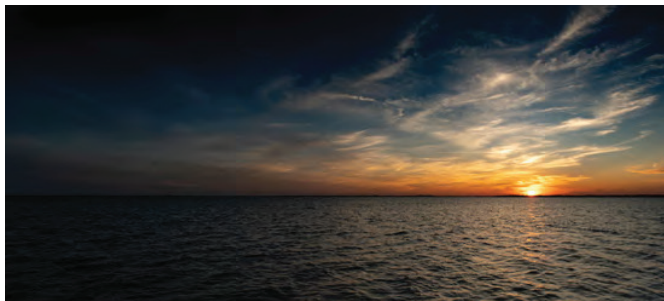




PROPOSED BUDGET
FISCAL YEAR 2022-2023



Local Government Code Sec. 102.007 requires that the following information be included as a cover page for the City's annual budget:

This budget will raise more total property taxes than last year's budget by \$689,440 (12.13%), and of that amount \$192,373 is tax revenue to be raised from new property added to the tax roll this year.

Total debt obligation for the City of Sanger secured by property taxes: \$1,726,995 (principal and scheduled interest payments)

CITY OF SANGER, TEXAS

ANNUAL BUDGET

OCTOBER 1, 2022 – SEPTEMBER 30, 2023

SUBMITTED TO
THE MAYOR AND CITY COUNCIL
SEPTEMBER 6, 2022

THOMAS MUIR

Mayor

MARISSA BARRETT

Council Member, Place 1

GARY BILYEU

Council Member, Place 2

DENNIS DILLON

Council Member, Place 3

ALLEN CHICK

Council Member, Place 4

VICTOR GANN

Council Member, Place 5

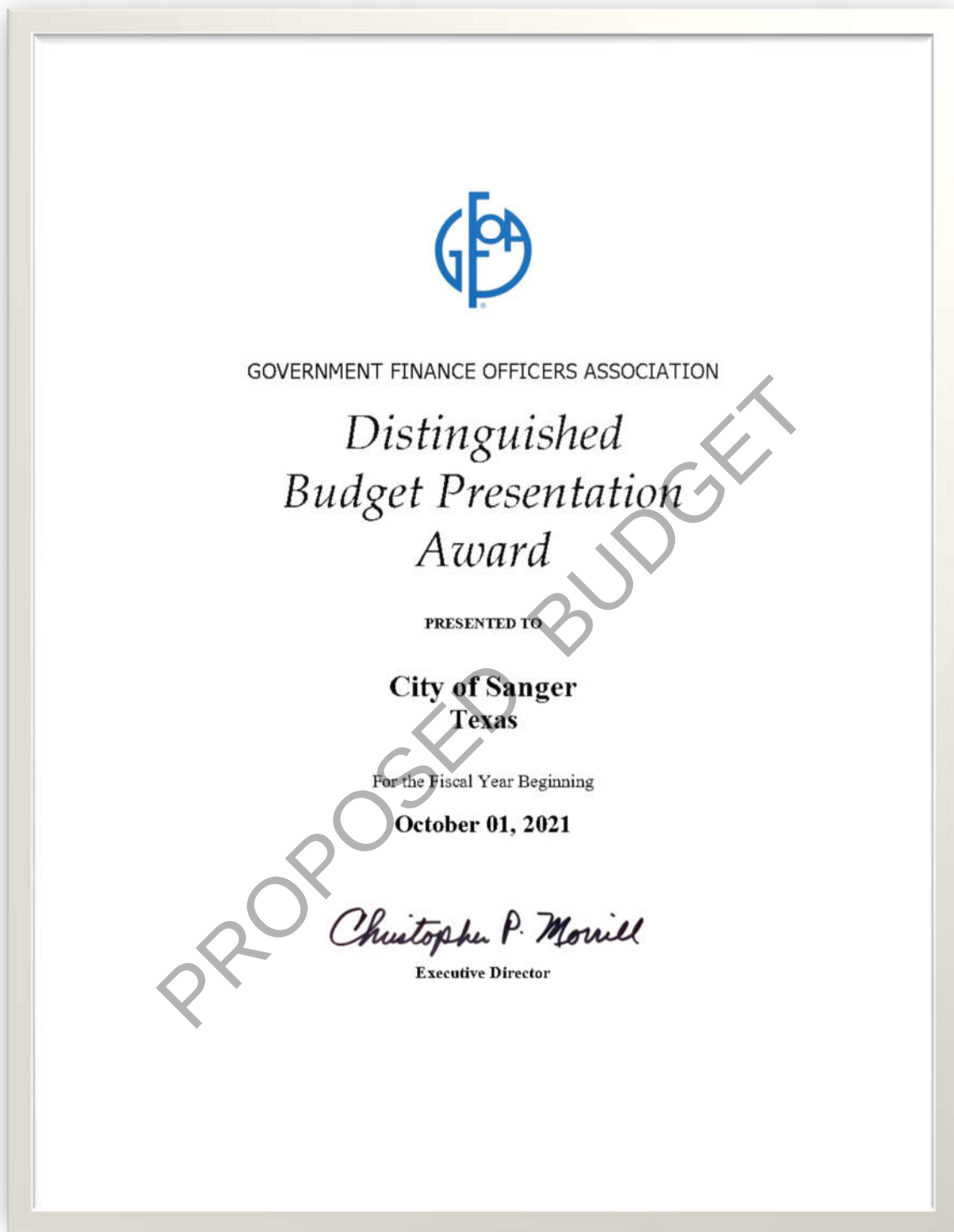
JOHN NOBLITT

City Manager

CLAYTON GRAY

Finance Director

DISTINGUISHED BUDGET PRESENTATION AWARD



Government Finance Officers Association of the United States and Canada (GFOA) presented the Distinguished Budget Presentation Award to the City of Sanger, Texas, for its Annual Budget for the fiscal year beginning October 1, 2021. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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PROPOSED BUDGET

PROPOSED BUDGET

INTRODUCTION

BUDGET MESSAGE

TBD 22

Introduction

We are pleased to present the FY 2022-2023 Budget for the City of Sanger.

The city's budget is the most important working policy and planning tool used by the City Council and staff to provide quality services to the residents of Sanger as established by City Council. Municipal budgets are always challenging. Resources are limited and it makes it difficult to address every problem and every concern. The strength of the economy is reflected in our General Fund revenues. However, budget planning should always be prudent to take into account current market conditions and future challenges during the process.

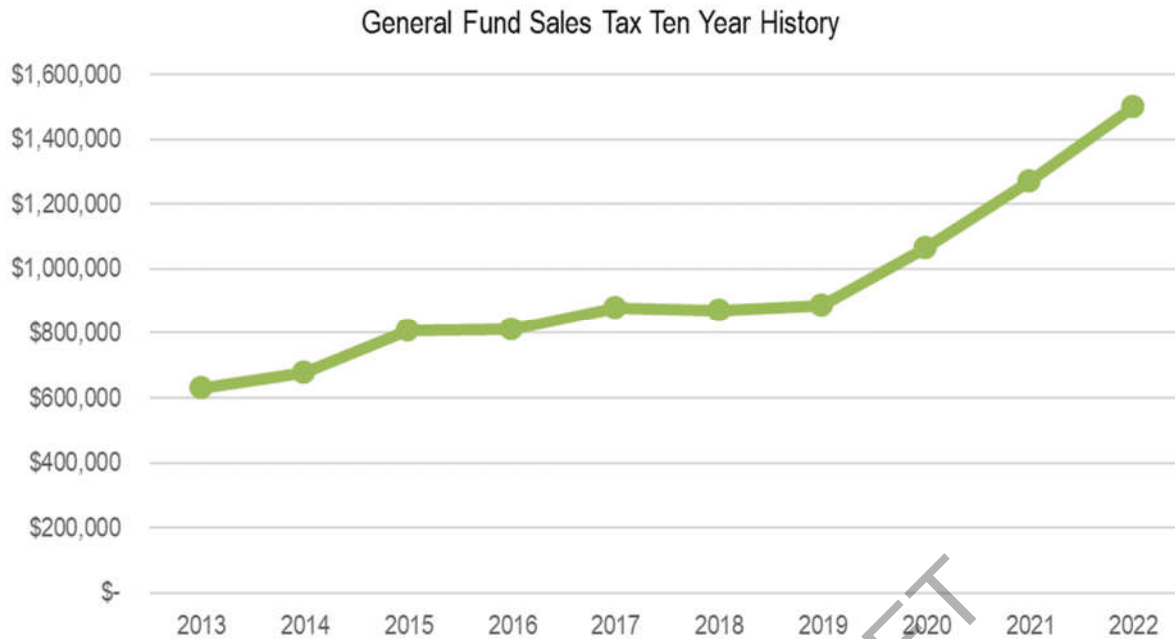
The City of Sanger is still experiencing a period of accelerated growth. Permit numbers for new residential and commercial projects continue to increase at a consistent pace. Additionally, the City has experienced a record number of requests for large residential subdivisions and mixed-use projects. The City will continue to balance this growth with the quality and levels of service our residents expect; while ensuring the sustainability of our community and addressing future needs. The staff has prioritized that all of this be achieved within the framework of fiscal responsibility.

The intent of this budget message is to explain both the structure of the budget and the atmosphere in which it was created. Following the same format as previous years, the budget message outlines the highlights of this year's budget. It also discusses the city's Strengths, Weaknesses, Opportunities, and Threats (SWOT analysis) for the upcoming year. Finally, it discusses the structure of the budget, where revenues come from, and where the money goes. The budget message should provide the reader insight into municipal government finances and make the raw numbers more understandable.

Current Conditions

During the past 12 months, the city has had to adapt and adjust to changes in management, inflation rates, and supply chain shortages. Inflation rates continue to rise to historic levels and are projected to remain high at least through the first quarter of 2023. This tends to not only impact the City's purchasing power but also affect lending rates. Supply chain issues will continue to impact project timelines and costs through 2023.

The housing market is still strong, and demand continues to be high due to the area's housing shortage. Additional residents add to several revenue streams but also increase the need for services, which is often times offsetting, negating any revenue gains. Sales tax in FY 2021-2022 should end the year above projections. For FY 2022-2023 we are projecting General Fund Sales Tax Revenues of \$1,500,000.



New residential and commercial construction and increased valuations are reflected in an anticipated increase in the property tax base. As always, we take a conservative approach to budgeting revenues.

We continue to work on the Capital projects scheduled for this year, and some of these will carry over into next year. In FY 2018-19 we started the engineering work as it relates to relocating utilities due to the widening of FM 455 (TxDOT project) and this project still continues in FY 2022 - 2023. The IH-35 Expansion project has entered the engineering phase and the relocation of utilities will begin in FY 2022-2023. An advanced metering system installation will also be complete in the upcoming fiscal cycle.

FY 2021- 2022 Budget Highlights

Capital Equipment

To request departmental capital expenditures, city department directors will complete a request form for each requested expenditure. During individual and group budget meetings, these requests are reviewed along with supporting documentation and options to the request. All capital requests are reviewed to determine if they are in sync with City Council goals and the city's strategic plan. The departmental capital request forms for these items are included in the Appendix of this document.

The proposed budget includes the following Capital Equipment.

Department	Category	Description	Amount
Police	Capital Improvements	Facilities Renovation	\$ 11,500
Police	Computer Hardware	Laserfiche	\$ 12,916
Police	Equipment	Electronic Ticket Writers	\$ 90,103
Police	Public Safety Equipment	JTC Claw Go Slings	\$ 6,175
Police	Public Safety Equipment	Evidence Lockers	\$ 6,742
Police	Vehicles	New Patrol Vehicle	\$ 67,695
Fire	Equipment	Generator	\$ 34,164
Fire	Equipment	Battery Operated Extraction Equipment	\$ 42,500
Fire	Vehicles	Ambulance	\$ 300,000
Fire	Vehicles	Type I Fire Engine	\$ 925,000
Streets	Equipment	Trailer	\$ 11,000
Streets	Equipment	Combination Drum Loader	\$ 52,886
Streets	Equipment	Tractor Loader	\$ 80,118
Streets	Vehicles	Pickup Truck	\$ 49,131
Parks	Capital Improvements	New Park Plan	\$ 18,000
Water	Vehicles	Pickup	\$ 49,132
Electric	Equipment	SCADA System	\$ 200,000
Facilities	Capital Improvements	Public Works Conference Room Remodel	\$ 15,390
Facilities	Capital Improvements	Exterior Painting	\$ 22,000
Facilities	Capital Improvements	City Hall Conference Room Remodel	\$ 22,815
Facilities	Capital Improvements	Public Works Building New Roof	\$ 26,640

Internal Service Fund

Some departments have responsibilities in both the General Fund and Enterprise Fund. To both increase transparency and assist operational efficiency, we have placed those departments in an Internal Service Fund (ISF). This allows us to present a single budget for each department better reflecting that department's true budget. It also streamlines the purchasing process. For accounting purposes, these departments are allocated to the funds at year end so that each fund's true cost can be reflected in the audit.

Personnel

Due to the City's challenges with recruitment and retention, I am proposing a substantial change in our compensation package. First, we are adjusting pay bands for all staff based on market research of wages in comparable communities. The staff below the department head level will be moved to the new base wage for their band or 5% if they are already within the band. Second, I am proposing a move from the 6% deposit rate on retirement be increased to 7% in line with most of our market cities' rates. Lastly, I am recommending that 6% be allocated for employee merit increases this year. The new review system uses a weighted measure in which this percentage will be awarded at 2%, 4%, and 6% levels depending upon performance. In the current economic climate, it is imperative that we stay competitive on wages and benefits to keep from continually losing good employees to other cities.

This fiscal year we are proposing to add several new positions that are important to our operations as the city continues to grow: one (1) Police Officer and one (1) Clerk/Property Room Technician in the Police Department; one (1) Assistant Fire Chief and three (3) Full-Time Firefighter/Paramedics in the Fire Department; one (1) Maintenance Worker in the

Street Department; one (1) Grounds Maintenance Worker in the Parks Department; and two (2) Utility Workers in the Water Department.

Operating Expenses

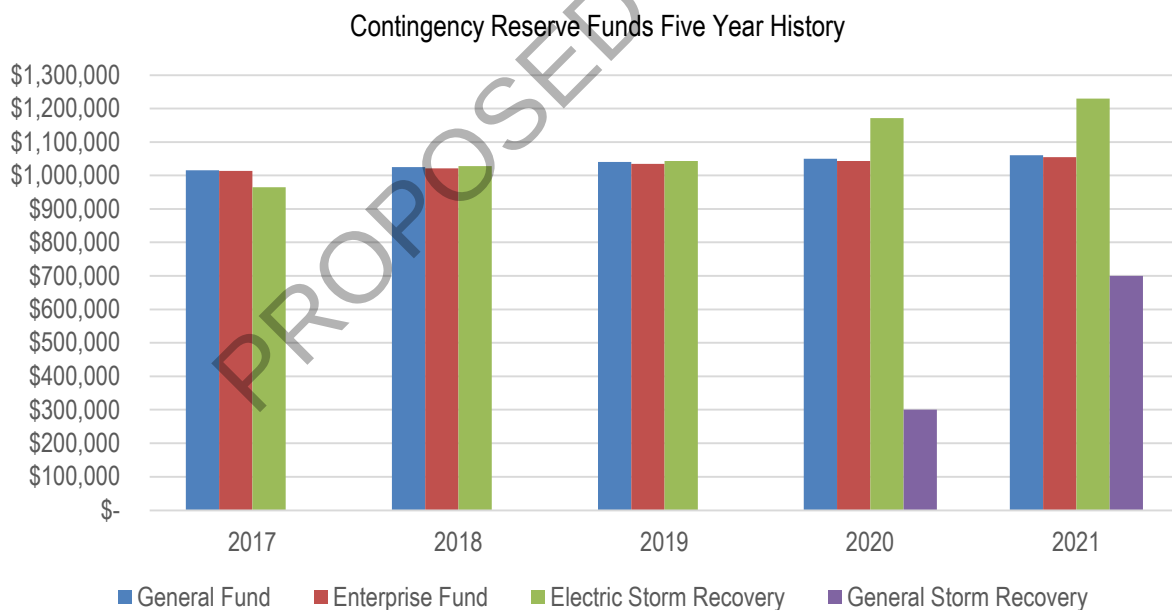
We do not directly control many of our operating expenses like health care costs and the price of fuel. Absorbing these costs can leave very little extra money left for the expansion of services. Any proposed increases in operating costs must be accompanied by written justification from the department head. All of the department heads have done a good job in their proposed budgets of keeping operating expenses in check.

Capital Projects

This year capital projects continuing include work related to the relocation of utilities along FM 455, work related to the relocation of utilities along I-35, the rehabilitation of several streets in the city as well as determining the feasibility of the stream restoration project. New projects slated to begin during the year include design of a lift station at Railroad Avenue; replacement of a waste water line on Keaton Road, and improvements to the electrical distribution system. A five-year Capital Projects Summary is included in this document.

Reserve

In 2014 the City reached its goal of increasing emergency reserves to \$2,000,000. In addition to these reserves, the city has two funds that account for reserves earmarked specifically for recovery from storm damage. The Electric Storm Recovery Fund has approximately \$1.2M in reserves set aside to repair electric system damage from storms. The General Storm Recovery was established in the 2020-2021 year to set aside designated monies for storm recovery expenses of the General Fund, such as repairing damages to streets or parks. This Fund currently has a balance of \$700,000 For 2022-2023, an additional \$300,000 will be transferred to the General Storm Recovery Fund.



SWOT Analysis

A SWOT analysis is a look at the city's Strengths, Weaknesses, Opportunities and Threats (SWOT). It is intended to give the reader a strategic perspective of current and future issues. These issues have an effect on both revenues and expenditures.

Strengths

The local economy remains strong as indicated by the steady increase in construction. The unemployment rate has adjusted in Denton County and remains lower than the state average. The area continues to see a large influx of new residents each year and this trend is expected to continue for the foreseeable future. Sanger's location is one of its greatest strengths and something we continue to aggressively market.

Rail and Interstate access and developable industrial land also top the list of Sanger's strengths. Commercial interest in the industrial property has picked up in the last year. We continue to proactively recruit retailers and other business.

Another asset is the quality of life enjoyed by the citizens of Sanger. Sanger residents have access to all of the amenities of the metroplex while enjoying life in a quiet, small-town atmosphere. Access to Lake Ray Roberts is also a quality-of-life asset and an economic boost for Sanger. The sports park has been a tremendous quality of life improvement for our citizens as well. It is well used and has been well received by the citizens. It has also been a tremendous advertising tool for Sanger. In 2014, we added a splash park to replace our obsolete swimming pool, another quality-of-life improvement for our citizens to enjoy. In 2018 the 4B board funding allowed the installation of shade structures to cover the bleachers at Porter Park. In 2019 the Board provided grant funding for a community project that involved building an event pavilion at Porter Park.

Sanger Electric is another strength enjoyed by the City of Sanger. This revenue not only supports the Enterprise Fund but the Storm Recovery Fund as well.

Sanger also enjoys having both a 4A and 4B economic development board. Each of these boards generates approximately \$500,000 annually in revenue. These monies have allowed Sanger to compete economically and make the quality-of-life improvements as mentioned above. 4B funds are currently being used to pay for the debt service on the Porter Sports Complex and other projects.

Emergency reserve funds are also a strength. Eventually, every city faces some type of disaster. Be it a tornado, flood, ice storm or another disaster, two things are certain: the city will need money for the recovery efforts, and traditional revenue sources will be negatively impacted at the same time. Having these funds on hand will help us recover as quickly as possible without destroying us financially.

Weaknesses

To a large extent, cities in Texas are dependent on property taxes to fund their general revenue operations. In Sanger, approximately 50% of general fund operating revenues come from property tax. The weakness here is that over half of the market value of property in Sanger comes from residential improvements. Demand for service is much higher from residential properties than from commercial properties. This means that, when averaged out, residences rarely pay the full amount in property tax for the services they receive from the city. Commercial properties, however, typically generate more property tax than they require in services. Growing our commercial property tax base is essential to providing quality service to our customers while limiting the property tax burden on our residents. Recruiting more industrial and commercial development continues to be a priority.

Another weakness is median home prices in Sanger. High demand for homes and a short supply of available properties continue raising average home prices across the state. The most recent report supplied by the Denton County Appraisal District reveals that the average home value in Denton County is \$458,262. The same report values the average home in Sanger at \$256,487. The lower values result in a much lower tax income per property than in other areas. We need to diversify our housing mix to include houses in higher price ranges that generate higher property taxes. This will also help alleviate the tax burden on families with lower incomes and those with fixed incomes. The

Council has established benchmarks that are helping to alleviate this weakness. As a result, we are seeing our average valuation increase. We will continue to proactively encourage this trend at the staff and Council levels to eliminate this weakness.

Another weakness that stifles growth is the fact that as the city limit has expanded, we added areas that are not in our water supply CCN. Because the water supply corporation that serves these areas does not provide fire protection, development is severely limited. In recent years, legislation has alleviated this to some extent by providing a mechanism to transfer the CCN. However, the issue still remains a hindrance to growth due to the costs associated with the transfer.

The increase in requests for special districts, such as Municipal Utility Districts (MUDs), continues to flood our region. The ease at which these districts can be created has reduced the City's leverage for mutually beneficial development agreements that would bring many of these districts into the City's taxing jurisdiction. Instead, these districts tend to fall outside our municipal boundaries but require high expenditure services, primarily fire and emergency medical services, subsidized by Sanger's General Fund.

Opportunities

Industrial Development

Sanger is uniquely located to service both North Texas and Southern Oklahoma and has hundreds of acres of developable land with both interstate highway and rail access. Sanger must capitalize on these industrial prospects and aggressively market its strengths. To do this will require additional investment in infrastructure to ensure that industrial sites are "shovel ready" when companies are ready to move. To that end, the city has extended water and wastewater lines to potential industrial sites along I-35 to entice industrial development.

Residential Development

The city has issued 30 single-family residential permits so far this year. Several new phases of existing developments are underway or have residential lots that have just been released for construction. Staff and Council continue to encourage a greater mix in housing and we are still seeing those efforts pay off. Homes in higher price ranges generate higher property taxes but typically require the same amount of services as homes of lesser appraised value. This allows the city to provide services at a lower tax rate, saving everyone on their property taxes. The average home value in Sanger is approximately \$256,487. At that value, a home will generate approximately \$1,625 in city property tax each year. In comparison, a \$350,000 home generates approximately \$2,218 at the same tax rate. Simply put, higher-priced homes translate into lower property taxes and increased services for everyone.

Commercial Development

Commercial development continues to progress at a steady pace. Sanger is experiencing some commercial growth and should see more as the IH-35 and 455 expansion projects begin and work towards final completion. The good news is that Sanger has plenty of developable commercial property. We have invested heavily in bringing utilities to these sites so that they are ready for development. The city must continue to promote commercial development, especially development that generates both property and sales tax.

Threats

High inflation rates and continued supply chain shortages will be our biggest threat this fiscal year. At this time, it is very difficult to project the long-term impacts on the economy. It is imperative that we monitor it closely and stay ahead of any economic downturn.

One threat that bears close watch is the increased cost of health insurance. We typically do not know until late in the budget process if we will face an increase this year or not but an increase is likely.

Another significant threat is Senate Bill 2, which makes numerous changes to the process for adopting property tax rates. The bill lowered the city property tax rollback rate from 8.0% to 3.5% with an automatic election required to exceed that percentage. The bill does provide for some concessions such as a \$500,000 levy increase threshold for cities under 30,000 population. The provisions of this Bill will continue to impact revenues in the future.

Understanding the Municipal Budget

This section is intended to give the reader an overview of how the budget works. Municipal budgets are governed by Federal and State Statutes and local regulations. The intent here is not to explain every requirement for municipal budgeting but to discuss generally how the budget works.

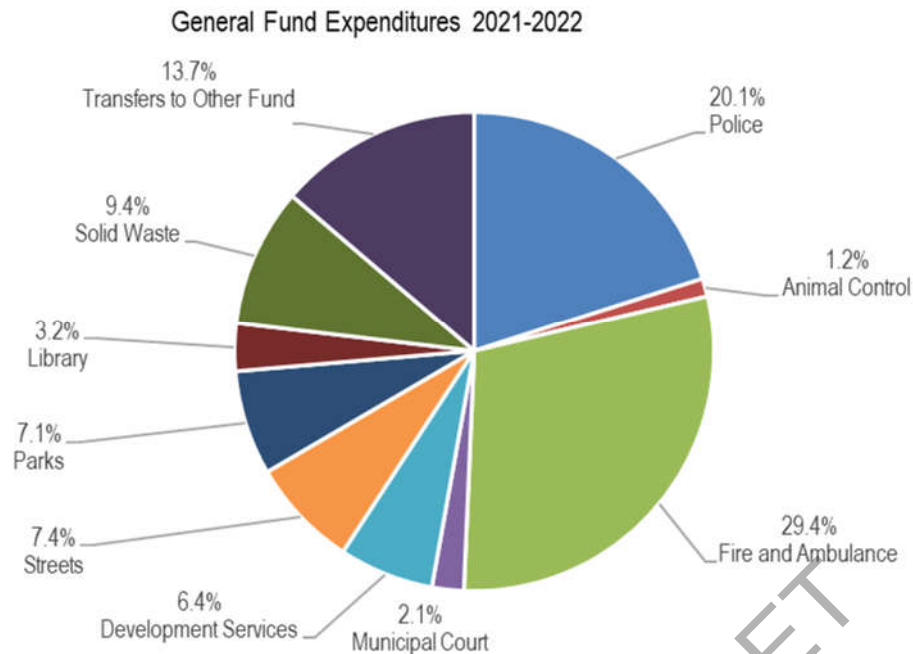
The city operates six major funds. They are the General Fund, Enterprise Fund, 4A Economic Development Fund, 4B Economic Development Fund, Debt Service Funds and Capital Improvement Funds. These funds are explained in detail below. The city's fiscal year runs from October 1st through September 30th each year. The budget process begins in the spring of each year internally. Budget workshops are held during the summer of each year with the city Council and economic development boards. Public hearings are also held on the budget. The budget must be approved and next year's property tax rate set before October 1st each year.

One important point to make is that revenue numbers in the budget are estimates of what we think will be collected next year. Projected revenues are not sitting in the city's bank account on October 1st waiting to be used. If revenues do not meet projections, then expenditures must be curtailed to meet those shortfalls. If revenues exceed projections, then excess fund balances at the end of the year can be used to build up reserves, do capital projects or supplant next year's revenues.

General Fund

The General Fund is the fund used to finance the operations of general government. The General Fund includes Public Safety, a portion of Public Works, Community Services, Sanitation, and a portion of Administrative and Support Services. Public Safety includes Police, Municipal Court, Animal Control, Code Enforcement, Fire and Ambulance departments. Sanitation is solid waste, which is contracted out to a third-party operator. Community Services include Development Services and the Library. The Park and Recreation and Street departments are shown on their own to more clearly show the portion of the general fund spent on these departments. Transfer to Other Funds include transfer to the Internal Service Fund as well as the Capital Improvement Projects Fund.

General Fund revenues come from a myriad of sources including property tax, sales tax, court fees, Fire and EMS revenues and franchise fees. By far, the largest revenue stream is property tax. Due to growth and appreciation of property values, Sanger has enjoyed increasing property taxes over the last twelve years.



Enterprise Fund

The Enterprise Fund is made up of utility departments including Water, Wastewater, and Electric. Expenditures include daily operations of the utilities, capital improvements, debt service on bonds for capital improvements as well as transfers to the Internal Service Fund and the Electric Storm Recovery Fund.

One increase we have to absorb in the electric utility is the increase in transmission and congestion costs we pay. These costs are regulated by the Electric Reliability Council of Texas (ERCOT) and are used partially to help pay for new transmission lines from West Texas to other parts of the State.

The city engaged NewGen Strategies & Solutions, an independent consulting firm, several years ago to make recommendations for rates for the next five years. On May 21, 2018, NewGen presented their findings and recommendations to City Council. Council responded to the recommendations by making adjustments to utility billing rates and plans to follow NewGen's recommendations. For the budget year, an increase was made to waste water rates in accordance with the recommendations. This year's budget includes funding to have the rate study updated.

Internal Service Fund

The Internal Service Fund includes departments with responsibilities in both the General and Enterprise Funds. The Internal Service Fund allows us to show the department's entire budget in one place, making it more transparent and easier to manage. The departments include Non-Departmental costs, Mayor and Council, Administration, Public Works, Engineering, Finance, Facilities Maintenance and Fleet Services. Instead of each department having a separate budget for each fund, those departments have a single budget in the Internal Service Fund. This makes it easier for the reader to see the true cost of the department without having to look in two different places. It also streamlines cost allocation internally.

Economic Development Funds

Under Texas Law, certain municipal governments can establish Economic Development Corporations for the purposes of attracting economic development and other limited purposes. These corporations are overseen by boards appointed by the City Council. Sanger is one of the few Cities that has both a 4A and 4B Economic Development Corporation.

Both of these corporations receive revenues from a separate ½ cent sales tax. This sales tax generates around \$500,000 each year for each of the corporations.

Thanks to these two boards the City of Sanger has been able to provide economic development incentives and make park and recreation improvements that it simply could not afford otherwise. While these funds can only be used for limited purposes, having them frees up revenues for other purposes.

Debt Service Funds and Capital Projects Funds

Long term, property tax funded debt is paid from the Debt Service Fund. Likewise, the Enterprise Debt Service Fund accounts for long term debt supported by utility operations. The Capital Projects Funds are where expenditures on Capital Projects are paid. (There are separate funds for General Capital Projects and Enterprise Capital Projects.) Both debt service and capital projects funds serve as internal service funds used for accounting purposes.

Hotel/Motel Tax Fund

The expenditure of hotel occupancy tax (HOT) funds tightly regulated by state law. To ensure that these funds are spent appropriately, they are placed in a separate fund and not commingled with the General Fund. The city also provides up to \$14,000 a year in HOT taxes to the Sanger Chamber of Commerce for marketing.

Strategic Planning

The City's Comprehensive Plan contains several strategic goals that guide budgeting through a program of strategically planning for results. Each year, these goals help determine items included in the annual budget. Each Department identified in this budget references the specific comprehensive plan goals that are supported by the operations of that department. A few of these are discussed below for the current year.

Street Network - Several years ago, the City developed a multi-year plan to improve aged streets in the City. Phase V of this plan is included in the budget, providing \$340,000 for street improvements.

Park System – The budget includes \$349,000 for renovations to Porter Park in the 4B Fund, in line with the goal to expand and maintain parks within the City. The budget also includes \$XXXXXXX for park designs for future park expansion.

Country Atmosphere – The budgets of several departments, including Police, Animal Control, Fire, Parks and Administration incorporate the goal of maintaining and improving upon the existing county living atmosphere of Sanger.

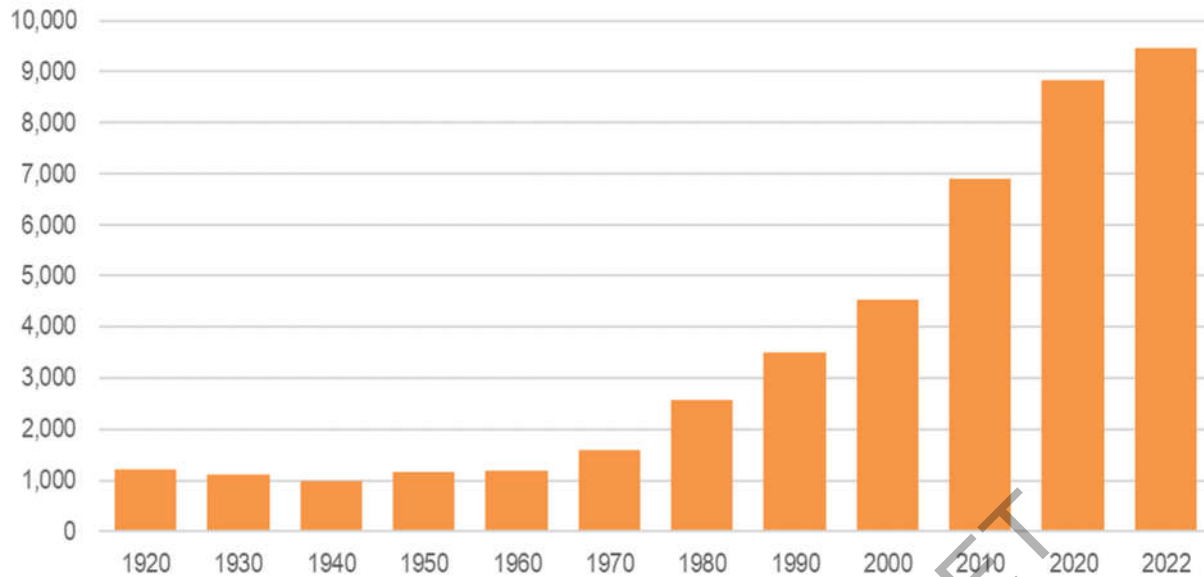
Looking Toward the Future

The Dallas-Fort Worth area continues to add new residents each year. According to the U.S. Census Bureau population estimates, six of the US counties with the largest population growth are located in Texas. We believe this makes Sanger a prime candidate for growth as the DFW area continues to attract new businesses and residents.

The northern cities of the DFW area continue to see much growth, and many people are choosing to live in a northern suburb and drive south for work. Easy access via I-35 make Sanger an excellent choice for people looking to live in a smaller community.

Sanger has grown from a railroad stop established in the 1880's into a thriving community that offers residents the best of both worlds: big city opportunities combined with small-town charm. Sanger's population has doubled in the past 20 years, growing from 4,534 in 2000 to an estimated 9,470 in 2021.

Population Growth



A new Holiday Inn Express opened in 2020 and is seeing business grow as travel in the US picks up after the slump induced by COVID-19. Sanger continues to be an attracting destination for residential and commercial developers alike.

The combination of the population growth of the DFW area, Sanger's ideal position for commuters who want to live in a smaller community, and new business ventures in Sanger point to a bright future for our city.

Conclusion

The fiscal condition of the City is strong. The commitment to conservative financial policies has positioned Sanger well for the future. This budget again demonstrates a conservative approach to assist us in remaining financially stable. It reflects our commitment to improving the community where we can by utilizing outlays for additions and improvements to amenities and infrastructure, as well as the maintenance of existing assets.

Information on the City's current and past year budgets, as well as other financial information, is available on the City's website at https://www.sangertexas.org/page/finance_transparency.

I would like to thank Clayton Gray for the work he has done in the preparation of this budget, and for providing the historical data on the funds presented. I would like to thank our department heads. They have done a tremendous job of managing their departments through the immense challenges of the past several years by working as a team to provide our community with the highest level of service. I also want to thank the Mayor and Council for their support and leadership. Staff looks forward to working with you all during the implementation of this budget.

Respectfully submitted,

John Noblitt
City Manager

STRATEGIC PLANNING FOR RESULTS



P U R P O S E

The guiding purpose of the municipal government of the City of Sanger is to preserve, protect and enhance the quality of life for our citizens.

V I S I O N

To give vision to the guiding purpose, the Sanger City Council has adopted strategic goals a (page 21) and the Sanger 2040 Comprehensive Plan (page 22) to guide City operations.

P L A N

To implement this vision for the city, the Annual Budget and Capital Improvement Plan are developed each year as strategic planning documents. The City's 2022-2023 Annual Budget and Capital Improvement Plan continue with this strategv.

R E S U L T S

The effectiveness of any plan is measured by results. The City of Sanger's desired results are to provide quality services to residents, maintain and improve our infrastructure, and develop positive relationships with our citizens.

Departments report activity on performance monthly to assure operations are in step with the City's organizational goals. The City prepares a Monthly Report, which provides a wealth of detailed and useful information from all City departments to the citizens of Sanger. These reports are posted on the City's website for 24/7 access. The Report for the month of September 2021 is included in this document.

STRATEGIC GOALS

Several years ago, the Sanger City Council adopted a plan to provide guidance for the future which included a specific set of goals, which are tangible directives raised by citizens to guide the development of the City. These eight goals are general statements of the community's desired ultimate physical, social, economic, and environmental status. These strategic goals and strategies set the standard with respect to the community's desired quality of life.

COUNTRY ATMOSPHERE

Maintain and improve upon the existing country living atmosphere of Sanger

ENCOURAGE BUSINESS

Encourage the establishment of new commercial business and the expansion of existing businesses in Sanger

PRESERVE HISTORY

Encourage development and preservation of the Historic Sanger Downtown area

LAND USE

Improve the relationship of mixed land uses and provide optimum opportunity to live and work in Sanger

STREET NETWORK

Improve Sanger's street network

JOB DEVELOPMENT

Encourage job development in Sanger

QUALITY NEIGHBORHOODS

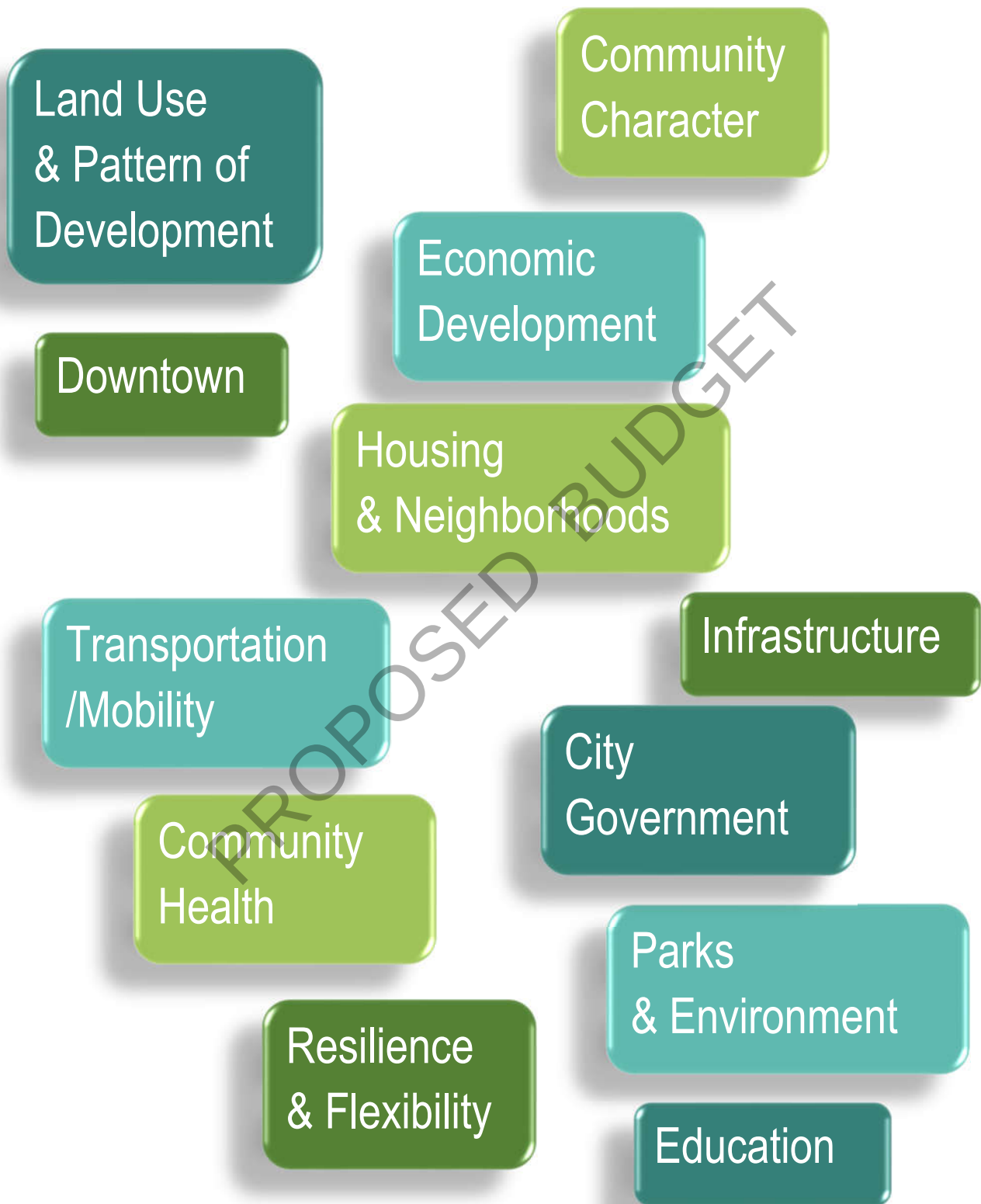
Encourage development of quality single family residential neighborhoods in Sanger

PARK SYSTEM

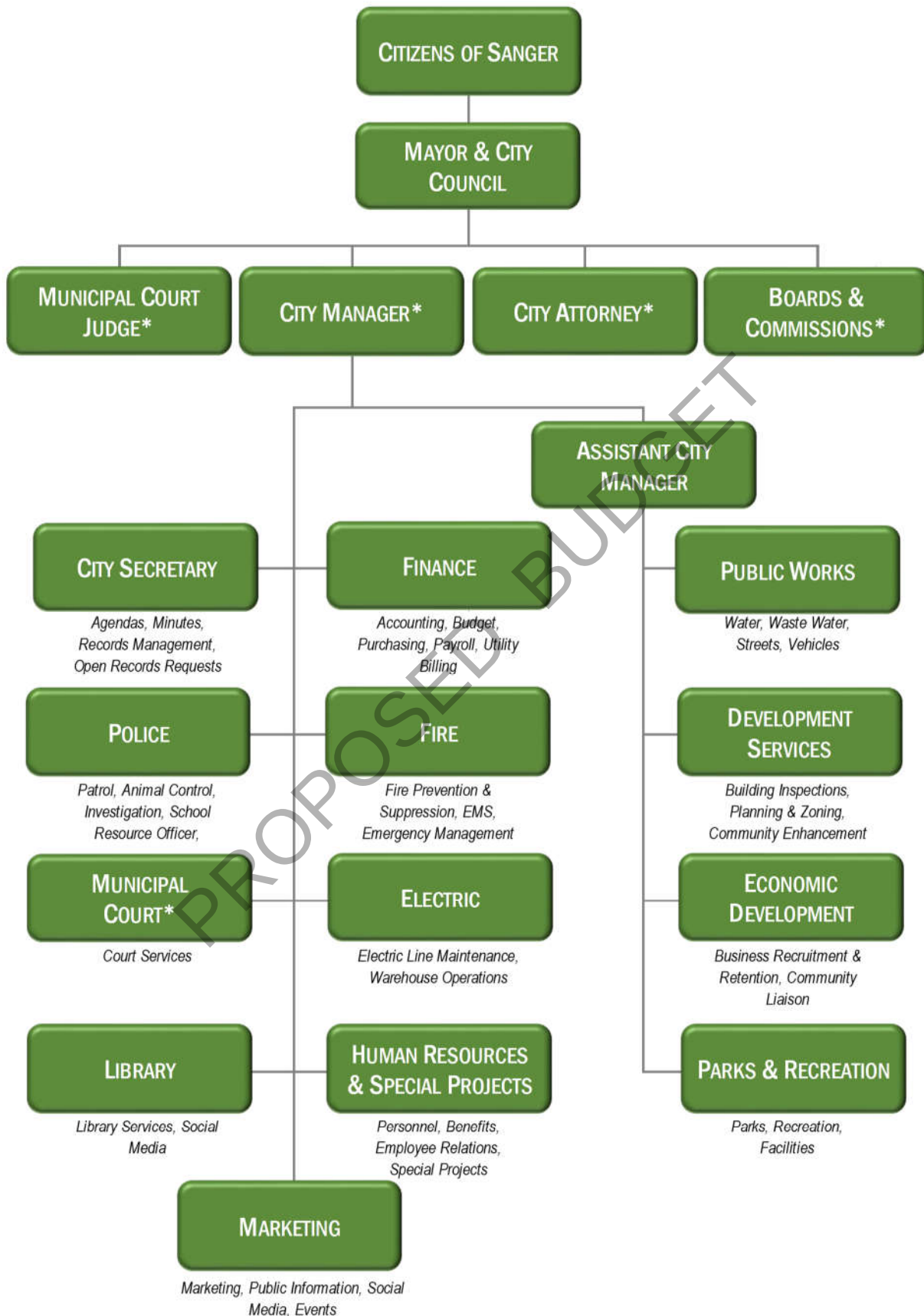
Develop, expand, and maintain the Sanger Park System with a variety of parks, open spaces and recreational facilities

SANGER 2040 COMPREHENSIVE PLAN

The City worked with a third-party consultant to prepare a comprehensive plan tailored to meet Sanger's vision and goals over the next 20 to 30 years. Visit <https://www.sanger2040plan.com> for more details on the Plan.



ORGANIZATIONAL CHART



*City Manager, City Attorney, Municipal Court Judge, Municipal Court Clerk, Boards & Commissions are appointed by City Council

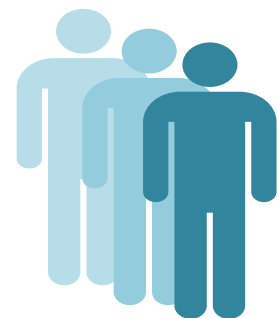
AUTHORIZED PERSONNEL

Fund & Department		2020-2021	2021-2022	2022-23
General	Police	16.0	18.0	20.0
	Animal Control	1.0	1.0	1.0
	Fire	34.0	35.0	39.0
	Municipal Court	4.0	4.0	4.0
	Development Services	6.0	6.0	6.0
	Streets	4.0	4.0	5.0
	Parks	4.5	4.5	6.4
	Recreation	1.0	1.0	0.0
	Library	6.0	6.0	6.0
	General Fund Totals	76.5	79.5	87.4
Enterprise	Water	6.0	7.0	9.0
	Waste Water	3.0	3.0	3.0
	Electric	8.0	8.0	8.0
	Enterprise Fund Totals	17.0	18.0	20.0
Internal Service	Administration	3.0	5.0	2.0
	Public Works Administration	1.0	1.0	2.0
	City Secretary	0.0	0.0	1.0
	Legal	0.0	0.0	1.0
	Finance	6.0	6.0	6.0
	Human Resources	0.0	0.0	1.0
	Engineering	2.5	0.0	0.0
	Marketing	0.0	1.0	1.0
	Fleet Services	1.0	0.0	0.0
	Facilities	0.0	0.0	0.6
	Internal Service Fund Totals	13.5	13.0	14.6
4A	Economic Development	1.0	0.5	0.5
	4A Fund Totals	1.0	0.5	0.5
4B	Economic Development	0.0	0.5	0.5
	4B Fund Totals	0.0	0.5	0.5
Total Authorized Personnel		108.0	111.5	123.0

NOTE: Throughout the Budget, detailed position information is presented with each Department

The following ten positions are new this year:

- Police Department – One Police Officer & one Clerk/Property Room Tech
- Fire Department – One Assistant Fire Chief and Three Full-Time Firefighter/Paramedics
- Streets – One Maintenance Worker
- Parks Department – One Grounds Maintenance Worker
- Water Department – Two Utility Workers



BUDGET CALENDAR



THE CITY OF SANGER, TEXAS BUDGET CALENDAR FY 2022-2023

Date(s)	Action
Monday, March 28, 2022 - Wednesday, March 30, 2022	City Manager and Finance Director meet individually with Directors for mid-year budget review
Tuesday, April 5, 2022	Budget Materials Distributed to Departments, which begin working on a requested budget, goals, and long-range plans.
Monday, April 5, 2021 - Thursday, June 30, 2022	Preliminary Budget is Prepared. City Manager works with Directors on goal-setting and long-rand planning for departments and the City as a whole.
Tuesday, May 10, 2022	City Manager, Finance Director and Directors meet to review individual departmental requested budget, discuss long-range financial plans and goal-setting.
Thursday, June 30, 2022	Preliminary Budget Completed
Tuesday, July 5, 2022	City Council Budget Workshop
Monday, July 18, 2022	City Council Budget Workshop
Monday, July 25, 2022	Chief Appraiser Certifies Tax Roll
Monday, August 1, 2022	Proposed budget submitted to City Council Budget Filed with the City Secretary and Posted on the City's Website
Monday, August 15, 2022	Submit No-New-Revenue and Voter-Approval Tax Rates to City Council
Saturday, August 27, 2022 - Sunday, August 28, 2022	Publish Notice of Public Hearing on Budget Publish Notice of Public Hearing on Tax Rate
Tuesday, September 6, 2022	Public Hearing on Budget Public Hearing on Tax Rate City Council Vote on Approval of Tax Roll City Council Vote on Adoption of Budget City Council Vote on Levying a Tax Rate

THE BUDGET PROCESS

The fiscal year of the City of Sanger begins on October 1st and ends on September 30th of the following calendar year. This fiscal year establishes both the budget year and the accounting year.

The budget is developed at a departmental level. In March, the Finance Director develops worksheets that detail expenditures for the past four years, year to date balances as of March 31st, and projected totals through the end of the current fiscal year. These worksheets are distributed to individual departments for review and completion. Each department prepares an estimate for their projected totals through the end of the fiscal year and estimates for the upcoming year. For any increases or addition of new items to the budget, departments will document the justification for the requested increases. Once the departments have completed the worksheets, they are returned along with any supporting documentation to the Finance Director. The City Manager and the Finance Director meet with each Department Director individually to review the budget worksheets. The City Manager and all City Directors meet an entire day to review each department's budget requests for the coming year. During both the individual and group meetings, Directors work with the City Manager to identify long-range planning and goal -setting. As the budget process progresses, the City Manager works with departments to focus these goals and plans to ensure they are in line with the City's overall goals.

Revenues are projected based on historical trends, the current economic climate and expected future trends. Personnel expenses are prepared based upon the current year, adjusted as necessary for staffing changes or changes in the cost of benefits. Utility expenses are projected based on the current and prior years, modified where applicable due to utility rate changes or changes to City facilities. It is important during the budget process to consider not only the present but also the past and the future. Current conditions considered for this budget include the number of utility customers the City serves; the staffing level required to provide services to citizens; and how COVID-19 and inflation have affected the City's operating costs. The past holds valuable information including items such as historical trends of sales tax revenues and the rate of change in property values for property tax projections. Future considerations to be considered include: the number of new houses expected to be built in the next twelve months; the number and size of businesses scheduled to open in the near future; and planned development along the I-35 corridor that runs through Sanger. To help plan for the future, this budget contains a five-year projected budget for the General Fund.

The departmental budget worksheets are combined with revenues, personnel and utility expenses to prepare a working budget, which is reviewed by the City Manager. The City Manager and the Finance Director meet with each department to review and discuss the requested budget in detail. These meetings assist the City Manager in determining priorities for the budget. The Denton County Chief Appraiser will certify the tax roll during July, allowing the City to propose a tax rate and estimate property tax revenues.

A series of public budget workshops are held with the City Council, allowing for citizen input for the budget process. These workshops allow the City Council to formulate its priorities for the proposed budget. Following these workshops, the proposed budget is formulated. This proposed budget is filed with the City Secretary before the end of August and is published on the City's website for citizen review. Public hearings on the proposed budget and property tax rate are scheduled to allow for citizen input. Following the public hearings, the budget may be adopted.

The budget may be adopted at any regular or special meeting of the City council prior to the beginning of the fiscal year. On final adoption, the budget is in effect for the budget year. During the year, the City Council may amend or

change the budget to provide for any additional expense. Section 9.05 of the City's Charter states "Under conditions which may arise and which could not reasonably have been foreseen in the normal process of planning the budget, the Council may, by a majority vote of the full membership, amend or change the budget to provide for any additional expenses in which the general welfare of the citizenry is involved. These amendments shall be by ordinance, and shall become an attachment to the original budget."

In February and August, the City Manager and the Finance Director meet individually with each Department Director to compare operations year to date with the annual budget.

PROPOSED BUDGET

LIST OF FUNDS

GOVERNMENTAL FUNDS	GENERAL FUND: This is the general operating fund for the City, utilized to account for all resources not required to be accounted for in another fund. The basis of accounting for financial reporting and budgeting is the modified accrual basis. DEBT SERVICE FUNDS: This governmental fund type is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Debt Service Funds of the City include the General Debt Service Fund and the Enterprise Debt Service Fund. The basis of accounting for financial reporting and budgeting is the modified accrual basis. CAPITAL PROJECTS FUNDS: These funds were established to account for resources used for the acquisition and construction of capital facilities by the City. Capital Projects Funds of the City include Capital Projects Fund and Enterprise Capital Projects Fund. The basis of accounting for financial reporting and budgeting is the modified accrual basis. SPECIAL REVENUE FUNDS: These funds are used to account for the revenue derived from specific taxes or other earmarked revenue sources (other than for major capital projects) that are restricted by law or administrative action to expenditures for specified purposes. Special Revenue funds of the City include Hotel/Motel Tax Fund; General Storm Recovery Fund; Enterprise Storm Recovery Fund; Beautification Fund; Library Restricted Fund; Parkland Dedication Fund; Roadway Impact Fee Fund; Court Security Fund; Court Technology Fund; Child Safety Fund; Police Donations Fund; Fire Donations Fund; Park Donations Fund, and Library Donations Fund. The basis of accounting for financial reporting and budgeting is the modified accrual basis.
PROPRIETARY FUNDS	ENTERPRISE FUND: This fund accounts for the operations and financing of self-supporting activities of a governmental unit that renders services on a user charge basis to the general public, similar to private business enterprises. The basis of accounting for financial reporting and budgeting is the accrual basis. INTERNAL SERVICE FUND: This fund accounts for the financing of centralized services to different funds and City departments on a cost reimbursement basis. The basis of accounting for financial reporting and budgeting is the modified accrual basis.
FIDUCIARY FUNDS	4A CORPORATION FUND: This fund accounts for the operations and financing of self-supporting activities of the Sanger Texas Industrial Development Corporation. Funded by a ½ cent sales tax, this fund is used to help new and existing businesses expand in Sanger with a primary goal of bringing jobs to Sanger. The basis of accounting for financial reporting and budgeting is the modified accrual basis. 4B CORPORATION FUND: This fund accounts for the operations and financing of self-supporting activities of the Sanger Texas Economic Development Industrial Corporation. Funded by a ½ cent sales tax, this fund is used to enhance the local economy by improving the quality of life in Sanger. The basis of accounting for financial reporting and budgeting is the modified accrual basis.

