	

(1) Provided by the City.

(2) Based on FYE 2023 audited results. Revenues include Interest Income and exclude Grant Income. Expenditures exclude depreciation and debt service.

(3) Preliminary, subject to change. Interest calculated to be 4.50% for Series 2024, 5.00% for Series 2025 and Series 2026 for illustrative purposes only.

(4) Maximum projected shortfall would require a \$17.08 and \$15.06 per connection per month increase for water and wastewater services, respectively, to support financed projects. Calculated by subtracting FYE2023 debt service payment from total debt service payment in future years and dividing by the number of customers in that year and then by 12 months.