

Exhibit B

**Prestonwood Public Improvement District
Service Plan 2023-2027**

	%	Forecast	Forecast	Forecast	Forecast	Forecast
<i>Revenue & Reserves</i>		<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Calendar Year Beginning Balance		\$228,000	\$164,834	\$109,654	\$88,732	\$59,259
Net Assessment Revenue		\$440,834	\$468,370	\$516,098	\$526,747	\$537,610
Total Income & Reserves		\$668,834	\$633,204	\$625,753	\$615,479	\$596,869
<i>PID Services</i>						
Public Safety ²	84%	\$425,000	\$440,600	\$451,624	\$468,289	\$485,621
Audit & Insurance ^{3 4}	5%	\$25,000	\$26,250	\$27,563	\$28,941	\$30,388
Administrative ⁵	11%	\$54,000	\$56,700	\$57,834	\$58,991	\$60,170
Total Expenses		\$504,000	\$523,550	\$537,021	\$556,220	\$576,179
Reserve*	33%	\$164,834	\$109,654	\$88,732	\$59,259	\$20,690
TOTAL EXPENSES AND RESERVE		\$668,834	\$633,204	\$625,753	\$615,479	\$596,869

Assumptions

% The % for each service category is calculated by dividing each category \$ amount by total expenditures.

* A 33% carry forward/ cash reserve equates to 3 months of operating expenses which are needed due to the City of Dallas' assesment disbursement processing timeline that could result in the PID getting its first significant assesment disbursement in Mid-March.

1. Assumes increase in aggregate appraisal values of 5% in 2024 AND 2% each year thereafter.
2. Assumes 4% raise in annual officer compensation effective January 1 annually and a \$35,000 annual bonus pool.
3. Assumes annual audit paid 100% by PID, consistent with current arrangement, and a 5% annual cost increase. Assumes insurance premium cost increase of 5%.
4. Assumes insurance split with Prestonwood Homeowner's Association (PHA) consistent with current arrangements based on value received by both parties.
5. Assumes annual \$50,000 management fee and a 5% increase in other admin costs annually.