FUND RELATIONSHIPS WITH FUNCTIONAL AREAS

	FUNCTIONAL AREA				
	Administration	Public Safety	Community Development	Public Works	Culture & Recreation
General		Police, Animal Control, Fire, Municipal Court	Development Services	Streets, Solid Waste	Parks & Recreation, Library
Debt Service	Debt Service				
Enterprise				Water, Waste Water, Electric	
Enterprise Debt Service	Debt Service				
Internal Service	City Council, Administration, City Secretary, Legal, Finance, Human Resources, Facilities			Public Works Administration	
4A			4A		
4B			4B		
Capital Projects	Administration			Public Works Administration	
Enterprise Capital Projects	Administration			Public Works Administration	
Hotel/Motel	Administration				
General Storm Recovery	Administration				
Electric Storm Recovery	Administration				
Beautification	Administration				
Library Restricted					Library
Parkland Dedication	Administration				
Roadway Impact Fee	Administration				
Court Security		Court			
Court Technology		Court			
Child Safety		Police			
Forfeited Property		Police			
Police Donations		Police			
Fire Donations		Fire			
Park Donations					Parks
Library Donations					Library

ABOUT SANGER

OVERVIEW

The City of Sanger, Texas was incorporated in 1886 and operates under a Council-Manager form of government. The City provides general government, public safety, public works, culture and recreation, water, sewer and electricity operations to citizens.

LOCATION

Sanger is strategically located along in Northern Denton County and occupies 10.9 square miles along Interstate 35. The city's location, services and amenities make it a wonderful place to live. Uniquely situated 50 miles from both Dallas and Fort Worth, Sanger offers residents the amenities of a major metropolitan area while retaining a small-town quality of life. In addition, the Dallas/Fort Worth International Airport is 38 miles away.

Sanger is located minutes from the shores of Lake Ray Roberts, the 6th largest lake in Texas. Sanger is also located in "horse country", as Denton County has more working horse ranches than any other county in the United States.



HISTORY

During the rapid expansion of railroads following the Civil War, the Gulf, Colorado & Santa Fe Railway grew from South Texas northward, through the area that is today known as Sanger. The railroad selected a spot between Fort Worth and Gainesville for a new stop. The railroad had two reasons for selecting this particular spot. First, the steam locomotives of the day required frequent stops to replenish the engine's water supply. Second, this spot was close to the Chisholm Trail. Cattle drives were a major economic activity at the time and the Chisholm Trail was the most important route for cattle drives leaving Fort Worth. In a relatively short time, the railroad would replace the Chisholm Trail as the means for moving cattle north out of Texas.

In 1886, the railroad purchased land from Mrs. Elizabeth Huling of Lampasas, Texas and built a one-room depot, cattle pens and loading chute on the site. Mrs. Huling hired two surveyors to lay out a town around the railroad stop, and she donated land for a wagon yard, water well, school, town square, cemetery, and a church. Lots were laid out for stores and homes, and lots were given to anyone who would build a house costing at least \$500. The city was originally named Huling in her honor.

The community's name was changed to New Bolivar for a short time. The railroad officially named the town Sanger in 1887 in honor of railroad customers Lehman, Isaac, Alex, Sam and Philp Sanger. Pioneers in the dry goods wholesale and resale industry in Texas, the Sanger Brothers built a chain of stores in railroad towns to utilize the trains to move merchandise. Although the city was named in their honor, the Sanger Brothers never lived in the city or operated a store here.

Rail service began when the first trains came through in 1887. Cattle began loading the trains as soon as service to Kansas City was established. The first residents of the area were Francis and Melissa Ready and their daughter Molly. In the spring of 1887, the family sought refuge from a snow storm in the depot as they were passing through, and decided to stay. The family built a one-room cabin, and Mrs. Ready cooked meals for the cowboys who drove the cattle to the pens. Mr. Ready later built a hotel near the pens, and operated a post office in the lobby after he was commissioned postmaster.

The City of Sanger was incorporated in 1892 and William E. Partlow was elected the first Mayor of Sanger. Business thrived in the following years and led to the growth of the City. Thanks to a large mill and grain elevator, Sanger became a large farming community.

At some point, a fire destroyed the depot and the railroad built a new station that included a larger depot building, waiting rooms, a Western Union telegraph office, and a Wells Fargo freight office. The depot operated 24 hours a day, 6 days a week. Around 1900, ranchers began trucking cattle to Fort Worth instead of shipping them to Kansas City. At the time when the trains stopped shipping cattle, resourceful individuals began using the railroad to ship dairy cream to Fort Worth and Ardmore, Oklahoma.

Texas State Highway 40 ran through the area and became a portion of US Route 77 in 1929. Interstate 35 was built along the route in the early 1960's. As the railroad replaced the cattle trail, the highway system replaced the railway as the conduit that brought visitors and business to Sanger. The years following World War II saw the decline of railroads nationwide, and the Sanger depot eventually closed. Interstate 35 serves the heartland of America, running from South Texas to Minnesota. According to the Texas Department of Transportation, more than 50,000 vehicles pass through Sanger on I-35 daily.

QUICK FACTS

LOCATION	Sanger is located along Interstate 35 in northern Denton County in north Texas. Sanger is located less than an hour from both Dallas and Fort Worth.
AREA	10.9 square miles
FORM OF GOVERNMENT	Council-Manager
INCORPORATION	1892
POPULATION	9,470 (01/01/2022 estimate)
TRANSPORTATION	Interstate 35 DFW Airport - 39 miles Love Field - 48 miles BNSF Railway
CLIMATE	Köppen Climate Classification "Cfa" (Humid Subtropical Climate) Average temperature 64° Average Precipitation 14.9"
SALES TAX RATE	6.25% State of Texas 1.00% City of Sanger 0.50% 4A Corporation 0.50% 4B Corporation
BOND RATING	AA (Standard & Poor's)
TOP 10 PROPERTY TAXPAYERS	Wal-Mart Stores East, L.P. US06068 Wal-Mart Stores East, L.P. Trails of Sanger Apartments LLC Ramar Land Corporation Maccamp LTD Sanger Lodging, LLC Paccar Financial LGI Homes-Texas LLC Williamsburg Construction Services Springer Properties LLC

LOCAL EVENTS

Sanger takes pride in the small-town charm it offers. Although many events were cancelled as a result of the COVID-19 pandemic, the City began offering more regular events during the past year. Here are some of the events that usually happen each year in Sanger.



- JULY *Freedom Fest*
- SEPTEMBER *Sanger “Sellabration” Market*
Adult Kickball league
Fishing Derby



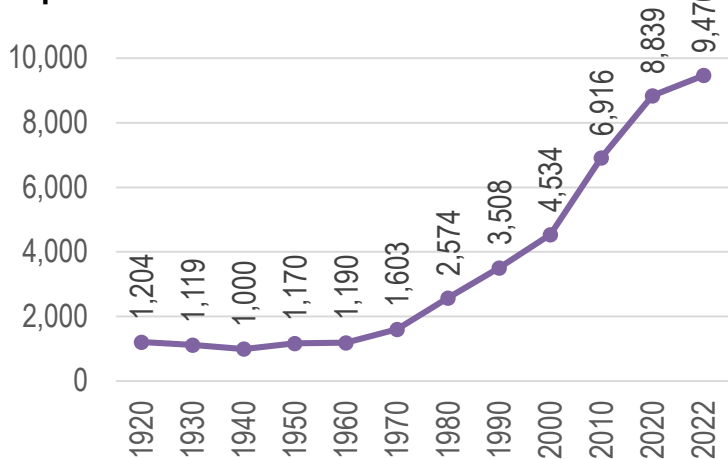
- FEBRUARY *Mother-Son Valentine Dance*
- MARCH *Spring Clean Up Day*
- APRIL *City-wide Easter Egg Hunt*
- JUNE *Summer Reading Program*



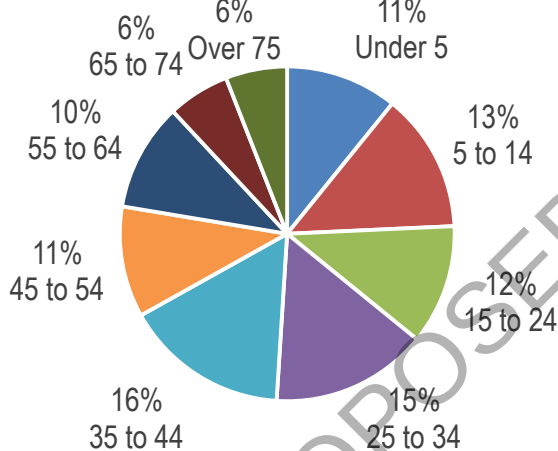
- OCTOBER *Halloween Trick or Treat*
- DECEMBER *Four Days of Christmas*
Christmas Parade
Santa Around Town
- ONGOING *Yoga Classes*
Baseball & Softball Leagues
Concerts in the Park
Preschool Story Time
Movies in the Park

STATISTICS

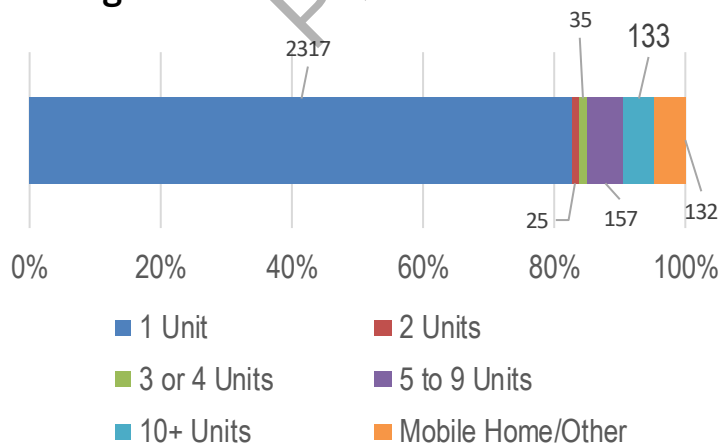
Population Growth ^{1,2}



Population Age Distribution ¹



Housing Units ¹



MAJOR EMPLOYERS

1,000+ Employees:

- Wal-Mart Distribution Center

200 – 499 Employees:

- R & L Carriers
- Sanger Independent School District
- Sam's Distribution Center

50-100 Employees:

- City of Sanger
- A&W Productions
- Eikon Engineering
- Babe's Chicken

20-50 Employees:

- Holiday Inn Express
- Hollingsworth Manufacturing
- McClain's RV Super Store
- Miguelito's Mexican Restaurant
- North Texas Plastics
- Sanger Bank

SCHOOLS ²

Butterfield Elementary School
Chisholm Trail Elementary School

Clear Creek Intermediate School

Sixth Grade Campus

Sanger Middle School

Linda Tutt High School

Sanger High School

University of North Texas (Denton)
Texas Women's University (Denton)
North Central Texas College
(Gainesville)

¹ factfinder.census.gov

² North Central Texas Council of Governments

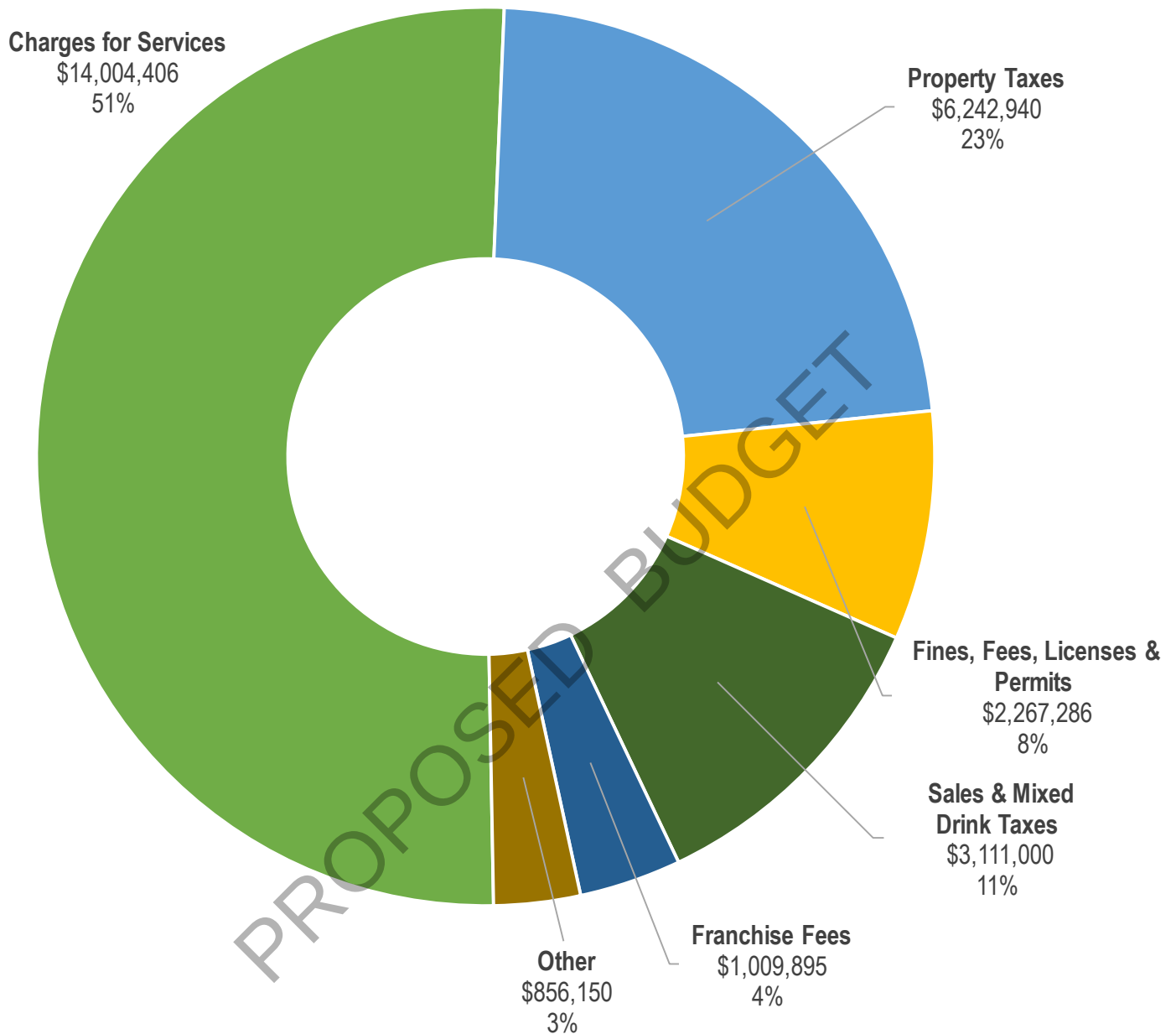
³ Sanger Economic Development Corporation

PROPOSED BUDGET

BUDGET SUMMARY

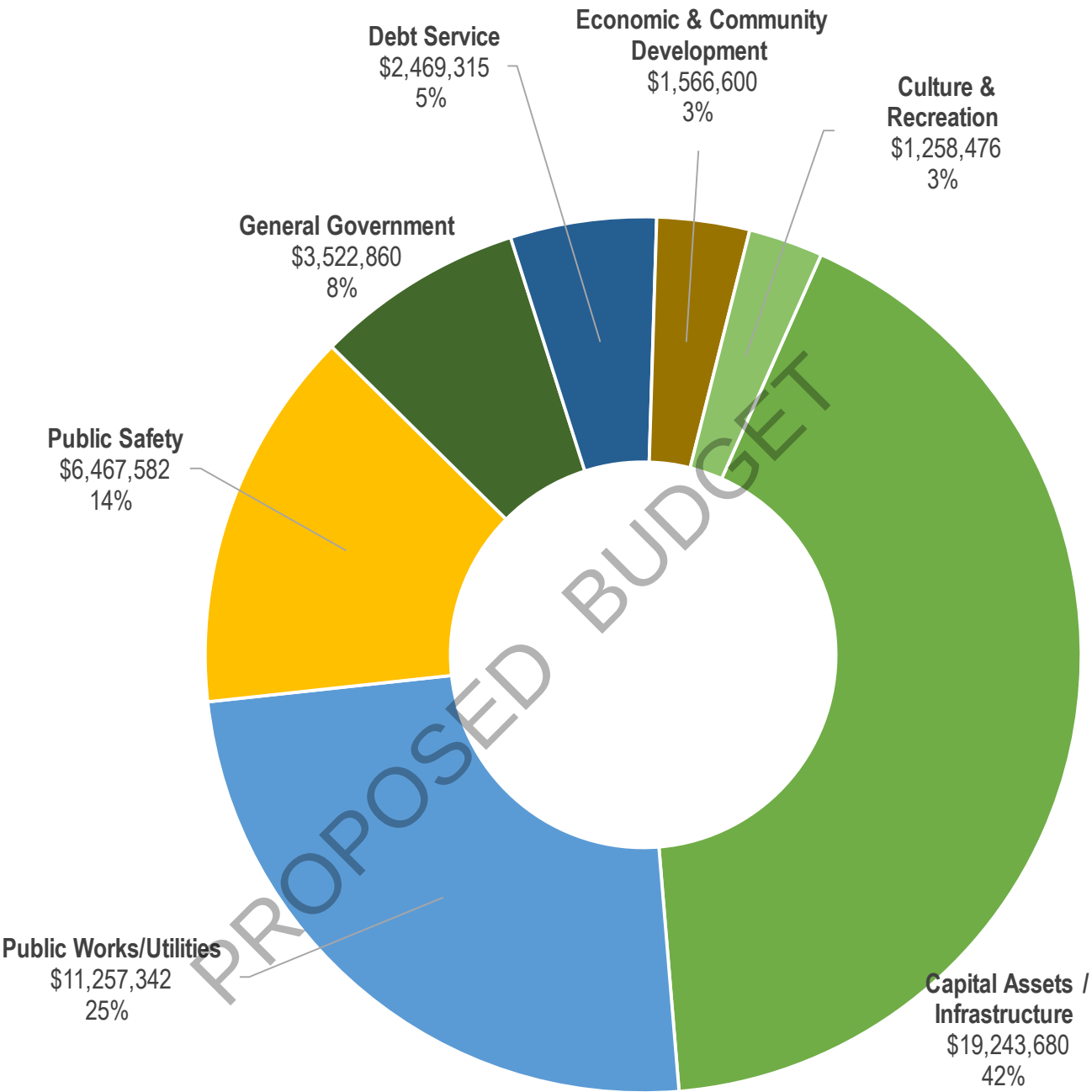
2022-2023 BUDGET AT A GLANCE

WHERE DOES THE MONEY COME FROM?



TOTAL REVENUES = \$27.5 MILLION (EXCLUDES OTHER SOURCES)

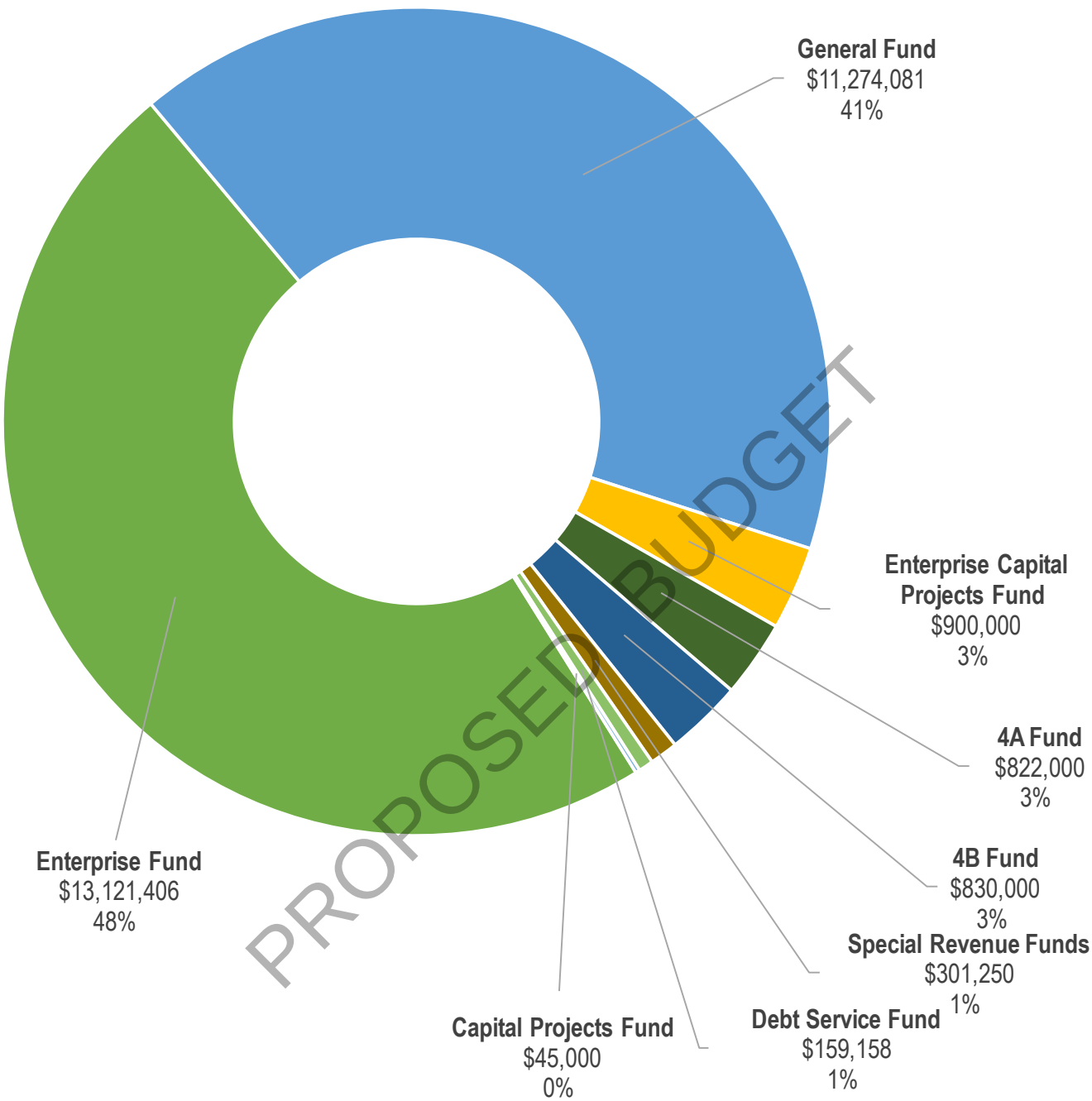
HOW IS THE MONEY USED?



Total Expenditures = \$45.8 Million (Excludes Inter-Fund Transfers)

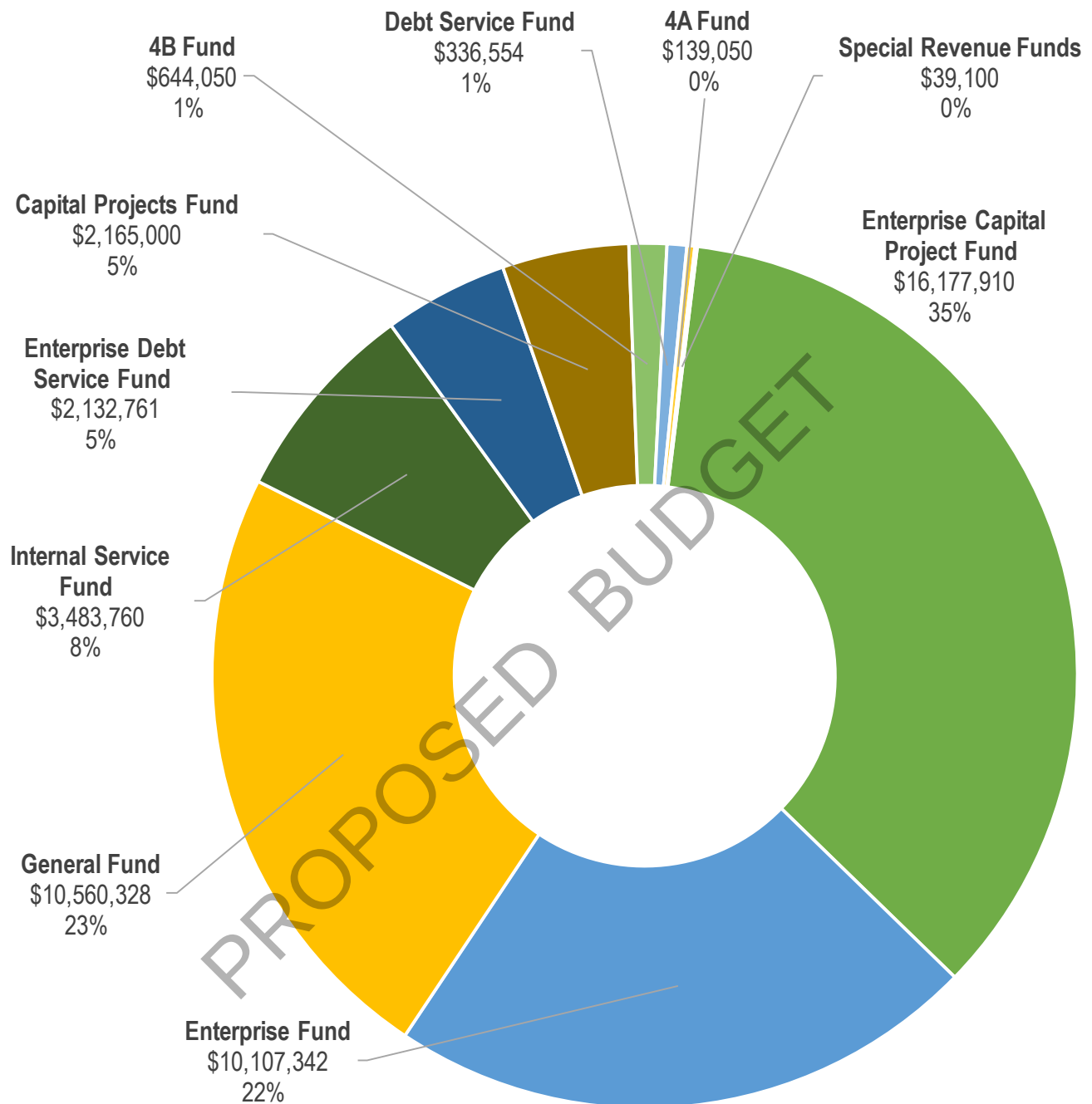
2022-2023 BUDGET BY FUND

REVENUES BY FUND



Total Revenues = \$27.5 Million (EXCLUDES OTHER SOURCES)

EXPENDITURES BY FUND



Total Expenditures = \$45.8 Million (Excludes Inter-Fund Transfers)

REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

OVERVIEW OF MAJOR REVENUE SOURCES

The City has numerous sources of income, including taxes, franchise fees, charges for services, fees, and licenses and permits. For the 2022-2023 budget, three revenue sources account for 85% of all revenues: Charges for Services, Property Taxes, and Sales/Mixed Drink Taxes.

Charges for Services

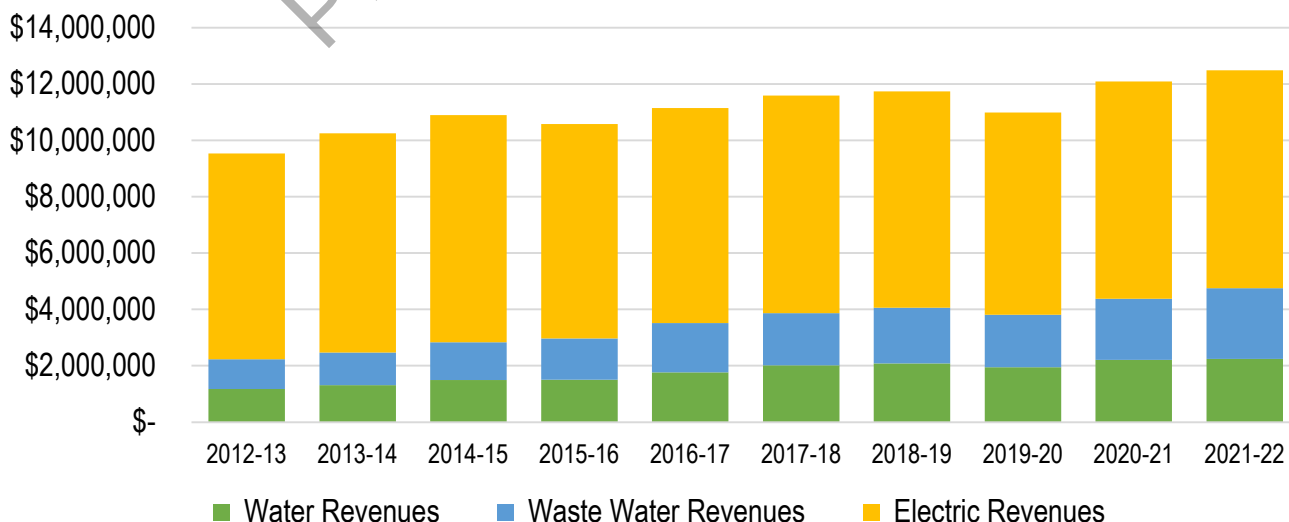
Charges for Services includes the billing of Water, Waste Water and Electric utilities in the Enterprise Fund and Solid Waste Collections in the General Fund. Total Charges for services are \$14,004,406, which is 51% of the City's total projected revenues.

Enterprise Fund Charges for Services

The primary revenue stream of the Enterprise Fund is the billing and collection of Water, Waste Water and Electric utilities. Totalling \$12,742,406, these combined charges for services accounts for 46% of the City's projected revenues.

- Water revenues of \$2,334,878 are an increase of \$92,128 (4%) over last year's projection of \$2,242,750. Revenues have steadily grown through the years, the result of both increasing population and occasional changes in the rate structure. Water revenues are expected to rise in future years, the result of continued growth.
- Waste Water revenues of \$2,715,028 are an increase of \$211,715 (8%) over last year's projection of \$2,503,313. Revenues have steadily grown through the years, the result of both increasing population and occasional changes in the rate structure. Waste Water revenues are expected to rise in future years, the result of continued growth.
- Electric revenues of \$7,692,500 are a slight decrease of \$48,830 (1%) from last year's projection of \$7,741,330. The City has reevaluated projections for Electric revenues over the past several years and has adjusted revenue estimates as necessary. Electric revenues are expected to rise in future years, the result of continued growth.

Enterprise Fund Charges for Services Past 10 Years



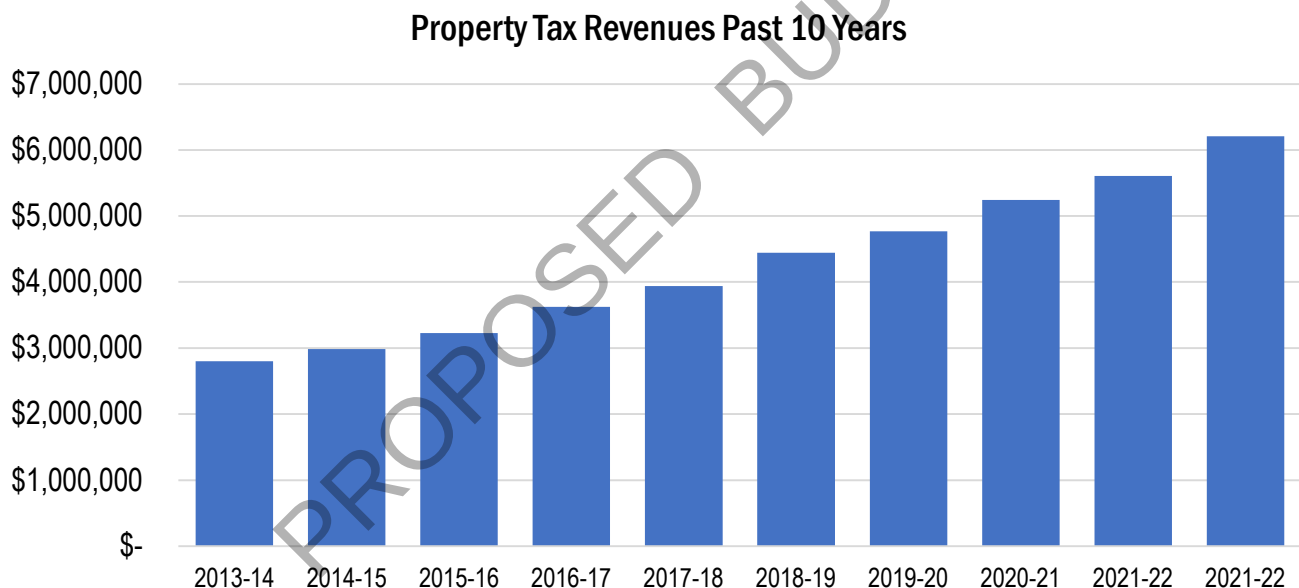
Water, Waste Water and Electric rates are set by City ordinance and have historically been set using trend analysis and a cost-of-service model. The City engaged NewGen Strategies & Solutions, an independent consulting firm to make recommendations for rates for the next five years. On May 21, 2018, NewGen presented their findings and recommendations to City Council. Council responded to the recommendations by making adjustments to utility billing rates and plans to follow NewGen's recommendations for the coming years. This budget includes funding to have the rate study updated and projected for the next five years.

General Fund Charges for Services

General Fund Charges for services includes billing for Sanitation and Recycling Services. These charges total \$1,262,000 and account for 5% of total revenues. This amount is an increase of 16% over last year's projection of \$1,086,644, the result of new residential and commercial properties utilizing services.

Property Taxes

The collection of Property Taxes accounts for a total of \$6,204,158 or 23% of the City's projected revenues. Property within Sanger is appraised annually by the Denton Central Appraisal District. Property Tax revenue is calculated using the appraised values of properties and the property tax rate. Property Taxes are reported in the General Fund and the Debt Service Fund. Projected Property Tax collections are an increase of \$598,172 (11%) over the prior year projection of \$5,605,986. Property Tax revenues are expected to continue to rise in future years, the result of continued growth.

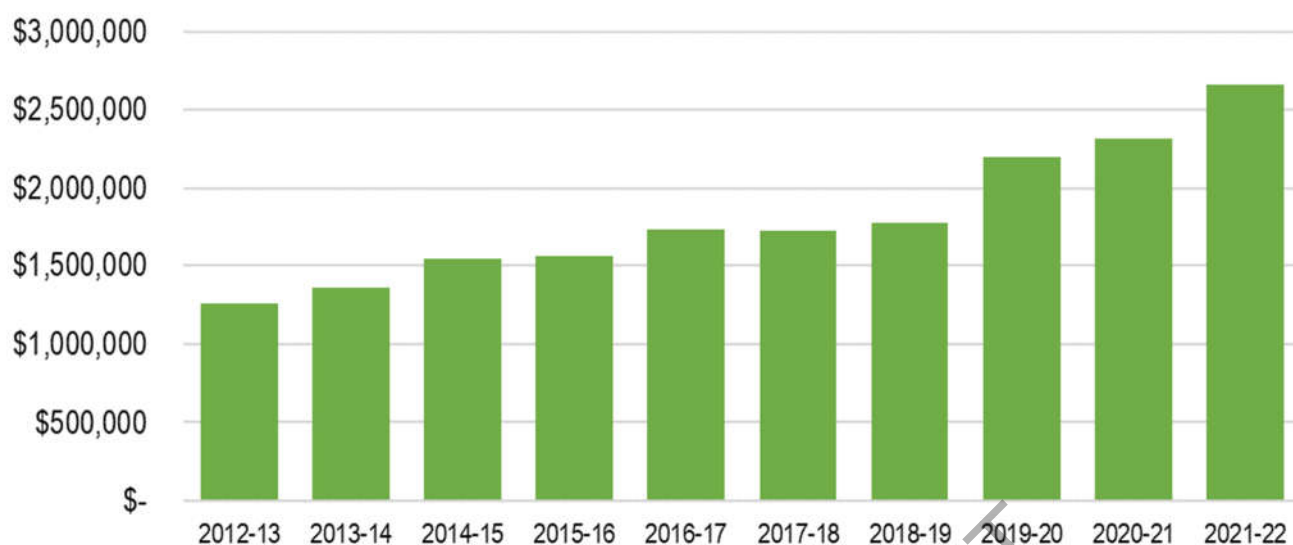


The Sanger City Council approved Ordinance 09-21-21 on September 7, 2021, setting the property tax rate at \$0.633711 per \$100 valuation for the 2021-22 budget year. For 2022-23, a lowered tax rate of \$0.589497 is proposed.

Sales Taxes

The collection of Sales Taxes accounts for a total of \$3,100,000 (11%) of the City's projected revenues. Sales subject to sales tax are taxed at a total of 8.25% (6.25% to the State of Texas) and 2.0% to the City of Sanger. Projected Sales Taxes for 2022-23 are an increase of 17% over those projected for 2021-22 at \$2,658,672. Sales Tax revenues are expected to rise in future years, the result of continued growth.

Sales Tax Revenues Past 10 Years



OVERVIEW OF MAJOR EXPENDITURE CATEGORIES

Numerous expenditures are necessary to operate a municipality. Primary categories of expenditures include Salaries & Benefits, Maintenance & Operations, and Capital Expenses. For the 2022-2023 budget, these three categories combined total 83% of all expenditures.

Maintenance and Operations

With a total of \$7,907,008, Maintenance and Operations expenditures account for 17% of total expenditures. The bulk of this amount (\$7,254,795) is budgeted in the Enterprise Fund. Major components of this amount are: Electric Wholesale Utility Purchases & Transmission Costs; Electric Franchise Fees; Water Purchases and Utility Demand Charges; Systems Maintenance for Water, Waste Water & Electric.

Salaries and Benefits

With a total of \$9,334,800, Salaries and Benefits account for 20% of total expenditures. The General Fund accounts for \$5,659,7000 of this amount. The General Fund includes 87.4 (71%) of the City's 123 budgeted positions. The category of Salaries and Benefits encompasses employee compensation and the City's portion of Social Security and Medicare taxes, Texas Municipal Retirement System, health insurance and worker's compensation.

Capital Expenses

During the budget process, capital items are identified and considered for inclusion in the budget. These items may be identified by individual City departments, the City Manager, or by the City Council. Capital projects must be clearly defined and the need explained in order to make it into the budget. Through meetings between the City Manager and Directors and in City Council workshops, these projects are discussed. Those projects identified as necessary are then places on a timeline – which will determine in they are included in the current budget or in a future budget. The Capital Projects section of this document explains this in more detail and includes a five-year future schedule of currently planned projects.

With a total of \$20,915,417, Capital Expenditures account for 46% of total expenditures. The bulk of this amount (\$16,227,510) is budgeted in the Enterprise Capital Projects Fund. The major components of this amount are \$9.972.510 for the relocation of City utilities along Interstate 35, \$3,200,000 for a new water and electric meter reading system, and \$1,200,000 for water system improvements.

OVERVIEW OF CHANGES IN FUND BALANCE

City funds often will not see a great increase or decrease in Fund Balance in a single year. There are circumstances, however, where a larger increase or decrease in Fund Balance may occur as the result of strategic planning. Changes in Fund Balance are projected to be as follows:

Fund	Projected Fund Balance, 10/01/2021	Revenues & Other Sources	Expenditures & Other Uses	Projected Fund Balance, 10/01/2022	Percent Change
General Fund	11,257,737	12,241,832	12,241,832	11,257,737	0.0%
Debt Service Fund	797,291	371,985	388,089	781,187	-2.0%
Enterprise Fund	21,021,290	14,432,598	14,432,598	21,021,290	0.0%
Enterprise Debt Service Fund	(23,755)	2,158,000	2,132,761	1,484	0.0%
Internal Service Fund	431,207	3,483,760	3,483,760	431,207	0.0%
4A Fund	3,411,016	822,000	154,050	4,078,966	19.6%
4B Fund	2,258,648	830,000	871,550	2,217,098	-1.8%
Capital Projects Funds	2,895,095	45,000	2,165,000	775,095	-73.2%
Enterprise Capital Project Fund	3,843,353	14,900,000	16,177,910	2,565,443	-33.2%
Special Revenue Funds	3,737,729	601,250	39,100	4,299,879	15.0%
Total	49,629,611	49,886,425	52,086,650	47,429,386	-4.4%

4A Fund

For the budget year, the 4A Fund is projected to have an increase in Fund Balance of \$652,950 (19%). The 4A Corporation is managed by a Board of Directors made up of area residents appointed by the City Council. Type A funds come from a ½ cent sales tax and can only be used for specific economic development activities. 4A is minimizing expenditures in the current year to allow for use of the funds for major projects in future years.

Capital Projects Fund

The Capital Projects Fund is projecting a 73% decrease (\$2,120,000) in Fund Balance this year. The funds balance has grown over the past years, and will be utilized in this and future years on projects. During 2022-23, these projects include a street rehabilitation program, utility program, improvements to Marion Road, improvements to the downtown Sanger area, and the starting the process of constructing a joint public safety facility.

Enterprise Capital Projects Fund

The Enterprise Capital Projects Fund is projecting a decrease in Fund Balance of \$1,327,510 (-35%). Major projects include the relocation of utilities along I-35, a new water and electric metering system, and water system improvements.

Special Revenue Funds

The Special Revenue Funds are projecting an overall increase in Fund Balance of \$562,150 (15%). The majority of this increase is a \$300,000 projected increase in the General Storm Recovery Fund and a \$200,000 increase in the Roadway Impact Fee Fund. The monies in the General Storm Recovery Fund will be used for repairs to City-owned property from damage caused by future storms. The monies in the Roadway Impact Fee Fund will be used for future neighborhood development projects.

COMBINED FUNDS SUMMARY (DETAILED)

COMBINED SUMMARY OF REVENUES, EXPENDITURES AND CHANGES TO FUND BALANCE FOR ALL FUNDS SUBJECT TO APPROPRIATION

	General Fund	Debt Service Fund	Enterprise Fund	Enterprise Debt Service	Internal Service Fund
Beginning Fund Balance	11,257,737	797,291	21,021,290	(23,755)	431,207
Revenues					
Property Tax	6,088,455	154,485	-	-	-
Sales & Mixed Drink Tax	1,511,000	-	-	-	-
Franchise Fees	1,009,895	-	-	-	-
Charges for Services	1,262,000	-	12,742,406	-	-
Fees	574,431	-	200,000	-	-
Licenses & Permits	363,500	-	-	-	-
Fines	155,755	-	-	-	-
Interest Income	225,000	5,000	60,000	-	-
Miscellaneous	122,500	-	119,000	-	-
Total Revenues	11,312,536	159,485	13,121,406	-	-
Other Sources					
Transfers In	146,535	212,500	-	2,158,000	3,483,760
Use of Bond Proceeds	-	-	-	-	-
Use of Fund Balance	782,761	-	1,311,192	-	-
Total Other Sources	929,296	212,500	1,311,192	2,158,000	3,483,760
Total Revenues/Sources	12,241,832	371,985	14,432,598	2,158,000	3,483,760
Expenditures					
Salaries & Benefits	5,724,000	-	1,714,900	-	1,773,900
Supplies & Materials	459,421	-	122,170	-	549,965
Maintenance & Operations	553,413	-	7,254,795	-	92,200
Contract Services	1,848,759	-	455,245	-	837,850
Utilities	90,400	-	309,100	-	143,000
Capital Expenses	1,707,930	-	249,132	-	86,845
Debt Service	51,535	336,554	2,000	2,132,761	-
Court Costs	68,870	-	-	-	-
Grant Expenses	56,000	-	-	-	-
Total Expenditures	10,560,328	336,554	10,107,342	2,132,761	3,483,760
Other Uses					
Transfers Out	1,681,504	51,535	4,325,256	-	-
Total Other Uses	1,681,504	51,535	4,325,256	-	-
Total Expenses/Uses	12,241,832	388,089	14,432,598	2,132,761	3,483,760
Excess of Revenues/Sources over Expenditures/Uses	-	(16,104)	-	25,239	-
Ending Fund Balance	11,257,737	781,187	21,021,290	1,484	431,207

	4A Fund	4B Fund	Capital Projects Fund	Enterprise Capital Projects	Special Revenue Funds	Total
Beginning Fund Balance	3,411,016	2,258,648	2,895,095	3,843,353	3,737,729	49,629,611
Revenues						
Property Tax	-	-	-	-	-	6,242,940
Sales & Mixed Drink Tax	800,000	800,000	-	-	-	3,111,000
Franchise Fees	-	-	-	-	-	1,009,895
Charges for Services	-	-	-	-	-	14,004,406
Fees	-	-	-	750,000	210,000	1,734,431
Licenses & Permits	-	-	-	-	-	363,500
Fines	-	-	-	-	13,600	169,355
Interest Income	22,000	30,000	45,000	150,000	20,150	557,150
Miscellaneous	-	-	-	-	57,500	299,000
Total Revenues	822,000	830,000	45,000	900,000	301,250	27,491,677
Other Sources						
Transfers In	-	-	-	-	300,000	6,300,795
Use of Bond Proceeds	-	-	-	14,000,000	-	14,000,000
Use of Fund Balance	-	-	-	-	-	2,093,953
Total Other Sources	-	-	-	14,000,000	300,000	22,394,748
Total Revenues/Sources	822,000	830,000	45,000	14,900,000	601,250	49,886,425
Expenditures						
Salaries & Benefits	60,500	60,500	-	-	1,000	9,334,800
Supplies & Materials	47,750	38,750	-	-	13,000	1,231,056
Maintenance & Operations	5,800	800	-	-	-	7,907,008
Contract Services	25,000	15,000	-	-	25,100	3,206,954
Utilities	-	-	-	-	-	542,500
Capital Expenses	-	479,000	2,165,000	16,177,910	-	20,865,817
Debt Service	-	-	-	-	-	2,522,850
Court Costs	-	-	-	-	-	68,870
Grant Expenses	-	50,000	-	-	-	106,000
Total Expenditures	139,050	644,050	2,165,000	16,177,910	39,100	45,785,855
Other Uses						
Transfers Out	15,000	227,500	-	-	-	6,300,795
Total Other Uses	15,000	227,500	-	-	-	6,300,795
Total Expenses/Uses	154,050	871,550	2,165,000	16,177,910	39,100	52,086,650
Excess of Revenues/Sources over Expenditures/Uses	667,950	(41,550)	(2,120,000)	(1,277,910)	562,150	(2,200,225)
Ending Fund Balance	4,078,966	2,217,098	775,095	2,565,443	4,299,879	47,429,386

COMBINED FUNDS BUDGET SUMMARY

COMBINED BUDGET SUMMARY

FOR ALL FUNDS SUBJECT TO APPROPRIATION

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	36,741,880	45,693,095	45,693,095	49,629,611
Revenues				
Property Tax	5,243,765	5,548,157	5,605,986	6,242,940
Sales & Mixed Drink Tax	2,575,201	2,407,000	2,668,472	3,111,000
Franchise Fees	910,840	971,463	981,054	1,009,895
Charges for Services	13,017,322	13,701,517	13,574,037	14,004,406
Fees	2,087,985	1,901,625	710,108	1,734,431
Licenses & Permits	466,076	424,000	228,957	363,500
Fines	162,132	167,550	158,026	169,355
Interest Income	489,788	402,850	501,787	557,150
Miscellaneous	1,345,822	231,500	201,169	299,000
Total Revenues	26,298,931	25,755,662	24,629,596	27,491,677
Other Sources				
Transfers In	8,680,064	20,111,503	7,111,503	6,300,795
Use of Bond Proceeds	339,600	13,000,000	6,000,000	14,000,000
Use of Fund Balance	-	-	-	2,093,953
Total Other Sources	9,019,664	33,111,503	13,111,503	22,394,748
Total Revenues/Sources	35,318,595	58,867,165	37,741,099	49,886,425
Expenditures				
Salaries & Benefits	5,976,657	7,635,901	6,637,979	9,334,800
Supplies & Materials	602,261	1,144,480	696,671	1,231,056
Maintenance & Operations	6,551,627	7,963,906	6,457,735	7,907,008
Contract Services	2,205,312	2,856,256	2,180,009	3,206,954
Utilities	466,022	515,325	453,640	542,500
Capital Expenses	1,520,061	15,292,011	7,825,134	20,865,817
Debt Service	2,669,790	2,277,252	2,278,033	2,522,850
Court Costs	56,198	61,800	53,879	68,870
Grant Expenses	-	106,000	15,000	106,000
Total Expenditures	20,047,928	37,852,931	26,598,080	45,785,855
Other Uses				
Transfers Out	6,319,452	7,106,503	7,206,503	6,300,795
Total Other Uses	6,319,452	7,106,503	7,206,503	6,300,795
Total Expenses/Uses	26,367,380	44,959,434	33,804,583	52,086,650
Excess of Revenues/Sources over Expenditures/Uses	8,951,215	13,907,731	3,936,516	(2,200,225)
Ending Fund Balance	45,693,095	59,600,826	49,629,611	47,429,386

PROPOSED BUDGET

FUNDS IN DETAIL

GENERAL FUND

OVERVIEW

The General Fund is the principle operating fund for resources (revenues) and uses of resources (expenditures) for what are generally recognized as governmental functions and services. In general, all activities are recorded in this fund unless there is a managerial or legal reason for it to be recorded in another fund.

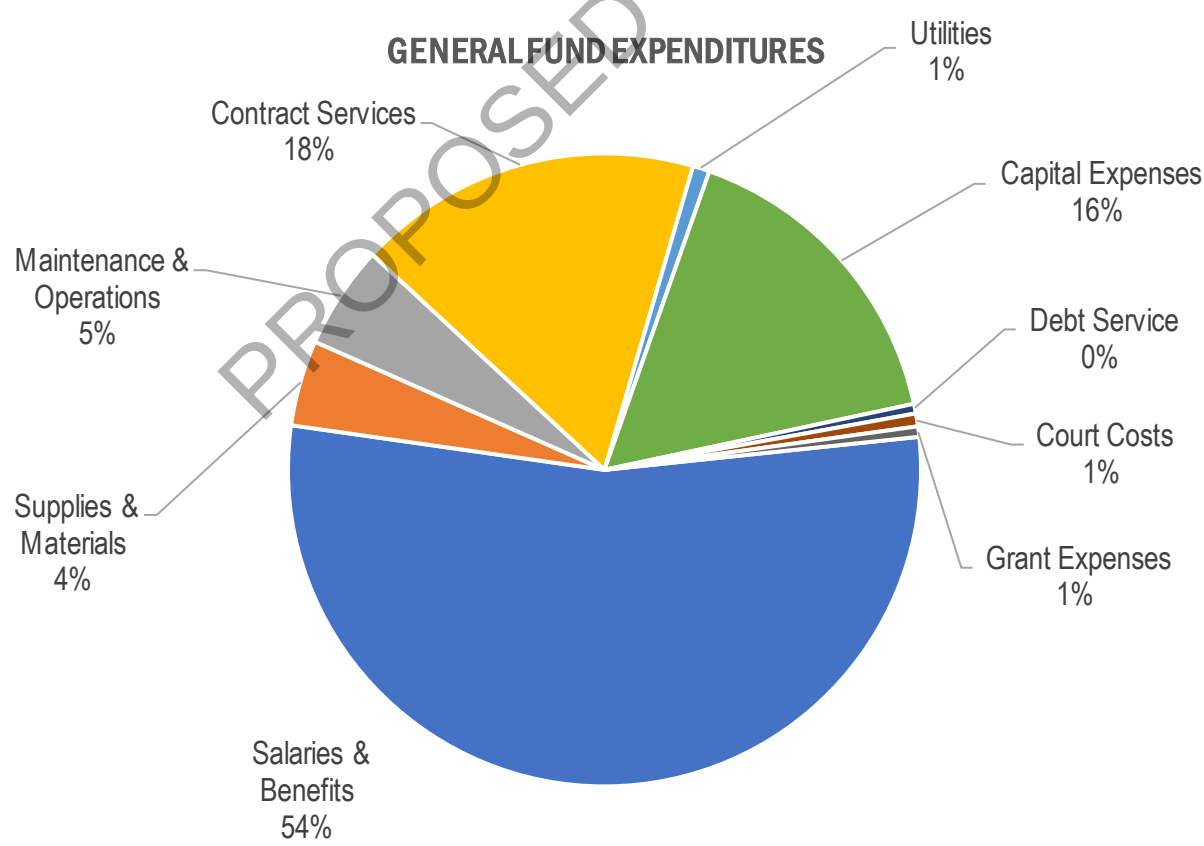
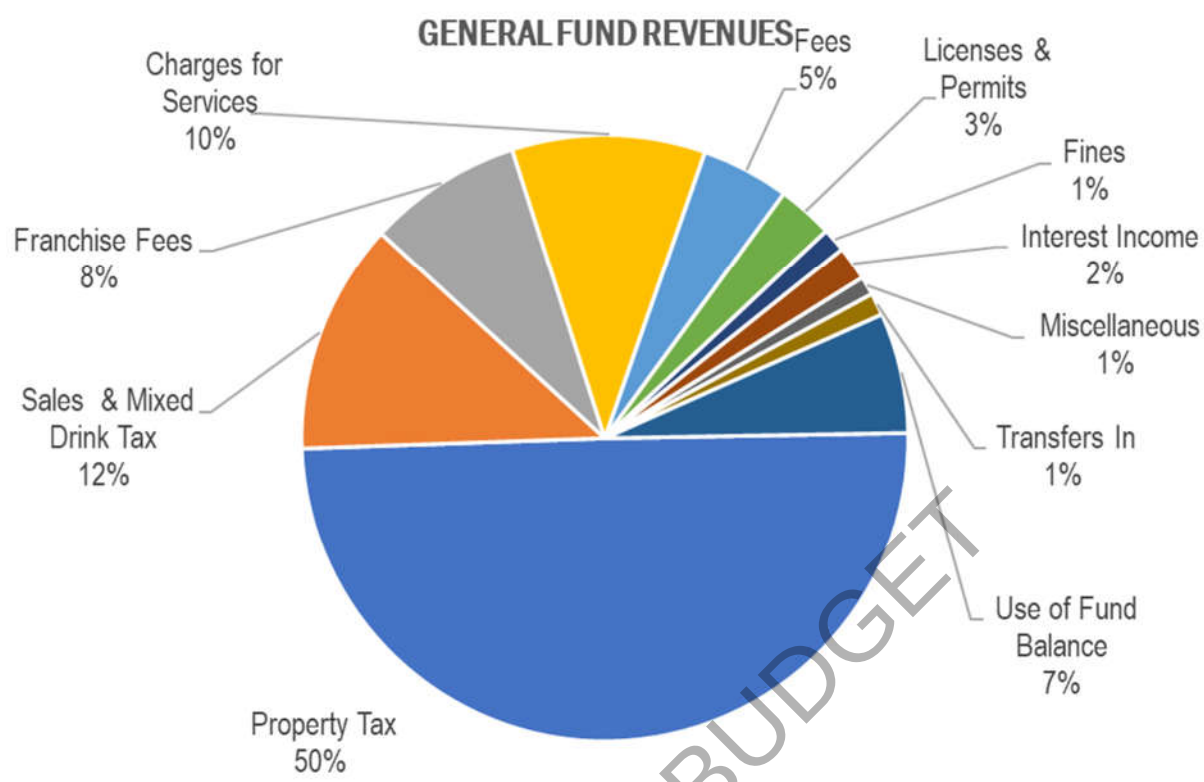
The General Fund receives revenues from property taxes, sales taxes, franchise fees, fines, fees for service, interest income and other miscellaneous general revenue sources.

