

DEBT SERVICE FUND SUMMARY

DESCRIPTION

The Debt Service Fund, also known as the interest and sinking fund, was established by Ordinance authorizing the issuance of bonds and providing for the payment of bond principal and interest as they come due. In the General Obligation Debt Service Fund, an ad valorem (property) tax rate and tax levy are required to be computed and levied that will be sufficient to produce the money to satisfy annual debt service requirements.

Disclosure: Full disclosure of operations will be made to the bond rating agencies and other depositories of financial information as required by the Securities and Exchange Commission (SEC) Rule 15c2-12, specifically, Texas Municipal Advisory Council (State Information Depository). The city will maintain procedures to comply with arbitrage rebate and other federal requirements.

Debt Limit: As a home rule city, the City of Corinth is not limited by Texas state law as to the amount of debt it may issue. The charter tax rate limitations provide virtually no limit to debt issuance. However, the city works with its financial advisors to update a debt capacity model at least twice each year to determine a sustainable level of municipal debt issuance based on projections of tax values, economic cycles, and other municipal revenues.

Bond Ratings: Corinth's bonds currently have the following ratings: Moody's "Aa2"; Standard & Poor's "AA+."

MAJOR BUDGET CHANGES

- General Debt Service: Facility Fleet Addition \$4,344; Permit Fleet Addition \$4,344; Police Recruiting Fleet Addition \$16,953; Park Fleet Addition \$14,353.

	2023-24 ACTUALS	2024-25 BUDGET	2024-25 ESTIMATE	2025-26 BASE	BUDGET CHANGES	2025-26 ADOPTED
RESOURCE SUMMARY						
Ad Valorem Taxes	\$ 4,542,097	\$ 5,040,960	\$ 5,003,331	\$ 5,474,296	\$ -	\$ 5,474,296
Interest Income	84,768	-	78,748	-	-	-
Transfer In	428,867	431,685	431,685	429,426	-	429,426
TOTAL REVENUES	\$ 5,055,732	\$ 5,472,645	\$ 5,513,764	\$ 5,903,722	\$ -	\$ 5,903,722
Use of Fund Balance	-	-	-	-	-	-
TOTAL RESOURCES	\$ 5,055,732	\$ 5,472,645	\$ 5,513,764	\$ 5,903,722	\$ -	\$ 5,903,722

EXPENDITURE SUMMARY						
Debt Service	\$ 4,898,478	\$ 4,902,774	\$ 4,902,774	\$ 4,913,382	\$ -	\$ 4,913,382
Capital Lease	97,936	522,746	522,746	488,208	39,994	528,202
TOTAL EXPENDITURES	\$ 4,996,414	\$ 5,425,520	\$ 5,425,520	\$ 5,401,590	\$ 39,994	\$ 5,441,584

ESTIMATED AD VALOREM TAX COLLECTIONS & DISTRIBUTION

Assessed Valuation For 2024	\$ 3,658,437,031
Gain/(Loss) in Value	281,338,880
Loss of Tax Limitation Values	<u>(153,956,074)</u>
Assessed Valuation For 2025	\$ 3,785,819,837
Change in Tax Value	3.48%

GENERAL FUND:

Assessed Valuation For 2025	\$ 3,785,819,837
Less Reinvestment Zone No. 2 (50% Increment Value)	42,539,910
Less Reinvestment Zone No. 3 (50% Increment Value)	<u>59,960,625</u>
Adjusted Assessed Valuation For 2025	\$ 3,683,319,302

Tax Rate Per \$100 valuation	x	<u>0.39249</u>
		14,456,660
Estimated Collections	x	<u>100.00%</u>
TOTAL REVENUE		<u>\$ 14,456,660</u>

GENERAL DEBT SERVICE FUND:

Assessed Valuation For 2025	3,785,819,837
Tax Rate Per \$100 valuation	<u>0.14460</u>
	5,474,295
Estimated Collections	<u>100.00%</u>
TOTAL REVENUE	<u>\$ 5,474,295</u>

DISTRIBUTION	2024-25 BUDGET	2025-26 ADOPTED	TOTAL REVENUE
General Fund	\$ 0.37621	\$ 0.39249	\$ 14,456,660
General Debt Service Fund	0.13779	0.14460	5,474,296
TOTAL	<u>\$ 0.51400</u>	<u>\$ 0.53709</u>	<u>\$ 19,930,956</u>
Reinvestment Zone No. 2	\$ 0.37621	\$ 0.39249	\$ 166,965
Reinvestment Zone No. 3	0.37621	0.39249	235,339
TOTAL			<u>\$ 402,304</u>

