

B-E Long Term Debt

Per 2020 Draft Audit (Sept. 30)

	<u>FNB Moody Bank Loans</u>	<u>Government Capital</u>	<u>New *USDA Loan</u>	<u>Yearly Total</u>
2021	310,364	106,736	0	417,100
2022	310,356	106,736	0	417,092
2023	311,882	106,736	245,968	664,586
2024	310,698	106,736	245,968	663,402
2025	310,732	106,736	245,968	663,436
2026	309,312		245,968	555,280
2027	308,837		245,968	554,805
2028	308,924		245,968	554,892
2029	43,442		245,968	289,410
2030	42,742		245,968	288,710
2031			245,968	245,968
2032			245,968	245,968
2033			245,968	245,968
2034			245,968	245,968
2035			245,968	245,968
2036			245,968	245,968
2037			245,968	245,968
2038			245,968	245,968
2039			245,968	245,968
2040			245,968	245,968
2041			245,968	245,968
2042			245,968	245,968
2043			245,968	245,968
2044			245,968	245,968
2045			245,968	245,968
2046			245,968	245,968
2047			245,968	245,968
2048			245,968	245,968
2049			245,968	245,968
2050			245,968	245,968
2051			245,968	245,968
2052			245,968	245,968
2053			245,968	245,968
2054			245,968	245,968
2055			245,968	245,968
2056			245,968	245,968
2057			245,968	245,968
2058			245,968	245,968
2059			245,968	245,968
2060			245,968	245,968
2061			245,968	245,968
2062			245,968	245,968

*Figures provided by USDA

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**Net Water Revenues
Bruceville-Eddy**

	<u>FY</u> <u>2018</u>	<u>FY</u> <u>2019</u>	<u>FY</u> <u>2020</u> (unaudited)
Revenues ¹	1,662,280	1,619,402	1,651,209
Expenses ²	<u>- 1,077,614</u>	<u>-1,032,606</u>	<u>-957,601</u>
NET REVENUES	584,666	586,796	693,608

Adjustments from audit

1. Took out garbage revenues and expenses (garbage is not pledged to the debt)
2. Took out depreciation as an expense (non-cash)
3. Took out debt service as an expense
4. Average Net Revenues

$$\begin{array}{r}
 584,666 \\
 +586,796 \\
 +\underline{693,608} \\
 1,865,070 \div 3 = \underline{\$621,690 \text{ average net revenues to service debt at}} \\
 \underline{\text{current rates}}
 \end{array}$$

Property Taxes

1. BE is a Type A general law city
2. As such, it can tax up to \$1.50 per \$100 valuation
3. Taxes are divided into two categories:
 - (a) Debt (currently we have no tax supported debt)
 - (b) O&M (currently .5)
4. The AG allows us to tax up to 1.00 for debt
5. Debt for USDA financed sewer project is not subject to rollback
6. Per McLennan County tax office BE aggregate 2020 and 2021 (not finished yet) aggregate taxable values are as follows:

<u>Year</u>	<u>Tax base</u>
2020	69,578,581
2021	77,855,368

7. The max amount the council can tax for debt is 1.00 per \$100 valuation, leading to the following:

$$\begin{array}{r}
 \underline{\text{Tax base}} \quad - \quad \text{Current} \\
 77,855,368 \quad \quad \text{debt tax} \\
 \quad \quad \quad \quad \quad \quad 0\%
 \end{array}
 \div
 \begin{array}{r}
 \text{Collection factor} \\
 100 \quad \times \quad .95
 \end{array}$$

OR

$$\$77,855,368 - 0 \div 100 = 778,553 \times .95 = \underline{\$739,625 \text{ in unused tax capacity}}$$

CURRENT D/S COVERAGE

Coverage ratio

$$\frac{\text{Average Net Revenues}}{\text{Debt Service}} = \frac{621,690}{*664,586} = .9354\% \text{ (don't "cover" DS)}$$

To break even at current operating results would have to add \$42,896 from taxes:

664,586	highest debt year
- 621,690	average revenues
<u>42,896</u>	

*We have to use the worst year

THIS DOES NOT INCLUDE FURTHER USDA DEBT

Right now, what USDA has committed is:

\$5,861,000	in bonds
<u>\$4,320,000</u>	in grant
\$10,181,000	

All project costs in excess of that are not presently committed.