The General Fund includes these departments:

- Police
- Animal Control
- Fire
- Municipal Court
- Development Services
- Streets
- Parks & Recreation
- Library
- Solid Waste

The basis of accounting for the General Fund for both financial reporting and budgeting is the modified accrual basis.

GENERAL FUND BUDGET SUMMARY



GENERAL FUND BUDGET SUMMARY

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	7,201,005	10,922,485	10,922,485	11,257,737
Revenues				
Taxes	5,962,103	6,600,999	6,756,786	7,599,455
Franchise Fees	910,840	971,463	981,054	1,009,895
Solid Waste	1,073,060	1,096,000	1,086,644	1,262,000
Licenses & Permits	466,076	424,000	228,957	363,500
Fines	147,322	153,300	143,552	155,755
Fire & EMS	806,077	635,000	2,138	466,890
Police & Animal Control	62,599	61,450	80,653	70,621
Parks & Recreation	10,510	21,100	18,631	14,000
Library	18,241	24,075	20,048	22,920
Interest Income	15,160	100,000	175,000	225,000
Miscellaneous	1,187,172	87,500	69,814	122,500
Total General Fund Revenues	10,659,160	10,174,887	9,563,277	11,312,536
Other Sources				
Transfers In	461,535	151,535	151,535	146,535
Use of Fund Balance	-	-	-	782,761
Total Other Sources	461,535	151,535	151,535	929,296
Total Revenues/Sources	11,120,695	10,326,422	9,714,812	12,241,832
Expenditures				
Salaries & Benefits	3,498,576	4,407,400	3,641,186	5,724,000
Supplies & Materials	297,575	476,598	347,456	459,421
Maintenance & Operations	253,210	469,467	454,461	553,413
Contract Services	1,334,408	1,586,661	1,337,074	1,848,759
Utilities	77,325	93,275	85,172	90,400
Capital Expenses	54,189	323,989	430,131	1,707,930
Debt Service	51,535	51,535	51,535	51,535
Court Costs	56,198	61,800	53,879	68,870
Grant Expenses	-	56,000	-	56,000
Total Expenditures	5,623,016	7,526,725	6,400,894	10,560,328
Other Uses				
Transfers Out	1,776,199	2,878,666	2,978,666	1,681,504
Total Other Uses	1,776,199	2,878,666	2,978,666	1,681,504
Total Expenses/Uses	7,399,215	10,405,391	9,379,560	12,241,832
Excess of Revenues/Sources over Expenditures/Uses	3,721,480	(78,969)	335,252	-
Ending Fund Balance	10,922,485	10,843,516	11,257,737	11,257,737

GENERAL FUND REVENUES

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Taxes				
Property Tax	4,631,947	5,318,999	5,382,619	6,038,455
Delinquent Prop. Tax	13,607	25,000	38,274	25,000
Penalty & Interest Prop. Tax	24,224	50,000	26,093	25,000
Sales Tax	1,282,875	1,200,000	1,300,000	1,500,000
Mixed Drink Tax	9,450	7,000	9,800	11,000
Total Taxes	5,962,103	6,600,999	6,756,786	7,599,455
Franchise Fees				
Century Link	0	5,500	5,500	0
ATMOS	47,931	48,000	63,021	67,000
Suddenlink	28,729	42,000	42,000	26,000
Nortex	2,978	2,200	3,200	3,000
COSERV	112,493	120,000	130,000	144,000
City of Sanger Water	115,048	119,134	119,134	123,383
City of Sanger Sewer	114,004	140,229	140,229	146,612
City of Sanger Electric	410,400	410,400	410,400	410,400
Progressive	55,679	55,000	57,000	62,000
Roll-offs	16,864	17,000	1,800	20,000
ROW fees	6,714	12,000	8,770	7,500
Total Franchise Fees	910,840	971,463	981,054	1,009,895
Solid Waste				
Sanitation Billing	1,063,277	1,085,000	1,075,000	1,250,000
Sanitation Penalties	9,783	11,000	11,644	12,000
Total Solid Waste	1,073,060	1,096,000	1,086,644	1,262,000
Licenses & Permits				
Building Permits	341,588	325,000	125,036	300,000
Zoning and Plats	9,409	20,000	47,969	20,000
Engineering Inspection Fee	52,455	30,000	0	1,000
Civil Plan Review Fees	35,304	20,000	14,745	1,000
Street Cut Permit	120	1,000	0	1,000
Health Permits	14,513	17,500	18,000	17,500
Fire Alarm/Sprinkler	10,587	7,500	14,287	15,000
Solicitor Permits	550	0	4,675	5,000
RV Park Annual Permit	1,550	1,500	2,000	1,500
Beer & Wine Permit	0	1,500	2,245	1,500
Total Licenses & Permits	466,076	424,000	228,957	363,500

GENERAL FUND REVENUES

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Fines				
Default/Court	605	600	758	750
Judicial Fee- County-JFCT	219	300	87	150
Judicial Fee-City	24	100	10	50
Local Municipal Jury	59	100	57	150
State Traffic Fee	15,750	17,800	11,228	17,900
Consolidated Court Fee	37,969	38,800	35,733	39,800
State Jury Fee - SJRF	160	200	65	100
Child Safety Court Cost	1,417	2,000	613	2,000
Administrative Fee \$20	160	200	225	300
Special Expense Fee	18,332	20,900	17,850	21,100
Truancy Prevention Fund	3,012	3,100	2,854	3,200
Fines	52,744	51,200	57,403	52,500
Impound Fees	0	0	181	0
Warrant Fees - FTA	4,397	4,500	5,175	4,500
Arrest Fees	2,695	2,800	2,501	3,000
Traffic Code	953	0	677	1,100
Civil Justice Fee	7	100	1	5
Defensive Driving Fee	650	800	360	1,000
Time Payment Local	558	0	821	700
Municipal Service Bureau	5,881	6,100	6,033	6,000
Time Payment State	150	200	108	200
Truancy Defensive Fund	80	100	32	50
TLFTA1	900	900	330	700
TLFTA2	360	400	270	300
TLFTA3	240	300	180	200
Total Fines	147,322	153,300	143,552	155,755
Fire & EMS				
Fire Denton Co. Interlocal	10,000	10,000	15,000	10,000
EMS Denton Co. Interlocal	193,800	250,000	203,925	161,390
Emergicon Revenue	418,622	325,000	306,111	295,500
Texas Supplemental Amb	183,655	50,000	179,590	0
Total Fire & EMS	806,077	635,000	2,138	466,890

GENERAL FUND REVENUES

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Police and Animal Control				
Animal Control Fees	1,025	1,250	1,125	1,250
Mowing Fees	13,941	10,000	4,908	10,000
Police Fees	2,961	3,000	2,115	3,000
Sanger ISD Resource Officer	44,672	46,000	72,505	56,371
State Reimbursements	0	1,200	0	0
Total Police and Animal Control	62,599	61,450	80,653	70,621
Parks & Recreation				
Community Center Fees	5,715	10,000	9,000	7,500
Park & Ballfield Revenues	4,175	6,700	1,823	2,500
Tournament Fees	0	1,200	750	1,500
Special Events	0	2,000	3,180	0
Church Rental Fees	620	1,200	3,878	2,500
Total Parks and Recreation	10,510	21,100	18,631	14,000
Library				
Library Misc.	284	200	353	200
Library Fines	4	0	93	60
Library Copies	872	3,000	1,670	3,000
Inter Library loan	3	1,500	47	50
Library Cards	17	75	38	60
Lost Books	161	400	334	350
Yoga Class Charges	0	2,000	113	1,800
Denton Co Interlocal Agreement	16,900	16,900	17,400	17,400
Total Library	18,241	24,075	20,048	22,920
Interest Income	15,160	100,000	175,000	225,000
Interest Income	15,160	100,000	175,000	225,000

GENERAL FUND REVENUES

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Miscellaneous Income				
Rental Income	19,620	22,500	24,533	22,500
Misc. Income GF	56,969	15,000	37,781	50,000
Donations - Freedom Fest	0	0	7,000	0
Proceeds from Sale of Assets	6	25,000	0	25,000
Insurance Damage Reimbursement	28,744	25,000	500	25,000
COVID-19 Funding	1,081,833	0	0	0
Total Miscellaneous	1,187,172	87,500	69,814	122,500
Total General Fund Revenues	10,659,160	10,174,887	9,563,277	11,312,536
Other Sources				
PILOT from EF	85,000	95,000	95,000	95,000
From DSF	51,535	51,535	51,535	51,535
From CIP Fund	325,000	0	0	0
From Police Donations Fund	0	5,000	5,000	0
Use of Fund Balance	0	0	0	782,761
Total Transfers	461,535	151,535	151,535	929,296
Total General Fund Revenues/Sources	11,120,695	10,326,422	9,714,812	12,241,832



POLICE

The City of Sanger Police Department provides law enforcement services for the City. It is tasked with upholding and protecting the safety and security of citizens and visitors to the City of Sanger.

Mission Statement

To enhance the quality of life in the City through a proactive and professional level of police service; to maintain a strong commitment to excellence; to ensure safety through integrity, trust, and accountability; to treat all persons with respect, dignity, and equality; and to build partnerships with the community to meet current and future challenges.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage development of quality single family residential neighborhoods in Sanger.

PERFORMANCE INDICATORS

Indicator	2020-21	2019-20	2018-19
Ordinances Passed by Council	26	37	33
Resolutions Approved by Council	11	12	12
Proclamations Approved by Council	4	5	5
Plats Approved by Council	11	21	26

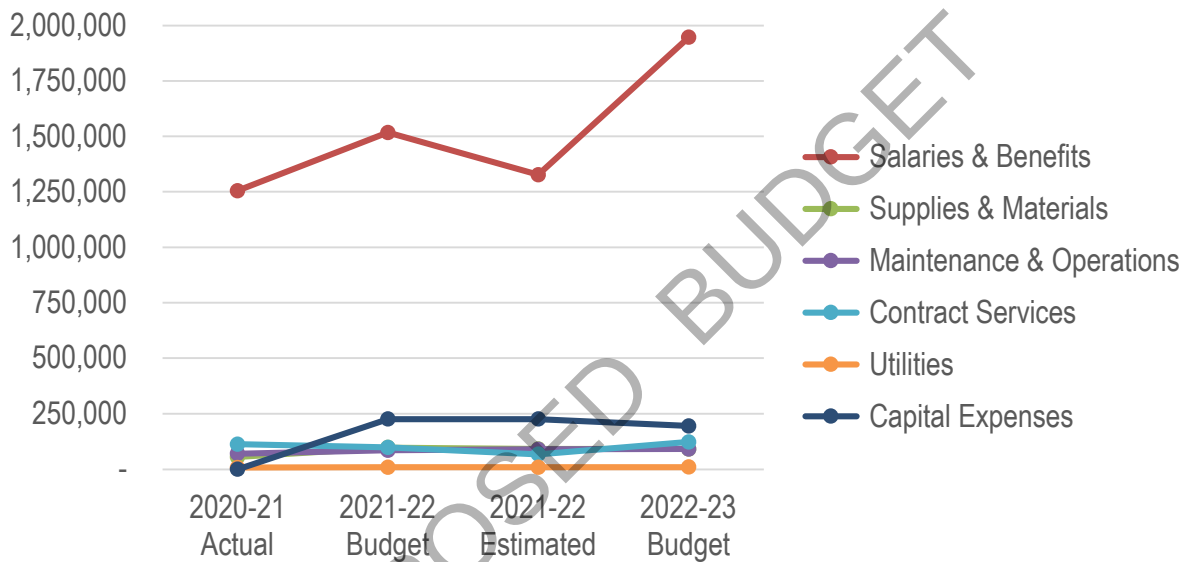
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
Police Chief	1	1	1
Assistant Police Chief	0	1	1
Lieutenant	1	1	1
Sergeant	2	2	2
Detective	1	2	2
Police Officer	10	10	11
Administrative Assistant	1	1	1
Clerk / Property Room Technician	0	0	1
Total Budgeted Positions	16	18	20

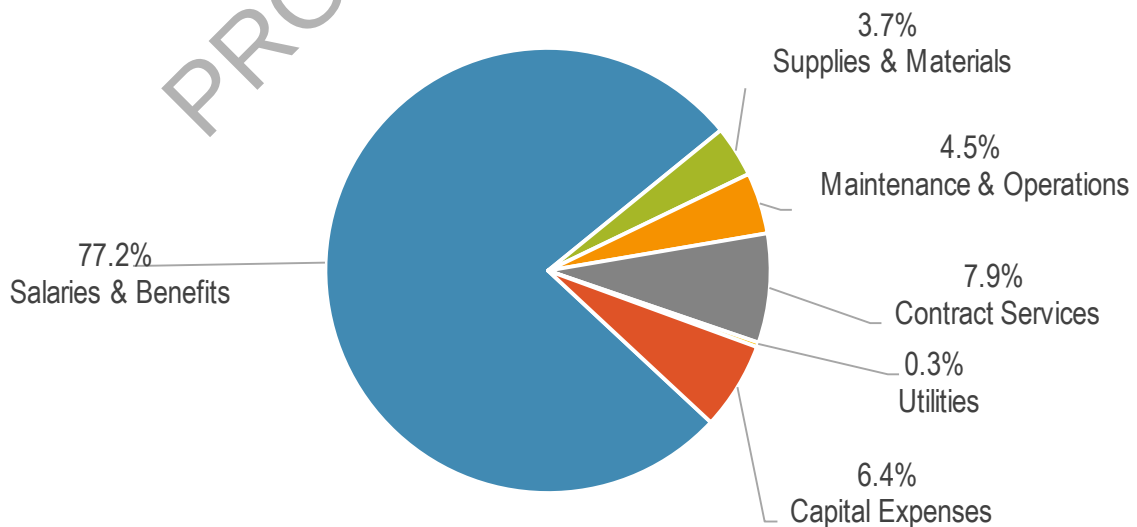
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	1,254,831	1,517,800	1,327,407	1,946,400	428,600	28.24%
Supplies & Materials	55,220	98,000	91,611	91,042	(6,958)	-7.10%
Maintenance & Operations	70,466	85,500	90,000	91,000	5,500	6.43%
Contract Services	112,039	97,943	67,239	123,273	25,330	25.86%
Utilities	8,051	9,000	8,523	10,200	1,200	13.33%
Capital Expenses	-	226,205	226,205	195,131	(31,074)	-13.74%
Total Department Budget	1,500,607	2,034,448	1,810,985	2,457,046	422,598	20.77%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



ANIMAL CONTROL

The City of Sanger Animal Control provides for the safety of the public through the control of wild and domesticated animals. It is also charged with providing for the welfare of animals within the City. Animal control is responsible for the adoption of abandoned and surrendered animals. Animal control operates under the supervision of the Police Chief.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage development of quality single family residential neighborhoods in Sanger.

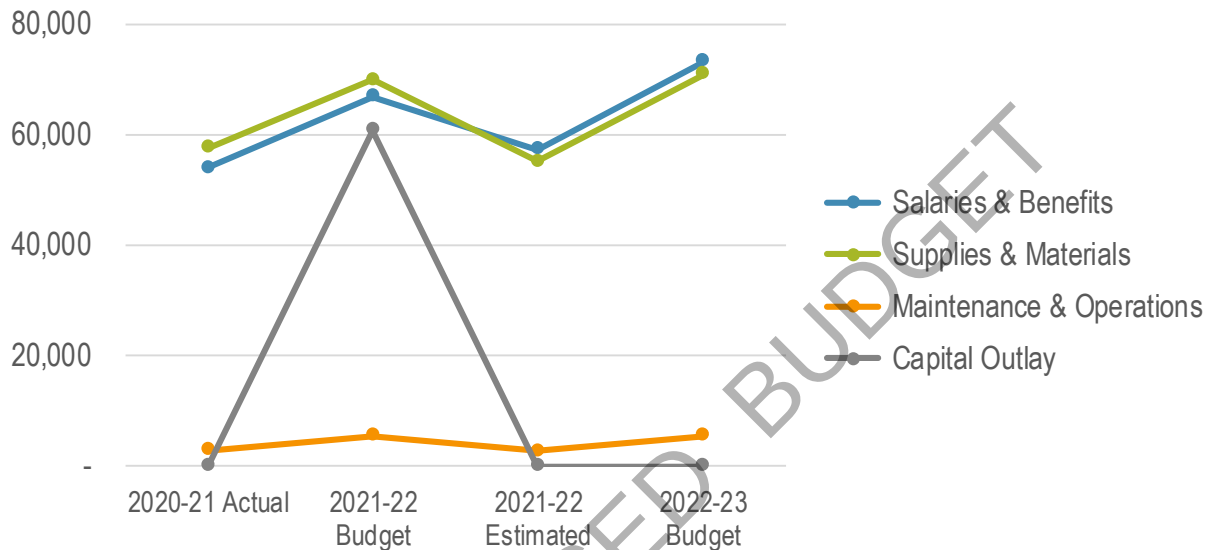
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
Animal Control Officer	1	1	1
Total Budgeted Positions	1	1	1

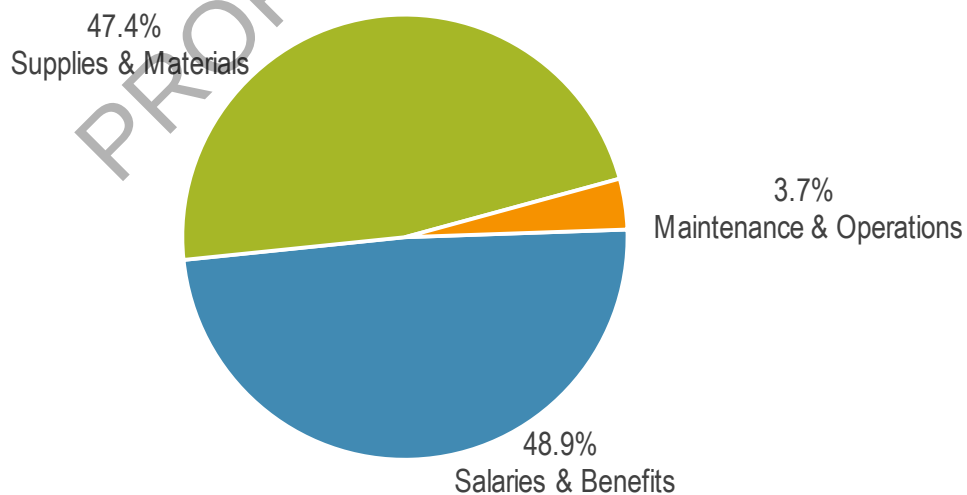
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	53,870	66,800	57,198	73,200	6,400	9.58%
Supplies & Materials	57,521	69,900	55,097	70,900	1,000	1.43%
Maintenance & Operations	2,897	5,500	2,648	5,500	-	0.00%
Capital Outlay	-	60,740	-	-	(60,740)	-100.00%
Total	114,288	202,940	114,943	149,600	(53,340)	-26.28%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



FIRE

The City of Sanger Fire Department is responsible for all facets of fire suppression and prevention within the City and surrounding area of the county. It is a combination department made up of paid staff and volunteers. The fire station is staffed around the clock for rapid response to emergencies. Other duties include rescue, emergency medical services and public education.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage development of quality single family residential neighborhoods in Sanger.

PERFORMANCE INDICATORS

Indicator	2020-21	2019-20	2018-19
False Alarms	74	76	55
Good Intent	132	132	295
Service Calls	483	366	305
Service Class	25	7	26
Emergency Medical Incidents	1,128	1,041	993
Explosion	3	0	1
Fires	108	44	76

**More activity details are provided in the September 2021 Monthly Report located in the Appendix of this document.*

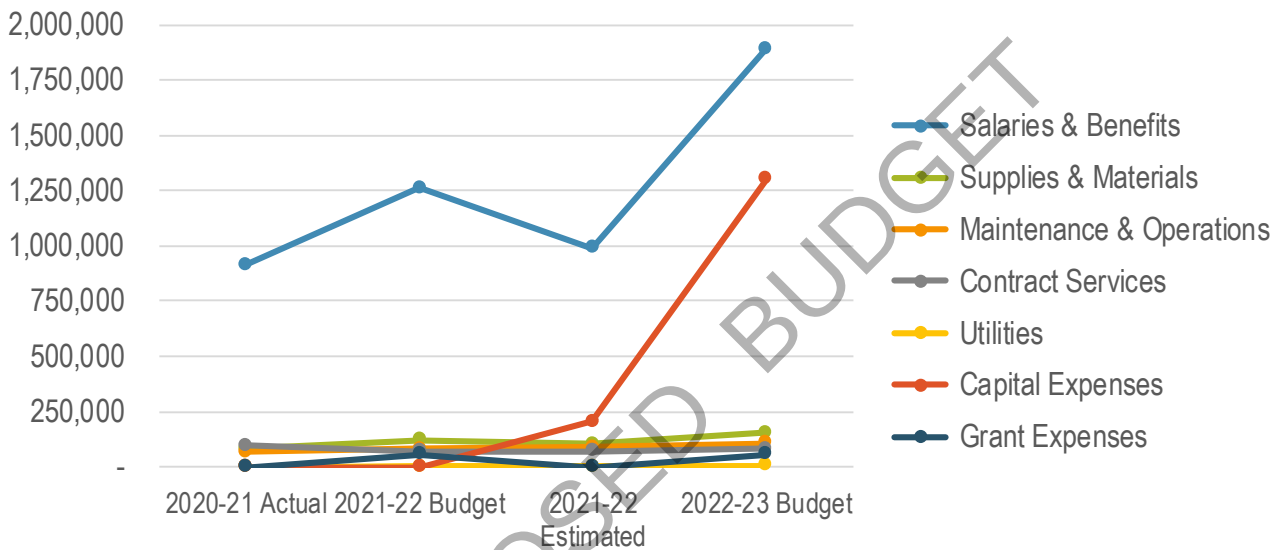
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
Fire Chief (Part-time)	1	1	1
Assistant Fire Chief	0	0	1
Fire Marshall/Inspector	1	1	1
Lieutenant	2	3	3
Firefighter/Paramedic	7	9	12
Firefighter/Paramedic (Part-time)	23	21	21
Total Budgeted Positions	34	35	39

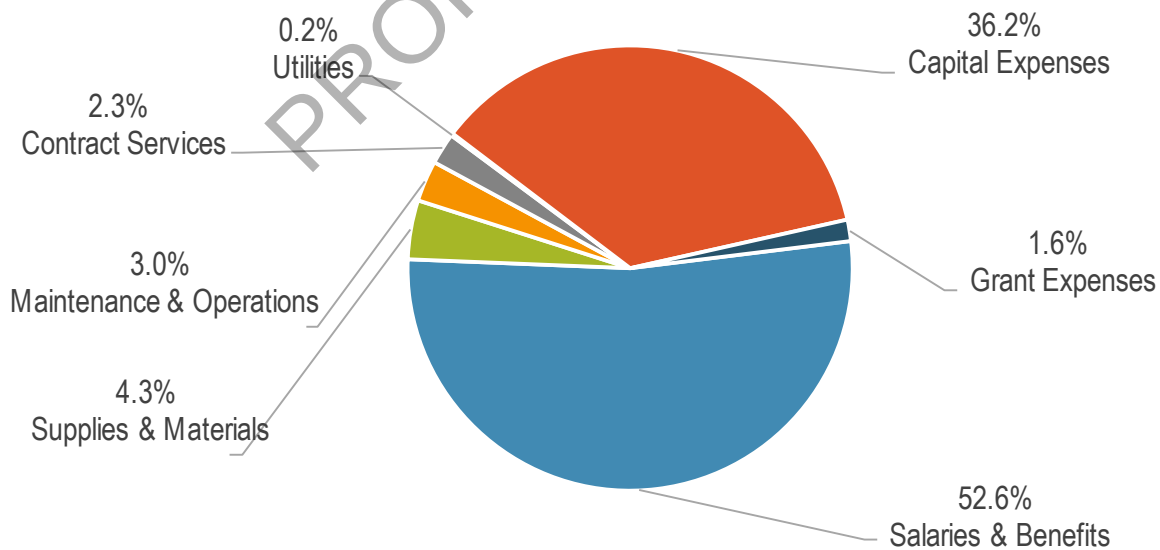
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	912,992	1,260,800	990,000	1,892,100	631,300	50.07%
Supplies & Materials	83,253	121,850	102,345	154,596	32,746	26.87%
Maintenance & Operations	67,691	83,200	91,121	106,500	23,300	28.00%
Contract Services	96,493	73,114	70,521	81,586	8,472	11.59%
Utilities	1,094	4,200	4,000	6,000	1,800	42.86%
Capital Expenses	-	-	203,926	1,301,664	1,301,664	-
Grant Expenses	-	56,000	-	56,000	-	0.00%
Total	1,161,523	1,599,164	1,461,913	3,598,446	1,999,282	125.02%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



MUNICIPAL COURT

The City of Sanger Municipal Court is responsible for the adjudication of criminal matters arising from events occurring within the City. The Municipal Court tracks and collects fines and warrants, holds court to adjudicate cases and renders fines to the appropriate state agency.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.

PERFORMANCE INDICATORS

Indicator	2020-21	2019-20	2018-19
Citations Filed	1,032	516	635
Deferred Disposition Requests	144	41	161
Driver Safety Course Requests	56	17	38
Deferred Dispositions	150	41	113
Cases Closed by Driver Safety Courses	58	17	32
Full Payment/Time Served	443	219	267

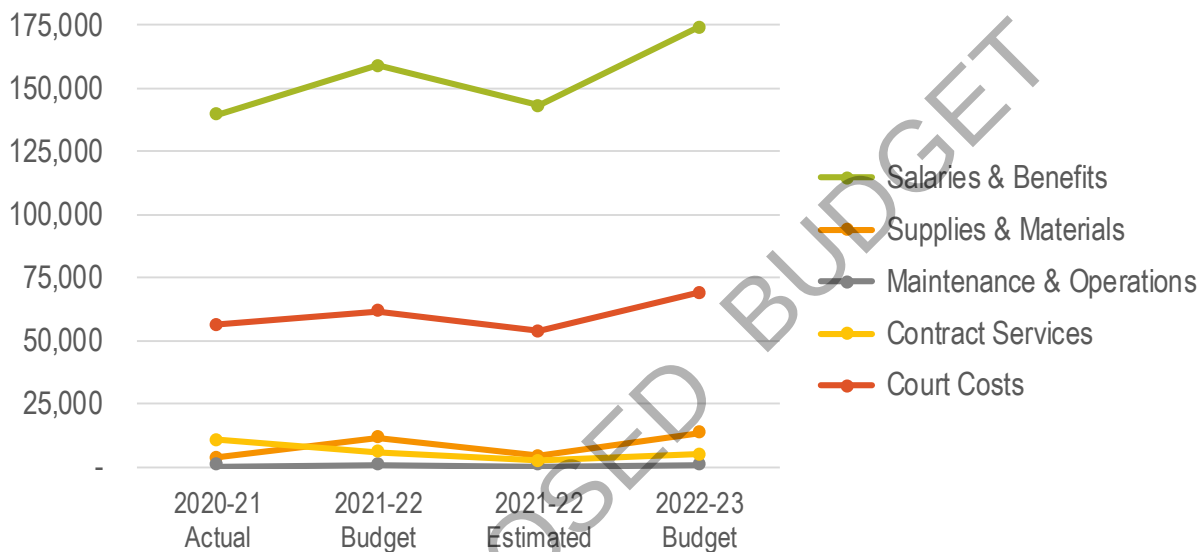
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
Court Clerk	1	1	1
Deputy Court Clerk	1	1	1
Municipal Judge (Part-Time)	2	2	2
Total Budgeted Positions	4	4	4

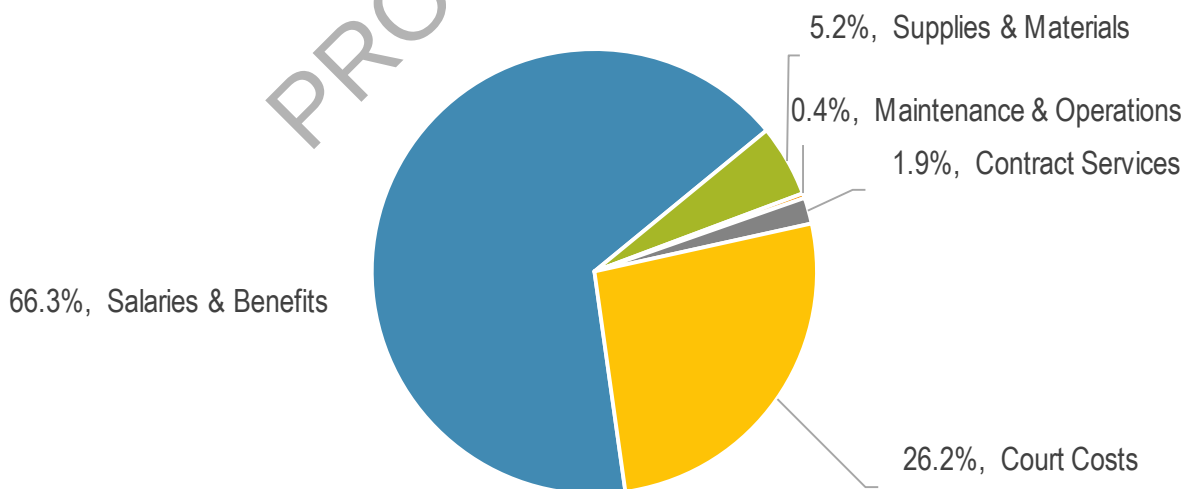
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	139,619	159,000	142,924	174,000	\$15,000	9.43%
Supplies & Materials	3,933	11,800	4,329	13,700	\$1,900	16.10%
Maintenance & Operations	840	900	840	920	\$20	2.22%
Contract Services	10,853	5,900	2,397	5,000	(\$900)	-15.25%
Court Costs	56,198	61,800	53,879	68,870	\$7,070	11.44%
Total	211,443	239,400	204,369	262,490	23,090	9.64%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



DEVELOPMENT SERVICES

The City of Sanger Development Services Department issues business related permits and provides inspection services for both new and existing construction. Development Services also reviews and approves construction plans and documents and works with builders and property owners on development issues. Development Services is also responsible for planning and zoning and provides support for the planning and zoning commission. Development Services maintains the comprehensive master plan, zoning maps and city limits maps and files the necessary documents with the County.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage development of quality single family residential neighborhoods in Sanger.
- Encourage the establishment of new businesses and the expansion of existing businesses in Sanger.
- Improve the relationship of mixed land uses and provide optimum opportunity to live and work in Sanger.

PERFORMANCE INDICATORS

Indicator	2020-21	2019-20	2018-19
Residential Permits Issued	182	235	118
Residential Inspections Performed	3,107	3,035	1,664
Commercial Permits Issued	23	23	12
Commercial Inspections Performed	536	467	476
Miscellaneous Permits Issued	473	389	362
Miscellaneous Inspections Performed	779	782	602

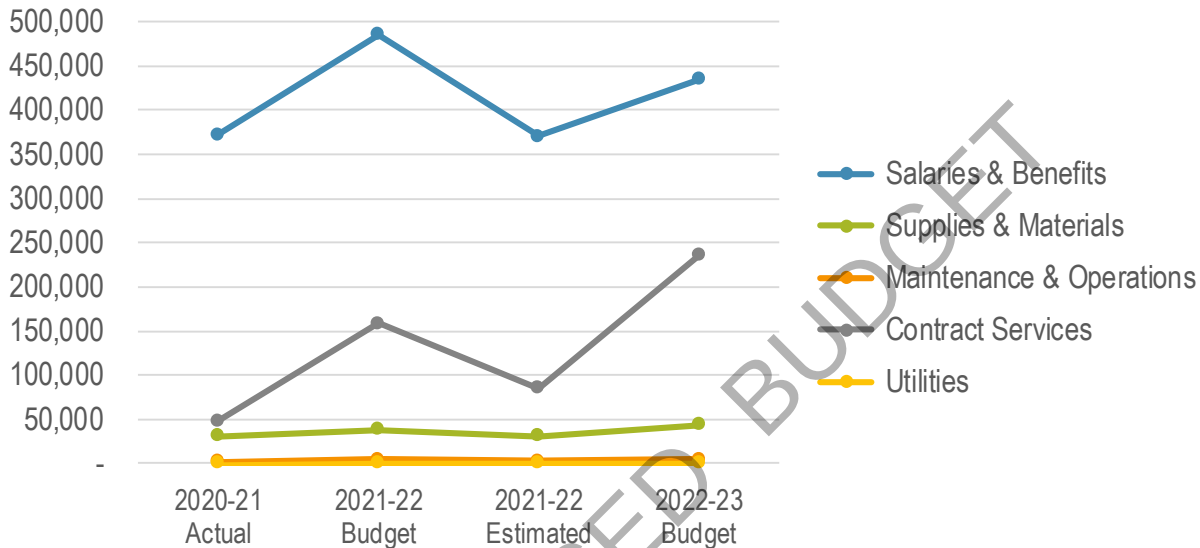
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
Development Service Director	1	1	1
Building Inspector	1	1	1
Community Enhancement Officer	1	1	1
Chief Building Official	0	0	1
Planning Technician	0	0	1
Administrative Assistant I	0	0	1
Planner	1	1	0
Plans Examiner	1	1	0
Permit Technician	1	1	0
Total Budgeted Positions	6	6	6

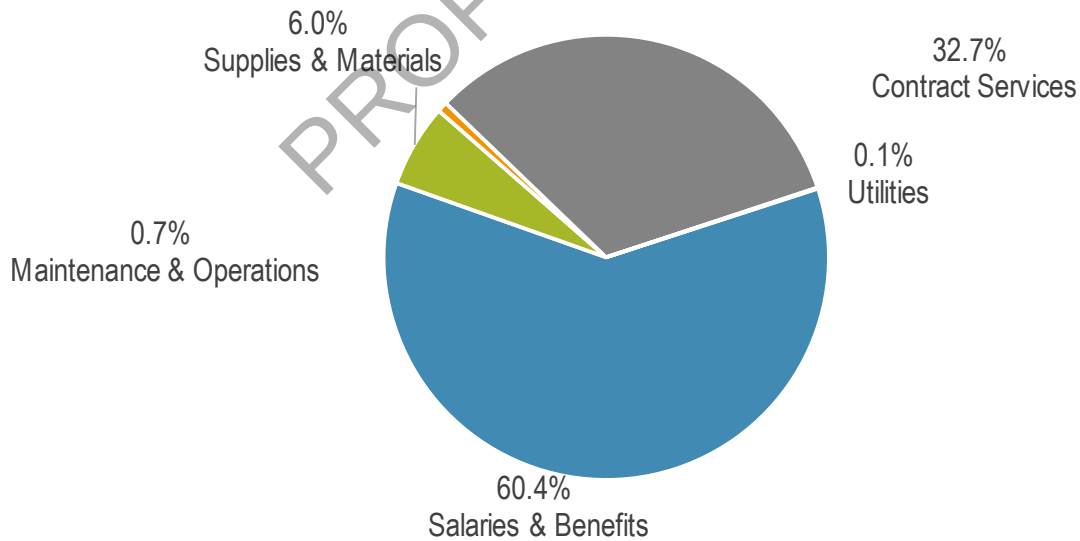
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	372,135	485,300	370,000	498,800	\$13,500	2.78%
Supplies & Materials	31,186	38,000	31,039	43,500	\$5,500	14.47%
Maintenance & Operations	1,848	5,300	2,666	5,300	\$0	0.00%
Contract Services	47,830	158,454	85,265	235,300	\$76,846	48.50%
Utilities	152	475	452	600	\$125	26.32%
Total	453,151	687,529	489,422	783,500	95,971	13.96%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



STREETS

The City of Sanger Street Department is responsible for maintaining the roads, streets, alleys, sidewalks and right of ways in the City of Sanger. They also maintain street signs. The Street Department serves as the liaison with contractors building new streets or rehabilitating old streets.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage development of quality single family residential neighborhoods in Sanger.
- Improve Sanger's street network.

PERFORMANCE INDICATORS

Indicator	2020-21	2019-20	2018-19
Road Hazards Assessed & Corrected	76	116	166
Traffic & Street Signs Installed or Repaired	35	108	58
Miscellaneous Items	69	31	86

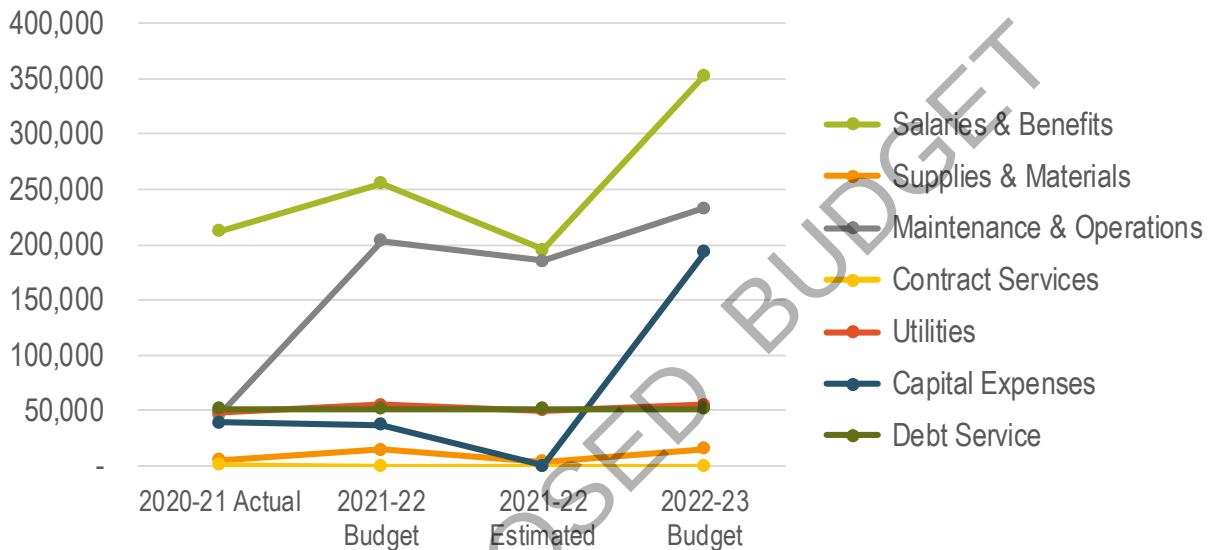
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
Streets Superintendent	1	1	1
Utility Worker	3	3	4
Total Budgeted Positions	4	4	5

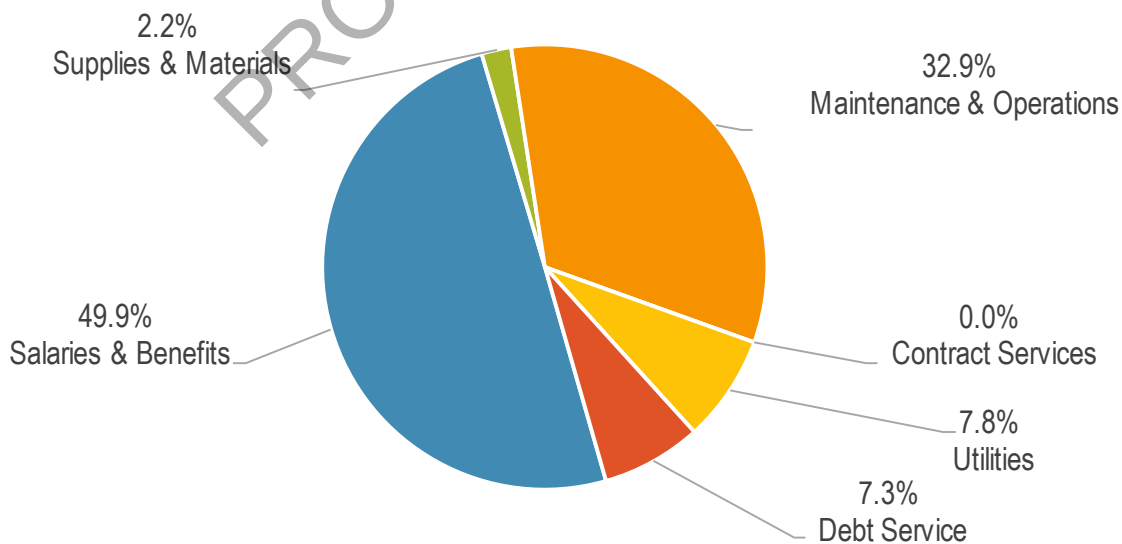
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	212,316	255,500	195,539	352,800	97,300	38.08%
Supplies & Materials	4,834	14,269	3,530	15,300	1,031	7.23%
Maintenance & Operations	45,892	203,500	184,966	233,000	29,500	14.50%
Contract Services	774	-	-	-	-	-
Utilities	48,704	55,000	50,302	55,000	-	0.00%
Capital Expenses	38,968	37,044	-	193,135	156,091	421.37%
Debt Service	51,535	51,535	51,535	51,535	-	0.00%
Total	403,023	616,848	485,872	900,770	283,922	46.03%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PARKS & RECREATION

The City of Sanger Parks Department is responsible for the maintenance operations associated with all City Park and Facilities. The Parks department is also responsible for all building maintenance operations throughout the organization. The Parks Department is responsible for the brush removal program and vector control operations.

For several years, the functions of Parks and Recreation were accounted for in two separate departments. These functions have been combined into a single Parks & Recreation Department in the current year, the result of reorganization and shifting of public events to the Marketing Department.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage development of quality single family residential neighborhoods in Sanger.
- Encourage development and preservation of the Historic Sanger Downtown area.
- Develop, expand, and maintain the Sanger Park System with a variety of parks, open spaces and recreational facilities.

PERFORMANCE INDICATORS

Indicator	2020-21	2019-20	2018-19
Acres Mowed	2,030	2,030	1,505
Brush Orders Completed	760	760	1,470

BUDGETED PERSONNEL SCHEDULE

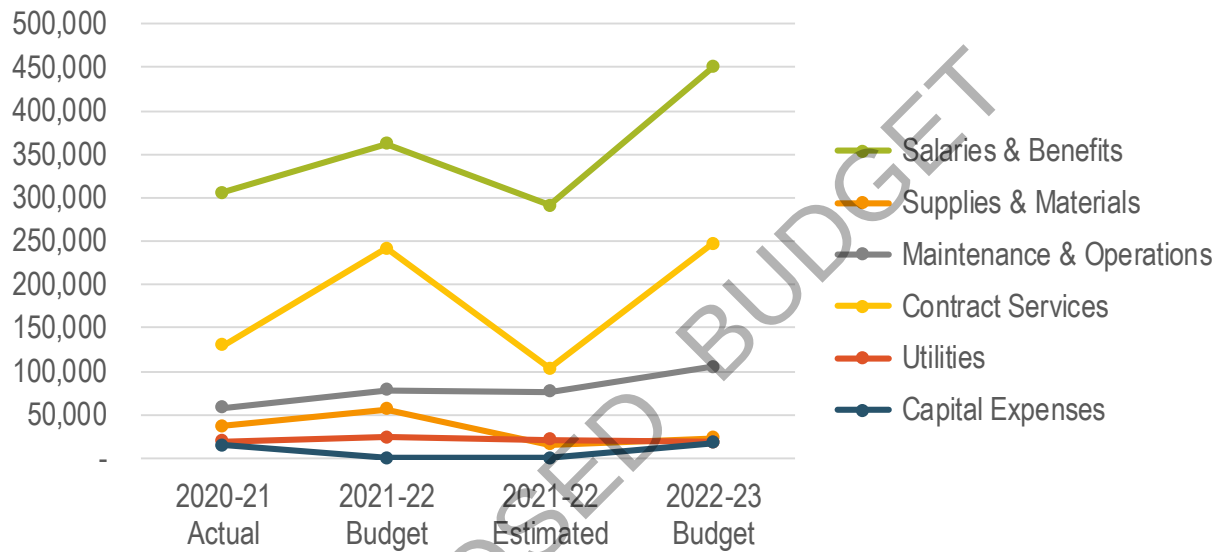
Functions of the Facilities Department are handled by personnel in the Parks Department. Although there are no employees working solely in Facilities, beginning this year, ten percent of salaries and benefits from Parks Department personnel are being allocated to Facilities.

Position Title	2020-21	2021-22	2022-23
Parks & Recreation Director	0	0	0.9
Public Works Director	0.5	0.5	0
Recreation Coordinator	1	1	1
Crew Leader	1	1	0.9
Grounds Maintenance Worker	2	2	3.6
Total Budgeted Positions	4.5	4.5	6.4

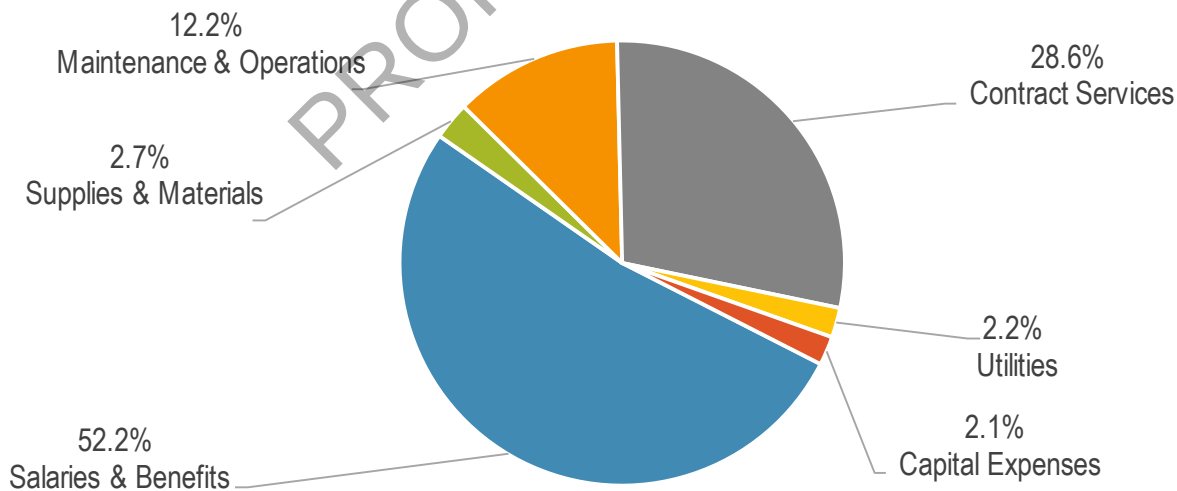
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	305,560	362,400	291,028	450,200	87,800	24.23%
Supplies & Materials	37,015	56,800	15,926	23,700	(33,100)	-58.27%
Maintenance & Operations	58,326	78,792	77,174	105,550	26,758	33.96%
Contract Services	130,299	241,700	103,770	247,000	5,300	2.19%
Utilities	19,324	24,600	21,895	18,600	(6,000)	-24.39%
Capital Expenses	15,221	-	-	18,000	18,000	-
Total	565,745	764,292	509,793	863,050	98,758	12.92%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



LIBRARY

The City of Sanger Library provides written, audio and video materials for loan to the public. The library also provides computer and internet access free of charge. Librarians assist customers with researching a wide range of subjects. The Library also provides a wide range of educational programs to both adults and children.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Develop, expand, and maintain the Sanger Park System with a variety of parks, open spaces and recreational facilities.

PERFORMANCE INDICATORS

Indicator	2020-21	2019-20	2018-19
Physical Items Checked Out	15,356	15,356	27,302
eBooks Checked Out	1,244	1,244	123
Patron Library Visits	13,893	13,893	35,147

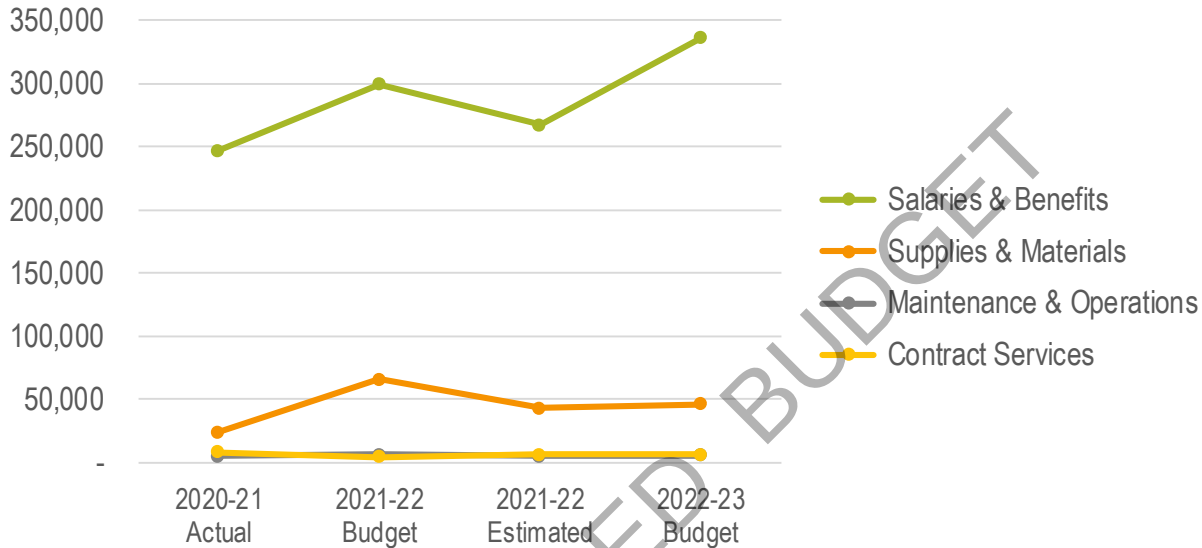
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
Library Director	1	1	1
Librarian / Social Media	1	1	1
Children's Library Assistant	0	1	1
Library Aide	1	1	1
Library Aide (Part-Time)	3	2	2
Total Budgeted Positions	6	6	6

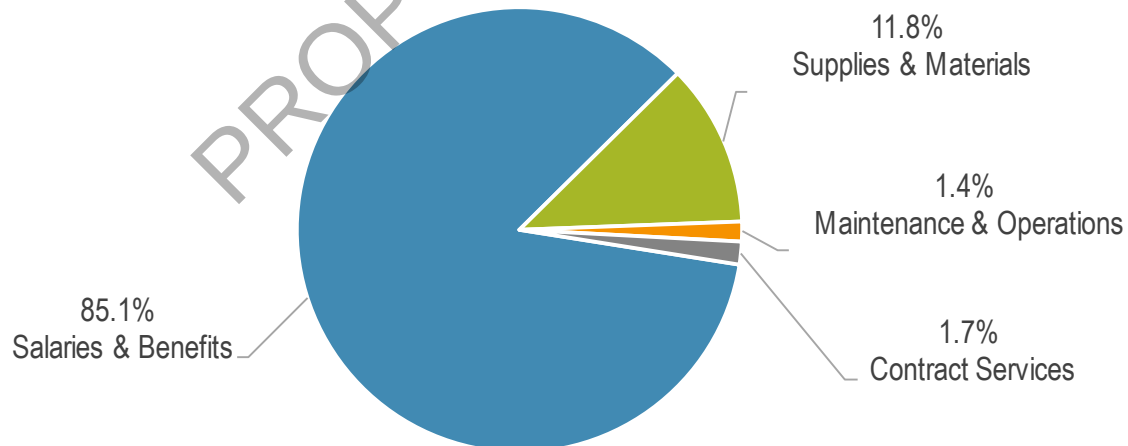
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	247,253	299,800	267,090	336,500	36,700	12.24%
Supplies & Materials	24,613	65,979	43,579	46,683	(19,296)	-29.25%
Maintenance & Operations	5,250	6,775	5,046	5,643	(1,132)	-16.71%
Contract Services	8,229	4,550	6,364	6,600	2,050	45.05%
Total	285,345	377,104	322,079	395,426	18,322	4.86%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



SOLID WASTE

The City contracts with Progressive Waste Management for solid waste services in the City of Sanger. Progressive is responsible for providing residential and commercial waste management services to the businesses, schools, and residents of Sanger.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.

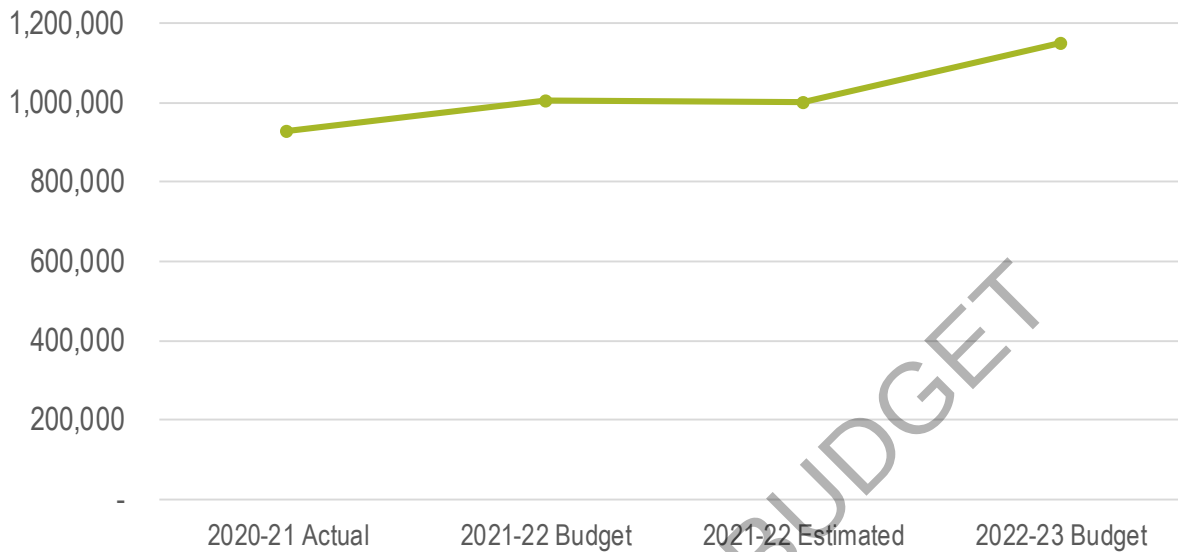
No personnel are budgeted in this department.