GENERAL DEBT SERVICE REQUIREMENTS

Issue	Principal & Interest Requirements for 2025-26		
	Principal	Interest	Total
GENERAL FUND (TAX SUPPORTED)			
2016 Certificates of Obligation	\$ 700,000	\$ 413,000	\$ 1,113,000
2017 General Obligation/Certificates of Obligation Refunding	827,853	64,357	892,210
2017 Certificates of Obligation	169,305	84,834	254,139
2019 Certificates of Obligation	691,618	442,329	1,133,948
2020 Certificates of Obligation	346,490	136,040	482,530
2021 Certificates of Obligation	205,000	87,638	292,638
2021A Certificates of Obligation	175,000	100,170	275,170
2023 Certificates of Obligation	207,536	252,211	459,747
	<u>\$ 3,322,802</u>	<u>\$ 1,580,579</u>	<u>\$ 4,903,381</u>
WATER UTILITY			
2017 General Obligation/Certificates of Obligation Refunding	\$ 260,464	\$ 20,248	\$ 280,713
2017 Certificates of Obligation	37,848	18,964	56,812
2019 Certificates of Obligation	183,382	117,283	300,665
2023 Certificates of Obligation	167,464	203,514	370,978
	<u>\$ 649,158</u>	<u>\$ 360,010</u>	<u>\$ 1,009,168</u>
WASTEWATER UTILITY			
2017 General Obligation/Certificates of Obligation Refunding	\$ 371,683	\$ 28,895	\$ 400,577
2017 Certificates of Obligation	37,848	18,964	56,812
2020 Certificates of Obligation	78,510	30,825	109,335
	<u>\$ 488,040</u>	<u>\$ 78,684</u>	<u>\$ 566,724</u>
GRAND TOTAL	<u>\$ 4,460,000</u>	<u>\$ 2,019,273</u>	<u>\$ 6,479,273</u>

GENERAL LONG-TERM DEBT

Debt Issuance	Interest Rate	Issue Date	Final Maturity	Original Amount of Issue	Gross Amount Outstanding as of 9/30/25
2016 Certificates of Obligation	2.00 to 5.00	05-15-2016	02-15-2036	\$ 13,275,000	\$ 9,795,000
2017 General Obligation/ Certificates of Obligation Refunding	2.00 to 5.00	8-15-2017	02-15-2027	14,240,000	3,000,000
2017 Certificates of Obligation	2.00 to 5.00	08-15-2017	02-15-2037	4,855,000	3,650,000
2019 Certificates of Obligation	2.75 to 5.00	02-15-2019	02-15-2039	19,205,000	15,965,000
2020 Certificates of Obligation	1.25 to 4.00	02-15-2020	02-15-2040	9,260,000	7,710,000
2021 Certificate of Obligation	1.15 to 4.00	02-15-2021	02-15-2041	4,740,000	4,060,000
2021A Certificate of Obligation	3.00 to 4.00	10-21-2021	02-15-2041	4,285,000	3,620,000
2023 Certificate of Obligation	3.00 to 4.00	10-21-2021	02-15-2041	10,980,000	10,440,000
				\$ 80,840,000	\$ 58,240,000

LONG-TERM DEBT BY FUND

Year	Water Debt	Wastewater Debt	Tax Supported Debt	Total
FY2026	1,009,168	566,724	4,903,381	6,479,273
FY2027	1,010,054	568,091	4,905,821	6,483,966
FY2028	728,495	166,166	4,005,330	4,899,991
FY2029	728,018	166,233	4,004,614	4,898,866
FY2030	729,031	166,553	4,012,820	4,908,404
FY2031	727,142	166,276	4,004,023	4,897,441
FY2032	727,630	166,973	4,010,151	4,904,754
FY2033	729,475	166,719	4,011,595	4,907,790
FY2034	729,323	167,197	4,010,586	4,907,106
FY2035	729,263	166,334	4,009,321	4,904,918
FY2036	728,291	166,017	4,010,043	4,904,351
FY2037	727,670	166,493	2,895,396	3,789,559
FY2038	670,915	109,720	2,642,779	3,423,414
FY2039	670,930	109,461	2,639,010	3,419,402
FY2040	372,218	110,080	1,513,239	1,995,536
FY2041	370,208	-	1,024,227	1,394,435
FY2042	372,128	-	461,172	833,300
FY2043	371,235	-	460,065	831,300
TOTAL	\$ 12,131,195	\$ 3,129,036	\$ 57,523,574	\$ 72,783,806

2026-2043 DEBT SERVICE PRINCIPAL AND INTEREST REQUIREMENTS