CITY OF BRUCEVILLE-EDDY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL – PROPRIETARY FUND
For the Year Ended September 30, 2018
with Comparative Totals for the Year Ended September 30, 2017

	2018			Variance with Final Budget	2017
	Budgeted Amounts		Actual Amounts		Actual
	Original	Final			Amounts
<u>Operating Revenues</u>					
Water	\$1,525,000	\$1,525,000	\$1,606,840	\$ 81,840	\$1,391,452
Garbage	118,000	118,000	123,641	5,641	120,598
Water tap fees	20,000	20,000	28,500	8,500	9,250
Re-connect fees	33,500	33,500	26,940	(6,560)	31,359
Grant - CDBG	-	-	266,300	266,300	33,700
Total Operating Revenues	1,696,500	1,696,500	2,052,221	355,721	1,586,359
<u>Operating Expenses</u>					
Water purchases	448,000	448,000	447,052	948	468,000
Water system utilities	100,000	100,000	102,187	(2,187)	108,567
Water system supplies	67,175	71,175	62,106	9,069	56,950
Repairs and maintenance	31,100	31,100	39,725	(8,625)	33,685
Other water system expenses	15,000	15,000	31,685	(16,685)	47,694
Personnel and support	259,000	259,000	271,852	(12,852)	246,573
Professional fees	42,000	42,000	57,252	(15,252)	25,260
Administrative expenses	70,225	70,225	65,705	4,520	58,682
Garbage collection fees	114,000	114,000	- 106,593	7,407	112,667
Depreciation and amortization	200,000	200,000	- 208,994	(8,994)	198,233
Total Operating Expenses	1,346,500	1,350,500	1,393,151	(42,651)	1,356,311
Operating Income	350,000	346,000	659,070	313,070	230,048
<u>Nonoperating Revenues (Expenses)</u>					
Interest income	6,000	6,000	20,652	14,652	11,999
Interest expense	(100,000)	(100,000)	(120,063)	(20,063)	(127,952)
Donations emergency service					
Income	2,000	2,000	3,680	1,680	3,723
Expense	(1,500)	(1,500)	(1,866)	(366)	(1,880)
Grant - CDBG	(5,000)	(5,000)	(16,500)	(11,500)	(17,780)
Capital outlay	(257,500)	(253,500)	(2,282)	251,218	(18,240)
Miscellaneous income	6,000	6,000	7,058	1,058	6,130
Total Nonoperating Revenues (Expenses)	(350,000)	(346,000)	(109,321)	236,679	(144,000)
Change in net position	-	-	549,749	549,749	86,048
Net Position - beginning, restated	3,087,970	3,087,970	3,087,970	-	3,001,922
Net Position - ending, restated	\$3,087,970	\$3,087,970	\$3,637,719	\$ 549,749	\$3,087,970

See independent auditors' report.

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CITY OF BRUCEVILLE-EDDY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL - WATER FUND
For the Year Ended September 30, 2019
with Comparative Totals for the Year Ended September 30, 2018