PROPOSED BUDGET

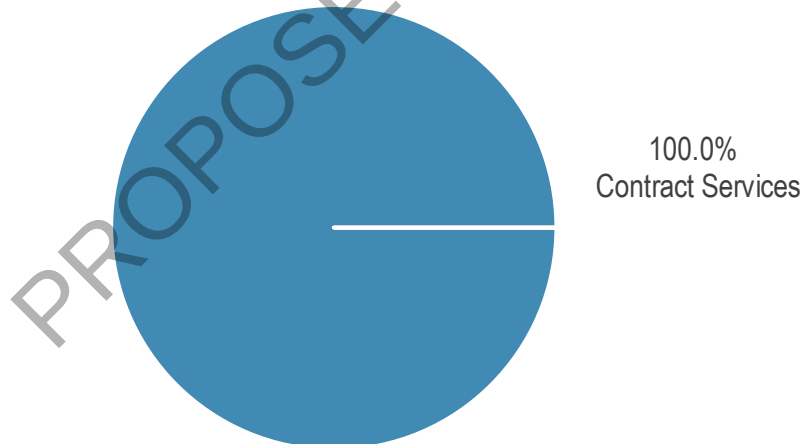
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Contract Services	927,891	1,005,000	1,001,518	1,150,000	145,000	14.43%
Total Solid Waste	927,891	1,005,000	1,001,518	1,150,000	145,000	14.43%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



TRANSFERS

The City transfers between funds in order to properly account for revenues and expenses.

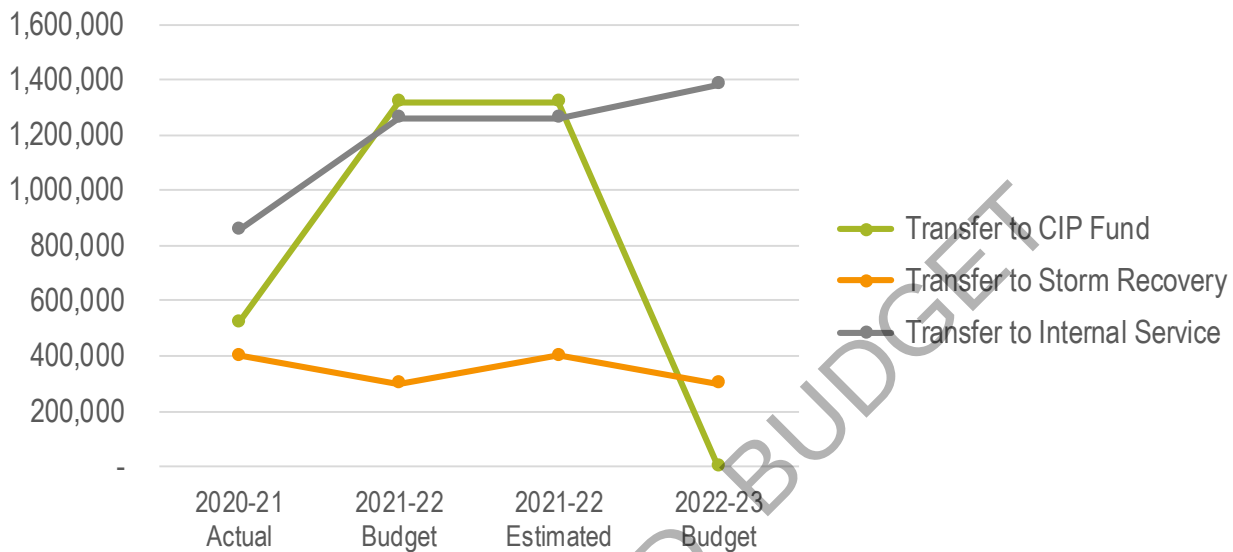
No personnel are budgeted in this department.

PROPOSED BUDGET

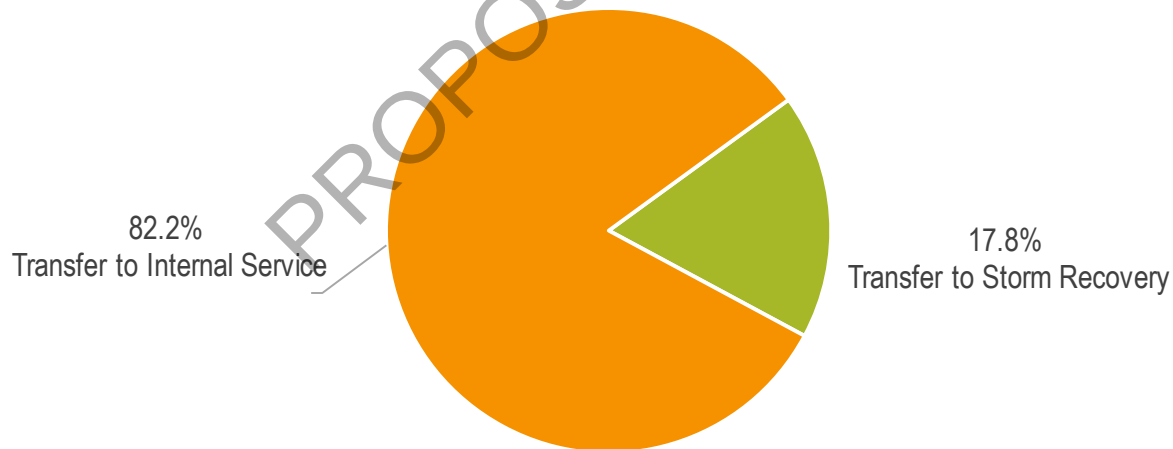
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Transfer to CIP Fund	520,725	1,318,511	1,318,511	-	(1,318,511)	-100.00%
Transfer to Storm Recovery	400,000	300,000	400,000	300,000	-	0.00%
Transfer to Internal Service	855,474	1,260,155	1,260,155	1,381,504	121,349	9.63%
Total	1,776,199	2,878,666	2,978,666	1,681,504	(1,197,162)	-41.59%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



DEBT SERVICE FUND

OVERVIEW

The Debt Service Fund accounts for the receipt of funds from a tax levy and other sources for the accumulation of funds to meet the principal and interest obligations on General Fund Obligations.

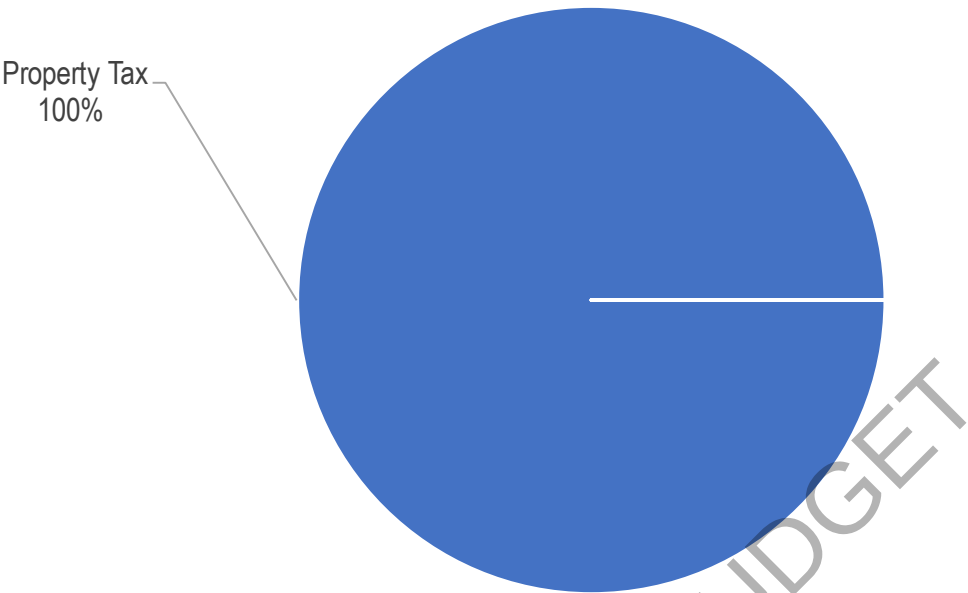
The City Charter of the City of Sanger, Texas, does not provide a debt limit. Under the provision of State law (Article XI, Section 5, of the State of Texas Constitution), the maximum tax rate is limited to \$2.50 per \$100 assessed valuation. For 2021-22, the City's adopted tax rate for 2021-22 was \$0.616576 per \$100 assessed valuation for maintenance and operations plus \$0.017135 per \$100 assessed valuation for debt service, equaling \$0.633711, which is well below the maximum rates allowed by law. For 2022-23, a lowered tax rate of \$0.589497 is proposed.

The basis of accounting for the Debt Service Fund for both financial reporting and budgeting is the modified accrual basis.

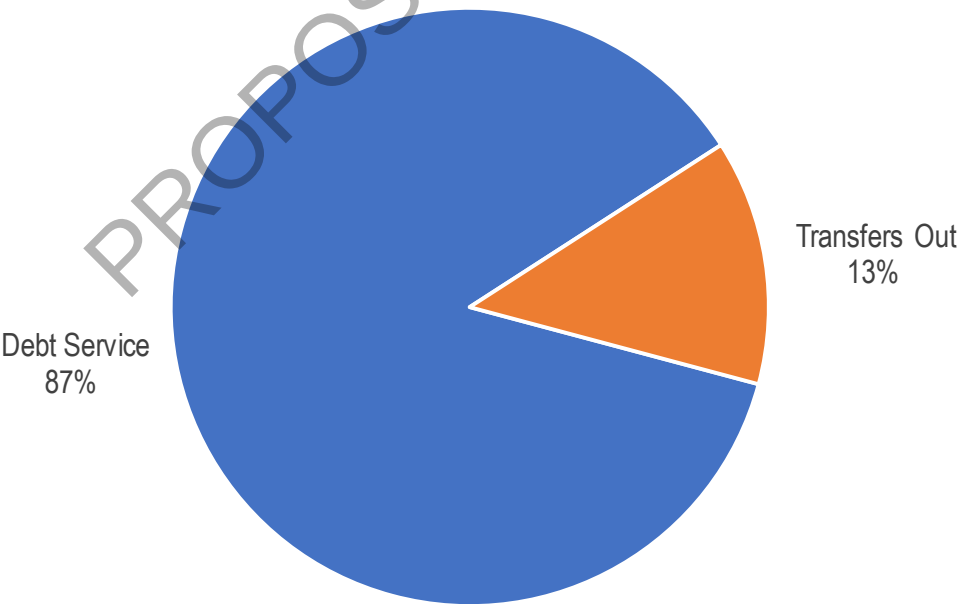
PROPOSED BUDGET

DEBT SERVICE FUND BUDGET SUMMARY

DEBT SERVICE FUND REVENUES



DEBT SERVICE FUND EXPENDITURES



DEBT SERVICE FUND BUDGET SUMMARY

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	476,285	803,402	803,402	797,291
Revenues				
Property Taxes	573,987	154,158	159,000	154,485
Interest Income	1,003	5,000	8,250	5,000
Bond Proceeds	339,600	-	-	-
Total General Fund Revenues	914,590	159,158	167,250	159,485
Other Sources				
Transfers In	212,500	212,500	212,500	212,500
Total Other Sources	212,500	212,500	212,500	212,500
Total Revenues/Sources	1,127,090	371,658	379,750	371,985
Expenditures				
Debt Service	739,585	334,326	334,326	336,554
Total Expenditures	739,585	334,326	334,326	336,554
Other Uses				
Transfers Out	60,388	51,535	51,535	51,535
Total Other Uses	60,388	51,535	51,535	51,535
Total Expenses/Uses	799,973	385,861	385,861	388,089
Excess of Revenues/Sources over Expenditures/Uses	327,117	(14,203)	(6,111)	(16,104)
Ending Fund Balance	803,402	789,199	797,291	781,187

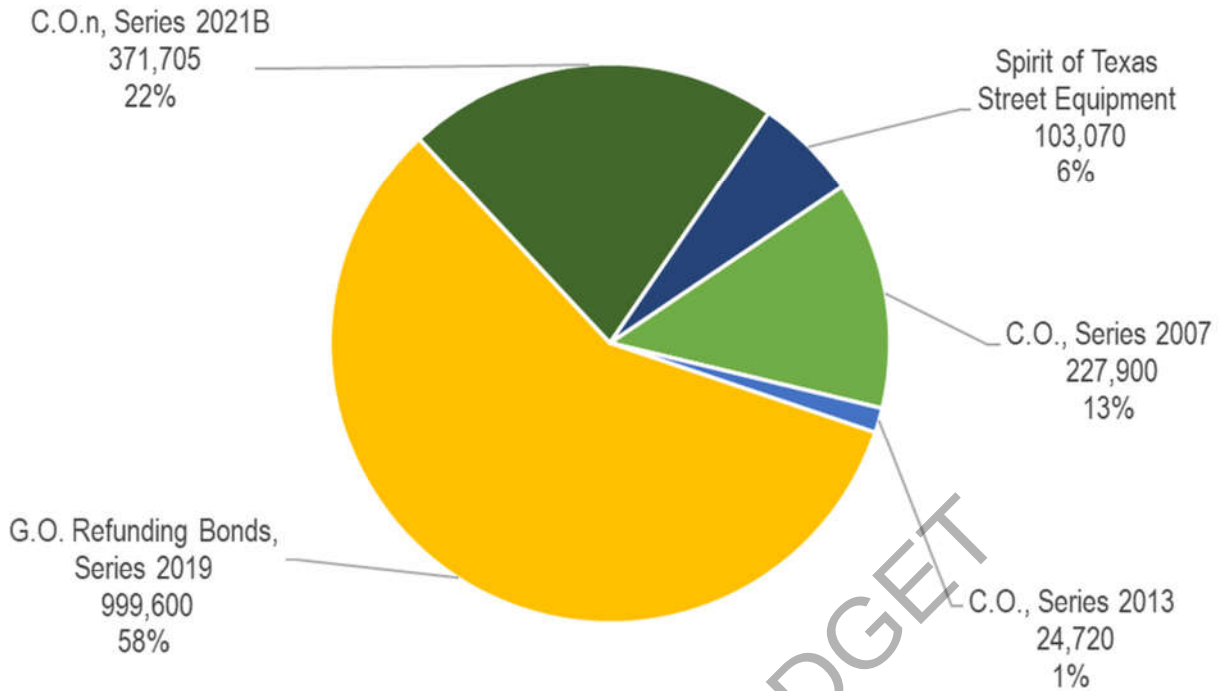
DEBT SERVICE FUND EXPENDITURES

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Co 2007 Principal	34,000	35,700	35,700	37,400
Co 2007 Interest	11,894	10,398	10,398	8,826
Refunding 2012 Principal	145,200	-	-	-
Refunding 2012 Interest	3,994	-	-	-
Co 2013 Principal	22,200	22,800	22,800	24,000
Co 2013 Interest	13,004	1,404	1,404	720
Refunding 2016 Principal	248,400	-	-	-
Refunding 2016 Interest	9,936	-	-	-
Refunding 2019 Principal	200,000	210,000	210,000	220,000
Refunding 2019 Interest	48,500	40,500	40,500	32,100
2021 GO Refunding Principal	-	6,600	6,600	6,600
2021 GO Refunding Interest	1,207	5,174	5,174	5,158
Bond Administration Fees	1,250	1,750	1,750	1,750
Total Debt Payments	\$ 739,585	\$ 334,326	\$ 334,326	\$ 336,554
74-Transfers				
Transfer To General Fund	60,388	51,535	51,535	51,535
Total 74-Transfers	60,388	51,535	51,535	51,535
Total Debt Service	799,973	385,861	385,861	388,089

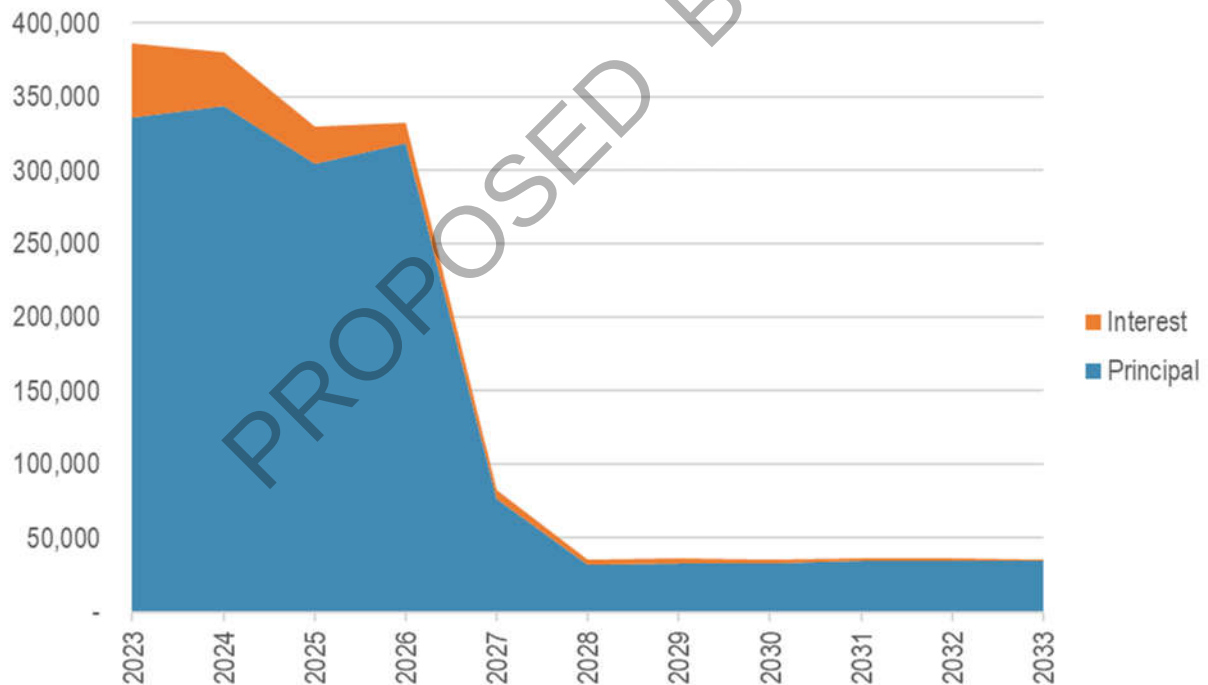
DEBT SERVICE FUND REQUIREMENTS BY YEAR

Fiscal Year	Principal	Interest	Total
2023	336,252	50,086	386,338
2024	343,467	37,282	380,749
2025	304,700	24,792	329,492
2026	318,700	13,404	332,104
2027	76,000	6,285	82,285
2028	31,800	3,889	35,689
2029	33,000	3,390	36,390
2030	33,000	2,786	35,786
2031	34,200	2,149	36,349
2032	34,800	1,472	36,272
2033	34,800	741	35,541
Total	1,580,719	146,276	1,726,995

Total Debt Service Fund Debt by Obligation



Debt Service Fund Annual Debt Service Requirements



ENTERPRISE FUND

OVERVIEW

The Enterprise Fund is the financial structure used for the accounting of providing water, sanitary sewer, and electric services to the residents of the City and for the billing and collection of charges to customers for these services.

The Enterprise Fund receives revenues from the billing of water, wastewater, and electric, interest income and other miscellaneous revenue sources.

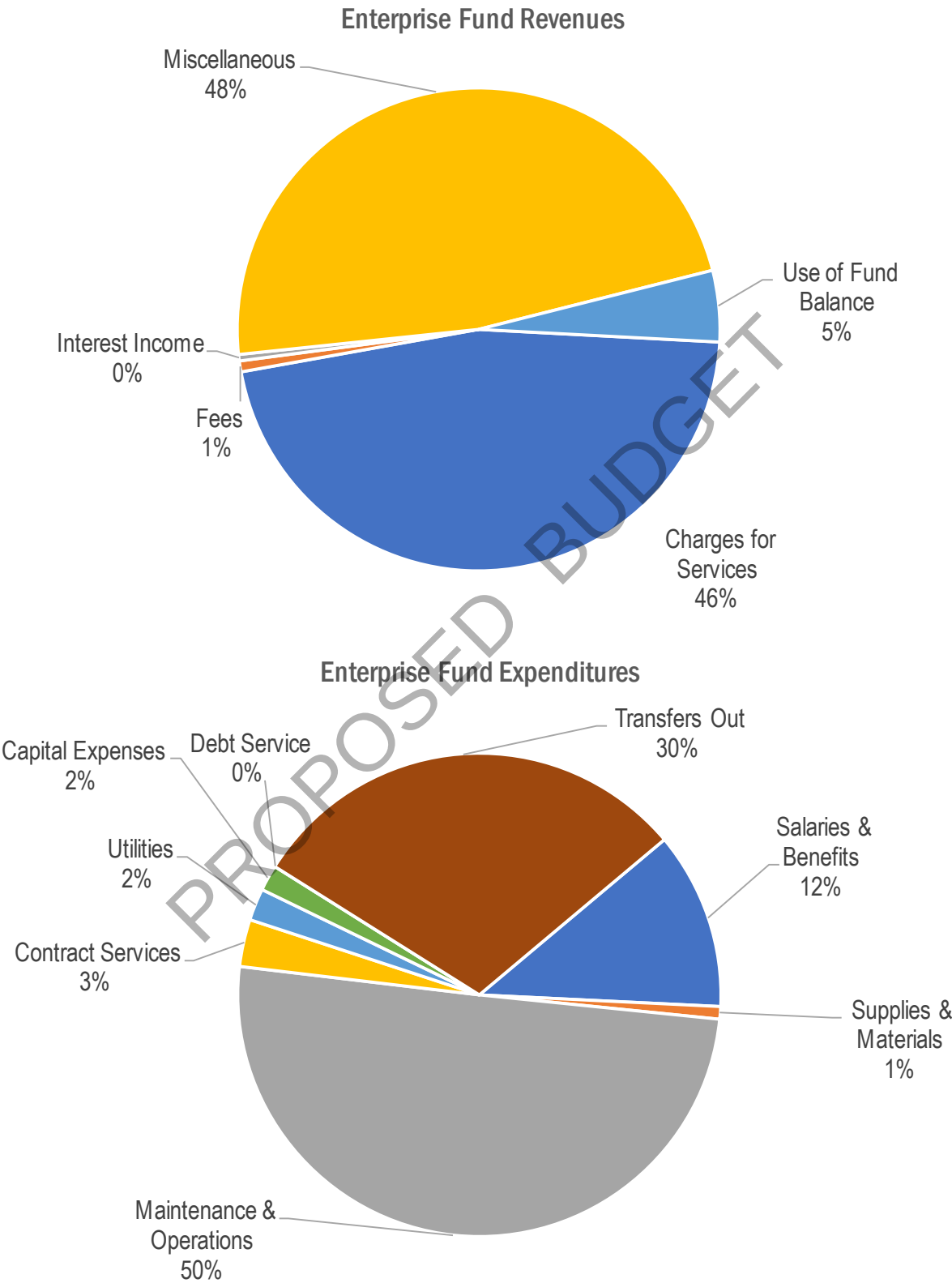
The Enterprise Fund includes these departments:

- Water
- Waste Water
- Electric

The basis of accounting for the Enterprise Fund for both financial reporting and budgeting is the accrual basis.

PROPOSED BUDGET

ENTERPRISE FUND BUDGET SUMMARY



ENTERPRISE FUND BUDGET SUMMARY

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	16,728,529	20,015,603	20,015,603	21,021,290
Revenues				
Water	2,177,059	2,256,187	2,242,750	2,334,878
Waste Water	2,135,174	2,596,830	2,503,313	2,715,028
Electric	7,632,029	7,752,500	7,741,330	7,692,500
Penalties and Fees	178,222	220,000	178,638	200,000
Interest Income	347,087	200,000	52,079	60,000
Miscellaneous	99,600	101,500	73,140	119,000
Total Enterprise Fund Revenues	12,569,171	13,127,017	12,791,250	13,121,406
Other Sources				
Transfers In	2,459,294	-	-	-
Use of Fund Balance	-	-	-	1,311,192
Total Other Sources	2,459,294	-	-	1,311,192
Total Revenues/Sources	15,028,465	13,127,017	12,791,250	14,432,598
Expenditures				
Salaries & Benefits	1,161,850	1,454,500	1,339,473	1,714,900
Supplies & Materials	92,642	119,700	91,905	122,170
Maintenance & Operations	6,229,088	7,391,185	5,938,688	7,254,795
Contract Services	155,587	419,545	134,621	455,245
Utilities	281,163	308,300	266,066	309,100
Capital Expenses	-	46,227	46,227	249,132
Debt Service	29,378	4,000	4,781	2,000
Total Expenditures	7,949,708	9,743,457	7,821,761	10,107,342
Other Uses				
Transfers Out	3,791,683	3,963,802	3,963,802	4,325,256
Total Other Uses	3,791,683	3,963,802	3,963,802	4,325,256
Total Expenses/Uses	11,741,391	13,707,259	11,785,563	14,432,598
Excess of Revenues/Sources over Expenditures/Uses	3,287,074	(580,242)	1,005,687	-
Ending Fund Balance	20,015,603	19,435,361	21,021,290	21,021,290

ENTERPRISE FUND REVENUES

	2019-20 Actual	2020-21 Budget	2020-21 Estimated	2021-22 Budget
Water				
Water Billing	2,136,896	2,206,187	2,232,750	2,284,878
Water Meter Revenue	40,163	50,000	10,000	50,000
Total Water	2,177,059	2,256,187	2,242,750	2,334,878
Total Sewer	2,135,174	2,596,830	2,503,313	2,715,028
Electric				
Electric Income	7,541,647	7,600,000	7,650,000	7,600,000
Security Lights	54,937	65,000	55,000	55,000
Construction Income	6,515	60,000	8,134	10,000
Pole Contact Fee	19,565	20,000	26,086	20,000
Saw Set Pole Fees	8,990	7,500	1,360	7,500
Meter Bases	375	-	750	-
Total Electric	7,632,029	7,752,500	7,741,330	7,692,500
Penalties & Fees				
Penalties	107,212	150,000	125,119	130,000
Service Fees	71,010	70,000	53,519	70,000
Total Penalties and Fees	178,222	220,000	178,638	200,000
Total Interest	347,087	200,000	52,079	60,000
Miscellaneous Income				
Miscellaneous Income	22,508	25,000	2,495	25,000
Credit Card Fees	64,325	65,000	69,280	82,500
Returned Check Fees	34	1,500	1,365	1,500
Sale of Capital Assets	1,085	10,000	-	10,000
Insurance Damage Reimbursement	11,648	-	-	-
Total Miscellaneous	99,600	101,500	73,140	119,000
Total Revenues	12,569,171	13,127,017	12,791,250	13,121,406
Transfers				
Transfer from Electric Storm Fund	2,459,294	-	-	-
Use of Fund Balance	-	-	-	1,311,192
Total Transfers	2,459,294	-	-	1,311,192
Total Enterprise Fund Revenues &	15,028,465	13,127,017	12,791,250	14,432,598

WATER

The City of Sanger Water Department is responsible for providing safe drinking water to the citizens of Sanger by operating and maintaining the city's potable water system providing service to over 2000 customers. The Department maintains approximately 44 miles of city water mains and 2,750 water meters.

The City of Sanger's public water system received a "Superior" rating from the TCEQ and extensively test the water to assure that the system maintains this rating.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage development of quality single family residential neighborhoods in Sanger.

PERFORMANCE INDICATORS

Indicator	2018-19	2019-20	2020-21
Water Meters Read Manually	8,434	12,174	13,818
Service Orders Completed	1,159	1,404	4,621

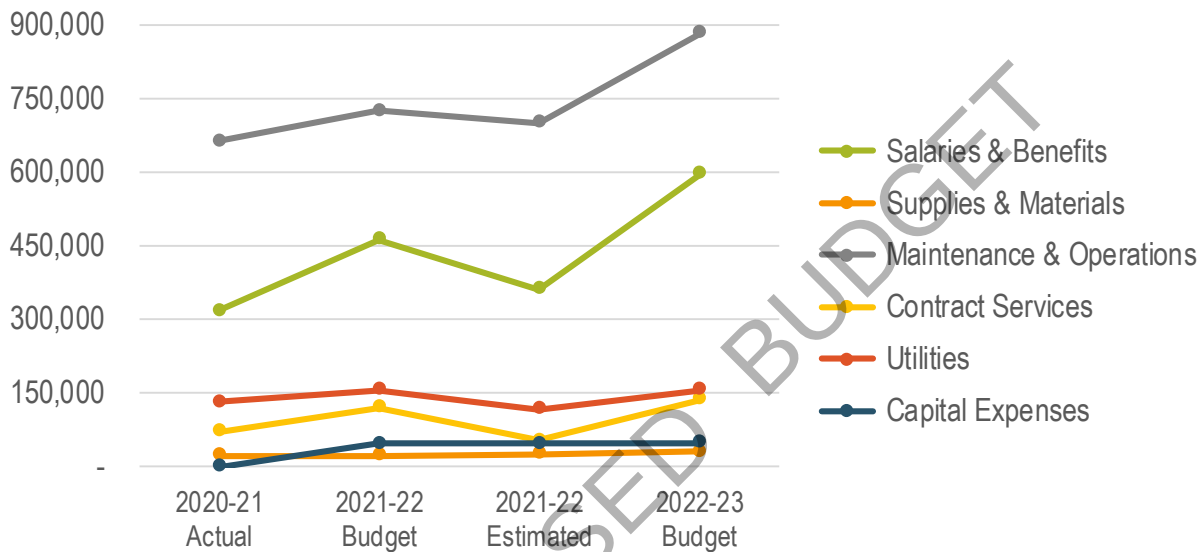
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
Water Superintendent	1	1	1
Utility Worker	4	5	7
AMR Technician	1	1	1
Total Budgeted Positions	6	7	9

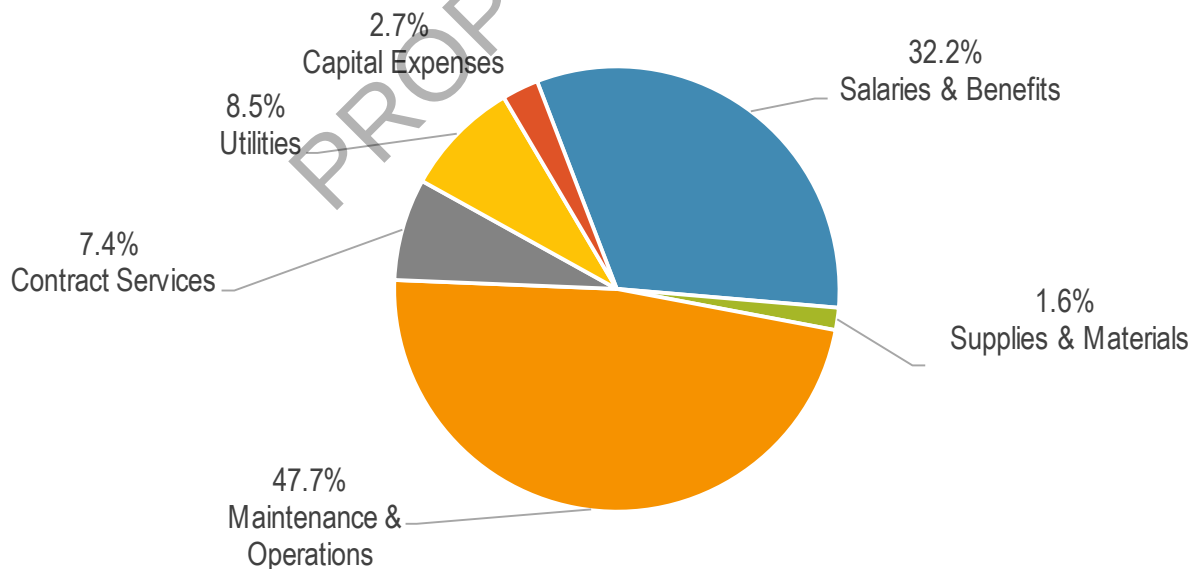
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	316,158	462,000	361,596	595,000	133,000	28.79%
Supplies & Materials	22,534	22,300	25,192	30,050	7,750	34.75%
Maintenance & Operations	662,215	723,369	700,000	881,983	158,614	21.93%
Contract Services	71,136	120,750	52,786	136,750	16,000	13.25%
Utilities	131,636	156,000	117,172	156,400	400	0.26%
Capital Expenses	-	46,227	46,227	49,132	2,905	6.28%
Total	1,203,679	1,530,646	1,302,973	1,849,315	318,669	20.82%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



WASTE WATER

The City of Sanger Waste Water Department is responsible for collection of all wastewater and its transmission to the wastewater treatment plant. This service includes the operation, maintenance, and repair of all sewer lines, manholes, and lift stations connected to the wastewater collection system.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage development of quality single family residential neighborhoods in Sanger.

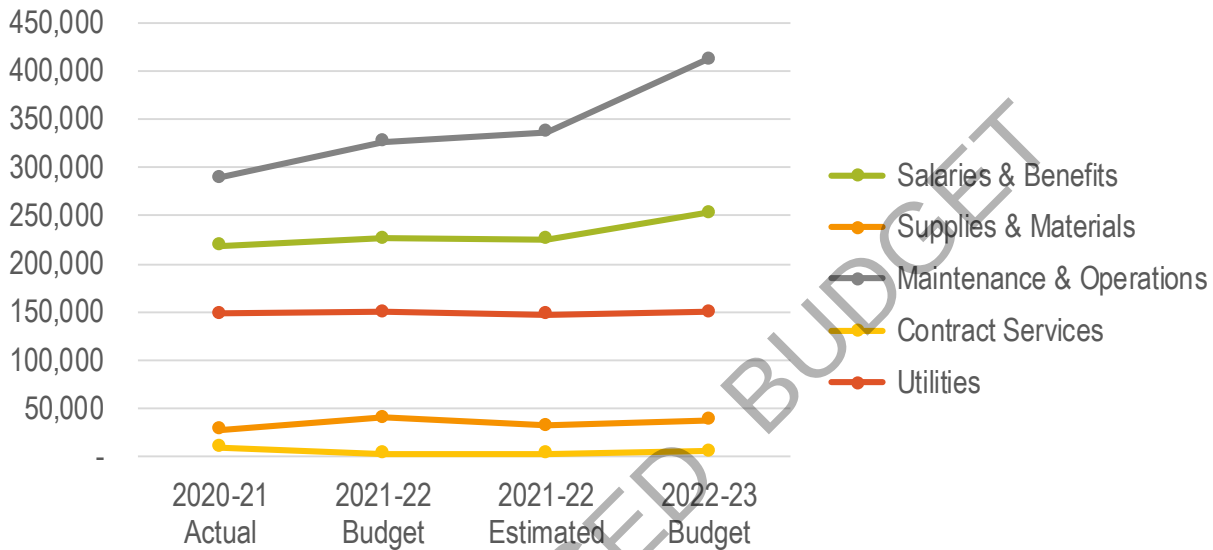
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
WWTP Superintendent	1	1	1
Plant Operator	2	2	2
Total Budgeted Positions	3	3	3

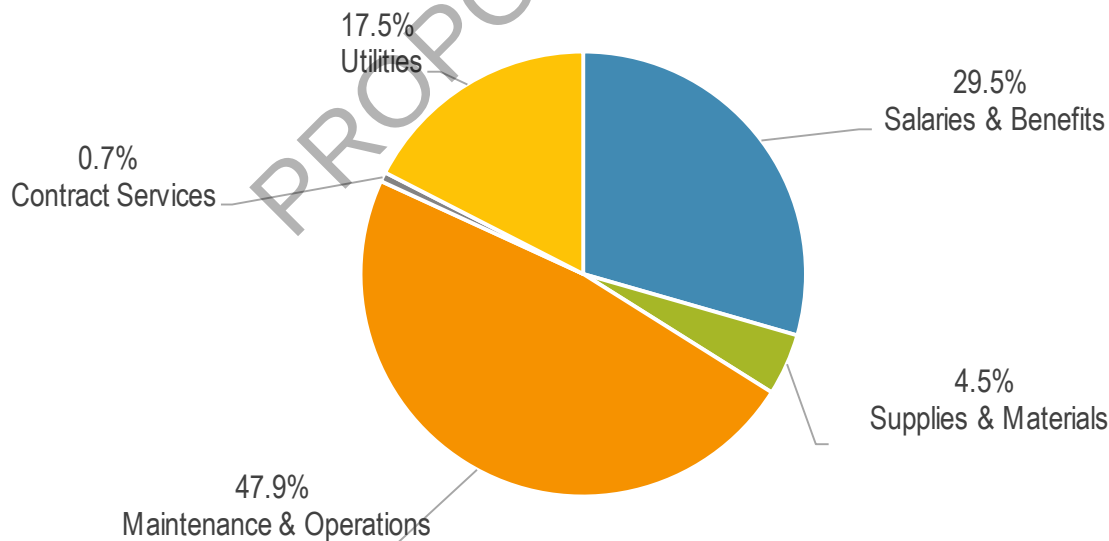
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	218,463	225,900	225,000	253,100	27,200	12.04%
Supplies & Materials	28,060	40,700	31,961	38,500	(2,200)	-5.41%
Maintenance & Operations	289,503	326,729	336,751	411,612	84,883	25.98%
Contract Services	9,789	3,000	3,000	6,000	3,000	100.00%
Utilities	148,089	150,000	147,346	150,000	-	0.00%
Total	693,904	746,329	744,058	859,212	112,883	15.13%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



ELECTRIC

The City of Sanger Electric Department provides service to over 2000 customers and maintains the electrical distribution system with the City's Electric service area. Sanger Electric is dedicated to providing fast, reliable and professional service at the lowest cost possible.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage development of quality single family residential neighborhoods in Sanger.

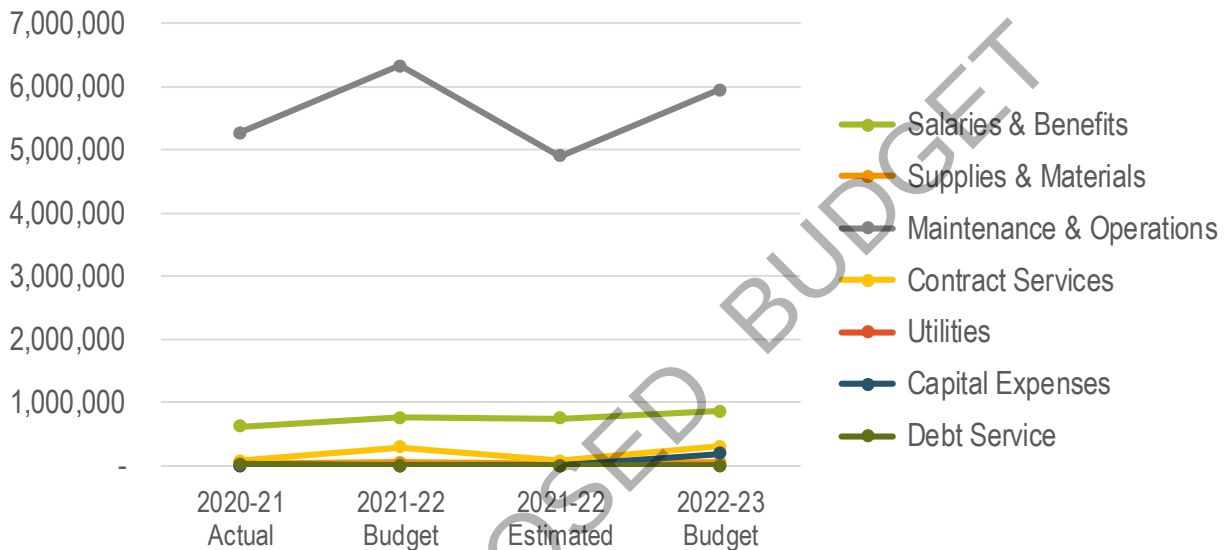
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
Director of Electric Utilities	1	1	1
Foreman	1	1	1
Crew Leader	1	1	1
Line Tech	3	3	3
Electric Tech/Groundman	1	1	1
Administrative Assistant	1	1	1
Total Budgeted Positions	8	8	8

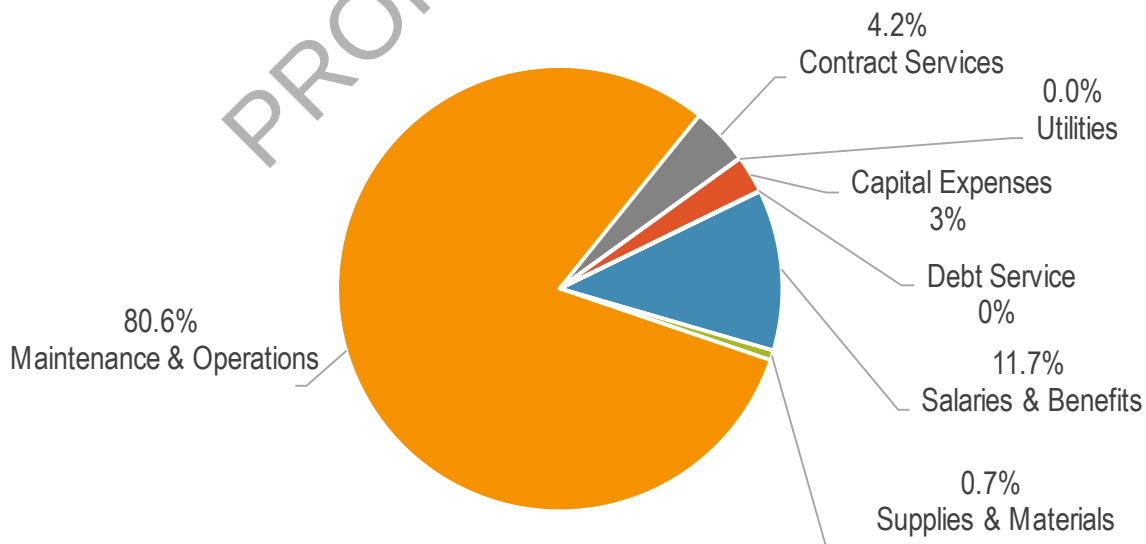
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	627,229	766,600	752,877	866,800	100,200	13.07%
Supplies & Materials	42,048	56,700	34,752	53,620	(3,080)	-5.43%
Maintenance & Operations	5,277,370	6,341,087	4,901,937	5,961,200	(379,887)	-5.99%
Contract Services	74,662	295,795	78,835	312,495	16,700	5.65%
Utilities	1,438	2,300	1,548	2,700	400	17.39%
Capital Expenses	-	-	-	200,000	200,000	-
Debt Service	29,378	4,000	4,781	2,000	(2,000)	-50.00%
Total	6,052,125	7,466,482	5,774,730	7,398,815	(67,667)	-0.91%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



TRANSFERS

The City transfers between funds in order to properly account for revenues and expenses.

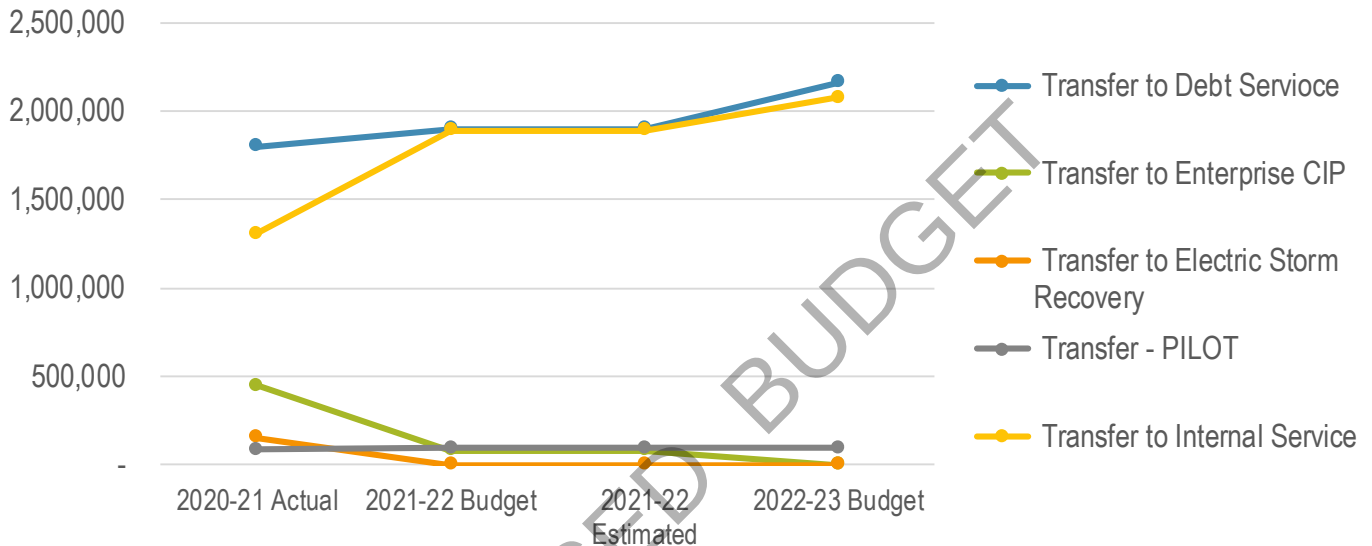
No personnel are budgeted in this department.

PROPOSED BUDGET

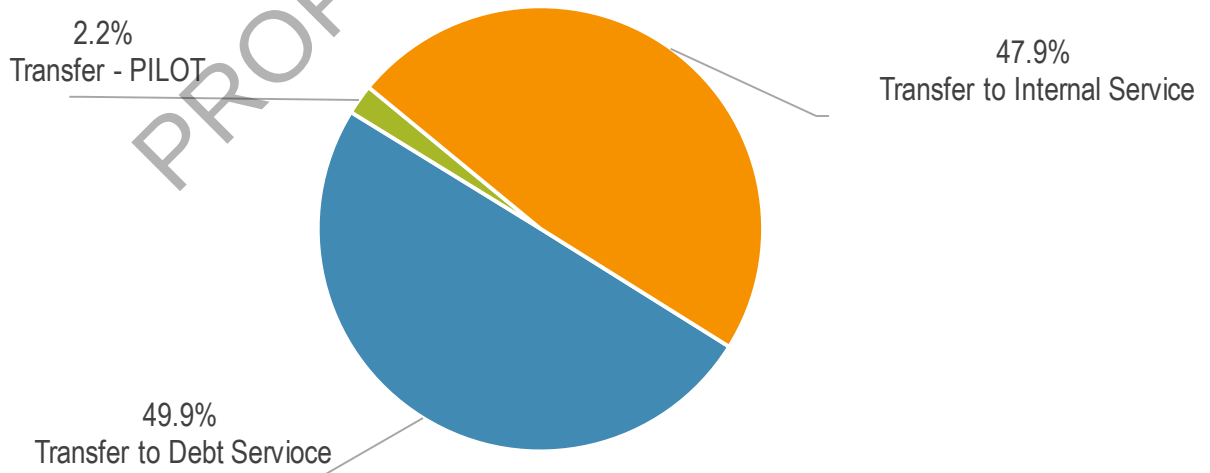
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Transfer to Debt Service	1,800,000	1,900,000	1,900,000	2,158,000	258,000	13.58%
Transfer - PILOT	85,000	95,000	95,000	95,000	-	0.00%
Transfer to Internal Service	1,307,541	1,890,231	1,890,231	2,072,256	182,025	9.63%
Transfer to Enterprise CIP	447,142	78,571	78,571	-	(78,571)	-100.00%
Transfer to Electric Storm Recovery	152,000	-	-	-	-	-
Total	3,791,683	3,963,802	3,963,802	4,325,256	361,454	9.12%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



ENTERPRISE DEBT SERVICE FUND

OVERVIEW

The Enterprise Debt Service Fund accounts for the accumulation of funds to meet the principal and interest obligations on Enterprise Fund Obligations.

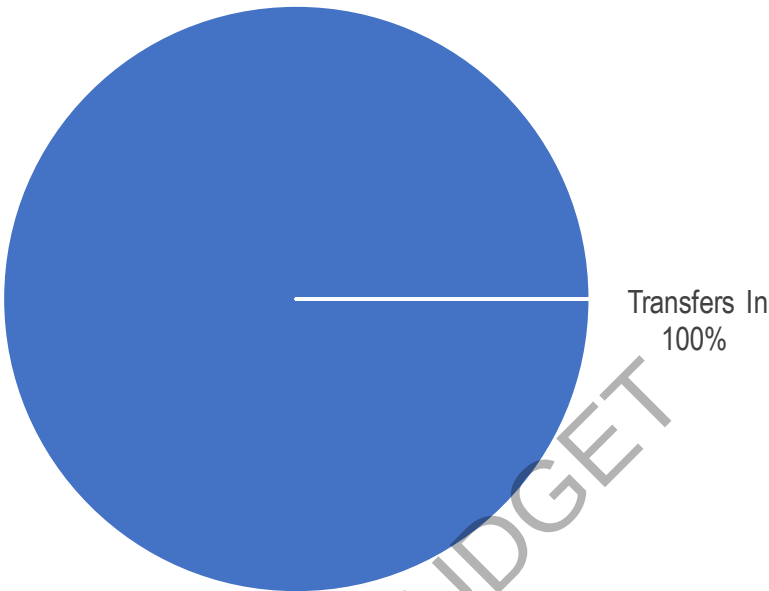
The Enterprise Debt Service Fund was established for the 2020-2021 year. In prior years, debt service was accounted for in the Enterprise Fund itself.

The basis of accounting for the Enterprise Debt Service Fund for both financial reporting and budgeting is the accrual basis.

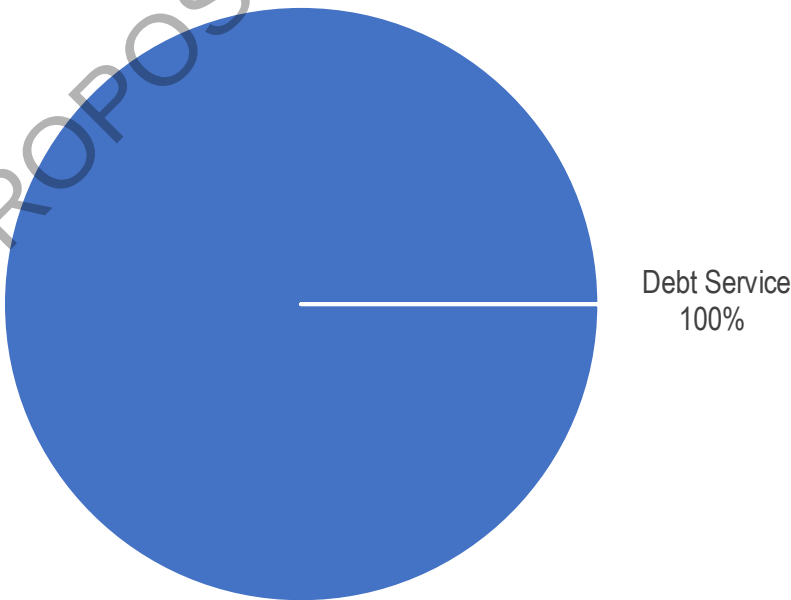
PROPOSED BUDGET

ENTERPRISE DEBT SERVICE FUND BUDGET SUMMARY

ENTERPRISE DEBT SERVICE FUND REVENUES



ENTERPRISE DEBT SERVICE FUND EXPENDITURES



ENTERPRISE DEBT SERVICE FUND BUDGET SUMMARY

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	-	(36,364)	(36,364)	(23,755)
Other Sources				
Transfers In	1,808,853	1,900,000	1,900,000	2,158,000
Total Other Sources	1,808,853	1,900,000	1,900,000	2,158,000
Expenditures				
Debt Service	1,845,217	1,887,391	1,887,391	2,132,761
Total Expenditures	1,845,217	1,887,391	1,887,391	2,132,761
Excess of Revenues/Sources over Expenditures/Uses	(36,364)	12,609	12,609	25,239
Ending Fund Balance	(36,364)	(23,755)	(23,755)	1,484

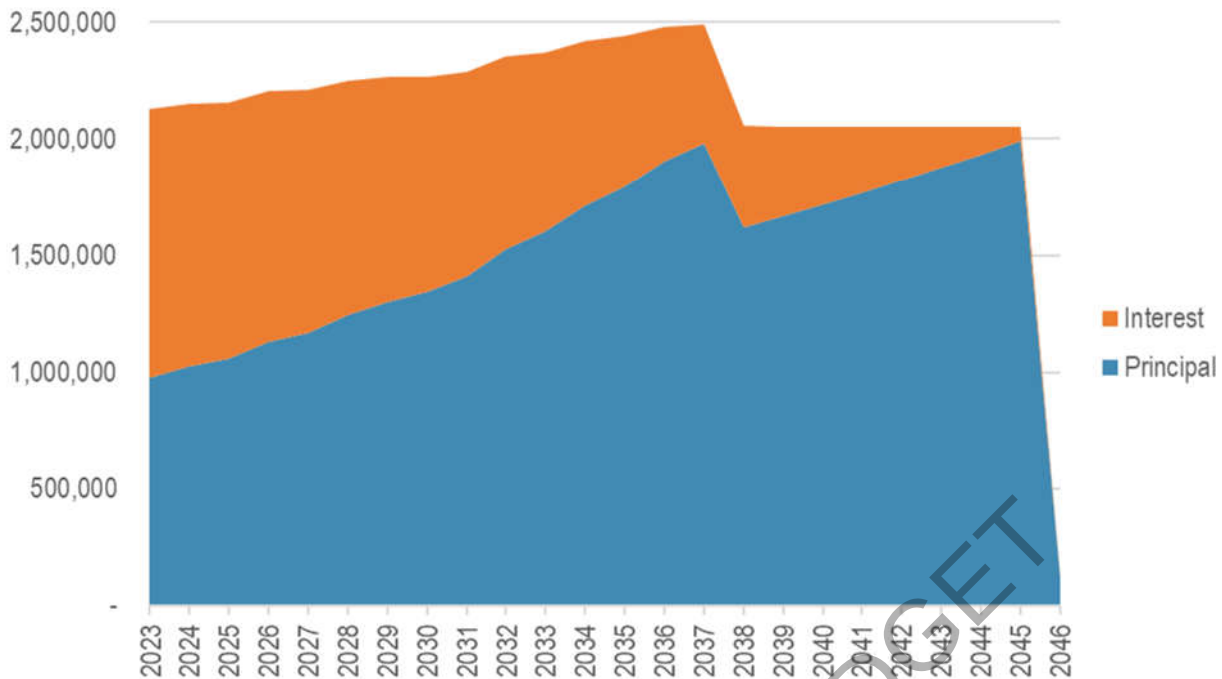
ENTERPRISE DEBT SERVICE FUND EXPENDITURES

	2019-20 Actual	2020-21 Budget	2020-21 Estimated	2021-22 Budget
Co 2007 Principal	66,000	69,300	69,300	72,600
Co 2007 Interest	23,086	20,182	20,182	17,134
Refunding 2012 Principal	184,800	-	-	-
Refunding 2012 Interest	5,082	-	-	-
Co 2013 Principal	162,800	167,200	167,200	176,000
Co 2013 Interest	95,364	10,296	10,296	5,280
2015 CO Principal	180,000	295,000	295,000	285,000
2015 CO Interest	185,200	178,075	178,075	169,375
2016 CO Principal	291,600	-	-	-
2016 CO Interest	11,664	-	-	-
2017 CO Principal	-	85,000	85,000	100,000
2017 CO Interest	366,600	366,600	366,600	364,050
2021 GO Refunding Principal	-	48,400	48,400	48,400
2021 GO Refunding Interest	-	37,942	37,942	37,822
2021 CO Principal	-	55,000	55,000	295,000
2021 CO Interest	271,271	551,896	551,896	559,600
Bond Administration Fees	1,750	2,500	2,500	2,500
Total Debt Service	1,845,217	1,887,391	1,887,391	2,132,761

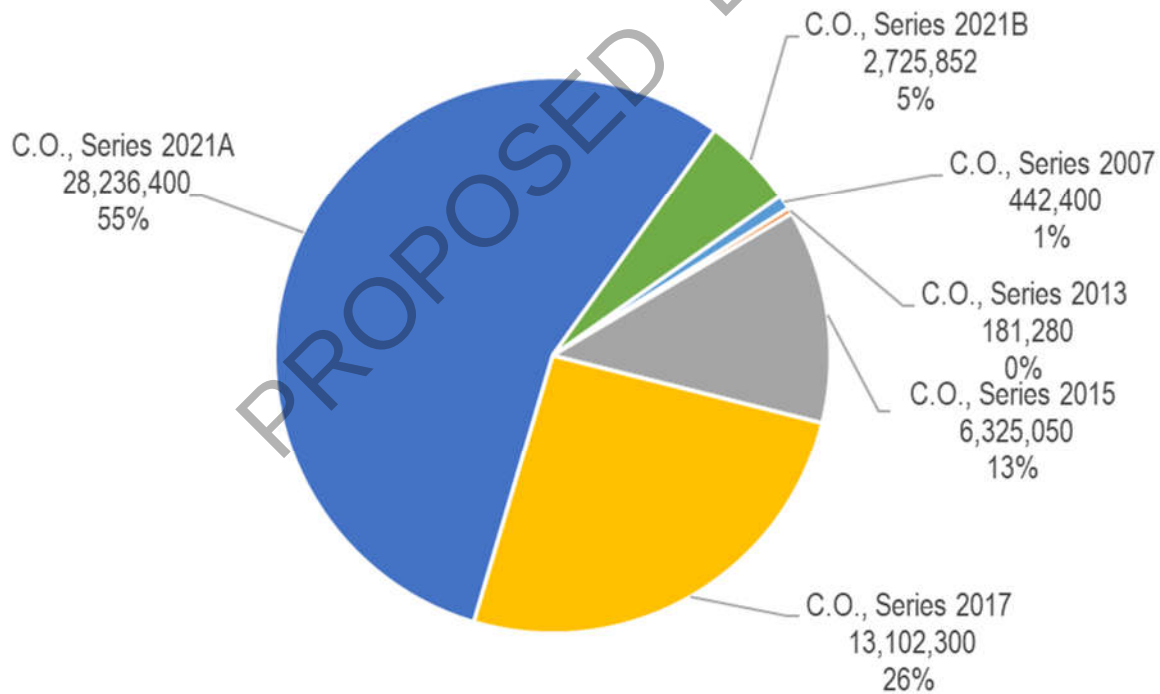
ENTERPRISE DEBT SERVICE FUND REQUIREMENTS BY YEAR

Fiscal Year	Principal	Interest	Total
2023	977,000	1,153,260	2,130,260
2024	1,026,400	1,124,142	2,150,542
2025	1,060,300	1,097,742	2,158,042
2026	1,131,300	1,071,801	2,203,101
2027	1,169,000	1,043,259	2,212,259
2028	1,243,200	1,006,796	2,249,996
2029	1,302,000	965,560	2,267,560
2030	1,342,000	921,325	2,263,325
2031	1,410,800	874,861	2,285,661
2032	1,525,200	826,082	2,351,282
2033	1,600,200	770,592	2,370,792
2034	1,710,000	712,063	2,422,063
2035	1,795,000	644,406	2,439,406
2036	1,905,000	573,294	2,478,294
2037	1,980,000	510,250	2,490,250
2038	1,620,000	435,000	2,055,000
2039	1,665,000	386,400	2,051,400
2040	1,715,000	336,450	2,051,450
2041	1,765,000	285,000	2,050,000
2042	1,820,000	232,050	2,052,050
2043	1,875,000	177,450	2,052,450
2044	1,930,000	121,200	2,051,200
2045	1,990,000	63,300	2,053,300
2046	120,000	3,600	123,600
Total	35,677,400	15,335,882	51,013,282

Enterprise Debt Service Fund Annual Debt Service Requirements



Total Enterprise Debt Service Fund Debt by Obligation



INTERNAL SERVICE FUND

OVERVIEW

Revenues and expenses related to services provided to organizations inside the City on a cost reimbursement basis are accounted for in an Internal Service Fund. The City's Internal Service Fund was set up to provide administrative support services to other Funds of the City.

The Internal Service Fund receives revenues from transfers from the General Fund and the Enterprise Fund.

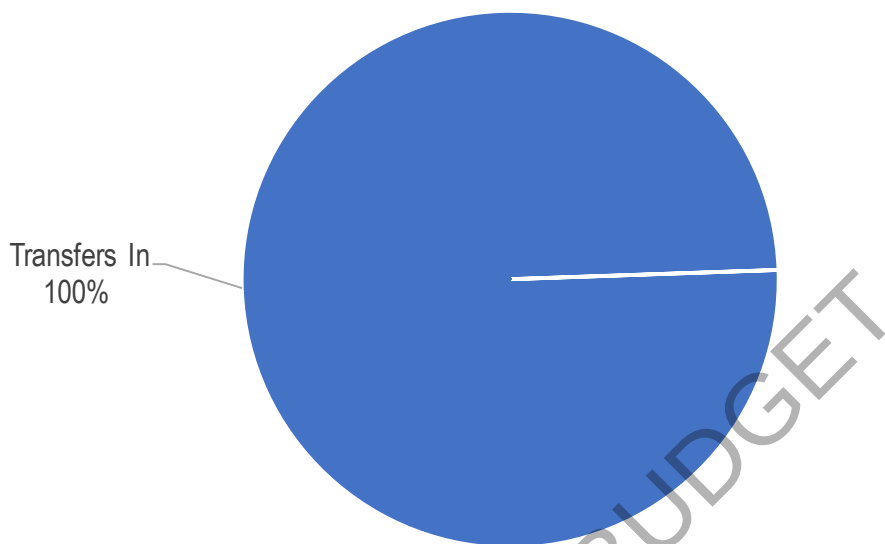
The Internal Service Fund includes these departments:

- Mayor and Council
- Administration
- City Secretary
- Legal
- Public Works Administration
- Finance
- Human Resources
- Facilities
- Non-Departmental

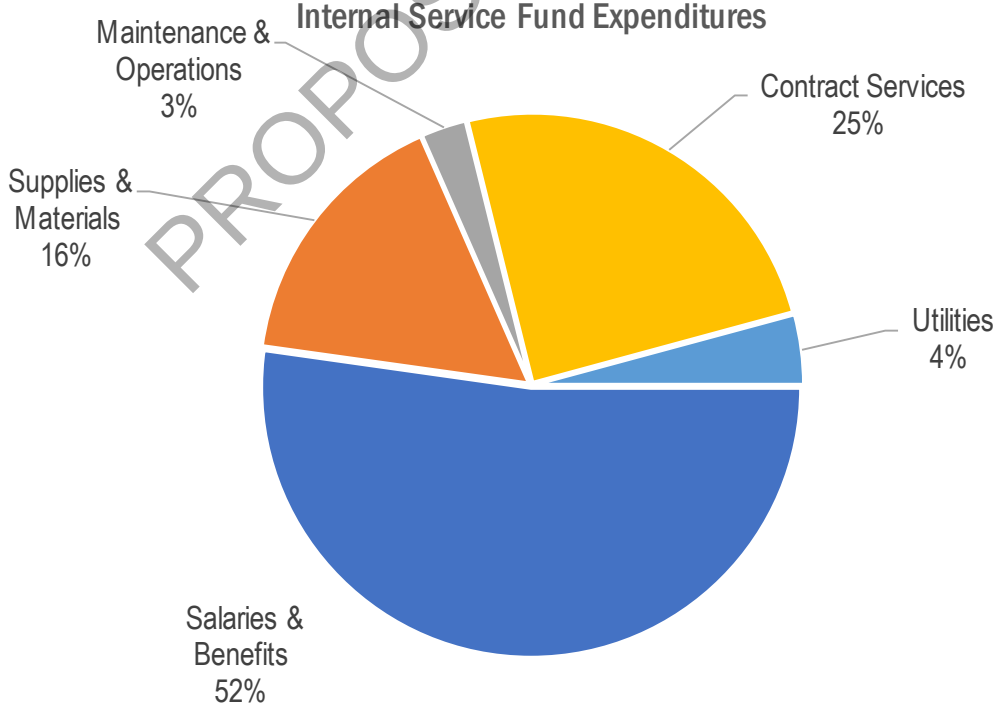
The basis of accounting for the Internal Service Fund for both financial reporting and budgeting is the modified accrual basis.

INTERNAL SERVICE FUND BUDGET SUMMARY

Internal Service Fund Revenues



Internal Service Fund Expenditures



INTERNAL SERVICE FUND BUDGET SUMMARY

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	(85,854)	(99,782)	(99,782)	431,207
Revenues				
Transfers from Enterprise Fund	1,307,541	1,890,231	1,890,231	2,072,256
Transfers from General Fund	855,474	1,260,155	1,260,155	1,381,504
Transfers from 4A	-	-	-	15,000
Transfers from 4B	-	-	-	15,000
Total Internal Service Fund Revenues	2,163,015	3,150,386	3,150,386	3,483,760
Expenditures				
Salaries & Benefits	1,207,815	1,659,601	1,547,068	1,773,900
Supplies & Materials	187,896	478,032	226,263	549,965
Maintenance & Operations	68,439	97,053	63,136	92,200
Contract Services	601,184	764,950	659,094	837,850
Utilities	107,534	113,750	102,402	143,000
Capital Expenses	-	37,000	21,434	86,845
Debt Service	4,075	-	-	-
Total Expenditures	2,176,943	3,150,386	2,619,397	3,483,760
Excess of Revenues over Expenditures	(13,928)	-	530,989	-
Ending Fund Balance	(99,782)	(99,782)	431,207	431,207



CITY COUNCIL

The City of Sanger City Council is elected by the people and is responsible for setting general policy and direction for city government. The Council's budget is split between the General fund and Enterprise fund. The Council's budget includes funds to pay for legal services, audit services and elections.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage development of quality single family residential neighborhoods in Sanger.
- Encourage the establishment of new commercial business and the expansion of existing businesses in Sanger.
- Encourage development and preservation of the Historic Sanger Downtown area.
- Improve the relationship of mixed land uses and provide optimum opportunity to live and work in Sanger.
- Improve Sanger's street network.
- Encourage job development in Sanger.
- Develop, expand, and maintain the Sanger Park System with a variety of parks, open spaces and recreational facilities.

PERFORMANCE INDICATORS

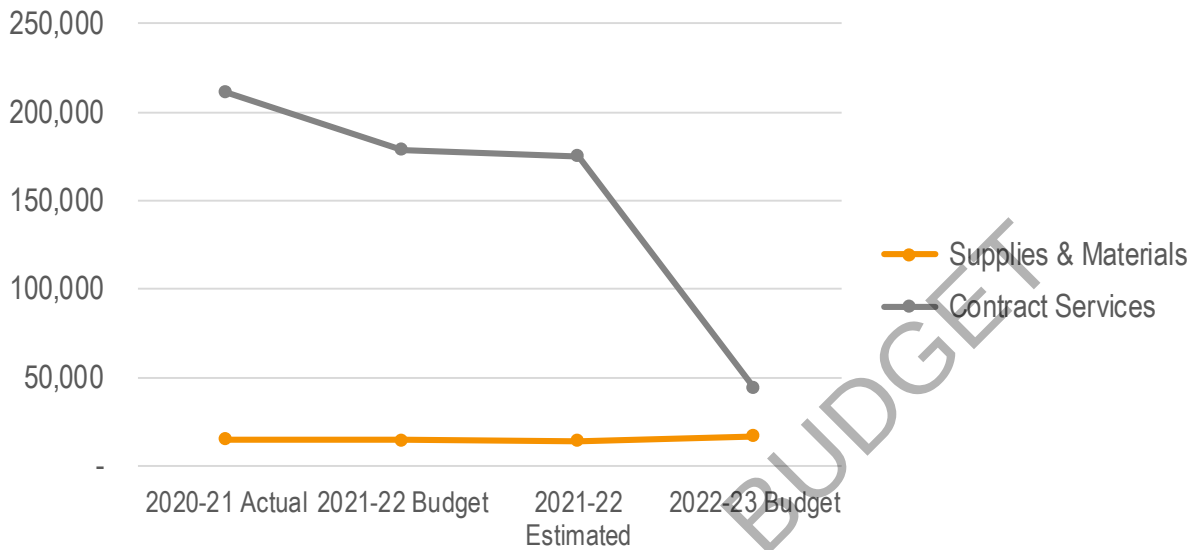
Indicator	2018-19	2019-20	2020-21
Ordinances Passed by Council	33	37	26
Resolutions Approved by Council	12	12	11
Proclamations Approved by Council	5	5	4
Plats Approved by Council	26	21	

No personnel are budgeted in this department.

DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Supplies & Materials	15,108	14,800	14,000	16,800	2,000	13.51%
Contract Services	211,177	179,000	175,000	44,000	(135,000)	-75.42%
Total	226,285	193,800	189,000	60,800	(133,000)	-68.63%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



ADMINISTRATION

The City of Sanger Administration Department is responsible for the daily operations of all aspects of city government. Administration includes the offices of City Manager and Assistant City Manager. Administration is responsible for the day-to-day general governmental administration of the City including directing, coordinating, and reviewing operations in the implementation of policy directive provided by Sanger's Mayor and City Council.

In prior years, City Secretary, Human Resources, and Legal functions were included in the department. For the 2022-23 year, these functions are being moved to separate departments.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage development of quality single family residential neighborhoods in Sanger.
- Encourage the establishment of new commercial business and the expansion of existing businesses in Sanger.
- Encourage development and preservation of the Historic Sanger Downtown area.
- Improve the relationship of mixed land uses and provide optimum opportunity to live and work in Sanger.
- Improve Sanger's street network.
- Encourage job development in Sanger.
- Develop, expand, and maintain the Sanger Park System with a variety of parks, open spaces and recreational facilities.

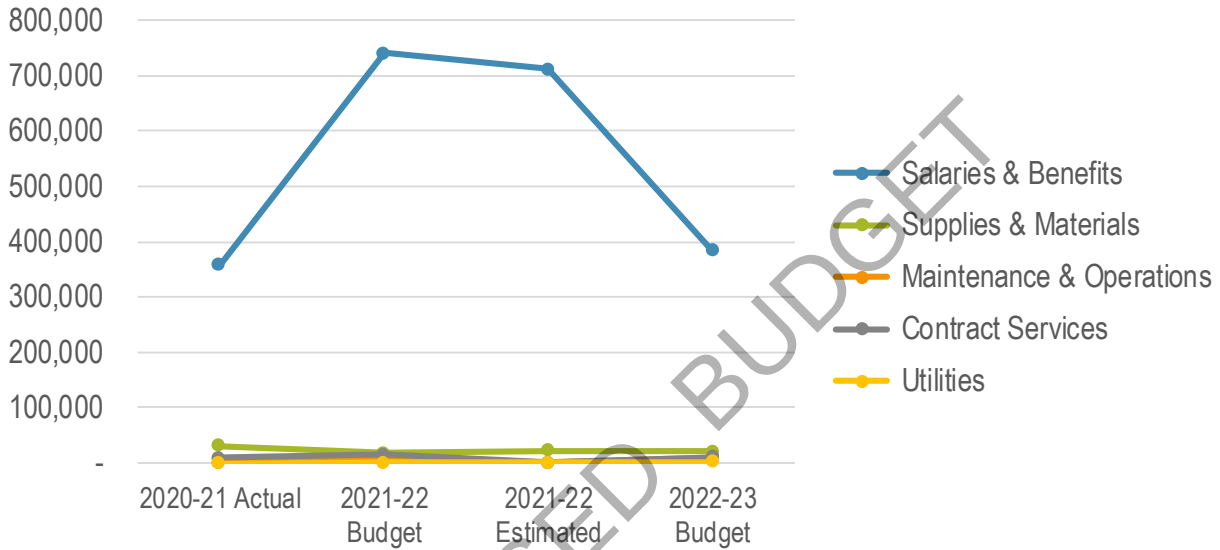
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
City Manager	1	1	1
Assistant City Manager	0	1	1
City Secretary	1	1	0
Human Resources/Special Projects Director	0	1	0
City Attorney	0	1	0
HR Coordinator	1	0	0
Total Budgeted Positions	3	5	2

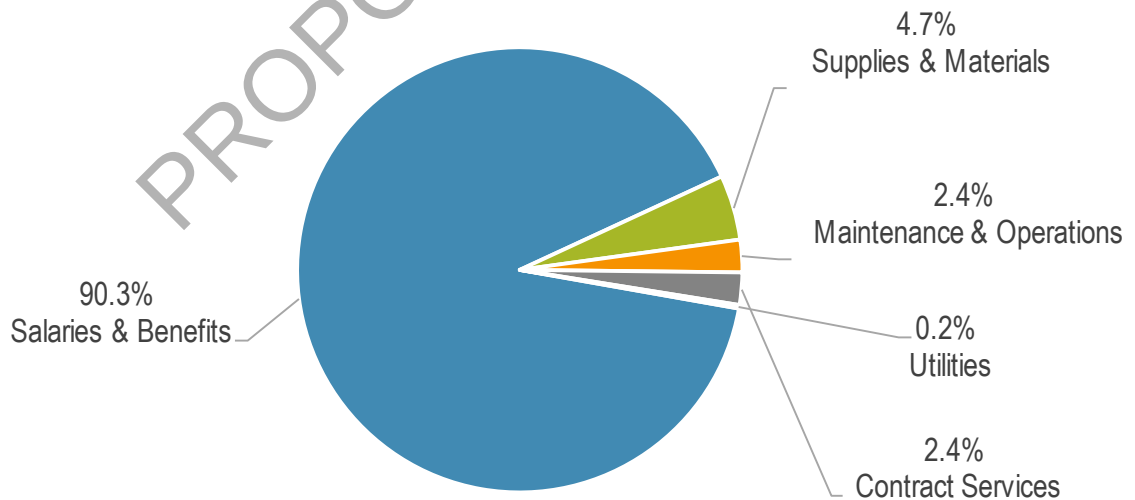
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	358,043	740,800	712,312	382,800	(358,000)	-48.33%
Supplies & Materials	30,410	17,650	22,116	20,000	2,350	13.31%
Maintenance & Operations	-	10,000	-	10,000	-	0.00%
Contract Services	8,424	15,200	510	10,000	(5,200)	-34.21%
Utilities	211	750	474	1,000	250	33.33%
Total	397,088	784,400	735,412	423,800	(360,600)	-45.97%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



CITY SECRETARY

The City of Sanger City Secretary Department is responsible for implementing policies and procedures for the dissemination of information to the Sanger City Council, City staff, voters, and citizens of Sanger. For the 2022-23 budget year, the functions of the City Secretary are being split off from Administration to a separate stand-alone department.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.

PERFORMANCE INDICATORS

Indicator	2018-19	2019-20	2020-21
Open Records Requests Completed	155	179	213

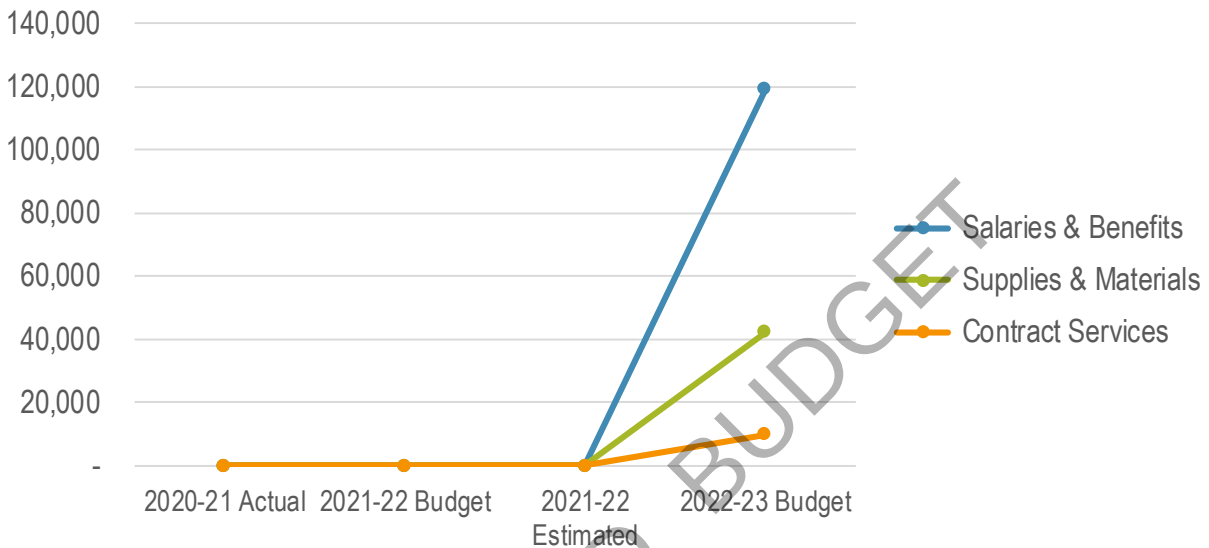
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
City Secretary	0	0	1
Total Budgeted Positions	0	0	1

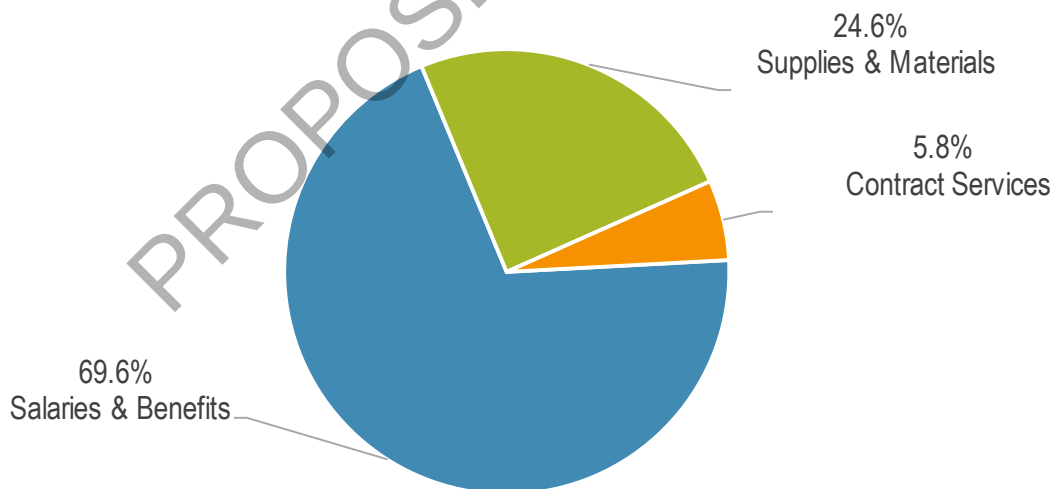
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	-	-	-	119,400	119,400	-
Supplies & Materials	-	-	-	42,200	42,200	-
Contract Services	-	-	-	10,000	10,000	-
Total	-	-	-	171,600	171,600	-

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



LEGAL

The City of Sanger Legal Department is responsible for providing legal support for operations of the city on matters including litigation support, contract negotiation, and municipal court. For the 2022-23 budget year, legal functions are being split off from Administration to a separate stand-alone department.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.

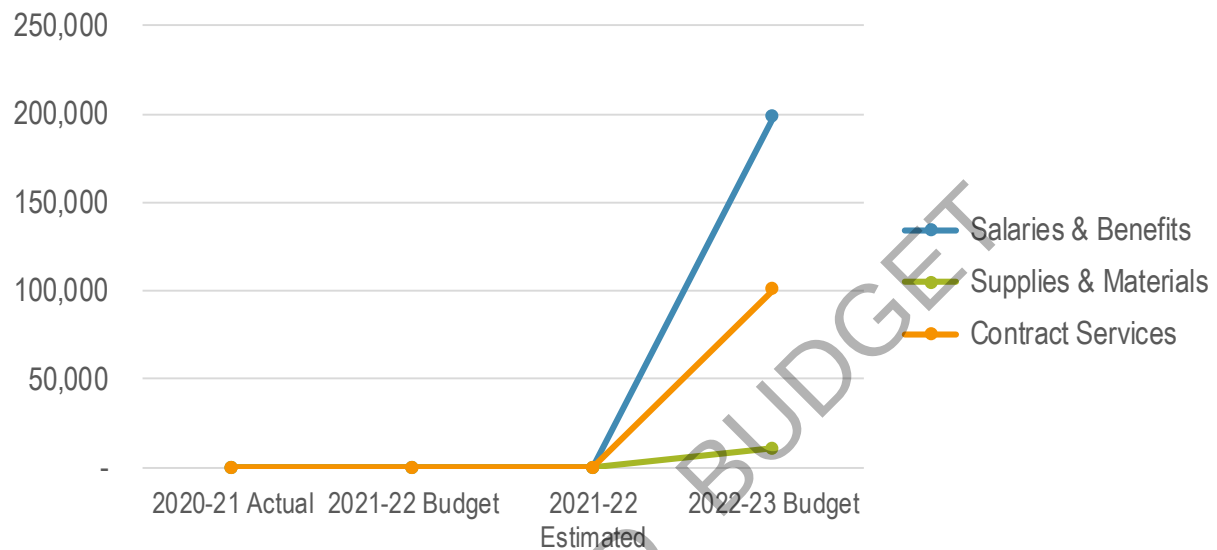
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
City Attorney	0	0	1
Total Budgeted Positions	0	0	1

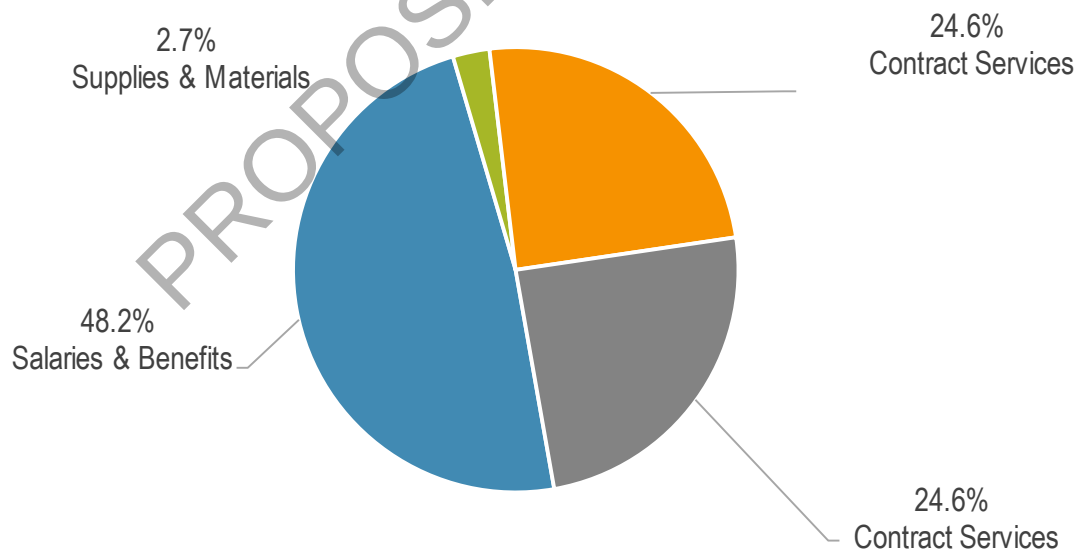
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	-	-	-	198,300	198,300	-
Supplies & Materials	-	-	-	10,905	10,905	-
Contract Services	-	-	-	101,000	101,000	-
Total	-	-	-	310,205	310,205	-

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PUBLIC WORKS

The City of Sanger Public Works Administration Department oversees the street, park and recreation, fleet maintenance, water and wastewater departments. It is also responsible for engineering services and liaison with outside engineers and contractors. Public Works Administration oversees most capital improvement projects. Engineering also reviews new subdivision plans and serves as the flood plain coordinator.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage development of quality single family residential neighborhoods in Sanger.
- Improve the relationship of mixed land uses and provide optimum opportunity to live and work in Sanger.
- Improve Sanger's street network.

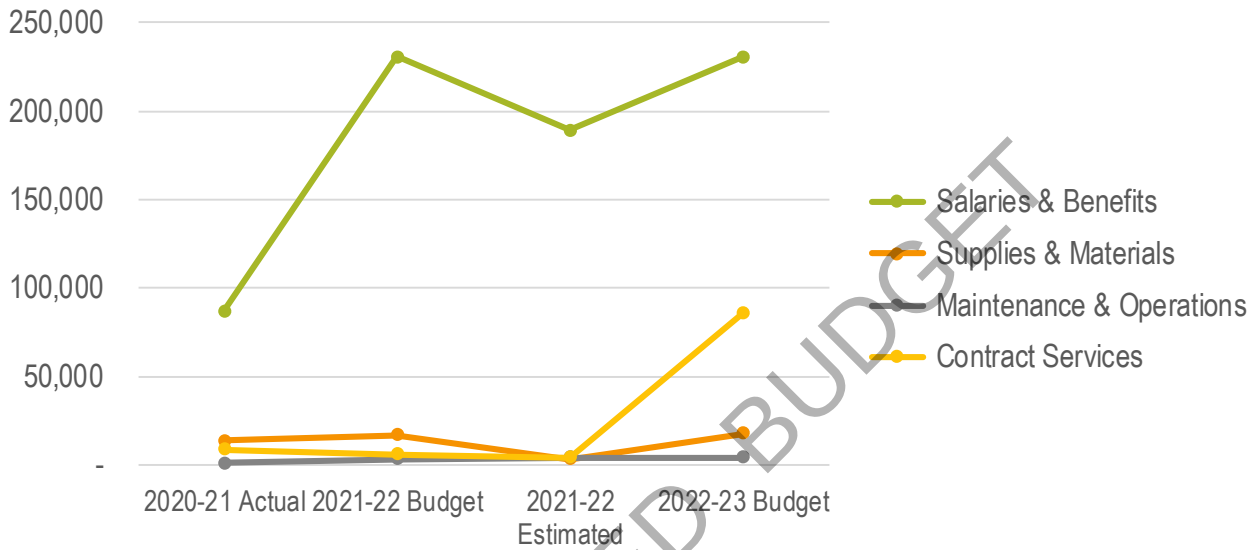
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
Public Works Director	0.5	0.5	1
Administrative Assistant	0.5	0.5	1
Total Budgeted Positions	1	1	2

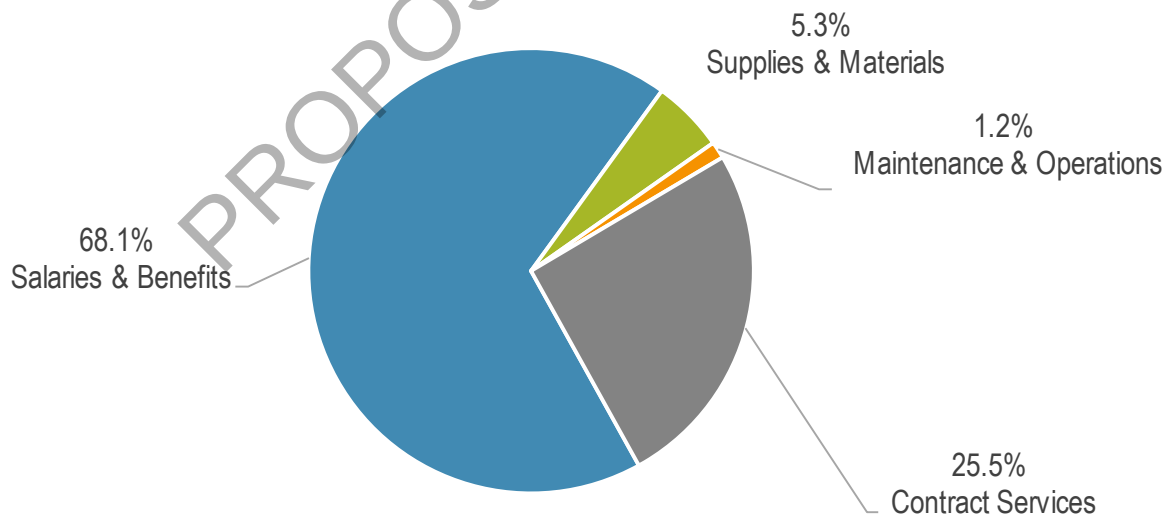
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	87,125	230,900	189,046	230,600	(300)	-0.13%
Supplies & Materials	13,849	17,050	3,194	17,800	750	4.40%
Maintenance & Operations	890	3,250	4,058	4,200	950	29.23%
Contract Services	8,638	6,250	4,193	86,250	80,000	1280.00%
Total	110,502	257,450	200,491	338,850	81,400	31.62%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



FINANCE

The Finance Department is responsible for all financial, accounting and utility billing operations of the City. The department is charged with managing the City's resources through budgeting, purchasing, and reporting. Operations of the department include billing and collecting for all utilities, handling all accounts receivable and payable, preparing payroll for all City employees, paying all City obligations, and preparing the City's annual budget document. Finance assists Administration with budget monitoring and provides reports to the City Manager and City Council on current revenues and expenditures.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.

PERFORMANCE INDICATORS

Indicator	2018-19		2019-20		2020-21	
	#	\$	#	\$	#	\$
Vendor Invoices Processed	6,672	\$20,189,174	6,560	\$20,025,263	7,211	\$17,822,882
Purchase Orders Issued	277	\$ 3,375,961	1,979	\$ 6,225,121	201	\$ 3,459,354
Employee Payroll Items Processed	2,400	\$ 3,118,675	2,342	\$ 3,221,366	2,328	\$ 3,378,891
Utility Bills Generated	43,086	\$12,903,975	45,385	\$12,948,464	46,807	\$13,232,590
Utility Payments Processed	42,185	\$12,939,452	42,942	\$12,858,831	45,137	\$13,054,979

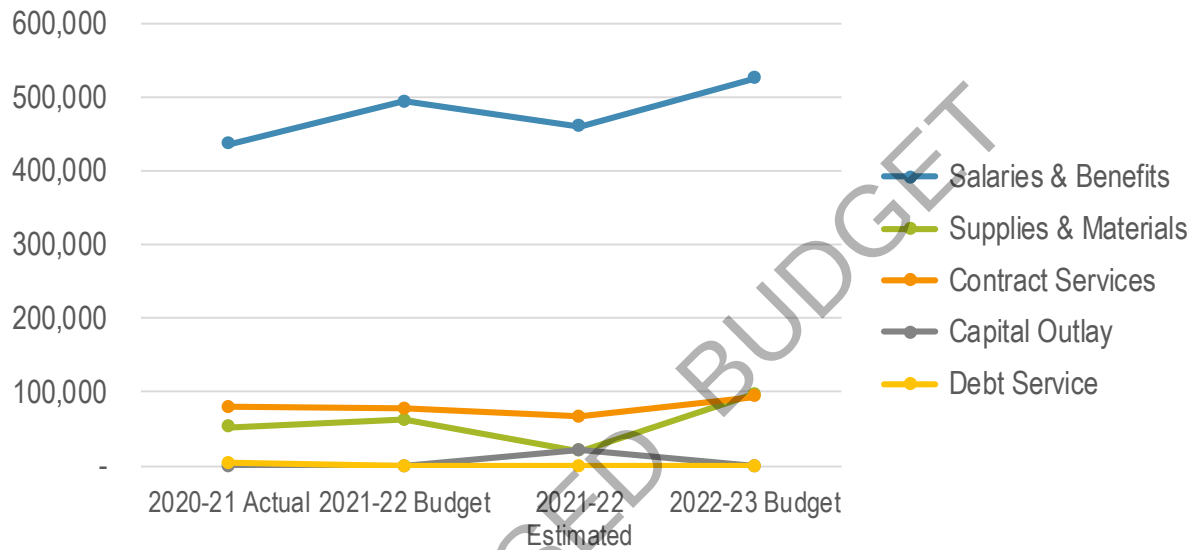
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
Finance Director	1	1	1
Accountant	1	1	1
Accounting Technician	1	1	1
Customer Service Manager	1	1	1
Customer Service Representative	2	2	2
Total Budgeted Positions	6	6	6

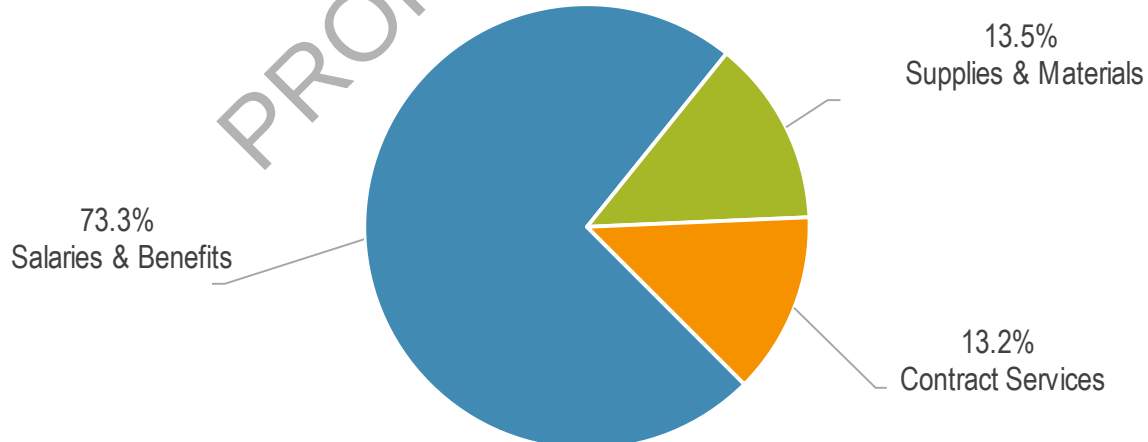
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	436,971	494,600	460,916	525,500	30,900	6.25%
Supplies & Materials	52,208	62,500	19,728	97,000	34,500	55.20%
Contract Services	79,631	77,500	66,472	94,500	17,000	21.94%
Capital Outlay	-	-	21,434	-	-	-
Debt Service	4,075	-	-	-	-	-
Total	572,885	634,600	568,550	717,000	82,400	12.98%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



HUMAN RESOURCES

The City of Sanger Human Resources Department is responsible for providing support to City departments, current employees, and job applicants and providing expertise on salaries, benefits, training, and employee relations. For the 2022-23 budget year, the human resources functions are being split off from Administration to a separate stand-alone department.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger

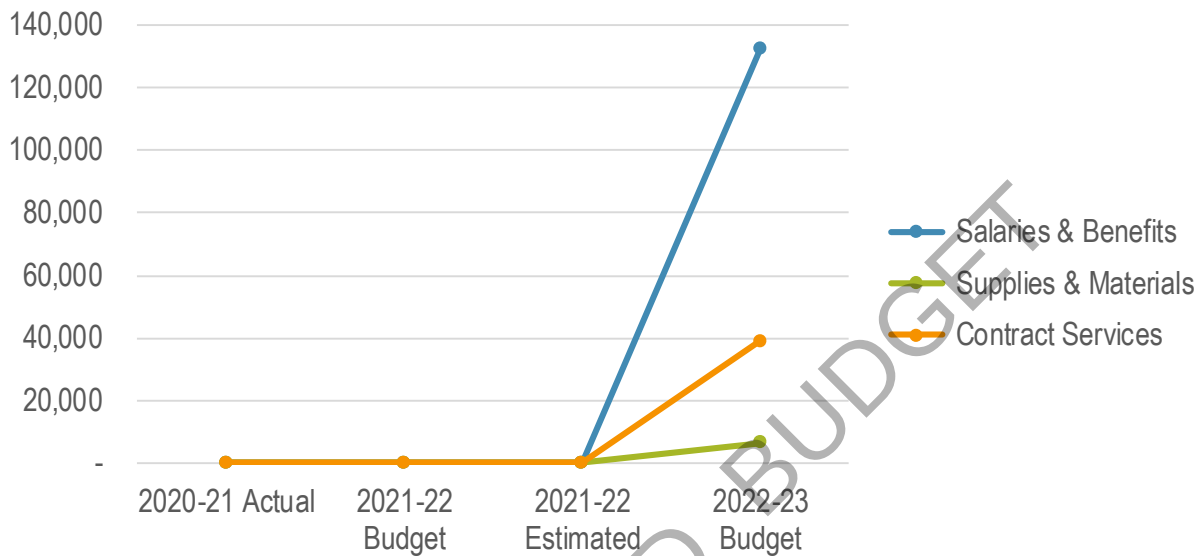
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
Human Resources Director	0	0	1
Total Budgeted Positions	0	0	1

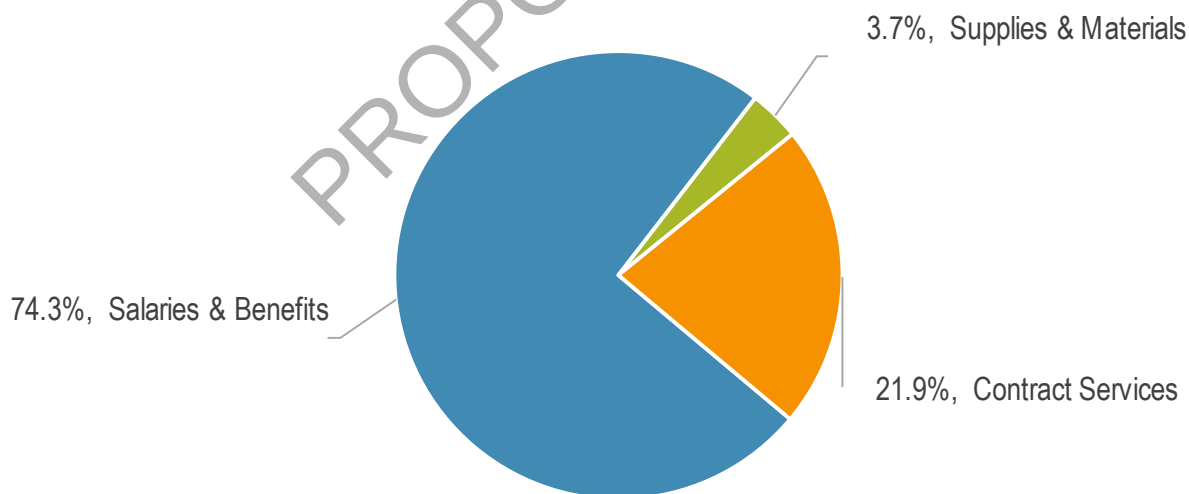
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	-	-	-	132,100	132,100	-
Supplies & Materials	-	-	-	6,600	6,600	-
Contract Services	-	-	-	39,000	39,000	-
Total	-	-	-	177,700	177,700	-

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



ENGINEERING

***During the 2021-22 year, the Engineering Department was closed down. Engineering functions have been either outsourced or reassigned to other City departments. Prior year budget information is presented here to maintain a historical perspective. ***

BUDGETED PERSONNEL SCHEDULE

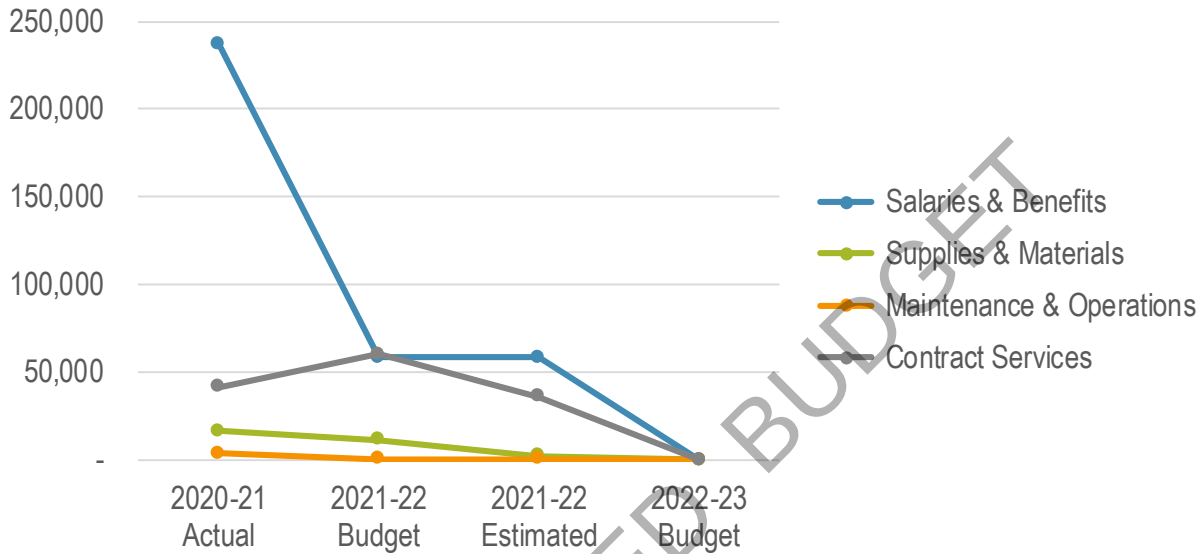
Position Title	2020-21	2021-22	2022-23
Engineer	1	0	0
Inspector	1	0	0
Administrative Assistant	0.5	0	0
Total Budgeted Positions	2.5	0	0

PROPOSED BUDGET

DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	237,175	58,395	58,395	-	(58,395)	-100.00%
Supplies & Materials	16,518	11,205	1,949	-	(11,205)	-100.00%
Maintenance & Operations	3,632	449	449	-	(449)	-100.00%
Contract Services	41,431	60,000	35,851	-	(60,000)	-100.00%
Total	298,756	130,049	96,644	-	(130,049)	-100.00%

EXPENDITURE BY CATEGORY



MARKETING

The City of Sanger Marketing Department is responsible for promoting and marketing the City of Sanger and informing citizens about the City's services, programs, and special events. The department was created during the 2021-22 budget year to support the needs of our growing city.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage the establishment of new commercial business and the expansion of existing businesses in Sanger.
- Encourage development and preservation of the Historic Sanger Downtown area.

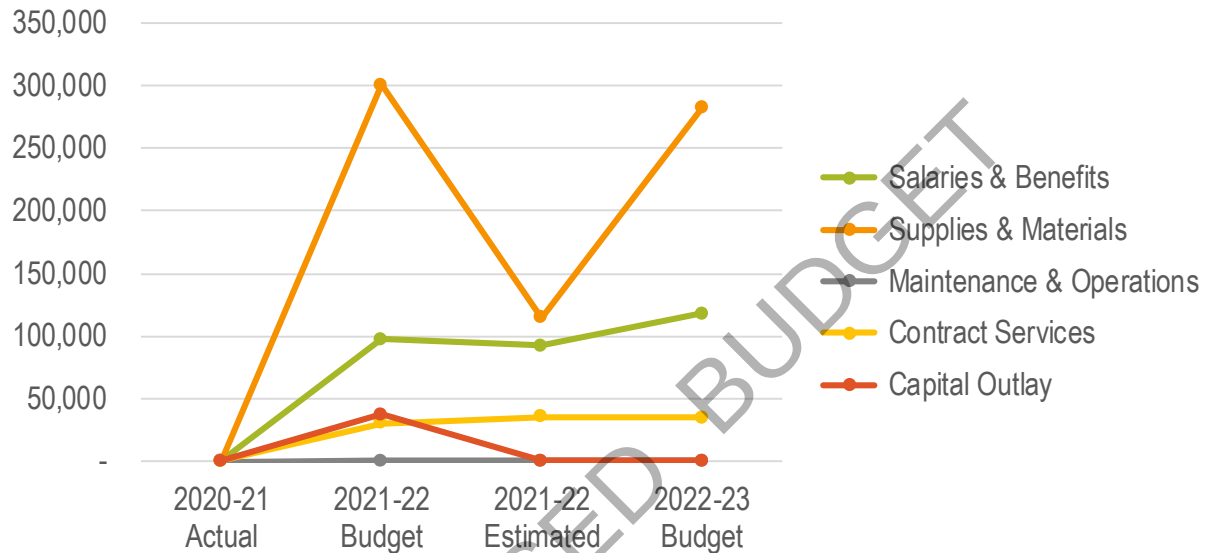
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
Marketing Director	0	1	1
Total Budgeted Positions	0	1	1

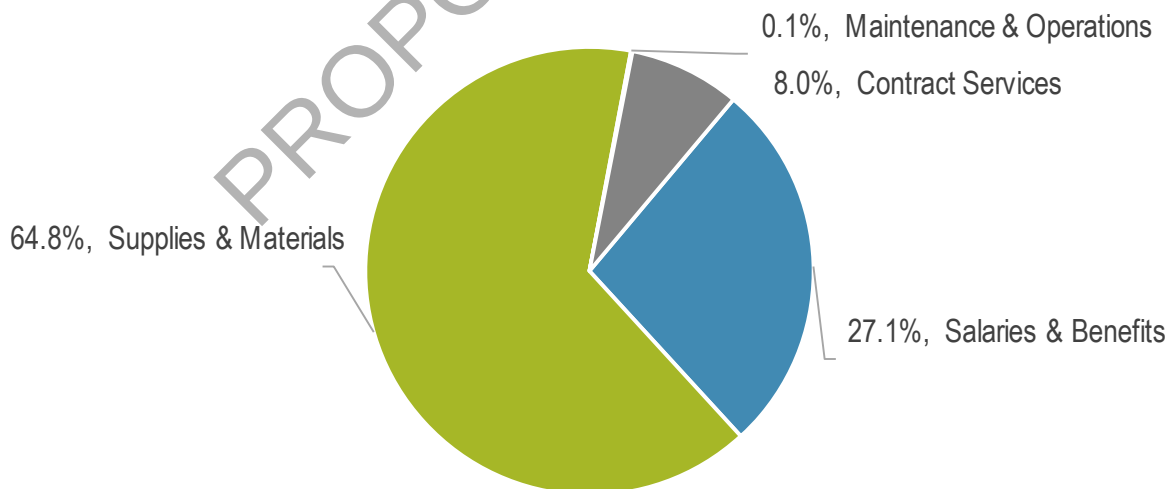
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	-	97,250	92,500	118,000	20,750	21.34%
Supplies & Materials	-	300,750	114,372	282,260	(18,490)	-6.15%
Maintenance & Operations	-	500	500	500	-	0.00%
Contract Services	-	30,000	35,226	35,000	5,000	16.67%
Capital Outlay	-	37,000	-	-	(37,000)	-100.00%
Total	-	465,500	242,598	435,760	(29,740)	-6.39%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



FLEET SERVICES

During the 2021-22 year, the Fleet Services Department was closed down. Functions of the department have been either outsourced or reassigned to other City departments. Prior year budget information is presented here to maintain a historical perspective.