	2019			Variance with Final Budget	2018
	Budgeted Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
<u>Operating Revenues</u>					
Water	\$1,550,000	\$1,550,000	\$1,535,976 ✓	\$ (14,024)	\$1,606,840
Garbage	118,000	118,000	124,117	6,117	123,641
Water tap fees	15,000	15,000	49,800 ✓	34,800	28,500
Re-connect fees	32,000	32,000	33,626 ✓	1,626	26,940
Grant - CDBG	-	-	-	-	266,300
Total Operating Revenues	1,715,000	1,715,000	1,743,519	28,519	2,052,221
<u>Operating Expenses</u>					
Water purchases	450,000	450,000	400,123	49,877	447,052
Water system utilities	100,380	100,380	115,110	(14,730)	102,536
Other water system expenses	66,150	67,650	35,867	31,783	38,414
Repairs and maintenance	37,100	33,100	47,529	(14,429)	39,725
Water System Supplies	52,000	54,000	47,816	6,184	47,373
Personnel and support	237,860	233,860	234,947	(1,087)	227,591
Professional fees	33,000	37,000	47,168	(10,168)	57,252
Administrative expenses	103,010	104,010	106,046	(2,036)	117,621
Garbage collection fees	114,000	114,000	131,084	(17,084)	106,593
Depreciation and amortization	150,000	150,000	193,035	(43,035)	208,994
Total Operating Expenses	1,343,500	1,344,000	1,358,725	(14,725)	1,393,151
Operating Income	371,500	371,000	384,794	13,794	659,070
<u>Nonoperating Revenues (Expenses)</u>					
Interest income	12,000	12,000	31,049	19,049	20,652
Interest expense	(280,000)	(280,000)	(112,672)	167,328	(120,063)
Donations emergency service					
Income	2,000	2,000	3,662	1,662	3,680
Expense	(1,500)	(1,500)	(2,025)	(525)	(1,866)
Grant - CDBG	-	-	-	-	(16,500)
Capital outlay	(106,000)	(105,500)	(2,680)	102,820	(2,282)
Miscellaneous income	2,000	2,000	1,466	(534)	7,058
Total Nonoperating Revenues (Expenses)	(371,500)	(371,000)	(81,200)	289,800	(109,321)
Change in net position	-	-	303,594	303,594	549,749
Net Position - beginning of year	3,637,719	3,637,719	3,637,719	-	3,087,970
Net Position - end of year	\$3,637,719	\$3,637,719	\$3,941,313	\$ 303,594	\$3,637,719

See independent auditors' report.

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CITY OF BRUCEVILLE-EDDY, TEXAS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS
For the Year Ended September 30, 2020

	Business-Type Activities		
	Water Fund	Sewer Fund	Total
<u>Operating Revenues</u>			
Water	\$ 1,548,566	\$ -	\$ 1,548,566
e (Garbage)	125,529	-	125,529
Water tap fees	88,458	-	88,458
Other operating revenues	14,185	-	14,185
Total Operating Revenues	<u>1,776,738</u>	<u>-</u>	<u>1,776,738</u>
<u>Operating Expenses</u>			
Water purchases	345,370	-	345,370
Water system utilities	112,484	-	112,484
Water system supplies	27,947	-	27,947
Repairs and maintenance	58,430	-	58,430
Other water system expenses	63,717	-	63,717
Personnel and support	223,013	-	223,013
Professional fees	16,923	5,783	22,706
Administrative expenses	109,717	40	109,757
e [Garbage collection fees] e	118,518	-	118,518
Depreciation and amortization	198,500	-	198,500
Total Operating Expenses	<u>1,274,619</u>	<u>5,823</u>	<u>1,280,442</u>
Operating Income	<u>502,119</u>	<u>(5,823)</u>	<u>496,296</u>
<u>Nonoperating Revenues (Expenses)</u>			
Interest income	16,908	-	16,908
Interest expense	(105,235)	-	(105,235)
Donations emergency services income	1,932	-	1,932
Donations emergency services expense	(1,904)	-	(1,904)
Capital outlay	75	-	75
Total Nonoperating Revenues (Expenses)	<u>(88,224)</u>	<u>-</u>	<u>(88,224)</u>
Change in Net Position	413,895	(5,823)	408,072
Net Position - beginning of year	<u>3,941,313</u>	<u>(5,329)</u>	<u>3,935,984</u>
Net Position - end of year	<u>\$ 4,355,208</u>	<u>\$ (11,152)</u>	<u>\$ 4,344,056</u>

The accompanying notes are an integral part of the financial statements.

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