BUDGETED PERSONNEL SCHEDULE

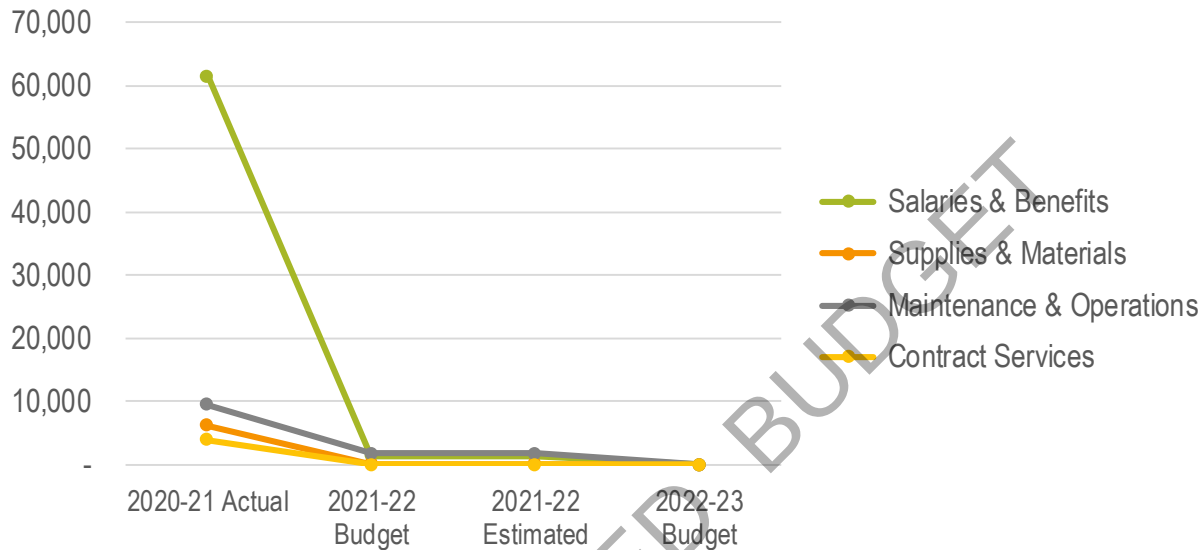
Position Title	2020-21	2021-22	2022-23
Mechanic	1	0	0
Total Budgeted Positions	1	0	0

PROPOSED BUDGET

DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	61,527	1,456	1,456	-	(1,456)	-100.00%
Supplies & Materials	6,277	177	177	-	(177)	-100.00%
Maintenance & Operations	9,542	1,854	1,854	-	(1,854)	-100.00%
Contract Services	3,999	-	-	-	-	-
Total	81,345	3,487	3,487	-	(3,487)	-100.00%

EXPENDITURE BY CATEGORY



FACILITIES

The City of Sanger Facilities Department provides for the maintenance and operations of City-owned buildings. This includes repairs, janitorial services and utilities. The Facilities Department has been created for the 2016-2017 budget and assumes the cost of facility maintenance that has previously been accounted for in individual departments.

BUDGETED PERSONNEL SCHEDULE

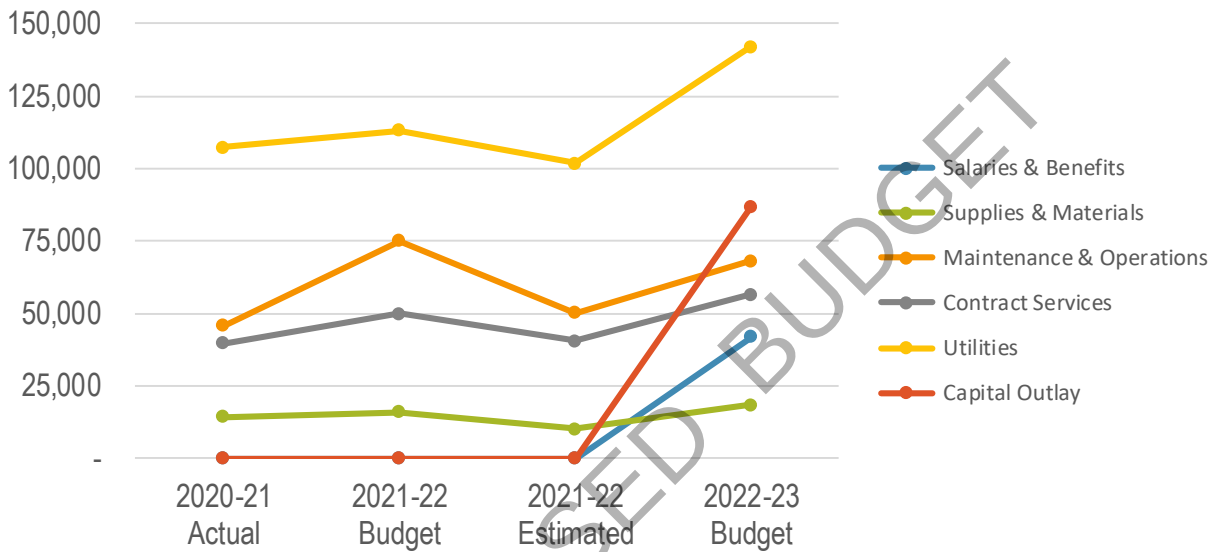
Functions of the Facilities Department are handled by personnel in the Parks Department. Although there are no employees working solely in Facilities, beginning this year, ten percent of salaries and benefits from Parks Department personnel are being allocated to Facilities.

Position Title	2020-21	2021-22	2022-23
Parks & Recreation Director	0	0	0.1
Crew Leader	0	0	0.1
Grounds Maintenance Worker	0	0	0.4
Total Budgeted Positions	0	0	0.6

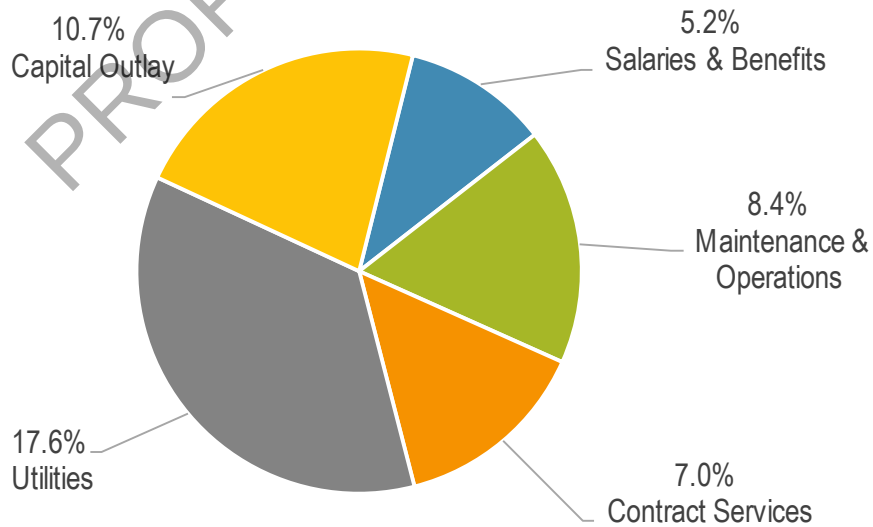
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	-	-	-	41,900	41,900	-
Supplies & Materials	14,356	15,900	10,241	18,400		0.00%
Maintenance & Operations	45,768	75,000	50,101	68,000	(7,000)	-9.33%
Contract Services	39,626	50,000	40,626	56,500	6,500	13.00%
Utilities	107,323	113,000	101,928	142,000	29,000	25.66%
Capital Outlay	-	-	-	86,845	86,845	-
Total	207,073	253,900	202,896	413,645	157,245	61.93%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



NON-DEPARTMENTAL

The City of Sanger Non-Departmental Department budget accounts for expenses that cannot easily be attributed to any specific department. This includes postage, property and liability insurance and tax collection fees.

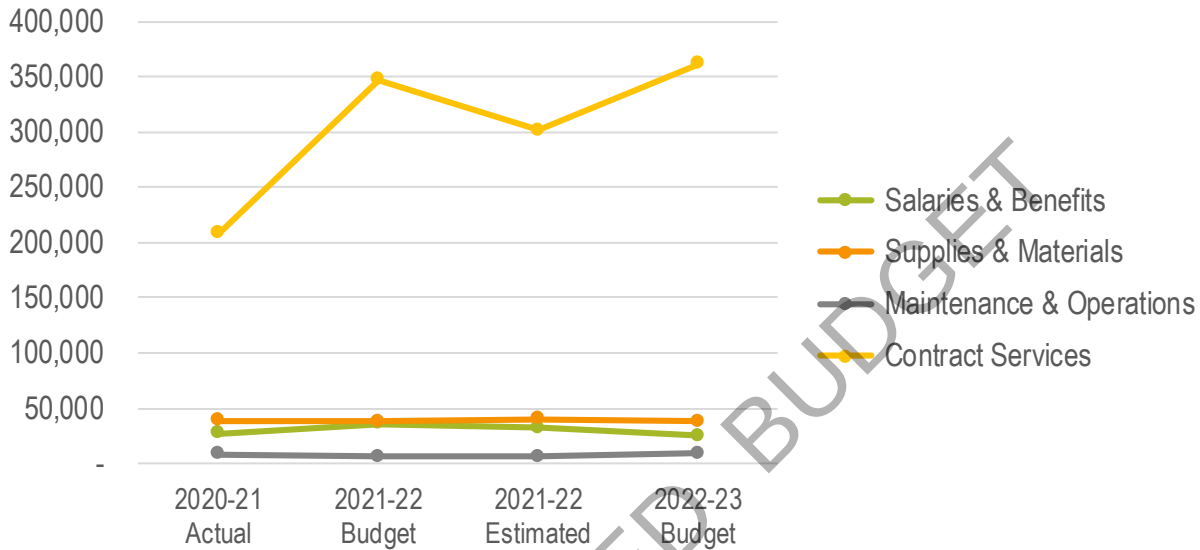
No personnel are budgeted in this department.

PROPOSED BUDGET

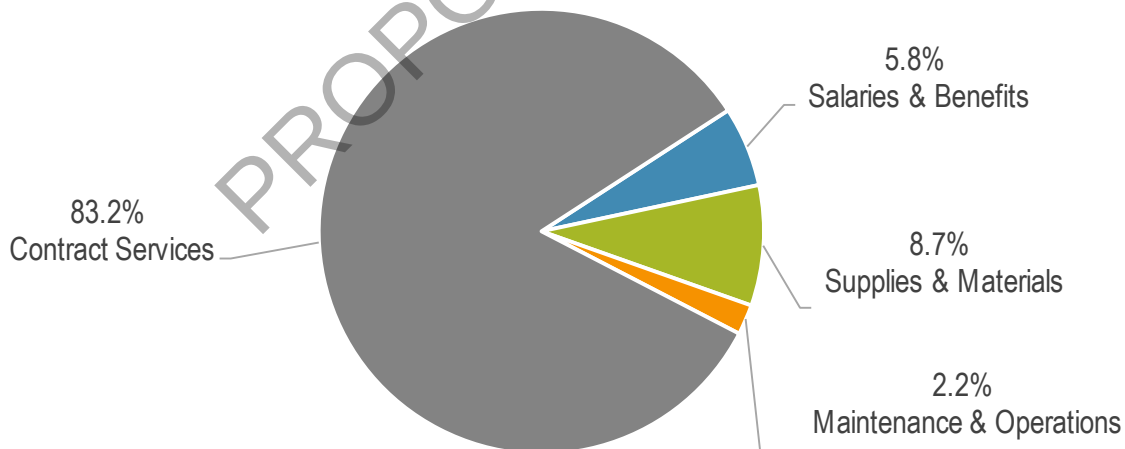
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	26,974	36,200	32,443	25,300	(10,900)	-30.11%
Supplies & Materials	39,170	38,000	40,486	38,000	-	0.00%
Maintenance & Operations	8,607	6,000	6,174	9,500	3,500	58.33%
Contract Services	208,258	347,000	301,216	361,600	14,600	4.21%
Total	283,009	427,200	380,319	434,400	7,200	1.69%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



4A CORPORATION FUND

OVERVIEW

The Sanger Texas Industrial Development Corporation (4A Fund) is funded by a 1/2 cent sales tax. It is used to help new and existing businesses expand in Sanger with a primary goal of bringing jobs to the Sanger community. Primary jobs include manufacturing and distribution jobs that increase income and enhance the local economy.

The mission of the Sanger Economic Development Corporation is to continually expand our property and sales tax base, encourage creation of jobs, promote tourism, improve the quality of life, and facilitate a self-sustaining local economy for the City by attracting, assisting, and retaining businesses, as well as investing in our community needs to foster growth and encourage tourism.

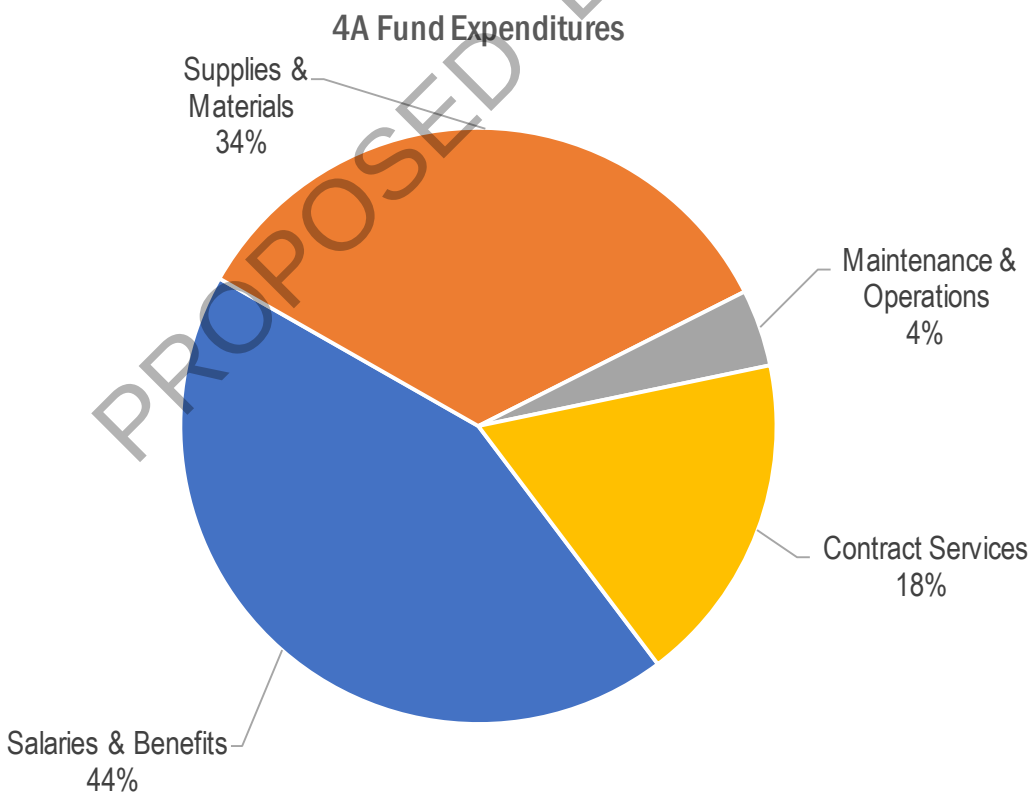
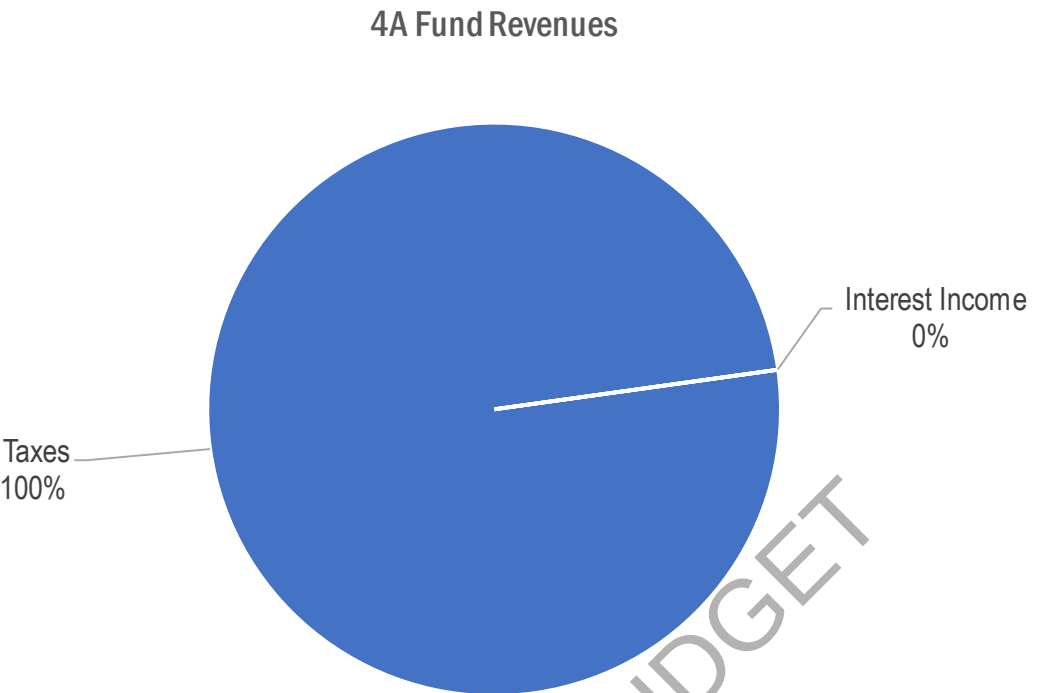
The Sanger Texas Industrial Development Corporation is governed by a board of five directors, all of whom are appointed by the City Council of the City of Sanger. The 4A Fund was incorporated in the state of Texas as a non-profit industrial development corporation under section 4A of the Development Corporation Act of 1979.

The basis of accounting for the 4A Corporation Fund for both financial reporting and budgeting is the modified accrual basis.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage the establishment of new commercial business and the expansion of existing businesses in Sanger.
- Encourage development and preservation of the Historic Sanger Downtown area.
- Improve the relationship of mixed land uses and provide optimum opportunity to live and work in Sanger.
- Encourage job development in Sanger.

4A CORPORATION FUND BUDGET SUMMARY



4A CORPORATION FUND BUDGET SUMMARY

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	2,337,944	2,800,442	2,800,442	3,411,016
Revenues				
Taxes	641,438	600,000	679,336	800,000
Grant Revenue	5,000	-	-	-
Interest Income	881	10,000	22,617	22,000
Total Revenues	647,319	610,000	701,953	822,000
Other Sources				
Transfers In	25,000	-	-	-
Total Other Sources	25,000	-	-	-
Total Revenues/Sources	672,319	610,000	701,953	822,000
Expenditures				
Salaries & Benefits	107,002	56,700	55,212	60,500
Supplies & Materials	22,807	36,375	14,047	47,750
Maintenance & Operatio	890	5,601	1,000	5,800
Contract Services	49,122	34,800	21,120	25,000
Total Expenditures	179,821	133,476	91,379	139,050
Other Uses				
Transfers Out	30,000	-	-	15,000
Total Other Uses	30,000	-	-	15,000
Total Expenses/Uses	209,821	133,476	91,379	154,050
Excess of Revenues/Sources				

4A CORPORATION FUND REVENUES

	2019-20 Actual	2020-21 Budget	2020-21 Estimated	2021-22 Budget
Taxes				
Sales Tax	641,438	600,000	679,336	800,000
Total Taxes	641,438	600,000	679,336	800,000
Miscellaneous Income				
Grant Revenue	5,000	-	-	-
Interest Income	881	10,000	22,617	22,000
Total Miscellaneous	5,881	10,000	22,617	22,000
Transfers				
Transfers from 4B Fund	25,000	-	-	-
Total Transfers	25,000	-	-	-
Total Revenues	672,319	610,000	701,953	822,000

ECONOMIC DEVELOPMENT

The mission of the Economic Development Department is to retain, strengthen and diversity our local economy while capitalizing on our location in north central Texas.

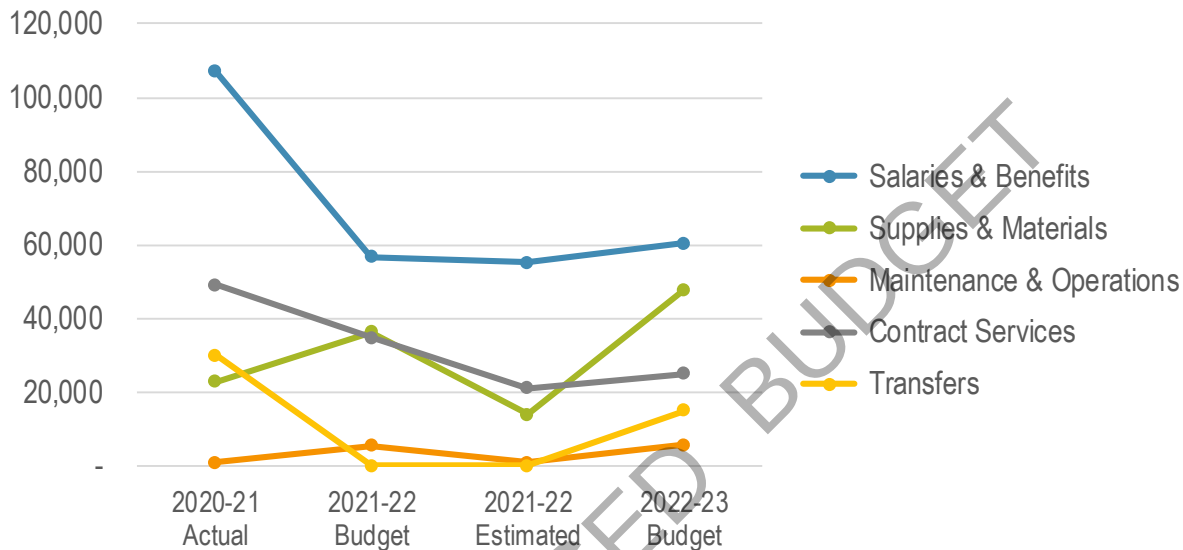
BUDGETED PERSONNEL SCHEDULE

Position Title	2020-21	2021-22	2022-23
Director of Economic Development	1	0.5	0.5
Total Budgeted Positions	1	0.5	0.5

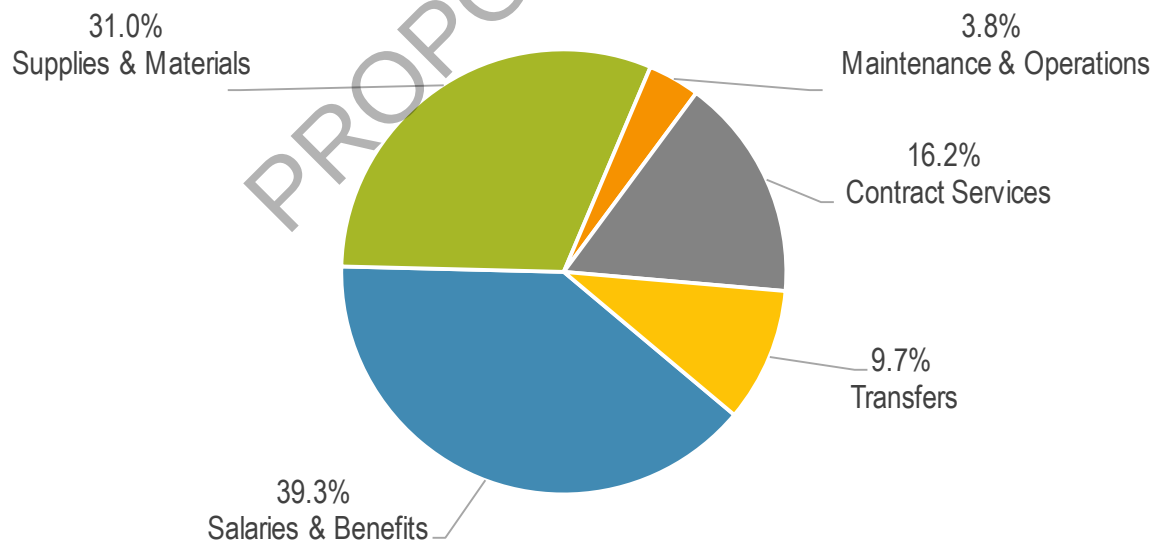
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	107,002	56,700	55,212	60,500	3,800	6.70%
Supplies & Materials	22,807	36,375	14,047	47,750	11,375	31.27%
Maintenance & Operations	890	5,601	1,000	5,800	199	3.55%
Contract Services	49,122	34,800	21,120	25,000	(9,800)	-28.16%
Transfers	30,000	-	-	15,000	15,000	-
Total	209,821	133,476	91,379	154,050	20,574	15.41%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



4B CORPORATION FUND

OVERVIEW

The Sanger Texas Economic Development Corporation (4B Fund) is funded by a 1/2 cent sales tax. It is used to enhance the local economy by improving the quality of life. This includes park improvements, downtown streetscaping and other projects that make living in Sanger enjoyable.

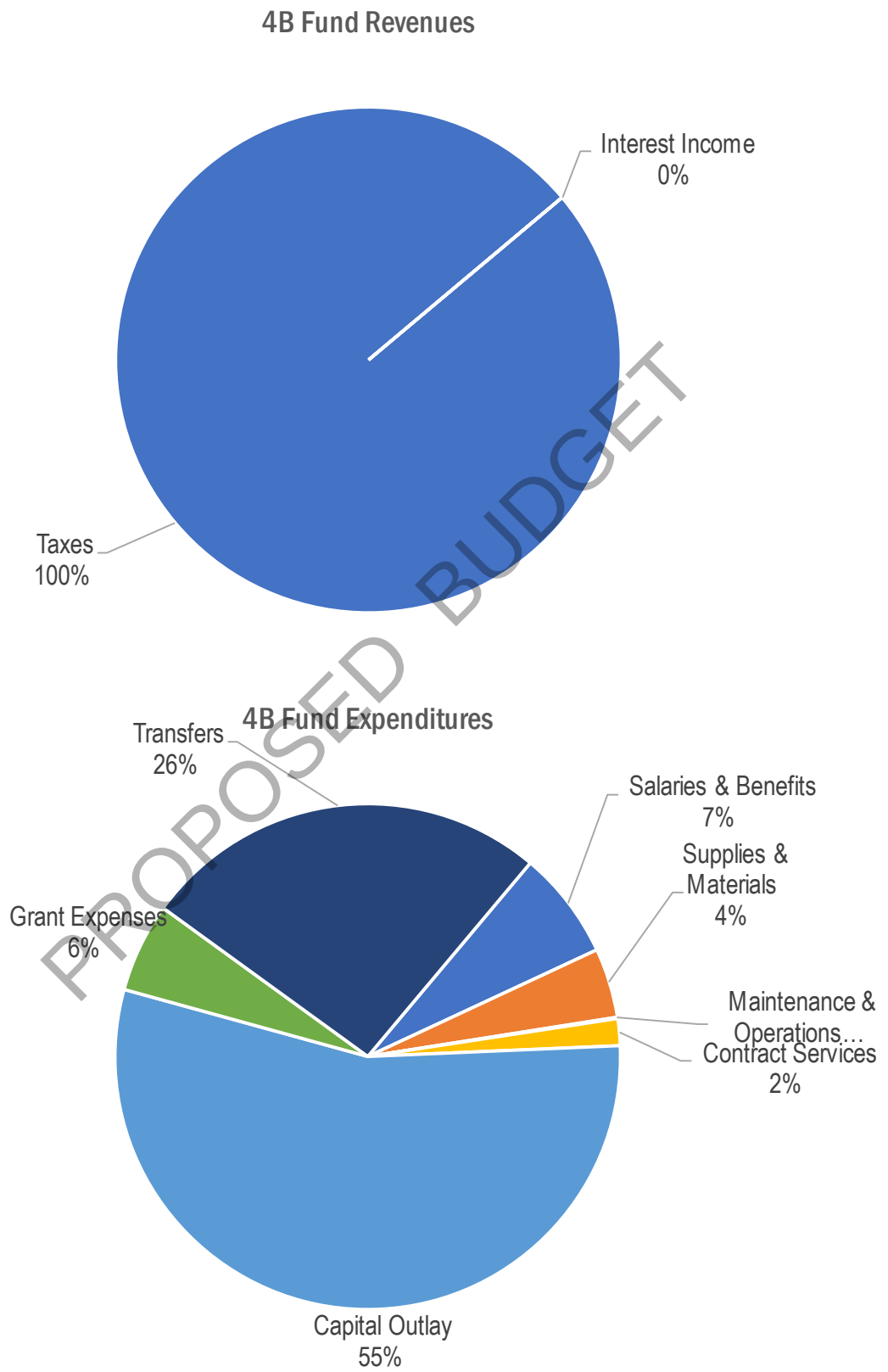
The Sanger Texas Economic Development Corporation is governed by a board of seven directors, all of whom are appointed by the City Council of the City of Sanger. The 4B Fund was incorporated in the state of Texas as a nonprofit industrial development corporation under Section 4B of the Development Corporation Act of 1979.

The basis of accounting for the 4B Corporation Fund for both financial reporting and budgeting is the modified accrual basis.

SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain and improve upon the existing country living atmosphere of Sanger.
- Develop, expand, and maintain the Sanger Park System with a variety of parks, open spaces and recreational facilities.

4B CORPORATION FUND BUDGET SUMMARY



4B CORPORATION FUND BUDGET SUMMARY

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	1,535,134	1,890,161	1,890,161	2,258,648
Revenues				
Taxes	641,438	600,000	679,336	800,000
Interest Income	3,918	10,000	25,691	30,000
Total Revenues	645,356	610,000	705,027	830,000
Expenditures				
Salaries & Benefits	1,341	56,700	54,590	60,500
Supplies & Materials	1,341	20,775	12,000	38,750
Maintenance & Operatio	-	600	450	800
Contract Services	50,147	24,800	12,000	15,000
Grant Expenses	-	50,000	15,000	50,000
Capital Outlay	-	200,000	30,000	479,000
Total Expenditures	52,829	352,875	124,040	644,050
Other Uses				
Transfers Out	237,500	212,500	212,500	227,500
Total Other Uses	237,500	212,500	212,500	227,500
Total Expenses/Uses	290,329	565,375	336,540	871,550
Excess of Revenues/Sources over Expenditures/Uses	355,027	44,625	368,487	(41,550)
Ending Fund Balance	1,890,161	1,934,786	2,258,648	2,217,098

4B CORPORATION REVENUES

	2019-20 Actual	2020-21 Budget	2020-21 Estimated	2021-22 Budget
Taxes				
Sales Tax	641,438	600,000	679,336	800,000
Total Taxes	641,438	600,000	679,336	800,000
Miscellaneous Income				
Interest Income	3,918	10,000	25,691	30,000
Total Miscellaneous	3,918	10,000	25,691	30,000
Total Revenues	645,356	610,000	705,027	830,000

PROPOSED BUDGET

ECONOMIC DEVELOPMENT

The mission of the Economic Development Department is to retain, strengthen and diversity our local economy while capitalizing on our location in north central Texas.

BUDGETED PERSONNEL SCHEDULE

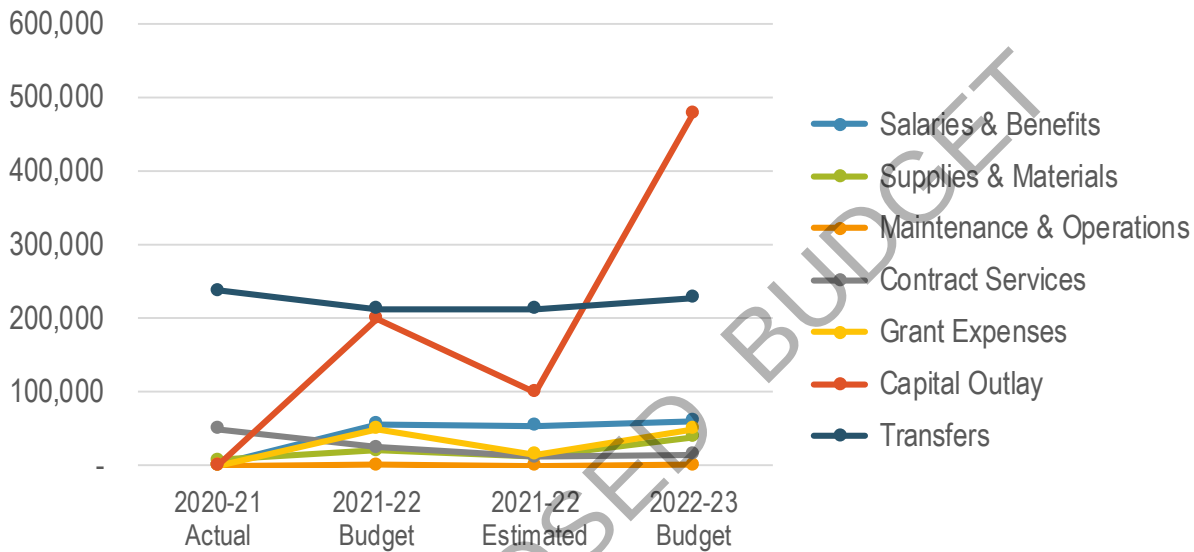
Position Title	2020-21	2021-22	2022-23
Director of Economic Development	0	0.5	0.5
Total Budgeted Positions	0	0.5	0.5

PROPOSED BUDGET

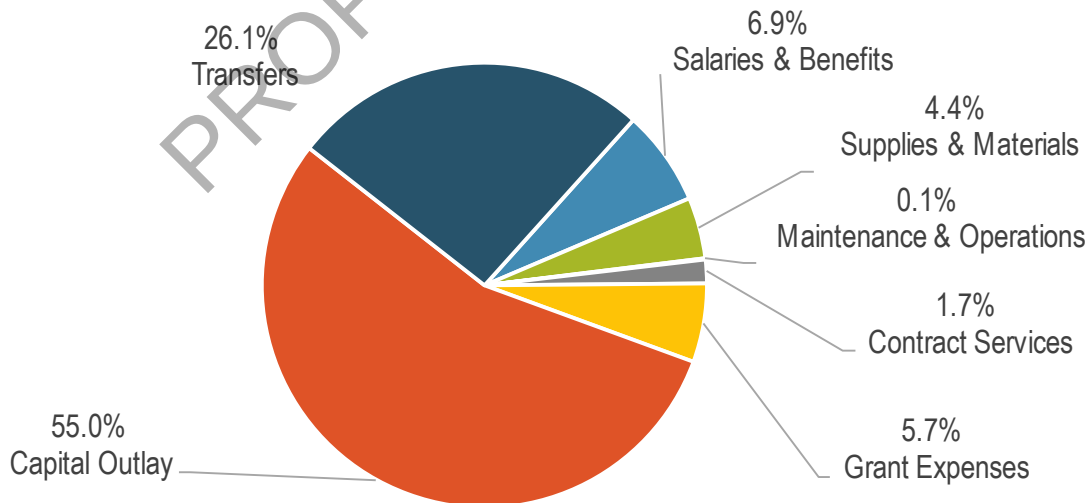
DEPARTMENTAL EXPENDITURES

Category	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget	Difference	Percent Change
Salaries & Benefits	1,341	56,700	54,590	60,500	3,800	6.70%
Supplies & Materials	7,408	20,775	12,000	38,750	17,975	86.52%
Maintenance & Operations	-	600	450	800	200	33.33%
Contract Services	50,147	24,800	12,000	15,000	(9,800)	-39.52%
Grant Expenses	-	50,000	15,000	50,000	-	0.00%
Capital Outlay	-	200,000	100,000	479,000	279,000	139.50%
Transfers	237,500	212,500	212,500	227,500	15,000	7.06%
Total	296,396	565,375	406,540	871,550	306,175	54.15%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



SPECIAL REVENUE FUNDS

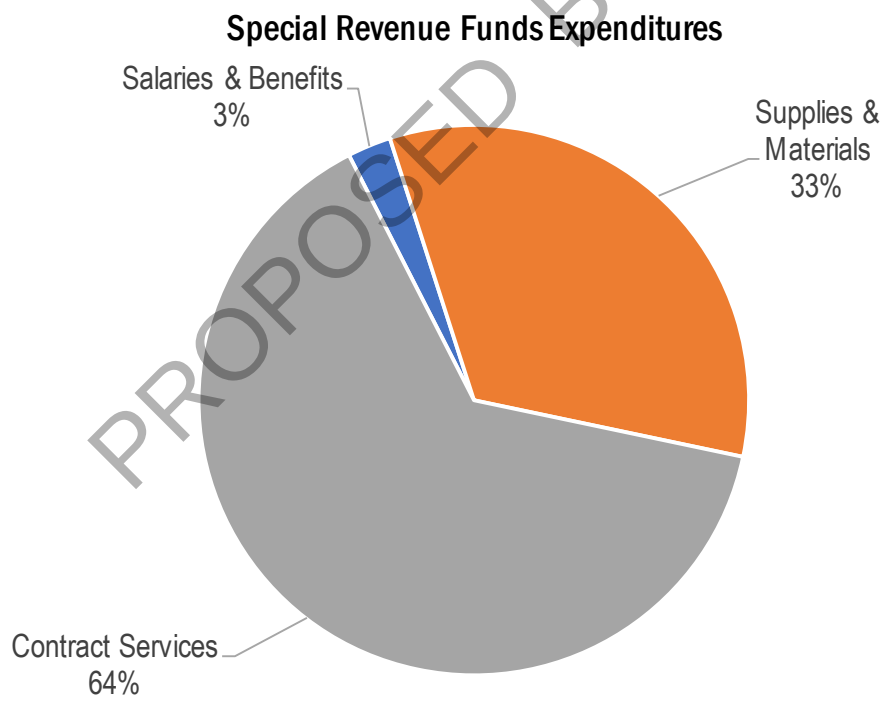
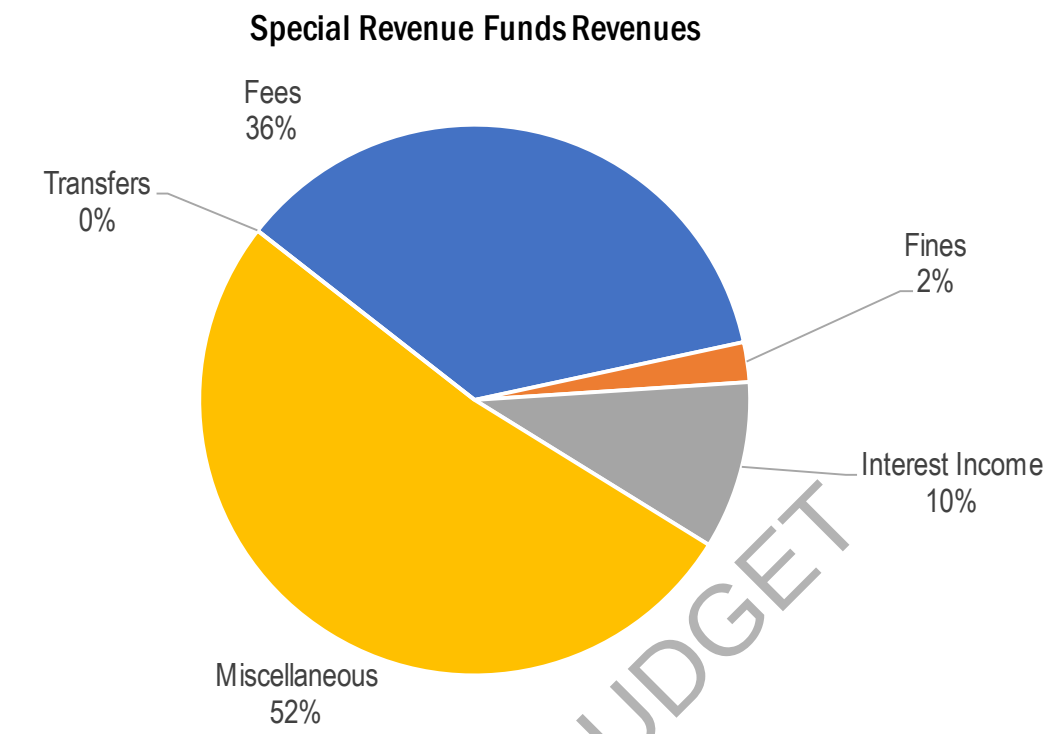
OVERVIEW

The City utilizes Special Revenue Funds to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes. The City utilizes the following Special Revenue Funds:

- Hotel Occupancy Tax Fund
- General Storm Recovery Fund
- Electric Storm Recovery Fund
- Beautification Fund
- Library Restricted Fund
- Parkland Dedication Fund
- Roadway Impact Fee Fund
- Court Security Fund
- Court Technology Fund
- Child Safety Fee Fund
- Police Donations Fund
- Fire Donations Fund
- Parks Donations Fund
- Library Donations Fund

The basis of accounting for the Special Revenue Funds for both financial reporting and budgeting is the modified accrual basis.

SPECIAL REVENUE FUNDS BUDGET SUMMARY



COMBINED SCHEDULE OF ALL SPECIAL REVENUE FUNDS

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	2,267,313	3,156,440	3,156,440	3,737,729
Revenues				
Taxes	52,115	35,000	52,765	50,000
Fees	263,986	260,000	210,000	210,000
Fines	14,810	14,250	14,474	13,600
Interest Income	19,218	17,850	20,150	20,150
Miscellaneous	1,935	7,500	5,450	7,500
Total Special Revenue Fund Revenues	352,064	334,600	302,839	301,250
Other Sources				
Transfers	552,000	300,000	300,000	300,000
Total Other Sources	552,000	300,000	300,000	300,000
Total Revenues/Sources	904,064	634,600	602,839	601,250
Expenditures				
Salaries & Benefits	73	1,000	450	1,000
Supplies & Materials	-	13,000	5,000	13,000
Contract Services	14,864	25,500	16,100	25,100
Total Special Revenue Fund Expenditures	14,937	39,500	21,550	39,100
Excess of Revenues/Sources over Expenditures/Uses	889,127	595,100	581,289	562,150
Ending Fund Balance	3,156,440	3,751,540	3,737,729	4,299,879

HOTEL OCCUPANCY TAX FUND

The Hotel Occupancy Tax Fund is used to account for revenues from the Hotel Occupancy Tax.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	59,175	99,290	99,290	138,055
Revenues				
Hotel Occupancy Tax	133,453	35,000	148,289	50,000
Tax Abatements	(81,338)		(95,524)	
Total Hotel Tax Fund Revenues	52,115	35,000	52,765	50,000
Expenditures				
Contract Services	12,000	14,000	14,000	14,000
Total Hotel Tax Fund Expenditures	12,000	14,000	14,000	14,000
Excess of Revenues/Sources over Expenditures/Uses	40,115	21,000	38,765	36,000
Ending Fund Balance	99,290	120,290	138,055	174,055

GENERAL STORM RECOVERY FUND

The General Storm Recovery Fund is used to account for monies set aside to repair damage of General Fund assets caused by storms and other weather events. This fund is new for the 2020-2021 budget year

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	-	400,000	400,000	700,000
Revenues/Other Sources				
Transfer from General Fund	400,000	300,000	300,000	300,000
Total General Storm Recovery Fund Revenues	400,000	300,000	300,000	300,000
Excess of Revenues/Sources over Expenditures/Uses	400,000	300,000	300,000	300,000
Ending Fund Balance	400,000	700,000	700,000	1,000,000

ELECTRIC STORM RECOVERY FUND

The Electric Storm Recovery Fund is utilized to account for funds to repair the City's electric system following storms and other weather events. Prior to the 2020-2021 budget, these funds were accounted for in the Enterprise Fund. For 2020-2021, a separate fund is established to account for these monies.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	1,042,953	1,213,988	1,213,988	1,233,988
Revenues/Other Sources				
Interest	19,035	17,500	20,000	20,000
Transfer from Enterprise Fund	152,000	-	-	-
Total General Storm Recovery Fund Revenues	171,035	17,500	20,000	20,000
Excess of Revenues/Sources over Expenditures/Uses	171,035	17,500	20,000	20,000
Ending Fund Balance	1,213,988	1,231,488	1,233,988	1,253,988

BEAUTIFICATION FUND

The Beautification Fund is utilized to account for revenue sources dedicated to beautification of City-owned parks by the Parks Department.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	5,526	5,526	5,526	5,526
Revenues				
Miscellaneous	-	500	-	500
Total Beautification Fund Revenues	-	500	-	500
Expenditures				
Supplies & Materials	-	6,000	-	6,000
Total Beautification Fund Expenditures	-	6,000	-	6,000
Excess of Revenues/Sources over Expenditures/Uses	-	(5,500)	-	(5,500)
Ending Fund Balance	5,526	26	5,526	26

LIBRARY RESTRICTED FUND

The Library Restricted Fund is utilized to account for specific revenues set aside for future Library expenditures.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	98,329	98,512	98,512	98,662
Revenues				
Interest Income	183	350	150	150
Total Library Restricted Fund Revenues	183	350	150	150
Ending Fund Balance	98,512	98,862	98,662	98,812

PARKLAND DEDICATION FUND

The Parkland Dedication Fund is utilized to account for the collection and expenditure of Parkland Dedication Fees. City Ordinances requires new residential developments to provide for community parks and open spaces.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	104,428	104,428	104,428	114,428
Revenues				
Parkland Dedication Fee	-	10,000	10,000	10,000
Total Parkland Dedication Fund Revenues	-	10,000	10,000	10,000
Ending Fund Balance	104,428	114,428	114,428	124,428

ROADWAY IMPACT FEE FUND

The Roadway Impact Fee Fund is utilized to account for the collection and expenditure of Roadway Impact Fee. City Ordinances requires each development to pay a share of the cost of such capital improvements or roadway expenditures attributable to such new development.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	882,093	1,146,079	1,146,079	1,346,079
Revenues				
Roadway Impact Fee	263,986	250,000	200,000	200,000
Total Roadway Impact Fee Fund Revenues	263,986	250,000	200,000	200,000
Ending Fund Balance	1,146,079	1,396,079	1,346,079	1,546,079

COURT SECURITY FUND

The Court Security Fund is utilized to account for Court Security Fees imposed on convictions by the Sanger Municipal Court.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	11,034	13,972	13,972	16,022
Revenues				
Fines	3,011	2,750	2,500	2,500
Total Court Security Fund Revenues	3,011	2,750	2,500	2,500
Expenditures				
Salaries & Benefits	73	1,000	450	1,000
Total Court Security Fund Expenditures	73	1,000	450	1,000
Excess of Revenues/Sources over Expenditures/Uses	2,938	1,750	2,050	1,500
Ending Fund Balance	13,972	15,722	16,022	17,522

COURT TECHNOLOGY FUND

The Court Technology Fund is utilized to account for Court Technology Fees imposed on convictions by the Sanger Municipal Court.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	435	92	92	92
Revenues				
Fines	2,521	2,500	2,100	2,100
Total Court Technology Fund Revenues	2,521	2,500	2,100	2,100
Expenditures				
Contract Services	2,864	2,500	2,100	2,100
Total Court Technology Fund Expenditures	2,864	2,500	2,100	2,100
Excess of Revenues/Sources over Expenditures/Uses	(343)	-	-	-
Ending Fund Balance	92	92	92	92

CHILD SAFETY FUND

The Child Safety Fund is utilized to account for Child Safety Fees collected by the Sanger Municipal Court.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	45,292	54,570	54,570	64,444
Revenues				
Fines	9,278	9,000	9,874	9,000
Total Child Safety Fee Fund Revenues	9,278	9,000	9,874	9,000
Expenditures				
Contract Services	-	9,000	-	9,000
Total Child Safety Fee Fund Expenditures	-	9,000	-	9,000
Excess of Revenues/Sources over Expenditures/Uses	9,278	-	9,874	-
Ending Fund Balance	54,570	54,570	64,444	64,444

POLICE DONATIONS FUND

The Police Donations Fund is utilized to account for specific funds donated for the exclusive use of the Sanger Police Department.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	78	78	78	78
Revenues				
Miscellaneous	-	5,000	5,000	5,000
Total Police Donations Fund Revenues	-	5,000	5,000	5,000
Expenditures				
Supplies & Materials	-	5,000	5,000	5,000
Total Police Donations Fund Expenditures	-	5,000	5,000	5,000
Excess of Revenues/Sources over Expenditures/Uses	-	-	-	-
Ending Fund Balance	78	78	78	78

FIRE DONATIONS FUND

The Fire Donations Fund is utilized to account for specific funds donated for the exclusive use of the Sanger Fire Department.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	6,150	6,775	6,775	7,075
Revenues				
Miscellaneous	625	1,000	300	1,000
Total Fire Donations Fund Revenues	625	1,000	300	1,000
Expenditures				
Supplies & Materials	-	1,000	-	1,000
Total Fire Donations Fund Expenditures	-	1,000	-	1,000
Excess of Revenues/Sources over Expenditures/Uses	625	-	300	-
Ending Fund Balance	6,775	6,775	7,075	7,075

PARK DONATIONS FUND

The Park Donations Fund is utilized to account for specific funds donated for the exclusive use of the Parks Department.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	5,561	6,311	6,311	6,311
Revenues				
Miscellaneous	750	500	-	500
Total Park Donations Fund Revenues	750	500	-	500
Expenditures				
Supplies & Materials	-	500	-	500
Total Court Security Fund Expenditures	-	500	-	500
Excess of Revenues/Sources over Expenditures/Uses	750	-	-	-
Ending Fund Balance	6,311	6,311	6,311	6,311

LIBRARY DONATIONS FUND

The Library Donations Fund accounts for specific funds donated for the exclusive use of the Sanger Public Library.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	6,259	6,819	6,819	6,969
Revenues				
Miscellaneous	560	500	150	500
Total Library Donations Fund Revenues	560	500	150	500
Expenditures				
Supplies & Materials	-	500	-	500
Total Library Donations Fund Expenditures	-	500	-	500
Excess of Revenues/Sources over Expenditures/Uses	560	-	150	-
Ending Fund Balance	6,819	6,819	6,969	6,969



PROPOSED BUDGET

PROPOSED BUDGET

CAPITAL PROJECTS FUNDS

CAPITAL PROJECTS FUNDS

OVERVIEW

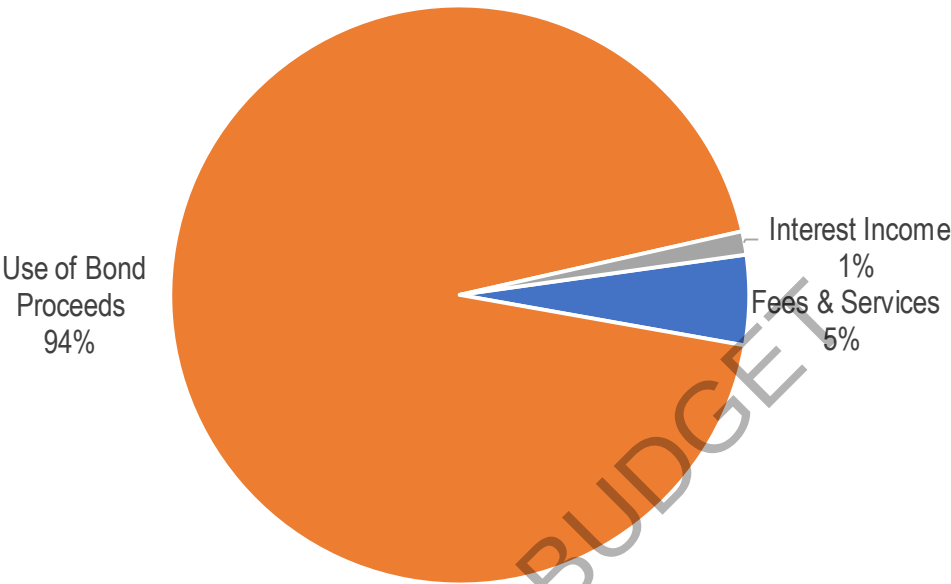
The City maintains two separate funds for capital projects. The Capital Projects Fund was established to account for general capital projects and the Enterprise Projects Fund was established to account for those capital projects specifically related to the water, wastewater and electric utility.

The basis of accounting for the Capital Projects Funds for both financial reporting and budgeting is the modified accrual basis.

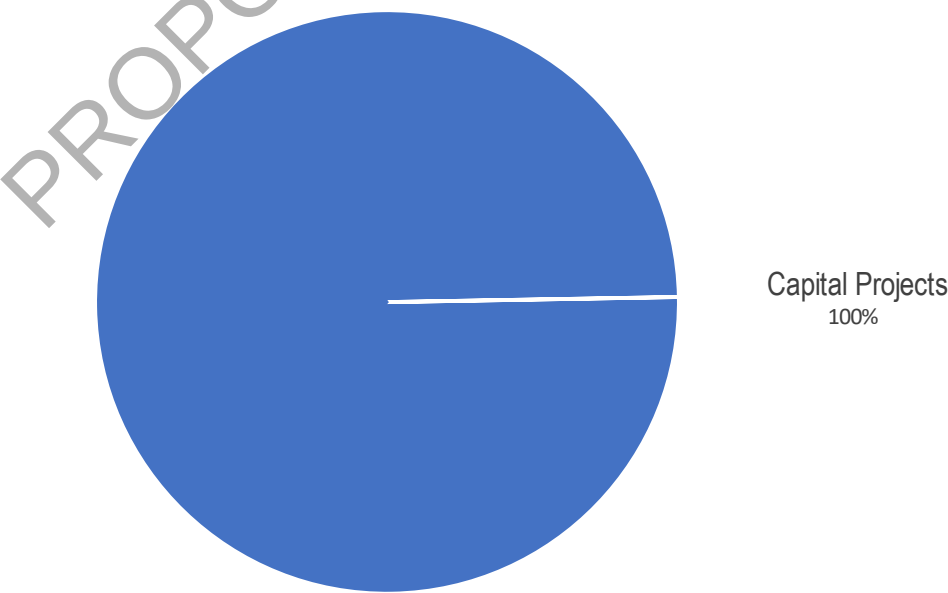
PROPOSED BUDGET

COMBINED CAPITAL PROJECTS FUNDS BUDGET SUMMARY

Combined Capital Projects Funds Revenues



Combined Capital Projects Funds Expenditures



CAPITAL PROJECTS FUND

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	1,997,068	2,276,284	2,276,284	2,895,095
Revenues				
Interest Income	-	10,000	48,000	45,000
Total Capital Projects Fund Revenues	-	10,000	48,000	45,000
Other Sources				
Transfers From General Fund	520,725	1,318,511	1,318,511	-
Transfers From Enterprise CIP	-	-	-	-
Total Other Sources	520,725	1,318,511	1,318,511	-
Total Revenues/Sources	520,725	1,328,511	1,366,511	45,000
Expenditures				
2020-2021 Street Rehab Program	241,509	27,700	27,700	-
2021-2022 Street Rehab Program	-	270,000	270,000	-
Technology Upgrade Program	-	500,000	250,000	-
Building Improvements	-	200,000	200,000	-
2022-2023 Street Rehab Program	-	-	-	340,000
Street Maintenance/Utility Program	-	-	-	425,000
Marion Road - Arterial	-	-	-	750,000
Downtown Improvements	-	-	-	350,000
Joint Public Safety Facility	-	-	-	300,000
Total Expenditures	241,509	997,700	747,700	2,165,000
Excess of Revenues over Expenditures	279,216	330,811	618,811	(2,120,000)
Ending Fund Balance	2,276,284	2,607,095	2,895,095	775,095

ENTERPRISE CAPITAL PROJECTS FUND

	2020-21 Actual	2021-22 Budget	2021-22 Estimated	2022-23 Budget
Beginning Fund Balance	4,284,456	3,964,424	3,964,424	3,843,353
Revenues				
Water Tap Fees	320,350	300,000	100,000	350,000
Sewer Tap Fees	428,000	380,000	100,000	400,000
Interest Income	102,521	50,000	150,000	150,000
Total Revenues	850,871	730,000	350,000	900,000
Other Sources				
Transfer from Enterprise Fund	447,142	78,571	78,571	-
Transfer from 4A	30,000	-	-	-
Use of Bond Funds	-	13,000,000	6,000,000	14,000,000
Total Other Sources	477,142	13,078,571	6,078,571	14,000,000
Total Revenues/Sources	1,328,013	13,808,571	6,428,571	14,900,000
Expenditures				
Wastewater Treatment Plant	\$ 183,549	-	10,571	-
Outfall Pipeline/Stream Restoration	249,250	-	-	-
Cowling Water Ground Storage Rehab	69,668	-	-	-
Acker Water Ground Storage Rehab	53,132	2,600,000	35,000	-
Relocation of Utilities along FM 455	622,113	6,000,000	6,000,000	-
Railroad Lift Station	2,871	500,000	-	500,000
Relocation of Utilities along I-35	-	4,100,000	200,000	9,922,910
WWTP Bar Screen Repair	41,096	-	44,300	-
WWTP Phase 2 TPDES	2,684	-	12,000	-
Water Line Bolivar to Cherry	-	167,095	167,095	-
Elm Street Sewer Repair	-	-	55,676	-
FM 455 Sewer Extension	-	-	25,000	-
Keaton Road Sewer Line	-	320,000	-	320,000
Fifth Street Sewer Rehabilitation	-	-	-	350,000
Metering System	-	-	-	3,200,000
Water System Improvements	-	-	-	1,200,000
Wastewater System Improvements	-	-	-	335,000
Electric System Improvements	-	-	-	350,000
Total Expenditures	1,224,363	13,687,095	6,549,642	16,177,910
Other Uses				
Transfers Out	423,682	-	-	-
Total Other Uses	423,682	-	-	-
Total Expenses/Uses	1,648,045	13,687,095	6,549,642	16,177,910
Excess of Revenues over Expenditures	(320,032)	121,476	(121,071)	(1,277,910)
Ending Fund Balance	3,964,424	4,085,900	3,843,353	2,565,443

CAPITAL IMPROVEMENT PLAN

INTRODUCTION

This plan addresses capital improvement needs in the City of Sanger over the next five years and funding sources for projects expected in FY 2022--23.

As in any city with older infrastructure, maintenance and rehabilitation of existing infrastructure is an ongoing and never-ending process. It is easy to get behind and hard to catch up. Over the past several years more and more resources have been dedicated to infrastructure maintenance and replacement and several projects have been completed. Several years ago, City staff and Council identified streets within the city in need of rehabilitation. The rehabilitation of these streets was divided into five separate phases. Phase I through IV of the program have been completed in the past four years. Phase V is slated for 2021-22, and Phases VI through VIII are slated for each succeeding year. This trend of rehabilitating our infrastructure is a trend that needs to continue as we try to catch up with our aging and ailing infrastructure.

As Sanger continues to experience growth, the City's focus remains on improving the infrastructure needed to support development. In 2021, Council approved the issuance of \$18,615,000 to be used for: the relocation of utilities along both FM-455 and I-35, the WWTP outfall stream restoration, and the purchase of a new automated meter reading system for water and electric meters.

PROJECTS

FM 455 Expansion:

The City is currently in the process of relocating the utilities (water, wastewater, electric) along FM 455 in preparation for TXDOT widening the road. The project is on track and it is expected to be completed within the next 24 months.

IH-35 Expansion

TXDOT is planning to expand IH-35 through Sanger. As a result, the City will have to relocate utilities (water, sewer, electric). The City has already initiated the design engineering work and anticipates starting construction in FY 2022-23. While designing the project, the City will take into consideration betterment options that would accommodate future growth in the area.

Enterprise Capital Projects

The City Council recently approved a contract to replace the current water and electric meter system with a new AMI system. The new metering infrastructure will provide greater accuracy, increased efficiency, and will enhance the overall customer service experience. The project is expected to be implemented in the next 9 to 12 months.

At the recommendation of Alan Plummer and Associates, Council decided to refurbish the existing wastewater treatment plant rather than build a new one in January 2014. Construction began in May of 2017 and has now been completed. Recently, the City engaged KSA Engineering to assist with site validation for a new wastewater treatment plant in an effort to prepare for future growth.

Several other system improvements (water, wastewater, and electric) are scheduled for FY 2022-23 such as rehabilitating several water storage tanks, replacing several sewer lines, and installing additional bays at the electric substation.

Streets and Thoroughfares:

Many streets in Sanger are in dire need of rehabilitation. In the last few years, we have concentrated our efforts on improving the thoroughfares that carry the most traffic. This does not mean that there are no residential streets that are in as bad or worse condition. In 2019, we outlined a Street Improvement Plan and already implemented Phases I

through IV. This year we are proposing to move forward with Phase V as outlined in the Project Status section of this report. However, focusing on thoroughfares as our priority gives us the greatest positive impact for most people. If funding can be secured in the future, Marion Rd., Bolivar from 5th to the Service Road, Belz Road, and Duck Creek will also be candidates for improvement.

In addition, the City has also allocated funding toward establishing a Street Utility Maintenance Program (SUMP). In FY 2022-23, the City will engage with an engineering firm to outline the program.

Parks and Facilities:

The Sanger 2040 Comprehensive Plan has identified a new park to be constructed in Downtown. In FY 2022-23, the City will initiate the concept design and begin the acquisition of property needed for the development of the park. The City will also begin evaluating Phase II of Porter Park located on the east side of IH-35. Funds are also being allocated towards a new Joint Public Safety facility. The design engineering is scheduled for FY 2023-24.

Facility needs that are farther out on the horizon include the expansion of the library and building a new municipal complex as identified in the Sanger 2040 Comprehensive Plan. A remodel of the community center also needs to be considered as it is becoming worn and dated.

PROJECT STATUS

Projects in progress continuing in FY 2021-22

Anticipated Funding Source

- | | |
|---|------------------------------------|
| ➤ Railroad Lift Station Easement Acquisition | Enterprise CIP/Bond Funds |
| ➤ I-35 Expansion - Relocation of Utilities (engineering only) | Enterprise CIP/Reimbursed by TxDOT |

New Projects in 2021-22

Anticipated Funding Source

- | | |
|--|---------------------------|
| ➤ Rehabilitation of Several Streets (Phase V): | Capital Projects Fund |
| ➤ Keaton Road Sewer Line | Enterprise CIP |
| ➤ Fifth Street Sewer Rehabilitation | Enterprise CIP |
| ➤ AMI Metering System | Enterprise CIP/Bond Funds |
| ➤ Water System Improvements | Enterprise CIP/Bond Funds |
| ➤ Wastewater System Improvements | Enterprise CIP/Bond Funds |
| ➤ Electric System Improvements | Enterprise CIP Funds |

Future Projects

Anticipated Funding Source

- | | |
|--|-----------------------|
| ➤ Phase V through VIII – Street Rehabilitation | Capital Projects Fund |
| ➤ Rebuild & Expand Marion Road | TBD |
| ➤ Utility Road Ground Storage | TBD |

CONCLUSION

As you can see, a myriad of projects is planned over the next ten years and they will keep us very busy. Many of these projects will go unseen to most citizens but they all directly impact the quality of life in the community by ensuring reliable utilities, safe streets and sidewalks, and adequate public facilities. It is important to note again that even after all of this work is complete, there will still be other needs arise as our infrastructure continues to age. Like every City, we will continue the struggle of balancing needs and resources to maintain current facilities and infrastructure, prepare for growth, and improve the quality of life in our community.

PROPOSED BUDGET



CAPITAL PROJECTS FIVE YEAR SUMMARY 2020-2026
General Capital Projects

	2020-2021 Actual	2021-2022 Estimate	2022-2023 Budget
Capital Projects Fund Balance	1,997,068	2,276,284	2,895,095
Project Funding			
Interest Income	-	48,000	45,000
Transfers from General Fund	520,725	1,318,511	-
Bond Funds	-	-	-
Total Funding Sources	520,725	1,366,511	45,000
Expenditures			
Street Rehab - Phase III	241,509	27,700	-
Street Rehab - Phase IV	-	270,000	-
Technology Updates	-	250,000	-
Building Improvements	-	200,000	-
Street Rehab - Phase V	-	-	340,000
Street/Utility Maintenance Program	-	-	425,000
Downtown Improvements	-	-	350,000
Marion Road - Arterial (city only)	-	-	750,000
Joint Public Safety Facility	-	-	300,000
Street Rehab - Phase VI	-	-	-
Porter Park Phase II	-	-	-
Street Rehab - Phase VII	-	-	-
Belz Rd/Jennifer Cir	-	-	-
Street Rehab - Phase VIII	-	-	-
Duck Creek Rd.	-	-	-
Municipal Complex	-	-	-
Total Expenditures	241,509	747,700	2,165,000
Funding Sources less Expenditures	279,216	618,811	(2,120,000)
Capital Projects Fund Balance	2,276,284	2,895,095	775,095

2023-2024 Projected	2024-2025 Projected	2025-2026 Projected	2026-2027 Projected
775,095	7,205,095	505,095	3,045,095
50,000	50,000	50,000	50,000
500,000	600,000	600,000	600,000
10,000,000	-	11,000,000	-
10,550,000	650,000	11,650,000	650,000
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2,600,000	2,600,000	-	-
800,000	4,000,000	4,000,000	-
420,000	-	-	-
300,000	-	-	-
-	250,000	-	-
-	500,000	4,200,000	-
-	-	675,000	-
-	-	235,000	2,100,000
-	-	-	1,000,000
4,120,000	7,350,000	9,110,000	3,100,000
6,430,000	(6,700,000)	2,540,000	(2,450,000)
7,205,095	505,095	3,045,095	595,095

CAPITAL PROJECTS FIVE YEAR SUMMARY 2020-2026

Enterprise Capital Projects

	2020-2021 Actual	2021-2022 Estimate	2022-2023 Budget
Capital Projects Fund Balance	4,284,456	3,964,424	3,843,353
Project Funding			
Water Tap Fees	320,350	100,000	350,000
Sewer Tap Fees	428,000	100,000	400,000
Use of Bond Funds	-	6,000,000	14,000,000
Interest Income	102,521	150,000	150,000
Intergovernmental Income	-	-	-
Transfers from Enterprise Fund	447,142	78,571	-
Transfers from 4A Fund	30,000	-	-
Total Funding Sources	1,328,013	6,428,571	14,900,000
Expenditures			
Wastewater Treatment Plant	\$ 183,549	\$ 10,571	\$ -
Outfall Pipeline/Stream Restoration	249,250	-	-
Cowling Water Ground Storage Rehabilitation	69,668	-	-
Acker Water Ground Storage Rehabilitation	53,132	35,000	-
Relocation of Utilities along FM 455	622,113	6,000,000	-
Railroad Lift Station	2,871	-	500,000
Relocation of Utilities along I-35	-	200,000	9,922,910
WWTP Bar Screen Repair	41,096	44,300	-
WWTP Phase 2 TPDES	2,684	12,000	-
Water Line Bolivar to Cherry	-	167,095	-
Elm Street Sewer Repair	-	55,676	-
FM 455 Sewer Extension	-	25,000	-
Keaton Road Sewer Line	-	-	320,000
Fifth Street Sewer Rehabilitation	-	-	350,000
Metering System	-	-	3,200,000
Water System Improvements	-	-	1,200,000
Wastewater System Improvements	-	-	335,000
Electric System Improvements	-	-	350,000
Utility Road Ground Storage	-	-	-
Transfers Out	423,682	-	-
Total Expenditures	1,648,045	6,549,642	16,177,910
Funding Sources less Expenditures	(320,032)	(121,071)	(1,277,910)
Capital Projects Fund Balance	3,964,424	3,843,353	2,565,443

2023-2024 Projected	2024-2025 Projected	2025-2026 Projected	2026-2027 Projected
2,565,443	8,915,443	8,265,443	8,365,443

350,000	350,000	350,000	350,000
400,000	400,000	400,000	400,000
-	-	-	-
50,000	50,000	50,000	50,000
7,000,000	-	-	-
300,000	300,000	300,000	300,000
-	-	-	-
8,100,000	1,100,000	1,100,000	1,100,000

\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,750,000	1,750,000	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	1,000,000	-
-	-	0	0
1,750,000	1,750,000	1,000,000	-
6,350,000	(650,000)	100,000	1,100,000
8,915,443	8,265,443	8,365,443	9,465,443



PROPOSED BUDGET

APPENDIX

GENERAL FUND 5-YEAR FINANCIAL PROJECTION

The City of Sanger's Annual Budget is prepared matching available revenue sources and operational expenditures. This General Ledger Five-Year Financial Projection provides a broader perspective than the budget of any single year is able to provide.

This projection includes the results of operations for the 2020-21 year as well as projected results for the 2021-22 year. Also included (as Year 1) is the current 2022-23 budget.

Years 2-5 are projected based on a set percentage increase per each revenue or expenditure category. These percentages have been developed reviewing 3-year and 10-year trends for each category, while considering the current economy and growth projection for the City.

While not a crystal ball, this projection is a useful planning tool. Future year budgets will obviously be developed considering the resources, needs and economy of that time period.

	2020-21 Actual	2021-22 Estimated
Beginning Fund Balance	7,201,005	10,922,485
Revenues		
Taxes	5,962,103	6,756,786
Franchise Fees	910,840	981,054
Solid Waste	1,073,060	1,086,644
Licenses & Permits	466,076	228,957
Fines	147,322	143,552
Fire & EMS	806,077	2,138
Police & Animal Control	62,599	80,653
Parks & Recreation	10,510	18,631
Library	18,241	20,048
Interest Income	15,160	175,000
Miscellaneous	1,187,172	69,814
Total General Fund Revenues	10,659,160	9,563,277
Other Sources		
Transfers In	461,535	151,535
Use of Fund Balance	-	-
Total Other Sources	461,535	151,535
Total Revenues/Sources	11,120,695	9,714,812
Expenditures		
Salaries & Benefits	3,498,576	3,641,186
Supplies & Materials	297,575	347,456
Maintenance & Operation:	253,210	454,461
Contract Services	1,334,408	1,337,074
Utilities	77,325	85,172
Capital Expenses	54,189	430,131
Debt Service	51,535	51,535
Court Costs	56,198	53,879
Other	-	-
Total Expenditures	5,623,016	6,400,894
Other Uses		
Transfers Out	1,776,199	2,978,666
Total Other Uses	1,776,199	2,978,666
Total Expenses/Uses	7,399,215	9,379,560
Ending Fund Balance	10,922,485	11,257,737

	2022-23 Budget	Projection Percentage	Projected			
			Year 2 2023-2024	Year 3 2024-2025	Year 4 2025-2026	Year 5 2026-27
Beginning Fund Balance	11,257,737		11,257,737	10,746,743	10,509,632	10,576,743
Revenues						
Taxes	7,561,000	7%	8,090,270	8,656,589	9,262,550	9,910,929
Franchise Fees	1,009,895	7%	1,080,588	1,156,229	1,237,165	1,323,767
Solid Waste	1,262,000	5%	1,325,100	1,391,355	1,460,923	1,533,969
Licenses & Permits	363,500	5%	381,675	400,759	420,797	441,837
Fines	155,755	8%	168,215	181,672	196,206	211,902
Fire & EMS	466,890	5%	490,235	514,747	540,484	567,508
Police & Animal Control	70,621	5%	74,152	77,860	81,753	85,841
Parks & Recreation	14,000	3%	14,420	14,853	15,299	15,758
Library	22,920	3%	23,608	24,316	25,045	25,796
Interest Income	225,000	5%	236,250	248,063	260,466	273,489
Miscellaneous	122,500	5%	128,625	135,056	141,809	148,899
Total General Fund Revenues	11,274,081		12,013,138	12,801,499	13,642,497	14,539,695
Other Sources						
Transfers In	146,535	2%	149,466	152,455	155,504	158,614
Use of Fund Balance	756,916	0.00%	-	-	-	-
Total Other Sources	903,451		149,466	152,455	155,504	158,614
Total Revenues/Sources	12,177,532		12,162,604	12,953,954	13,798,001	14,698,309
Expenditures						
Salaries & Benefits	5,659,700	4%	5,886,088	6,121,532	6,366,393	6,621,049
Supplies & Materials	459,421	5%	482,392	506,512	531,838	558,430
Maintenance & Operation	553,413	5%	581,084	610,138	640,645	672,677
Contract Services	1,848,759	5%	1,941,197	2,038,257	2,140,170	2,247,179
Utilities	90,400	2%	92,208	94,052	95,933	97,852
Capital Expenses	1,707,930	5%	1,793,327	1,882,993	1,977,143	2,076,000
Debt Service	51,535	5%	54,112	56,818	59,659	62,642
Court Costs	68,870	3%	70,936	73,064	75,256	77,514
Other	56,000	2%	57,120	58,262	59,427	60,616
Total Expenditures	10,496,028		10,958,464	11,441,628	11,946,464	12,473,959
Other Uses						
Transfers Out	1,681,504	2%	1,715,134	1,749,437	1,784,426	1,820,115
Total Other Uses	1,681,504		1,715,134	1,749,437	1,784,426	1,820,115
Total Expenses/Uses	12,177,532		12,673,598	13,191,065	13,730,890	14,294,074
Ending Fund Balance	11,257,737		10,746,743	10,509,632	10,576,743	10,980,978

DEPARTMENTAL CAPITAL REQUESTS

To request departmental capital expenditures, City Department Directors complete a request form for each requested expenditure. These requests and supporting documentation are reviewed during individual and group budget planning meetings. Review of the items includes discussion of any available alternatives to the requested items.

All capital requests are reviewed to determine if they are in sync with City Council goals and the City's strategic plan. The following are the original requests submitted which are included in the current budget that have been approved. Some requests have been approved as submitted, some have been approved with modifications, and some were not approved for the current year.

PROPOSED BUDGET

**2022-2023 BUDGET
CAPITAL REQUEST FORM
POLICE**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: Ticket Writers and Printers

COST OF ACQUISITION:

PURCHASE PRICE	\$90,103
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$90,103

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$8,060
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$8,060

*** EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☐ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☒ EXPAND SERVICE LEVELS TO CITIZENS	☐ PROTECT PUBLIC HEALTH/SAFETY
☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☒ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☐ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? No

IF SO, WHAT IS BEING REPLACED?

HOW OLD IS THE ITEM BEING REPLACED?

PURPOSE/OBJECTIVE OF THIS REQUEST:

Currently, officers are hand writing traffic citations. Electronic ticketing is a faster and more efficient way to generate reports and citations in the patrol vehicle. Capturing driver's license (DL) information electronically by scanning the DL barcode, and or bar-codes from registrations or other forms, officers can complete their reports easily, quickly and error-free. This system will also interface with the Courts Incode system and will auto populate from the ticket writers to Incode and also collects Racial Profiling data. Potentially, will increase traffic enforcement efforts.

ALTERNATIVES TO THIS REQUEST:

N/A

IMPACT OF NOT FUNDING THIS REQUEST:

Additional time spent on traffic contacts, clerical data entry by officers, supervisors and court clerks. Once the citations are turned in sergeants are manually inputting the information into the PD RMS. The human error factor handwriting citations is concerning.

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
POLICE**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: Facilities Renovations

COST OF ACQUISITION:

PURCHASE PRICE	\$11,500
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$11,500

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

***EXPLANATION OF "OTHER" COSTS**

--

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☐ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☐ EXPAND SERVICE LEVELS TO CITIZENS	☐ PROTECT PUBLIC HEALTH/SAFETY
☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☐ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☒ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? No

IF SO, WHAT IS BEING REPLACED?

HOW OLD IS THE ITEM BEING REPLACED?

PURPOSE/OBJECTIVE OF THIS REQUEST:

Modifications include adding walled office space, walled storage space, expanding property room wall, and painting and adding electrical outlets. Objective is to add office space to accommodate Lieutenant position, patrol supervisors and animal control. Storage space for approximately 20 file cabinets, expand the property room by 2 feet and add fresh paint to 2 rooms.

ALTERNATIVES TO THIS REQUEST:

N/A

IMPACT OF NOT FUNDING THIS REQUEST:

Continue operating with insufficient space and cramped quarters. Patrol room is disorganized and cluttered as is the property room. Will not be able to accommodate projected staffing increases.

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
POLICE**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: Evidence Lockers

COST OF ACQUISITION:

PURCHASE PRICE	\$6,742
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$6,742

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

***EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☐ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☐ EXPAND SERVICE LEVELS TO CITIZENS	☒ PROTECT PUBLIC HEALTH/SAFETY
☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☐ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☐ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? Yes

IF SO, WHAT IS BEING REPLACED? 3 Drawer File Cabinet

HOW OLD IS THE ITEM BEING REPLACED? 10 years

PURPOSE/OBJECTIVE OF THIS REQUEST:

Objective is to collect and store evidence and property securely.

ALTERNATIVES TO THIS REQUEST:

N/A

IMPACT OF NOT FUNDING THIS REQUEST:

Currently, evidence and property is stored in an office file cabinet and is not secured.

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
POLICE**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: JTC Claw Go Sling and Claw Go Bag (19 total)

COST OF ACQUISITION:

PURCHASE PRICE	\$6,175
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$6,175

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

***EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

- ☐ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS
- ☒ EXPAND SERVICE LEVELS TO CITIZENS
- ☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY
- ☒ MODERNIZE/UPGRADE CITY INFRASTRUCTURE

- ☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
- ☒ PROTECT PUBLIC HEALTH/SAFETY
- ☐ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
- ☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? No

IF SO, WHAT IS BEING REPLACED?

HOW OLD IS THE ITEM BEING REPLACED?

PURPOSE/OBJECTIVE OF THIS REQUEST:

Objective is to provide SPD officers with modern breaching tools to gain access into various structures during emergency circumstances specifically steel door structures. Note: The JTC Claw and Go bags are normally priced at \$525.00. However, SPD can purchase these items at a reduced rate of \$375.00 each.

ALTERNATIVES TO THIS REQUEST:

Requests assistance from other police agencies to respond and perform the entry for SPD officers.

IMPACT OF NOT FUNDING THIS REQUEST:

Insufficient equipment and readiness and officer training. SPD would call on outside agencies to perform these tasks. Other agencies are not always available and/or respond timely. Using the recent active shooter situation in Uvalde police need the means to gain entry to a building immediately.

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
POLICE**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: docuLynx Operations Laserfiche

COST OF ACQUISITION:

PURCHASE PRICE	\$12,916
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$12,916

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$1,900
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$1,900

***EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☐ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☐ EXPAND SERVICE LEVELS TO CITIZENS	☒ PROTECT PUBLIC HEALTH/SAFETY
☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☒ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☒ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? No

IF SO, WHAT IS BEING REPLACED?

HOW OLD IS THE ITEM BEING REPLACED?

PURPOSE/OBJECTIVE OF THIS REQUEST:

Objective is to reduce staffs manual processes and streamlines them into an digital workflow. A simple and useful way of tracking and routing digital documents on a daily basis. Laserfiche makes work management more transparent and less cluttered. It automates task implementation and evaluation, gathering important information in a single location. Laserfiche makes information outflow and inflow paperless, saving time and reduces man-hours.

ALTERNATIVES TO THIS REQUEST:

N/A

IMPACT OF NOT FUNDING THIS REQUEST:

The current process is labor intensive for staff and there is ongoing storage ispace issues.

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
POLICE**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: **3-New Patrol Vehicles**

COST OF ACQUISITION:

PURCHASE PRICE	\$183,420
DELIVERY & INSTALLATION	
ALL OTHER ACQUISITION COSTS*	\$19,665
	\$203,085

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$10,500
ALL OTHER OPERATING COSTS*	\$0
	\$10,500

***EXPLANATION OF "OTHER" COSTS**

Toughbook 55 Computer and IT setup for new vehicles.

THIS REQUEST WILL: (MARK ANY THAT APPLY)

- | | |
|-------------------------------------|--|
| ☐ | MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS |
| ☒ | EXPAND SERVICE LEVELS TO CITIZENS |
| ☒ | IMPROVE THE EFFICIENCY OF SERVICE DELIVERY |
| ☐ | MODERNIZE/UPGRADE CITY INFRASTRUCTURE |

- | | |
|-------------------------------------|---|
| ☐ | HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS) |
| ☒ | PROTECT PUBLIC HEALTH/SAFETY |
| ☐ | REPLACE OUTDATED EQUIPMENT/TECHNOLOGY |
| ☐ | REDUCE DEPARTMENTAL OPERATING COSTS |

DOES THIS REQUEST REPLACE ANY EQUIPMENT?

IF SO, WHAT IS BEING REPLACED?

HOW OLD IS THE ITEM BEING REPLACED?

PURPOSE/OBJECTIVE OF THIS REQUEST:

These vehicles will be assigned to the three new police officer positions requested in the 2022-2023 budget.

ALTERNATIVES TO THIS REQUEST:

N/A

IMPACT OF NOT FUNDING THIS REQUEST:

The department has a vehicle take-home program and the new officers will not have a take home vehicle and currently there is only one spare vehicle available.

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
FIRE**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: Generator for Fire Dept

COST OF ACQUISITION:

PURCHASE PRICE	\$27,614
DELIVERY & INSTALLATION	\$3,250
ALL OTHER ACQUISITION COSTS*	\$3,300
	\$34,164

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

***EXPLANATION OF "OTHER" COSTS**

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THIS REQUEST WILL: (MARK ANY THAT APPLY)

- | |
|--|
| ☒ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS |
| ☐ EXPAND SERVICE LEVELS TO CITIZENS |
| ☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY |
| ☒ MODERNIZE/UPGRADE CITY INFRASTRUCTURE |

- | |
|---|
| ☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS) |
| ☒ PROTECT PUBLIC HEALTH/SAFETY |
| ☒ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY |
| ☐ REDUCE DEPARTMENTAL OPERATING COSTS |

DOES THIS REQUEST REPLACE ANY EQUIPMENT? Yes

IF SO, WHAT IS BEING REPLACED? Volunteer Fire Station

HOW OLD IS THE ITEM BEING REPLACED? Built in 1988

PURPOSE/OBJECTIVE OF THIS REQUEST:

Add a propane emergency generator to the current Firehouse. This would provide emergency power allowing us to open the roll up doors, power our computers, radios, all emergency equipment, etc. We have lost power in the past and have to manually open doors during a emergent incidents.

ALTERNATIVES TO THIS REQUEST:

Continue to rent a portable generator during period of know power outages.

IMPACT OF NOT FUNDING THIS REQUEST:

--

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
FIRE**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: New Ambulance

COST OF ACQUISITION:

PURCHASE PRICE	\$295,000
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$5,000
	\$300,000

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$9,500
ALL OTHER OPERATING COSTS*	\$0
	\$9,500

***EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☒ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☐ EXPAND SERVICE LEVELS TO CITIZENS	☒ PROTECT PUBLIC HEALTH/SAFETY
☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☒ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☐ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? Yes

IF SO, WHAT IS BEING REPLACED? 2016 Frazer Ambulance with over 120,000 miles

HOW OLD IS THE ITEM BEING REPLACED? 6 years

PURPOSE/OBJECTIVE OF THIS REQUEST:

To replace our oldest medic unit. We normally we move the unit to back up at four years and then try to replace at eight years. But the last couple of years we have gotten busier and the mileage on this unit is over 100,000 miles. This is the first time we have gone over in only six years. If we purchase a brand new unit we could keep the third medic as a reserve unit. That way we could have two front line units and a third medic if one unit is placed out of service for any reason.

ALTERNATIVES TO THIS REQUEST:

We can have this unit refurbished with a new cab and chassis for about \$195,000.00 up to \$235,000.00 depending on the time frame.

IMPACT OF NOT FUNDING THIS REQUEST:

Attempting to use a vehicle that has 100,000 hard miles as a first responder apparatus is pushing the limits on that type of apparatus. The repair costs on this unit will start to out weigh its usefulness.

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
FIRE**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: Type I Fire Engine

COST OF ACQUISITION:

PURCHASE PRICE	\$925,000
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$925,000

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$3,000
ALL OTHER OPERATING COSTS*	\$0
	\$3,000

***EXPLANATION OF "OTHER" COSTS**

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THIS REQUEST WILL: (MARK ANY THAT APPLY)

- | |
|--|
| ☐ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS |
| ☒ EXPAND SERVICE LEVELS TO CITIZENS |
| ☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY |
| ☒ MODERNIZE/UPGRADE CITY INFRASTRUCTURE |

- | |
|---|
| ☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS) |
| ☐ PROTECT PUBLIC HEALTH/SAFETY |
| ☒ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY |
| ☐ REDUCE DEPARTMENTAL OPERATING COSTS |

DOES THIS REQUEST REPLACE ANY EQUIPMENT? yes

IF SO, WHAT IS BEING REPLACED? 1995 Spartan Engine

HOW OLD IS THE ITEM BEING REPLACED? 27 years old

PURPOSE/OBJECTIVE OF THIS REQUEST:

To replace a 27 year old fire apparatus.

ALTERNATIVES TO THIS REQUEST:

To continue to use an out dated fire apparatus.

IMPACT OF NOT FUNDING THIS REQUEST:

--

APPROVED FOR FUNDING ☐ YES ☐ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
FIRE**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: Battery operated Extrication Equipment

COST OF ACQUISITION:

PURCHASE PRICE	\$42,500
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$42,500

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$650
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$650

***EXPLANATION OF "OTHER" COSTS**

--

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☐ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☐ EXPAND SERVICE LEVELS TO CITIZENS	☒ PROTECT PUBLIC HEALTH/SAFETY
☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☐ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☒ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT?	yes
IF SO, WHAT IS BEING REPLACED?	Out dated hydraulic extrication tools
HOW OLD IS THE ITEM BEING REPLACED?	15 year +

PURPOSE/OBJECTIVE OF THIS REQUEST:

To replace some of our out dated hydraulic rescue/extrication tools. Stop using a gas powered pump that supplies fluid to the units. Less maintenances issues with battery units.

ALTERNATIVES TO THIS REQUEST:

--

IMPACT OF NOT FUNDING THIS REQUEST:

The price will continue to rise and our equipment will be another year older. We have tools serviced each year and tested, but we have been told they will completely faze out the style of tool we own.

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
STREETS**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: **2022 Ram 2500 Single Cab**

COST OF ACQUISITION:

PURCHASE PRICE	\$49,131
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$49,131

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

*** EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☒ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☐ EXPAND SERVICE LEVELS TO CITIZENS	☐ PROTECT PUBLIC HEALTH/SAFETY
☐ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☒ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☐ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? **Yes**

IF SO, WHAT IS BEING REPLACED? **2005 Chevy**

HOW OLD IS THE ITEM BEING REPLACED? **17 years**

PURPOSE/OBJECTIVE OF THIS REQUEST:

Current vehicle has over 70,000 miles and previously had engine rebuilt.

ALTERNATIVES TO THIS REQUEST:

Continue to drive current vehicle.

IMPACT OF NOT FUNDING THIS REQUEST:

Potentially more maintenance issues and costs.

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
STREETS**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: **Case 570N, Tractor Loader**

COST OF ACQUISITION:

PURCHASE PRICE	\$80,118
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$80,118

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

*** EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☐ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☒ EXPAND SERVICE LEVELS TO CITIZENS	☐ PROTECT PUBLIC HEALTH/SAFETY
☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☐ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☒ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☒ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? **No**

IF SO, WHAT IS BEING REPLACED?

HOW OLD IS THE ITEM BEING REPLACED?

PURPOSE/OBJECTIVE OF THIS REQUEST:

This tractor would be used in conjunction with a box blade to spread asphalt when making larger street repairs. This equipment would give us the ability to perform larger patches that are currently being contracted out.

ALTERNATIVES TO THIS REQUEST:

Continue to contract out larger patch jobs to outside vendors.

IMPACT OF NOT FUNDING THIS REQUEST:

More expensive than performing the work in-house.

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
STREETS**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: Case DV26E T4 Final, Combination Drum Roller

COST OF ACQUISITION:

PURCHASE PRICE	\$52,886
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$52,886

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

***EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☐ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☐ EXPAND SERVICE LEVELS TO CITIZENS	☐ PROTECT PUBLIC HEALTH/SAFETY
☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☒ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☐ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? Yes
 IF SO, WHAT IS BEING REPLACED? Current Drum Roller
 HOW OLD IS THE ITEM BEING REPLACED? 2008

PURPOSE/OBJECTIVE OF THIS REQUEST:

This roller will be used to compact asphalt when performing street repairs and large patches. The articulation joint allows better maneuverability in confined areas or when cornering. This roller allows for more precise setting options when compacting.

ALTERNATIVES TO THIS REQUEST:

Continue to use current equipment.

IMPACT OF NOT FUNDING THIS REQUEST:

Less versatility when performing jobs.

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
STREETS**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: 22' Tandem Axle Tilt Trailer

COST OF ACQUISITION:

PURCHASE PRICE	\$11,000
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$11,000

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

***EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☐ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☒ EXPAND SERVICE LEVELS TO CITIZENS	☐ PROTECT PUBLIC HEALTH/SAFETY
☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☐ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☐ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☒ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? No

IF SO, WHAT IS BEING REPLACED?

HOW OLD IS THE ITEM BEING REPLACED?

PURPOSE/OBJECTIVE OF THIS REQUEST:

This trailer would primarily be used to haul the Case 570N (Capitol Request #2) to and from job locations when performing street repairs.

ALTERNATIVES TO THIS REQUEST:

Drive equipment to and from job locations, though this is not ideal in some instances due to distance.

IMPACT OF NOT FUNDING THIS REQUEST:

Inconvenient and less efficient. Safety concerns when driving equipment on streets around passenger vehicles.

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
PARKS & RECREATION**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: Concept plans for a New Park on E. Willow Street

COST OF ACQUISITION:

PURCHASE PRICE	\$18,000
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$18,000

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

***EXPLANATION OF "OTHER" COSTS**

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THIS REQUEST WILL: (MARK ANY THAT APPLY)

- ☐ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS
☒ EXPAND SERVICE LEVELS TO CITIZENS
☐ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY
☐ MODERNIZE/UPGRADE CITY INFRASTRUCTURE

- ☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☐ PROTECT PUBLIC HEALTH/SAFETY
☒ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? No

IF SO, WHAT IS BEING REPLACED?

HOW OLD IS THE ITEM BEING REPLACED?

PURPOSE/OBJECTIVE OF THIS REQUEST:

3 concept plans for a new park on East Willow Street. The concept plan would be based on cost (high, medium, low). The cost for each concept plans is \$6,000.

ALTERNATIVES TO THIS REQUEST:

N/A

IMPACT OF NOT FUNDING THIS REQUEST:

N/A

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
WATER**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: 2022 Ram 2500 Tradesman Single Cab with Utility Bed

COST OF ACQUISITION:

PURCHASE PRICE	\$49,132
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$49,132

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

*** EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☒ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☐ EXPAND SERVICE LEVELS TO CITIZENS	☐ PROTECT PUBLIC HEALTH/SAFETY
☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☐ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☐ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? No

IF SO, WHAT IS BEING REPLACED?

HOW OLD IS THE ITEM BEING REPLACED?

PURPOSE/OBJECTIVE OF THIS REQUEST:

This vehicle will be used for transportation to perform day-to-day activities in the department.

ALTERNATIVES TO THIS REQUEST:

Have multiple employees ride together.

IMPACT OF NOT FUNDING THIS REQUEST:

Less efficient, less versatility

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
ELECTRIC**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: SCADA System

COST OF ACQUISITION:

PURCHASE PRICE	\$200,000
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$200,000

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

*** EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☒ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☒ EXPAND SERVICE LEVELS TO CITIZENS	☐ PROTECT PUBLIC HEALTH/SAFETY
☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☒ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☒ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? Yes

IF SO, WHAT IS BEING REPLACED? Brazos owned Electric feeder controls

HOW OLD IS THE ITEM BEING REPLACED? 20+ years

PURPOSE/OBJECTIVE OF THIS REQUEST:

Remote access to electrical system information and aid in load shed capabilities.

ALTERNATIVES TO THIS REQUEST:

N/A

IMPACT OF NOT FUNDING THIS REQUEST:

By not funding the request the City will not have the ability to shed electrical load in an efficient manner during an ERCOT EEA event.

APPROVED FOR FUNDING _____ YES _____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
FACILITIES**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: **Public Works Conference Room Remodel**

COST OF ACQUISITION:

PURCHASE PRICE	\$15,390
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$15,390

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

*** EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☐ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☒ EXPAND SERVICE LEVELS TO CITIZENS	☒ PROTECT PUBLIC HEALTH/SAFETY
☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☒ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☒ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT?	Yes
IF SO, WHAT IS BEING REPLACED?	
HOW OLD IS THE ITEM BEING REPLACED?	

PURPOSE/OBJECTIVE OF THIS REQUEST:

The Development Services Conference room is utilized by many departments within the City. It serves as the meeting room for any new development coming into the City of Sanger and is often the first impression of our City. The meetings that are held in this room consist of development meetings, TxDOT meetings, Economic Development meetings, and any other pertinent meetings, as well as staff and internal meetings. This room is the hub for development residential, commercial and industrial. The conference room is also designated as the Command Center for the city in the event of an emergency. In an emergency this room would house representatives from city, county, FEMA and others agencies. In order for this room to function as it's use is intended some modification are needed.

ALTERNATIVES TO THIS REQUEST:

NA

IMPACT OF NOT FUNDING THIS REQUEST:

NA

APPROVED FOR FUNDING ____ YES ____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
FACILITIES**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: Presbyterian Church Exterior Paint

COST OF ACQUISITION:

PURCHASE PRICE	\$22,000
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$22,000

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

*** EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☒ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☐ EXPAND SERVICE LEVELS TO CITIZENS	☐ PROTECT PUBLIC HEALTH/SAFETY
☐ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☐ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☒ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? No

IF SO, WHAT IS BEING REPLACED?

HOW OLD IS THE ITEM BEING REPLACED?

PURPOSE/OBJECTIVE OF THIS REQUEST:

the Presbyterian Church is utilized by many departments with in the City. It serves as the building for many public meeting, internal meetings and well as being use for many residential needs. The Presbyterian Church was refurbish in 2016 and painting of the exterior was part of that overall project. Cracking, chipping and peeling of the outside paint is very noticeable. Painting the exterior would greatly improve the overall look of the Presbyterian Church.

ALTERNATIVES TO THIS REQUEST:

NA

IMPACT OF NOT FUNDING THIS REQUEST:

NA

APPROVED FOR FUNDING ☐ YES ☐ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
FACILITIES**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: **Public Works Building New Roof (201 W. Bolivar)**

COST OF ACQUISITION:

PURCHASE PRICE	\$26,640
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$26,640

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

*** EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

- | | |
|---|--|
| ☐ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS | ☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS) |
| ☐ EXPAND SERVICE LEVELS TO CITIZENS | ☐ PROTECT PUBLIC HEALTH/SAFETY |
| ☐ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | ☐ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY |
| ☐ MODERNIZE/UPGRADE CITY INFRASTRUCTURE | ☐ REDUCE DEPARTMENTAL OPERATING COSTS |

DOES THIS REQUEST REPLACE ANY EQUIPMENT?

IF SO, WHAT IS BEING REPLACED?

HOW OLD IS THE ITEM BEING REPLACED?

PURPOSE/OBJECTIVE OF THIS REQUEST:

The Public Work office houses many different division within the City of Sanger. The building roof is in need of replacement. Repair 8x4 rotten section of the flat roof and apply self adhering rolled roofing overlay over the rest of the roof.

ALTERNATIVES TO THIS REQUEST:

NA

IMPACT OF NOT FUNDING THIS REQUEST:

NA

APPROVED FOR FUNDING ____ YES ____ NO

John Noblitt, City Manager

**2022-2023 BUDGET
CAPITAL REQUEST FORM
FACILITIES**

*****QUOTES MUST BE SUBMITTED FOR EACH CAPITAL REQUEST****

BRIEF DESCRIPTION OF REQUEST: City Hall Conference Room Remodel

COST OF ACQUISITION:

PURCHASE PRICE	\$22,815
DELIVERY & INSTALLATION	\$0
ALL OTHER ACQUISITION COSTS*	\$0
	\$22,815

OPERATING BUDGET IMPACT:

ANNUAL CONTRACT RENEWAL	\$0
SUPPLIES, FUEL, ETC	\$0
ALL OTHER OPERATING COSTS*	\$0
	\$0

*** EXPLANATION OF "OTHER" COSTS**

THIS REQUEST WILL: (MARK ANY THAT APPLY)

☒ MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS	☐ HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)
☐ EXPAND SERVICE LEVELS TO CITIZENS	☐ PROTECT PUBLIC HEALTH/SAFETY
☒ IMPROVE THE EFFICIENCY OF SERVICE DELIVERY	☐ REPLACE OUTDATED EQUIPMENT/TECHNOLOGY
☒ MODERNIZE/UPGRADE CITY INFRASTRUCTURE	☐ REDUCE DEPARTMENTAL OPERATING COSTS

DOES THIS REQUEST REPLACE ANY EQUIPMENT? NO

IF SO, WHAT IS BEING REPLACED?

HOW OLD IS THE ITEM BEING REPLACED?

PURPOSE/OBJECTIVE OF THIS REQUEST:

We are requesting to remodel the City Hall Conference Room. While the population continues to grow, so do the workforce for the City of Sanger. The City Hall Conference Room is a room that is larger enough to house three (3) extra offices. Adding the extra offices would improve work flow efficiencies and security for Human Resources, City Secretary and the City Attorney.

ALTERNATIVES TO THIS REQUEST:

NA

IMPACT OF NOT FUNDING THIS REQUEST:

NA

APPROVED FOR FUNDING ☐ YES ☐ NO

John Noblitt, City Manager

FINANCIAL MANAGEMENT POLICY

**The Sanger City Council approved the City's Financial Management Policy on September 7, 2021*

Introduction

The City of Sanger, Texas financial policies set forth the basic framework for the fiscal management of the City. These policies were developed within the parameters established by applicable provisions of the Texas Local Government Code and the Sanger City Charter. The policies are intended to assist the City Council and city staff in evaluating current activities and proposals for future programs. The policies are to be reviewed on an annual basis and modified to accommodate changing circumstances or conditions.

The scope of these policies generally spans accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, expenditure control and debt management, all to make it possible both: (a) to present fairly and with full disclosure the financial position and results of financial operations of the City in conformity to generally accepted accounting principles (GAAP), and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

It is the goal of the Statement of Financial Management Policies to enable the City to adhere to the principles of sound municipal finance and to continue its long-term stable and positive financial condition.

Annual Budget

1. The fiscal year of the City of Sanger shall begin on October 1 of each calendar year and will end on September 30 of the following calendar year. The fiscal year will also be established as the accounting and budget year.
2. The City Manager, prior to August first of each year, shall prepare and submit to the City Secretary the annual budget covering the next fiscal year. The budget shall provide a complete financial plan of all city funds and activities and, except as required by law or the City Charter, shall be in such form as the Council may require.

The budget shall contain the following information:

- a. The City Manager's budget message outlining the proposed financial policies for the next fiscal year with an explanation of any changes in expenditures from the previous year, any major changes in policies, and a complete statement regarding the financial condition of the City. (Proposition 1 approved at an election held November 7, 2006 and certified by Resolution 11-19-06 adopted November 20, 2006.)
- b. An estimate of all revenues from taxes and other sources, including the present tax structure, rates, and property valuations for the ensuing year;
- c. A carefully itemized list of proposed expenses and revenues by fund, service type, and project for the budget year, as compared to actual expenditures and revenues of the last ended fiscal year and the projected final expenditures and revenues for the current fiscal year;
- d. A description of all outstanding bond indebtedness, showing amount, date of issue, rate of interest, and maturity date; also, any other indebtedness which the City has incurred and which has not been paid;
- e. A statement proposing any capital expenditures deemed necessary for undertaking during the next budget year and the recommended provision for financing; and
- f. Such other information as is required by City Council or deemed desirable by the City Manager.

3. The City Manager's budget should assume, for each fund, operating revenues that are equal to or exceed operating expenditures (i.e., a balanced budget). The City Manager's budget message shall explain the reasons for any fund that reflects operating expenditures exceeding operating revenues.
4. The City Council shall hold a public hearing on the budget, as submitted, at the time and place so advertised in the official newspaper, which will be no less than seven (7) days or more than fifteen (15) days after the date of notice. All interested persons shall be given the opportunity to be heard, either for or against, any item of the proposed budget.
5. The budget and tax rate may be adopted at any regular or special meeting of the Council prior to the beginning of the budgeted fiscal year by a majority vote of two thirds (2/3) quorum. The Council may amend the proposed budget by increasing, decreasing, or removing any programs or amounts, except for expenditures required by law, for debt service, or for estimated cash deficit. No amendment to the budget shall increase the authorized expenditures to an amount greater than the total of estimated income plus funds available from prior years.
6. If the Council fails to adopt a budget by the beginning of the fiscal year, the budget currently in place for the preceding year shall remain in place on a month-to-month basis until such time as a new budget has been adopted.
7. On final adoption, the budget shall be in effect for the budget year. Final adoption of the budget by the City Council shall constitute the official appropriations for the current year and shall constitute the basis of the official levy of the property tax. Under conditions which may arise, the City Council may amend or change the budget to provide for any additional expense.

Capital Program

1. The City Manager shall submit a five-year capital improvement program (CIP) as an attachment to the annual budget. The CIP shall induce the following:
 - a. A clear, general summary of its contents;
 - b. A list of all capital improvements which are proposed for the five (5) fiscal years including the budget year, with appropriate supporting information as to the necessity for such improvements;
 - c. Cost estimates, method of financing and recommended time schedules for each improvement; and
 - d. The estimated annual cost of operating and maintaining the facilities to be constructed or acquired.

Basis of Accounting and Budgeting

1. The City's finances shall be accounted for in accordance with generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board (GASB).
 - a. The accounts of the City are organized and operated on the basis of funds and account groups. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.
 - b. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Substantially all revenues are considered to be susceptible to accrual. Ad valorem, sales, hotel, franchise and tax

revenues recorded in the General Fund and ad valorem tax revenues recorded in the Debt Service Fund are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except earnings on investments) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Expenditures are recognized when the related fund liability is incurred, if measurable, except for principal and interest on general long-term debt, which are recorded when due, and compensated absences, which are recorded when payable from currently available financial resources.

- c. The City utilizes encumbrance accounting for its governmental fund types, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.
 - d. The City's proprietary fund types are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.
2. The City's annual budgets shall be prepared and adopted on a basis consistent with generally accepted accounting principles for all governmental and proprietary funds
 3. The issuance of Statement 34 by GASB has influenced the creation and reporting of individual funds. GASB 34 essentially mandates dual accounting systems: one for government-wide (i.e. the government as a single entity) reporting and another for individual fund reporting. Under GASB 34 for individual funds, the City will continue utilizing the accounting and budgeting processes as described in paragraphs (1) and (2) of this section. However, because GASB 34 mandates the flow of economic resources measurement focus and accrual basis of accounting for the government-wide reporting, extensive reconciliation must be performed to present aggregated fund information in the government-wide reporting model. Therefore, individual operating funds will be created with the objective of reducing fund to government-wide reconciliation as much as possible. When appropriate, individual funds will be examined as to whether it will be appropriate to account for them as proprietary fund types. Also, the City will limit the use of internal service funds and incorporate the financial transactions of those funds into other governmental funds.

Budget Administration

1. All expenses of the City shall be made in accordance with the adopted annual budget. Budgetary control is maintained at the individual expenditure account level by the review of all requisitions of estimated purchase amounts prior to the release of purchase orders to vendors.
2. The following represents the City's budget amendment policy delineating responsibility and authority for the amendment process. Transfers between expenditure accounts in one department may occur with the approval of the City Manager and Finance Director. Transfers between operating departments may occur with the approval of the City manager and Finance Director provided that a department's total budget is not changed by more than \$50,000. Transfers between funds must be accomplished by budget amendment approved by the City Council. Budget amendments calling for new fund appropriations must also be approved by the City Council.

Financial Reporting

1. At the close of each fiscal year, and at such other times as it may be deemed necessary, the Council shall direct that an independent audit be made on all accounts of the City by a certified public accountant. The certified public accountant shall have no personal interest directly or indirectly, in the financial affairs of the City

or any of its officers and shall report directly to the Council. Upon completion of the audit, a summary of the results thereof shall be placed on file in the City Secretary's office for public record. A copy of the comprehensive financial annual report shall be available at City Hall.

2. The City Manager shall submit to the Council a monthly report of the financial condition of the City by department for the fiscal year-to-date. The financial records of the City will be maintained on a modified accrual basis to support this type of financial management. The City Manager shall make available to the Council the monthly cash disbursements journal of the City of all funds and accounts.

Revenues

1. To protect the City's financial integrity, the City will maintain a diversified and stable revenue system to shelter it from fluctuations in any one revenue source. Recognizing that sales tax is a volatile, unpredictable source of revenue, the City will attempt to reduce its dependence on sales tax revenue.
2. For every annual budget, the City shall levy two property tax rates: operation/ maintenance and debt service. The debt service levy shall be sufficient for meeting all principal and interest payments associated with the City's outstanding general obligation debt for that budget year. The debt service levy and related debt service expenditures shall be accounted for in the Debt Service Fund. The operation and maintenance levy shall be accounted for in the General Fund. City Council will consider exceeding the rollback rate only after options have been presented by staff to avoid the rollback by increasing revenue from other sources or reducing expenditures.
3. The City will maintain a policy of levying the lowest tax rate on the broadest tax base. Minimal exemptions may be provided to homeowners, senior citizens, and disabled veterans. The City may consider providing tax abatements or other incentives to encourage development.
4. The City will establish user charges and fees at a level that attempts to recover the full cost of providing the service.
 - a. User fees, particularly utility rates, should identify the relative costs of serving different classes of customers.
 - b. Where possible, utility rates should be designed to reduce peak (hour and day) demands on the utility systems.
 - c. The City will make every reasonable attempt to ensure accurate measurement of variables impacting taxes and fees (e.g., verification of business sales tax payments, verification of appraisal district property values, and accuracy of water meters).
5. The City will attempt to maximize the application of its financial resources by obtaining supplementary funding through agreements with other public and private agencies for the provision of public services or the construction of capital improvements.
6. The City will consider market rates and charges levied by other public and private organizations for similar services in establishing tax rates, fees and charges.
7. When developing the annual budget, the City Manager shall project revenues from every source based on actual collections from the preceding year and estimated collections of the current fiscal year, while taking into account known circumstances which will impact revenues for the new fiscal year. The revenue projections for each fund should be made conservatively so that total actual fund revenues exceed budgeted projections.

Operating Expenditures

1. Operating expenditures shall be accounted, reported, and budgeted for in the following major categories:
 - a. Operating, Recurring Expenditures

- i. Salaries and Benefits
 - ii. Supplies and Materials
 - iii. Maintenance and Operations
 - iv. Contractual Services
 - v. Utilities
 - vi. Capital Replacement
 - vii. Other Expenses
 - b. Operating, Non-Recurring Expenditures
 - i. Capital Equipment
2. The annual budget shall appropriate sufficient funds for operating, recurring expenditures necessary to maintain established (i.e., status quo) quality and scope of city services.
 3. The City will constantly examine the methods for providing public services in order to reduce operating, recurring expenditures and/or enhance quality and scope of public services with no increase to cost.
 4. Salaries and benefits expenditures will reflect the minimum staffing needed to provide established quality and scope of city services. To attract and retain employees necessary for providing high-quality service, the City shall maintain a compensation and benefit package competitive with the public and, when quantifiable, private service industries.
 5. Supplies and materials expenditures shall be sufficient for ensuring the optimal productivity of City employees.
 6. Maintenance and operations expenditures shall be sufficient for addressing the deterioration of the City's capital assets to ensure the optimal productivity of the capital assets. Maintenance should be conducted to ensure a relatively stable level of maintenance expenditures for every budget year.
 7. Utility expenditure providers shall, when options are available, be selected on the basis of the provider's competitive pricing and service.
 8. The City will utilize contractual services for the provision of city services whenever private contractors can perform the established level of service at less expense to the City. The City will regularly evaluate its agreements with private contractors to ensure the established levels of service are performed at the least expense to the City.
 9. Capital equipment is defined as equipment that exceeds \$5,000 and has a useful life of at least one year. Bulk purchases of smaller equipment with a useful life of at least one year will be capitalized if the total amount of the purchase exceeds \$25,000. Existing capital equipment shall be replaced when needed to ensure the optimal productivity of City employees.
 10. Expenditures for additional capital equipment shall be made only to enhance employee productivity, improve quality of service, or expand scope of service.
 11. Expenditures for other expenses not included in the categories above shall be made strictly on the basis of economic and business merit, ensuring the best possible return on each dollar spent.
 12. To assist in controlling the growth of operating expenditures, operating departments will submit their annual budgets to the City Manager during the budget preparation process. Departments shall provide justification where projected expenditures exceed prior year budgeted amounts.

Fund Balance

1. The annual budget shall be presented to City Council with each fund reflecting an ending fund balance which is no less than 25 percent of that fund's annual operating expenditures. To satisfy the particular needs of individual funds, ending fund balances may be established which exceed the 25 percent minimum.

2. Fund balance that exceeds the minimum level established for each fund may be appropriated for non-recurring capital projects or programs, reserves or as the Council directs.
3. The City will exercise diligence in avoiding the appropriation of fund balance for recurring operating expenditures. In the event fund balance is appropriated for recurring operating expenditures to meet the needs of the Sanger community, the budget document shall include an explanation of the circumstances requiring the appropriation and the methods to be used to arrest the future use of fund balance for operating expenditures.

Fund Transfers

1. With the exceptions noted below, there will be no operating transfers between funds. Any costs incurred by one fund to support the operations of another shall be charged directly to the fund.
2. Fund transfers may occur when surplus fund balances are used to support non-recurring capital expenses or when needed to satisfy debt service obligations.
3. Transfers are permitted between funds to support economic development programs.
4. Transfers are permitted from the Enterprise Fund to other funds to cover the cost of operations.

Debt Expenditures

1. The City shall have the right and power, except as prohibited by law or the City Charter, to borrow money by whatever method it may deem to be in the public interest.
2. The City shall have the power to borrow money on the credit of the City and to issue general obligation bonds for permanent public improvements or for any other public purpose not prohibited by law and the City Charter and to issue refunding bonds to refinance outstanding bonds previously issued. All such bonds or certificates of obligation shall be issued in conformity with the laws of the State of Texas and shall be used only for purposes for which they were issued. General obligation bonds shall not be issued without an election. In all cases when the City Council shall order an election for the issuance of bonds of the City, it shall, at the same time, state whether or not a tax rate increase is anticipated for the purpose of paying the principal and interest on the bonds and to create a sinking fund for their redemption.
3. The City shall have the power to borrow money for the purpose of constructing, purchasing, improving, extending or repairing public utilities, recreational facilities, or any other self-liquidating municipal function not prohibited by the Constitution and the laws of the State of Texas, and to issue revenue bonds to evidence the obligation created thereby. Such shall be a charge upon and payable from the properties, or interest therein pledged, or the income therefrom, or both. The holders of the revenue bonds shall never have the right to demand payment thereof out of moneys raised or to be raised by taxation. All such bonds shall be issued in conformity with the laws of the State of Texas and shall be used only for the purpose for which they were issued.
4. When needed to minimize annual debt payments, the City will obtain insurance for new debt issues.

Capital Project Expenditures

1. The City will develop a multi-year plan for capital projects, which identifies all projects likely to be constructed within a five-year horizon. The multi-year plan will reflect for each project the likely source of funding and attempt to quantify the project's impact to future operating expenditures.
2. Capital projects will be constructed to:
 - a. Protect or improve the community's quality of life.
 - b. Protect or enhance the community's economic vitality.

- c. Support and service new development.
3. To minimize the issuance of debt, the City will attempt to support capital projects with appropriations from operating revenues or excess fund balances (i.e., “pay-as-you-go”).

Purchasing

1. All purchases and contracts over \$3,000 shall conform to Chapter 252, Subchapter B of the Local Government Code of Texas, as amended. Purchases of goods or services over \$50,000 shall be submitted to the City Council for approval. The adoption of the annual budget gives the City Manager the authority to approve all other purchases for goods or services in accordance with each department’s approved budget.
2. Purchases of goods or services at a total cost of \$1,000 or more must be made through the City’s purchase order system. Written purchase orders shall also be used for vendors requiring formal City authorization regardless of dollar amount.
3. Purchases of goods or services at a total cost of less than \$1,000 may be made via a written Accounts Payable Voucher, signed and submitted by the applicable Department Director to the Finance Department.
4. All invoices approved for payment by the proper City authorities shall be paid by the Finance Department within thirty (30) calendar days of receipt in accordance with provisions of Article 601f, Section 2 of the State of Texas Civil Statutes.

INVESTMENT POLICY

**The Sanger City Council approved the City's Investment Policy on September 7, 2021*

POLICY STATEMENT

It is the objective of the City of Sanger, Texas ("City") that the administration of its funds and the investment of those funds shall be handled in the highest public trust. Investments shall be made in a manner which will provide the maximum security of principle invested through limitations and diversification while meeting the daily cash flow needs of the city and conforming to all applicable federal, state, and local statutes, rules and regulations governing the investment of public funds. The receipt of a market rate return will be secondary to the requirements for safety and liquidity. The earning from investments shall be used in a manner that best serves the public trust and interest of the City. This policy serves to satisfy the statutory requirements of defining and adopting a formal investment policy and shall be reviewed annually for modifications. It is the intent of the City to be in compliance with local law and the provisions of Public Funds Investment Act of the Texas Government Code Chapter 2256.

SCOPE

This Investment Policy applies to the investment activities, all financial assets and funds held by the City of Sanger, Texas. Funds covered and managed by this Investment Policy include:

- A. General Fund – Used to account for resources traditionally associated with government, which are not required to be accounted for in another fund.
- B. Debt Service Fund – Used to account for resources to be used for the payment of principle, interest and related costs on debt.
- C. Enterprise Fund – Used to account for operations that are financed and operated in a manner similar to private business enterprises.
- D. Capital Improvement Fund – Used to account for resources to enable the acquisition or construction of major capital facilities which are not financed by enterprise funds, internal service funds, or trust funds.
- E. Special Revenue Funds – Used to account for proceeds from specific revenue sources which are restricted to expenditures for specific purposes.
 - 1. 4A Fund
 - 2. 4B Fund
 - 3. Employee Benefits Fund

INVESTMENT OBJECTIVES AND STRATEGY

It is the policy of the City that all funds shall be invested in conformance with state and federal regulations, applicable bond ordinance requirements, and adopted Investment Policy. In accordance with the Public Funds Investment Act, the following prioritized primary objectives, in accordance with the Texas Government Code Section 2256.005(d) apply to the City's investment strategy. Listed in order of their priority, these objectives encompass:

- A. Suitability – Understanding the suitability of the investment to the financial requirement of the City is important. Any investment eligible in the Investment Policy is suitable for all City funds.
- B. Safety – Preservation and safety of principal are the primary objectives of the Investment Policy. Investments of the City shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. To obtain this goal, diversification is required in the portfolio's composition.

The suitability of each investment decision will be made on the basis of these objectives. The City prefers to invest in money market accounts, certificates of deposits, and United States government backed agency discount notes.

- C. Liquidity – The City’s investment portfolio will remain sufficiently liquid to meet operating requirements that might be reasonably anticipated. The City’s investment portfolio will remain sufficiently liquid and enable it to meet all operating requirements which might be reasonably anticipated.
- D. Diversification – Investment maturities shall be staggered throughout the budget cycle to provide cash flow based on the anticipated needs of the City. Diversifying the appropriate maturity structure will reduce market cycle risk. Diversification of the portfolio will include diversification by maturity and market sector and will include the use of a number of brokers/dealers for diversification and market coverage. Competitive bidding will be used on each sale and purchase.
- E. Yield – Attaining a competitive market yield, commensurate with the City’s investment risk constraints and cash flow characteristic of the portfolio, is the desired objective. The City’s investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City’s risk constraints and the cash flow of the portfolio. “Market rate of return” may be defined as the average yield of the current three-month U.S. Treasury Bill or such other index that most closely matches the average maturity of the portfolio. The City’s objective shall be a reasonably safe yield rate in accordance with payment schedules and other investment goals.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability. The City shall maintain a comprehensive cash management program which includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services. The City staff will follow the “Prudent Person” statement relating to the standard of care that must be exercised when investing public funds as expressed in the Texas Government Code Section 2256.006(a-b). The Investment Officers shall avoid any transactions that might impair public confidence in the City’s ability to govern effectively. The governing body recognizes that in diversifying the portfolio, occasional measured unrealized losses due to market volatility are inevitable, and must be considered within the context of the overall portfolio’s investment return, provided that adequate diversification has been implemented. The prudence of the investment decision shall be measured in accordance with the tests set forth in the Texas Government Code Section 2256.006(b).

It shall be the policy of the City not to invest in speculative instruments such as derivatives.

LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY

Direct specific investment parameters for the investment of public funds in Texas are found in the Public Funds Investment Act of the Texas Government Code Section 2256. The Interlocal Cooperation Contracts, Section 791, of the Texas Government Code authorizes local governments to participate in public funds investments in conjunction with other local governments and agencies of the state of Texas. Section 791 along with Section 2256 of the Texas Government Code provides authorization for participation in investment pools to invest public funds jointly with objectives of preservation and safety of principal, liquidity, and yield.

DELEGATION OF INVESTMENT AUTHORITY

The City Manager and the Finance Director acting on behalf of the City Council are designated as the Investment Officers of the City and are responsible for investment management decisions and activities. The Council is responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The Investment Officers shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with the investment policy. Procedures will include reference to safekeeping, wire transfers, certificates of deposit, and fund accounts. Additional procedures will be documented for the performance of wire transfer agreements; banking services contracts, and other investment related activities.

The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and staff. The Investment Officers shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officers are not available.

No officer or designee may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officers and approved by the City Council.

PRUDENCE – STANDARD OF CARE

The standard of prudence to be used in the investment function shall be the “prudent person” standard and shall be applied in the context of managing the overall portfolio. The Texas Government Code Section 2256.006(a) states Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.

Limitation of Personal Liability

The Investment Officers and those delegated investment authority under this policy, when acting in accordance with the written procedures and this policy and in accordance with the written procedures and this policy and in accord with the Prudent Person Rule, shall be relieved of personal responsibility and liability in the management of the portfolio provided that deviations from expectations for a specific security’s credit risk or market price change or portfolio shifts are reported in a timely manner and that appropriate action is taken to control adverse market effects.

INTERNAL CONTROLS

The Investment Officers shall establish a system of written internal controls which will be reviewed annually with the independent auditor of the City. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees or Investment Officers of the City.

Cash Flow Forecasting

Cash flow forecasting is designated to protect and sustain cash flow requirements of the City. Supplemental to the financial and budgetary systems, the Investment Officers will maintain a cash flow forecasting process designed to monitor and forecast cash positions for investment purposes. Cash flow will include the historical researching and monitoring of specific cash flow items, payables, and receivables as well as overall cash position and patterns.

AUTHORIZED INVESTMENTS

Acceptable investments under this policy shall be limited to the instruments listed below. The investments shall be selected in a manner which promotes diversity of the market sector and maturity. The selection of high-grade government investments and high-grade money market instruments is designed to assure the marketability of those investments should the need for liquidity arise.

- A. Obligations of the United States Government, its agencies and instrumentalities, and government sponsoring enterprises, not to exceed two years to stated maturity;
- B. Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas and under the terms of a written depository agreement with that bank, not to exceed three years to the stated maturity;
- C. Money market funds authorized by the Public Funds Investment Act of the Texas Government Code Chapter 2256.
- D. Texas Local Government Investment Pools authorized by the Public Funds Investment Act of the Texas Government Code Chapter 2256.

Additional types of securities approved for investment of public funds by Texas state statutes are not eligible for investment by the City until this Investment Policy has been amended and the amended version approved by the City Council authorizing investment of these additional types of securities.

Competitive Bidding Requirements

All securities, excluding certificates of deposit, will be purchased or sold after three (3) offers/bids are taken to verify that the City is receiving fair market value/price for the investment.

Delivery versus Payment

All security transactions, including collateral for repurchase agreements, entered into by the City, shall be conducted on a delivery versus payment (DVP) basis.

SAFEKEEPING AND COLLATERALIZATION

The laws of the State and prudent treasury management require that all purchased securities be bought on a delivery versus payment basis and be held in safekeeping by either the City, an independent third-party financial institution, or the City's designated depository.

All safekeeping arrangements shall be designed by the Investment Officers and an agreement of the terms executed in writing. The third-party custodian shall be required to issue safekeeping receipts to the City listing each specific security, rate, description, maturity, cusip number, and other pertinent information. Each safekeeping receipt will be clearly marked that the security is held for the City or pledged to the City.

All securities pledged to the City for certificates of deposit or demand deposits shall be held by an independent third-party bank domiciled in Texas. The safekeeping bank may be written within the same holding company as the bank, from which the securities are pledged.

Collateralization

Collateralization shall be required on all public funds of the City over the FDIC insurance coverage limit, and in order to anticipate market changes and provide a level of additional security for all funds, the collateralized level required will be 102% of the market value of the principal accrued interest.

PERFORMANCE EVALUATION AND REPORTING

The Investment Officers shall submit quarterly and annual reports to the City Council containing a written report of investment transactions and investment positions as of the date of report. The report will be prepared jointly by all involved in the investment activity and be signed by the Investment Officer(s).

DEPOSITORIES

The City will designate one banking institution through a competitive process as its central banking service provider. This institution will be used for normal banking services including disbursements, deposits, and lockbox. As a matter of ensuring liquidity and security should the funds deposited with the designated bank be temporarily unavailable, the City will maintain an emergency reserve in another qualified bank.

INVESTMENT POLICY ADOPTION BY CITY COUNCIL

The City's Investment Policy shall be formally approved and adopted by resolution of the City Council and reviewed annually in accordance with the provisions of the Public Funds Investment Act of the Texas Government Code Chapter 2256.

AMENDMENT

In the event Texas state law changes and the City cannot invest in the investments described by this policy, this policy shall automatically be conforming to existing law.

DEBT SERVICE SCHEDULES

Certificates of Obligation, Series 2007

Purpose: to acquire and renovate a building and parking area to be used by the City's public works department; to purchase phone, alarm and computer equipment and office furniture for such building; and professional services rendered in connection with this project.

Fiscal Year	General Fund 34%			Enterprise Fund: 66%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	37,400	8,826	46,226	72,600	17,134	89,734	110,000	25,960	135,960
2024	37,400	7,180	44,580	72,600	13,940	86,540	110,000	21,120	131,120
2025	39,100	5,536	44,636	75,900	10,744	86,644	115,000	16,280	131,280
2026	42,500	3,814	46,314	82,500	7,406	89,906	125,000	11,220	136,220
2027	44,200	1,944	46,144	85,800	3,776	89,576	130,000	5,720	135,720
Total	200,600	27,300	227,900	389,400	53,000	442,400	590,000	80,300	670,300

Certificates of Obligation, Series 2013

Purpose: to pay for water and sewer system repairs and improvements, street repairs, drainage repairs and improvements, and park repairs and improvements, and for professional services related to this project

Fiscal Year	General Fund 12%			Enterprise Fund: 88%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	24,000	720	24,720	176,000	5,280	181,280	200,000	6,000	206,000
Total	24,000	720	24,720	176,000	5,280	181,280	200,000	6,000	206,000

Certificates of Obligation, Series 2015

Purpose: to pay for rehabilitation, reconstruction, addition and expansion of the waste water treatment plant; rehabilitation and construction of wastewater lift stations and wastewater lines; construction of water lines and associated equipment and facilities rehabilitation, reconstruction and construction of streets and drainage; rehabilitation of municipal facilities; and professional services rendered in connection with this project.

Fiscal Year	General Fund: 0%			Enterprise Fund: 100%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	-	-	-	285,000	169,375	454,375	285,000	169,375	454,375
2024	-	-	-	290,000	160,750	450,750	290,000	160,750	450,750
2025	-	-	-	300,000	151,900	451,900	300,000	151,900	451,900
2026	-	-	-	310,000	142,750	452,750	310,000	142,750	452,750
2027	-	-	-	320,000	132,900	452,900	320,000	132,900	452,900
2028	-	-	-	330,000	121,925	451,925	330,000	121,925	451,925
2029	-	-	-	340,000	110,200	450,200	340,000	110,200	450,200
2030	-	-	-	355,000	97,594	452,594	355,000	97,594	452,594
2031	-	-	-	370,000	84,000	454,000	370,000	84,000	454,000
2032	-	-	-	380,000	69,937	449,937	380,000	69,937	449,937
2033	-	-	-	395,000	55,406	450,406	395,000	55,406	450,406
2034	-	-	-	410,000	40,313	450,313	410,000	40,313	450,313
2035	-	-	-	425,000	24,656	449,656	425,000	24,656	449,656
2036	-	-	-	445,000	8,344	453,344	445,000	8,344	453,344
Total	-	-	-	4,955,000	1,370,050	6,325,050	4,955,000	1,370,050	6,325,050

Certificates of Obligation, Series 2017

Purpose: to pay for the restoration, replacement, rehabilitation, and expansion of the wastewater and water systems, including the treatment plant; street and drainable improvements; and professional services related thereto.

Fiscal Year	General Fund: 0%			Enterprise Fund: 100%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	-	-	-	100,000	364,050	464,050	100,000	364,050	464,050
2024	-	-	-	115,000	361,050	476,050	115,000	361,050	476,050
2025	-	-	-	115,000	357,600	472,600	115,000	357,600	472,600
2026	-	-	-	115,000	353,000	468,000	115,000	353,000	468,000
2027	-	-	-	390,000	348,400	738,400	390,000	348,400	738,400
2028	-	-	-	545,000	332,800	877,800	545,000	332,800	877,800
2029	-	-	-	560,000	311,000	871,000	560,000	311,000	871,000
2030	-	-	-	585,000	288,600	873,600	585,000	288,600	873,600
2031	-	-	-	605,000	265,200	870,200	605,000	265,200	870,200
2032	-	-	-	630,000	241,000	871,000	630,000	241,000	871,000
2033	-	-	-	660,000	215,800	875,800	660,000	215,800	875,800
2034	-	-	-	1,010,000	189,400	1,199,400	1,010,000	189,400	1,199,400
2035	-	-	-	1,050,000	149,000	1,199,000	1,050,000	149,000	1,199,000
2036	-	-	-	1,090,000	107,000	1,197,000	1,090,000	107,000	1,197,000
2037	-	-	-	1,585,000	63,400	1,648,400	1,585,000	63,400	1,648,400
Total	-	-	-	9,155,000	3,947,300	13,102,300	9,155,000	3,947,300	13,102,300

General Obligation Refunding Bonds, Series 2019

Purpose: to refund certain obligations (Combination Tax & Revenue Certificates of Obligations, Series 2009) of the City, and professional services related thereto.

Fiscal Year	General Fund 100%			Enterprise Fund: 0%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	220,000	32,100	252,100	-	-	-	220,000	32,100	252,100
2024	225,000	23,300	248,300	-	-	-	225,000	23,300	248,300
2025	235,000	14,300	249,300	-	-	-	235,000	14,300	249,300
2026	245,000	4,900	249,900	-	-	-	245,000	4,900	249,900
Total	925,000	74,600	999,600	-	-	-	925,000	74,600	999,600

Certificates of Obligation, Series 2021A

Purpose: to pay for the expansion and improvements to the City's water and sewer system; system renovations and line relocations to the City's electric utility system; city-wide street repairs and improvements; and professional services related thereto.

Fiscal Year	General Fund: 0%			Enterprise Fund: 100%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	-	-	-	295,000	559,600	854,600	295,000	559,600	854,600
2024	-	-	-	320,000	550,750	870,750	320,000	550,750	870,750
2025	-	-	-	345,000	541,150	886,150	345,000	541,150	886,150
2026	-	-	-	395,000	534,250	929,250	395,000	534,250	929,250
2027	-	-	-	140,000	526,350	666,350	140,000	526,350	666,350
2028	-	-	-	135,000	523,550	658,550	135,000	523,550	658,550
2029	-	-	-	160,000	519,500	679,500	160,000	519,500	679,500
2030	-	-	-	160,000	514,700	674,700	160,000	514,700	674,700
2031	-	-	-	185,000	509,900	694,900	185,000	509,900	694,900
2032	-	-	-	260,000	504,350	764,350	260,000	504,350	764,350
2033	-	-	-	290,000	493,950	783,950	290,000	493,950	783,950
2034	-	-	-	290,000	482,350	772,350	290,000	482,350	772,350
2035	-	-	-	320,000	470,750	790,750	320,000	470,750	790,750
2036	-	-	-	370,000	457,950	827,950	370,000	457,950	827,950
2037	-	-	-	395,000	446,850	841,850	395,000	446,850	841,850
2038	-	-	-	1,620,000	435,000	2,055,000	1,620,000	435,000	2,055,000
2039	-	-	-	1,665,000	386,400	2,051,400	1,665,000	386,400	2,051,400
2040	-	-	-	1,715,000	336,450	2,051,450	1,715,000	336,450	2,051,450
2041	-	-	-	1,765,000	285,000	2,050,000	1,765,000	285,000	2,050,000
2042	-	-	-	1,820,000	232,050	2,052,050	1,820,000	232,050	2,052,050
2043	-	-	-	1,875,000	177,450	2,052,450	1,875,000	177,450	2,052,450
2044	-	-	-	1,930,000	121,200	2,051,200	1,930,000	121,200	2,051,200
2045	-	-	-	1,990,000	63,300	2,053,300	1,990,000	63,300	2,053,300
2046	-	-	-	120,000	3,600	123,600	120,000	3,600	123,600
Total	-	-	-	18,560,000	9,676,400	28,236,400	18,560,000	9,676,400	28,236,400

Certificates of Obligation, Series 2021B

Purpose: to refund certain obligations (Combination Tax & Revenue Certificates of Obligations, Series 2013) of the City, and professional services related thereto.

Fiscal Year	General Fund: 0%			Enterprise Fund: 100%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	6,600	5,157	11,757	48,400	37,821	86,221	55,000	42,978	97,978
2024	31,200	5,134	36,334	228,800	37,652	266,452	260,000	42,786	302,786
2025	30,600	4,956	35,556	224,400	36,348	260,748	255,000	41,304	296,304
2026	31,200	4,690	35,890	228,800	34,395	263,195	260,000	39,085	299,085
2027	31,800	4,341	36,141	233,200	31,833	265,033	265,000	36,174	301,174
2028	31,800	3,889	35,689	233,200	28,521	261,721	265,000	32,410	297,410
2029	33,000	3,390	36,390	242,000	24,860	266,860	275,000	28,250	303,250
2030	33,000	2,786	35,786	242,000	20,431	262,431	275,000	23,217	298,217
2031	34,200	2,149	36,349	250,800	15,761	266,561	285,000	17,910	302,910
2032	34,800	1,472	36,272	255,200	10,795	265,995	290,000	12,267	302,267
2033	34,800	741	35,541	255,200	5,436	260,636	290,000	6,177	296,177
Total	333,000	38,705	371,705	2,442,000	283,852	2,725,852	2,775,000	322,557	3,097,557

Spirit of Texas Street Equipment

Purpose: to purchase rolling stock and heavy equipment to be used in the City's street department.

Fiscal	General Fund: 100%			Enterprise Fund: 0%			Total		
Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	48,252	3,283	51,535	-	-	-	48,252	3,283	51,535
2024	49,867	1,668	51,535	-	-	-	49,867	1,668	51,535
Total	98,119	4,951	103,070	-	-	-	98,119	4,951	103,070

Total Debt

Fiscal	General Fund			Enterprise Fund			Total		
Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	336,252	50,086	386,338	977,000	1,153,260	2,130,260	1,313,252	1,203,346	2,516,598
2024	343,467	37,282	380,749	1,026,400	1,124,142	2,150,542	1,369,867	1,161,424	2,531,291
2025	304,700	24,792	329,492	1,060,300	1,097,742	2,158,042	1,365,000	1,122,534	2,487,534
2026	318,700	13,404	332,104	1,131,300	1,071,801	2,203,101	1,450,000	1,085,205	2,535,205
2027	76,000	6,285	82,285	1,169,000	1,043,259	2,212,259	1,245,000	1,049,544	2,294,544
2028	31,800	3,889	35,689	1,243,200	1,006,796	2,249,996	1,275,000	1,010,685	2,285,685
2029	33,000	3,390	36,390	1,302,000	965,560	2,267,560	1,335,000	968,950	2,303,950
2030	33,000	2,786	35,786	1,342,000	921,325	2,263,325	1,375,000	924,111	2,299,111
2031	34,200	2,149	36,349	1,410,800	874,861	2,285,661	1,445,000	877,010	2,322,010
2032	34,800	1,472	36,272	1,525,200	826,082	2,351,282	1,560,000	827,554	2,387,554
2033	34,800	741	35,541	1,600,200	770,592	2,370,792	1,635,000	771,333	2,406,333
2034	-	-	-	1,710,000	712,063	2,422,063	1,710,000	712,063	2,422,063
2035	-	-	-	1,795,000	644,406	2,439,406	1,795,000	644,406	2,439,406
2036	-	-	-	1,905,000	573,294	2,478,294	1,905,000	573,294	2,478,294
2037	-	-	-	1,980,000	510,250	2,490,250	1,980,000	510,250	2,490,250
2038	-	-	-	1,620,000	435,000	2,055,000	1,620,000	435,000	2,055,000
2039	-	-	-	1,665,000	386,400	2,051,400	1,665,000	386,400	2,051,400
2040	-	-	-	1,715,000	336,450	2,051,450	1,715,000	336,450	2,051,450
2041	-	-	-	1,765,000	285,000	2,050,000	1,765,000	285,000	2,050,000
2042	-	-	-	1,820,000	232,050	2,052,050	1,820,000	232,050	2,052,050
2043	-	-	-	1,875,000	177,450	2,052,450	1,875,000	177,450	2,052,450
2044	-	-	-	1,930,000	121,200	2,051,200	1,930,000	121,200	2,051,200
2045	-	-	-	1,990,000	63,300	2,053,300	1,990,000	63,300	2,053,300
2046	-	-	-	120,000	3,600	123,600	120,000	3,600	123,600
Total	1,580,719	146,276	1,726,995	35,677,400	15,335,882	51,013,282	37,258,119	15,482,158	52,740,277

STANDARD & POORS RATING REPORT

S&P Global
Ratings

RatingsDirect®

Summary:

Sanger, Texas; General Obligation

Primary Credit Analyst:

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Related Research

The City of Sanger was assigned an “AA” long-term rating upon the issuance of the series 2021 bonds.

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APRIL 5, 2021 1

Summary:

Sanger, Texas; General Obligation

Credit Profile

US\$16.23 mil combination tax and rev certs of oblig ser 2021A dtd 05/01/2021 due 08/01/2044

<i>Long Term Rating</i>	AA/Stable	New
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US\$2.855 mil GO rfdg bnds ser 2021B dtd 05/01/2021 due 08/01/2033

<i>Long Term Rating</i>	AA/Stable	New
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Sanger GO

<i>Long Term Rating</i>	AA/Stable	Affirmed
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Rating Action

S&P Global Ratings assigned its 'AA' rating and stable outlook to Sanger, Texas' roughly \$16.23 million series 2021A combination tax and revenue certificates of obligation and roughly \$2.855 million series 2021B general obligation (GO) refunding bonds and affirmed its 'AA' rating, with a stable outlook, on the city's existing GO debt.

An ad valorem property tax, within limits prescribed by law, on all taxable property within the city secures the GO bonds.

An ad valorem-tax pledge and limited surplus net revenue of the city's water-and-sewer system, not to exceed \$1,000, secure the certificates. However, we rate the certificates based on the city's ad valorem-tax pledge.

The maximum allowable rate in Texas is \$2.50 per \$100 of assessed value (AV) for all purposes with the portion dedicated to debt service limited to \$1.50 per \$100 of AV. The city's levy is well below the maximum at 67.91 cents, 7.3644 cents of which management dedicates to debt service.

Based on the application of our criteria, titled "Issue Credit Ratings Linked To U.S. Public Finance Obligors' Creditworthiness," published Nov. 20, 2019, on RatingsDirect, we do not differentiate between the city's limited-tax GO debt and general creditworthiness. We posit that Sanger's ability to meet debt service and continue to operate has a strong link to its general creditworthiness and that there are no significant resource-fungibility limitations.

Officials will use series 2021A certificate proceeds to expand and improve the water-and-sewer system, renovate the electric-utility system, and make citywide street improvements and series 2021B bond proceeds to refinance portions of series 2013 certificates for debt-service savings.

Credit overview

The more than 10-square-mile Sanger, just west of Lake Ray Roberts, is less than 50 miles north of Fort Worth and directly north of Denton. Interstate 35 runs through the heart of Sanger and provides residents with access to employment opportunities throughout the Dallas Metroplex, which has supported strong residential growth recently.

Despite economic risks posed by COVID-19, active residential and commercial development is ongoing, providing

near-term operating-revenue stability. In our opinion, finances are very strong, evidenced by sizable reserves established by policy and maintained over several years. We note that despite the winter storm in February 2021 and the presence of a municipal-owned electric utility, Sanger officials do not expect the storm to affect finances materially.

The rating also reflects our opinion of the city's:

- Strong economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Very strong financial management, with strong financial policies and practices under our Financial Management Assessment (FMA) methodology;
- Strong budgetary performance, with operating surpluses in the general fund and at the total governmental-fund level in fiscal 2020;
- Very strong budgetary flexibility, with available fund balance in fiscal 2020 at 109% of operating expenditures;
- Very strong liquidity, with total government available cash at 2.3x total governmental-fund expenditures and 22.9x governmental debt service, and access to external liquidity we consider strong;
- Very weak debt-and-contingent-liability position, with debt service carrying charges at 10% of expenditures and net direct debt that is 200.9% of total governmental-fund revenue; and
- Strong institutional framework score.

The stable outlook reflects S&P Global Ratings' opinion finances will likely remain stable during the next few fiscal years, supported by ongoing local economic growth due to its location.

Environmental, social, and governance (ESG) factors

The rating incorporates our view regarding health-and-safety risks due to COVID-19. Absent short-term implications of COVID-19, we consider social risks in-line with the sector standard. We have analyzed Sanger's environmental and governance risks relative to its economy, management, financial measures, and debt-and-liability profile and have determined all are on par with our view of the sector standard.

Stable Outlook

Downside scenario

We could lower the rating if budgetary performance were to experience sustained imbalance, leading to significantly deteriorated reserves.

Upside scenario

We could raise the rating if ongoing economic expansion were to improve income and property values to levels we consider in-line with higher-rated peers or if management were to maintain reserves consistently at levels higher than 75% of expenditures during a sustained period.

Credit Opinion

Strong economy

We consider Sanger's economy strong. The city, with a population estimate of 9,304, is in Denton County in the Dallas-Fort Worth-Arlington MSA, which we consider broad and diverse. Projected per capita effective buying income is 100% of the national level and per capita market value is \$85,162. Overall, market value has grown by 22.9% during the past year to \$792.3 million in fiscal 2021. County unemployment was 3% in 2019, pre-COVID-19. Following unemployment of 12.8% in April 2020, unemployment decreased to about 5.8% in January 2021 and averaged roughly 6.6% in 2020 due to COVID-19.

The primarily residential city has experienced strong retail and commercial growth with more land available for development. Due to commercial and residential expansion, property value has increased at elevated rates. Net taxable AV has increased by 50% during the past five years and 23% in fiscal 2021, the most recent year.

Ongoing economic development includes several new phases of existing developments underway or residential lots released for construction. Commercial development typically follows residential development, and the city experiences some commercial growth. Sanger should see more commercial growth as the population increases. Overall, we expect continued economic growth in conjunction with the expansion of I-35 improving access to the Dallas Metropolitan area.

Very strong management

We revised our view of the city's financial management to very strong from strong with strong financial policies and practices under our FMA methodology, indicating financial practices are strong, well embedded, and likely sustainable.

The revision reflects our understanding Sanger uses long-term financial projections that forecast major general fund revenue and expenditure items four years beyond the budget year. Forecast assumptions also include varying growth projections, not just straight-line projections.

Highlights include management's:

- Revenue and expenditure assumptions based, in part, on three years of historical trends, coupled with information from outside sources to assist with forecasting;
- Monthly budget-to-actual reports to the city council;
- Use of a five-year capital-improvement plan with estimated costs and identified funding sources;
- Formal investment-management policy that follows state guidelines with monthly performance reports to the council;
- Formal debt-management policy; and
- Formal fund-balance policy of maintaining a minimum 25% of annual operating expenditures.

Strong budgetary performance

Sanger's budgetary performance is strong, in our opinion. The city had general fund operating surpluses at 40% of

expenditures and 23.6% across all governmental funds in fiscal 2020. Our assessment accounts for the fact that we expect budgetary results could deteriorate somewhat from fiscal 2020 results during the next few years.

We have adjusted our ratios for, what we view as, recurring transfers into and from the general fund.

Officials partially attribute fiscal 2020 performance to property tax revenue coming in 7% higher due to growing property values and sales-tax revenue coming in 21% higher due to local economic growth. Charges for services also increased by 7% due primarily to higher building permit revenue in fiscal 2020. In fiscal 2020, property taxes generated 48% of general fund revenue, followed by sales taxes at 13% and charges for services at 12%.

The operationally balanced fiscal 2021 budget indicates reserves will likely remain stable. Officials indicate the budget is trending accordingly, and they conservatively expect to end fiscal 2021 with breakeven operations. Officials expect to adopt a balanced fiscal 2022 budget, and they forecast reserves will remain relatively stable.

Very strong budgetary flexibility

Sanger's budgetary flexibility is very strong, in our view, with available fund balance in fiscal 2020 at 109% of operating expenditures, or \$7.3 million. We expect available fund balance will likely remain more than 30% of expenditures for the current and next fiscal years, which we view as a positive credit factor.

We expect budgetary flexibility will likely remain, what we consider, very strong during the next two fiscal years, supported by Sanger's good history of maintaining available reserves well above its formal minimum 25%-of-expenditures reserve policy. While reserves increased in fiscal 2020, we think management could use reserves in excess of its policy for one-time items once COVID-19 is over; there, however, are currently no definitive plans to draw on reserves materially.

Very strong liquidity

In our opinion, Sanger's liquidity is very strong, with total government available cash at 2.3x total governmental-fund expenditures and 22.9x governmental debt service in fiscal 2020. In our view, the city has strong access to external liquidity if necessary.

In our opinion, Sanger's access to the debt market during the past 20 years and issuance of mainly tax-backed bonds demonstrate its strong access to external liquidity. The city has historically had, what we consider, very strong cash. In addition, we do not imagine Sanger's cash will likely deteriorate during the next two fiscal years.

All investments comply with state guidelines. As of Sept. 30, 2020, investments, which we do not consider aggressive, were primarily in certificates of deposit and money-market accounts. Sanger privately placed the series 2007 certificates, which have only \$795,000 outstanding. We understand privately placed documents are standard and do not present liquidity risk. Due to this private placement's relatively small size and standard bond provisions, we do not consider the certificates a contingent-liability risk.

Very weak debt-and-contingent-liability profile

In our view, Sanger's debt-and-contingent-liability profile is very weak. Total governmental-fund debt service is 10% of total governmental-fund expenditures, and net direct debt is 200.9% of total governmental-fund revenue.

Following the series 2021A and 2021B issuances, the city will have about \$37.3 million in direct debt outstanding.

\$18.2 million of which is self-supported with utility revenue. Overall net debt is about 4.1% of market value. We understand officials do not currently plan to issue additional debt during the next two years.

Pension and other-postemployment-benefit (OPEB) highlights

- We do not view pension and OPEB liabilities as an immediate credit pressure for Sanger because we consider required contributions manageable compared with total governmental expenditures.
- If required material contributions were to increase unexpectedly during the next few fiscal years, we do not think this will likely have an effect on fiscal stability due to reserves, including utility funds, officials could use for contingencies, if needed.

As of Dec. 31, 2019, the latest measurement date, Sanger participates in the state-administered Texas Municipal Retirement System (TMRS), which was 90.5% funded, with a net pension liability equal to \$1 million.

Sanger's combined required pension and actual OPEB contribution totaled 4.1% of total governmental-fund expenditures in fiscal 2020. The city made its full annual required pension contribution in fiscal 2020.

Sanger's required pension contribution is its actuarially determined contribution, calculated at the state level based on an actuary study; the city has historically funded annual required costs in full. Actuarial assumptions include a 6.75% discount, which we view as somewhat aggressive, representing market risk and resulting in contribution volatility if TMRS fails to meet assumed investment targets. In addition, contributions are likely to grow due to level-payroll funding rather than level-dollar contributions, which would result in consistent payments.

Sanger also participates in the cost-sharing, multiple-employer, defined-benefit, group-term, TMRS-operated, life-insurance coverage known as the supplemental-death-benefits fund; the city could terminate this coverage and discontinue participation by adopting an ordinance before Nov. 1 of any year, effective the following Jan. 1. Retiree death benefits are an OPEB. Death benefits are a fixed \$7,500.

Strong institutional framework

The institutional framework score for Texas municipalities is strong.

Related Research

- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Alternative Financing: Disclosure Is Critical To Credit Analysis In Public Finance, Feb. 18, 2014
- Criteria Guidance: Assessing U.S. Public Finance Pension And Other Postemployment Obligations For GO Debt, Local Government GO Ratings, And State Ratings, Oct. 7, 2019
- Through The ESG Lens 2.0: A Deeper Dive Into U.S. Public Finance Credit Factors, April 28, 2020
- 2020 Update Of Institutional Framework For U.S. Local Governments

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PROPOSED BUDGET

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APRIL 5, 2021 8

2022 TAX RATE CALCULATION WORKSHEET

2022 Tax Rate Calculation Worksheet Taxing Units Other Than School Districts or Water Districts

Form 50-856

CITY OF SANGER

Taxing Unit Name

Taxing Unit's Address, City, State, ZIP Code

Texas Tax Code §26.04(c) requires the calculation of the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. Texas Tax Code § 26.04(e-5) requires this calculation form be included in the annual budget document.

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	2021 total taxable value. Enter the amount of 2021 taxable value on the 2021 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹	\$ 898,898,382
2.	2021 tax ceilings. Counties, cities and junior college districts. Enter 2021 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2021 or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$ 0
3.	Preliminary 2021 adjusted taxable value. Subtract Line 2 from Line 1.	\$ 898,898,382
4.	2021 total adopted tax rate.	\$ 0.633711 /\$100
5.	2021 taxable value lost because court appeals of ARB decisions reduced 2021 appraised value. A. Original 2021 ARB values: \$ 0 B. 2021 values resulting from final court decisions: - \$ 0 C. 2021 value loss. Subtract B from A. ³	\$ 0
6.	2021 taxable value subject to an appeal under Chapter 42, as of July 25. A. 2021 ARB certified value: \$ 0 B. 2021 disputed value: - \$ 0 C. 2021 undisputed value. Subtract B from A. ⁴	\$ 0
7.	2021 Chapter 42 related adjusted values. Add Line 5C and Line 6C.	\$ 0

¹ Tex. Tax Code § 26.012(14)

² Tex. Tax Code § 26.012(14)

³ Tex. Tax Code § 26.012(14)

⁴ Tex. Tax Code § 26.012(14)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	2021 taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 898,898,382
9.	2021 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2021. Enter the 2021 value of property in deannexed territory. ⁵	\$ 0
10.	2021 taxable value lost because property first qualified for an exemption in 2022. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2022 does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use 2021 market value: \$ 812,068 B. Partial exemptions. 2022 exemption amount or 2022 percentage exemption times 2021 value: + \$ 1,167,000 C. Value loss. Add A and B. ⁶	\$ 1,979,068
11.	2021 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2022. Use only properties that qualified in 2022 for the first time; do not use properties that qualified in 2021. A. 2021 market value: \$ 0 B. 2022 productivity or special appraised value: - \$ 0 C. Value loss. Subtract B from A. ⁷	\$ 0
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$ 1,979,068
13.	2021 captured value of property in a TIF. Enter the total value of 2021 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which 2021 taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 0
14.	2021 total value. Subtract Line 12 and Line 13 from Line 8.	\$ 896,919,314
15.	Adjusted 2021 total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$ 5,683,876
16.	Taxes refunded for years preceding tax year 2021. Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2021. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2021. This line applies only to tax years preceding tax year 2021. ⁹	\$ 4,361
17.	Adjusted 2021 levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$ 5,688,237
18.	Total 2022 taxable value on the 2022 certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. ¹¹ A. Certified values: \$ 949,561,959 B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$ C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - \$ 0 D. Tax increment financing: Deduct the 2022 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2022 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. ¹² - \$ 0 E. Total 2022 value. Add A and B, then subtract C and D.	\$ 949,561,959

⁵ Tex. Tax Code § 26.0121(15)⁶ Tex. Tax Code § 26.0121(15)⁷ Tex. Tax Code § 26.0121(15)⁸ Tex. Tax Code § 26.03(c)⁹ Tex. Tax Code § 26.0121(15)¹⁰ Tex. Tax Code § 26.0121(15)¹¹ Tex. Tax Code § 26.012, 26.04(c-2)¹² Tex. Tax Code § 26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	Total value of properties under protest or not included on certified appraisal roll. ¹⁴	
A.	2022 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹⁴	\$ 131,582,870
B.	2022 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. ¹⁵	+ \$ 0
C.	Total value under protest or not certified. Add A and B.	\$ 131,582,870
20.	2022 tax ceilings. Counties, cities and junior colleges enter 2022 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2021 or a prior year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$ 0
21.	2022 total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷	\$ 1,081,144,829
22.	Total 2022 taxable value of properties in territory annexed after Jan. 1, 2021. Include both real and personal property. Enter the 2022 value of property in territory annexed. ¹⁸	\$ 0
23.	Total 2022 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2021. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2021 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2022. ¹⁹	\$ 32,633,369
24.	Total adjustments to the 2022 taxable value. Add Lines 22 and 23.	\$ 32,633,369
25.	Adjusted 2022 taxable value. Subtract Line 24 from Line 21.	\$ 1,048,511,460
26.	2022 NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰	\$ 0.542505/\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2022 county NNR tax rate. ²¹	\$ /\$100

SECTION 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

- Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
- Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	2021 M&O tax rate. Enter the 2021 M&O tax rate.	\$ 0.616576/\$100
29.	2021 taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 898,898,382

¹⁴ Tex. Tax Code § 26.01(c) and (d)

¹⁵ Tex. Tax Code § 26.01(c)

¹⁶ Tex. Tax Code § 26.01(d)

¹⁷ Tex. Tax Code § 26.012(a)(8)

¹⁸ Tex. Tax Code § 26.012(a)(6)

¹⁹ Tex. Tax Code § 26.012(a)(7)

²⁰ Tex. Tax Code § 26.012(a)(7)

²¹ Tex. Tax Code § 26.04(c)

²² Tex. Tax Code § 26.04(d)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
30.	Total 2021 M&O levy. Multiply Line 28 by Line 29 and divide by \$100	\$ 5,542,391
31.	Adjusted 2021 levy for calculating NNR M&O rate.	
	A. M&O taxes refunded for years preceding tax year 2021. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2021. This line applies only to tax years preceding tax year 2021.	+ \$ 3,832
	B. 2021 taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2022 captured appraised value in Line 18D, enter 0.	- \$ 0
	C. 2021 transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0.	+/- \$ 0
	D. 2021 M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function.	\$ 3,832
	E. Add Line 30 to 31D.	\$ 5,546,223
32.	Adjusted 2022 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,048,511,460
33.	2022 NNR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100.	\$ 0.528961 /\$100
34.	Rate adjustment for state criminal justice mandate.²³	
	A. 2022 state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.	\$ 0
	B. 2021 state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies.	- \$ 0
	C. Subtract B from A and divide by Line 32 and multiply by \$100.	\$ 0 /\$100
	D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0 /\$100
35.	Rate adjustment for indigent health care expenditures.²⁴	
	A. 2022 indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state assistance received for the same purpose.	\$ 0
	B. 2021 indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2020 and ending on June 30, 2021, less any state assistance received for the same purpose.	- \$ 0
	C. Subtract B from A and divide by Line 32 and multiply by \$100.	\$ 0 /\$100
	D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0 /\$100

²³ Reserved for expansion²⁴ Tex. Tax Code § 26.044²⁵ Tex. Tax Code § 26.0441

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
36.	Rate adjustment for county indigent defense compensation. ²⁵	
	A. 2022 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state grants received by the county for the same purpose.	\$ 0
	B. 2021 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2020 and ending on June 30, 2021, less any state grants received by the county for the same purpose.	\$ 0
	C. Subtract B from A and divide by Line 32 and multiply by \$100.	\$ 0 / \$100
	D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100.	\$ 0 / \$100
	E. Enter the lesser of C and D. If not applicable, enter 0.	\$ 0 / \$100
37.	Rate adjustment for county hospital expenditures. ²⁶	
	A. 2022 eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2021 and ending on June 30, 2022.	\$ 0
	B. 2021 eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2020 and ending on June 30, 2021.	\$ 0
	C. Subtract B from A and divide by Line 32 and multiply by \$100.	\$ 0 / \$100
	D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100.	\$ 0 / \$100
	E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.	\$ 0 / \$100
38.	Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code 26.0444 for more information.	
	A. Amount appropriated for public safety in 2021. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year.	\$ 0
	B. Expenditures for public safety in 2021. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year.	\$ 0
	C. Subtract B from A and divide by Line 32 and multiply by \$100.	\$ 0 / \$100
	D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0 / \$100
39.	Adjusted 2022 NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	\$ 0.528961 / \$100
40.	Adjustment for 2021 sales tax specifically to reduce property values. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in 2021 should complete this line. These entities will deduct the sales tax gain rate for 2022 in Section 3. Other taxing units, enter zero.	
	A. Enter the amount of additional sales tax collected and spent on M&O expenses in 2021, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent.	\$ 0
	B. Divide Line 40A by Line 32 and multiply by \$100.	\$ 0 / \$100
	C. Add Line 40B to Line 39.	\$ 0.528961 / \$100
41.	2022 voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.	\$ 0.547474 / \$100

* Tex. Tax Code § 26.0442
 * Tex. Tax Code § 26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	Disaster Line 41 (D41): 2022 voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of: 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, or 2) the third tax year after the tax year in which the disaster occurred. If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. ²⁷ If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).	\$ _____ 0 / \$100
42.	Total 2022 debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year, and (4) are not classified in the taxing unit's budget as M&O expenses. A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. ²⁸ Enter debt amount \$ 388,089 B. Subtract unencumbered fund amount used to reduce total debt - \$ 10,000 C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none) - \$ 0 D. Subtract amount paid from other resources - \$ 212,500 E. Adjusted debt. Subtract B, C and D from A.	\$ 165,589
43.	Certified 2021 excess debt collections. Enter the amount certified by the collector. ²⁹	\$ 11,104
44.	Adjusted 2022 debt. Subtract Line 43 from Line 42E.	\$ 154,485
45.	2022 anticipated collection rate. A. Enter the 2022 anticipated collection rate certified by the collector. ³⁰ 100.00 % B. Enter the 2021 actual collection rate 100.27 % C. Enter the 2020 actual collection rate 97.90 % D. Enter the 2019 actual collection rate 99.86 % E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. ³¹	100.00 %
46.	2022 debt adjusted for collections. Divide Line 44 by Line 45E.	\$ 154,485
47.	2022 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,081,144,829
48.	2022 debt rate. Divide Line 46 by Line 47 and multiply by \$100.	\$ 0.014289 / \$100
49.	2022 voter-approval tax rate. Add Lines 41 and 48.	\$ 0.561763 / \$100
D49.	Disaster Line 49 (D49): 2022 voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	\$ _____ / \$100

²⁷ Tex. Tax Code § 26.042(a).²⁸ Tex. Tax Code § 26.012(7).²⁹ Tex. Tax Code § 26.012(10) and 26.04(b).³⁰ Tex. Tax Code § 26.04(b).³¹ Tex. Tax Code §§ 26.04(b), (h-1) and (h-2).

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
50.	COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the 2022 county voter-approval tax rate.	\$ _____ 0 /\$100

SECTION 3: NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	Taxable Sales. For taxing units that adopted the sales tax in November 2021 or May 2022, enter the Comptroller's estimate of taxable sales for the previous four quarters. ³² Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2021, enter 0.	\$ _____ 0
52.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ³³ Taxing units that adopted the sales tax in November 2021 or in May 2022. Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ³⁴ -or- Taxing units that adopted the sales tax before November 2021. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ _____ 0
53.	2022 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,081,144,829
54.	Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.	\$ _____ 0 /\$100
55.	2022 NNR tax rate, unadjusted for sales tax. ³⁵ Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.542505 /\$100
56.	2022 NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November 2021 or in May 2022. Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2021.	\$ 0.542505 /\$100
57.	2022 voter-approval tax rate, unadjusted for sales tax. ³⁶ Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.561763 /\$100
58.	2022 voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.	\$ 0.561763 /\$100

SECTION 4: Voter-Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ³⁷ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ³⁸	\$ _____ 0
60.	2022 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,081,144,829
61.	Additional rate for pollution control. Divide Line 59 by Line 60 and multiply by \$100.	\$ _____ 0 /\$100
62.	2022 voter-approval tax rate, adjusted for pollution control. Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	\$ 0.561763 /\$100

³² Tex. Tax Code § 26.041(d)

³³ Tex. Tax Code § 26.041(i)

³⁴ Tex. Tax Code § 26.041(d)

³⁵ Tex. Tax Code § 26.041(d)

³⁶ Tex. Tax Code § 26.04(c)

³⁷ Tex. Tax Code § 26.04(c)

³⁸ Tex. Tax Code § 26.045(d)

³⁹ Tex. Tax Code § 26.045(i)

SECTION 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate before the unused increment rate for the prior three years.³⁹ In a year where a taxing unit adopts a rate by applying any portion of the unused increment rate, the unused increment rate for that year would be zero.

The difference between the adopted tax rate and voter-approval tax rate is considered zero in the following scenarios:

- a tax year before 2020;⁴⁰
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴¹ or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.⁴²

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴³

Line	Unused Increment Rate Worksheet	Amount/Rate
63.	2021 unused increment rate. Subtract the 2021 actual tax rate and the 2021 unused increment rate from the 2021 voter-approval tax rate. If the number is less than zero, enter zero.	\$ _____ 0 / \$100
64.	2020 unused increment rate. Subtract the 2020 actual tax rate and the 2020 unused increment rate from the 2020 voter-approval tax rate. If the number is less than zero, enter zero.	\$ _____ 0 / \$100
65.	2019 unused increment rate. Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	\$ _____ 0 / \$100
66.	2022 unused increment rate. Add Lines 63, 64 and 65.	\$ _____ 0 / \$100
67.	2022 voter-approval tax rate, adjusted for unused increment rate. Add Line 66 to one of the following lines (as applicable): Line 49; Line D49 (disaster); Line 50 (counties); Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control).	\$ _____ 0.561763 / \$100

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.⁴⁴

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.⁴⁵

Line	De Minimis Rate Worksheet	Amount/Rate
68.	Adjusted 2022 NNR M&O tax rate. Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ _____ 0.528961 / \$100
69.	2022 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____ 1,081,144,829
70.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 69 and multiply by \$100.	\$ _____ 0.046247 / \$100
71.	2022 debt rate. Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ _____ 0.014289 / \$100
72.	De minimis rate. Add Lines 68, 70 and 71.	\$ _____ 0.589497 / \$100

SECTION 7: Voter-Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.⁴⁶

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.⁴⁷

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago.

³⁹ Tex. Tax Code § 26.013(a).

⁴⁰ Tex. Tax Code § 26.013(c).

⁴¹ Tex. Tax Code §§ 26.0501(a) and (c).

⁴² Tex. Local Gov't Code § 120.007(d) effective Jan. 1, 2022.

⁴³ Tex. Tax Code § 26.063(a)(1).

⁴⁴ Tex. Tax Code § 26.012(b)-(e).

⁴⁵ Tex. Tax Code § 26.063(a)(1).

⁴⁶ Tex. Tax Code § 26.042(b).

⁴⁷ Tex. Tax Code § 26.042(f).

This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
73.	2021 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.633711 /\$100
74.	Adjusted 2021 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. If a disaster occurred in 2021 and the taxing unit calculated its 2021 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2021 worksheet due to a disaster, enter the 2021 voter-approval tax rate as calculated using a multiplier of 1.035 from Line 49. - or - If a disaster occurred prior to 2021 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2021, complete the separate <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2021 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the year(s) following the disaster. ⁴⁸ Enter the final adjusted 2021 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2021 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ 0 /\$100
75.	Increase in 2021 tax rate due to disaster. Subtract Line 74 from Line 73.	\$ 0.633711 /\$100
76.	Adjusted 2021 taxable value. Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 896,919,314
77.	Emergency revenue. Multiply Line 75 by Line 76 and divide by \$100.	\$ 5,683,876
78.	Adjusted 2022 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,048,511,460
79.	Emergency revenue rate. Divide Line 77 by Line 78 and multiply by \$100. ⁴⁹	\$ 0 /\$100
80.	2022 voter-approval tax rate, adjusted for emergency revenue. Subtract Line 79 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 67 (taxing units with the unused increment rate).	\$ 0.561763 /\$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above:

No-new-revenue tax rate. As applicable, enter the 2022 NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax). Indicate the line number used: <u>26</u>	\$ 0.542505 /\$100
Voter-approval tax rate. As applicable, enter the 2022 voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 67 (adjusted for unused increment), or Line 80 (adjusted for emergency revenue). Indicate the line number used: <u>50</u>	\$ 0.561763 /\$100
De minimis rate. If applicable, enter the 2022 de minimis rate from Line 72.	\$ 0.589497 /\$100

SECTION 9: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in Tax Code. ⁵⁰

print
here

Printed Name of Taxing Unit Representative

sign
here

Taxing Unit Representative

Date

⁴⁸ Tex. Tax Code §26.042(c)
⁴⁹ Tex. Tax Code §26.042(b)
⁵⁰ Tex. Tax Code §§ 26.041(c-2) and 1d-2)

Notice about 2022 Tax Rates

Property tax rates in CITY OF SANGER.

This notice concerns the 2022 property tax rates for CITY OF SANGER. This notice provides information about two tax rates used in adopting the current tax year's tax rate. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. In most cases, the voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per \$100 of property value.

This year's no-new-revenue tax rate	\$0.542505/\$100
This year's voter-approval tax rate	\$0.561763/\$100

To see the full calculations, please visit 1505 E. McKinney Street
Denton, TX 76209 for a copy of the Tax Rate Calculation Worksheet.

Unencumbered Fund Balances

The following estimated balances will be left in the taxing unit's accounts at the end of the fiscal year. These balances are not encumbered by corresponding debt obligation.

Type of Fund	Balance
GENERAL FUND	9,882,383
DEBT SERVICE FUND	459,998

Current Year Debt Service

The following amounts are for long-term debts that are secured by property taxes. These amounts will be paid from upcoming property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
2007 CERTIFICATES OF OBLIGATION	37,400	8,826	0	46,226
2013 CERTIFICATES OF OBLIGATION	24,000	720	0	24,720
2019 GO REFUNDING BONDS	220,000	32,100	0	252,100
2021 GO REFUNDING BONDS	6,600	5,158	0	11,758
GOVERNMENT CAPITAL STREET EQUIPMENT BOND	48,252	3,283	0	51,535
ADMINISTRATION FEES	0	0	1,750	1,750
	0			
	0			
Total required for 2022 debt service				\$388,089
- Amount (if any) paid from funds listed in unencumbered funds				\$10,000
- Amount (if any) paid from other resources				\$212,500
- Excess collections last year				\$11,104
= Total to be paid from taxes in 2022				\$154,485
+ Amount added in anticipation that the unit will collect only 100.00% of its taxes in 2022				\$0
= Total debt levy				\$154,485

This notice contains a summary of actual no-new-revenue and voter-approval calculations as certified by Michelle French, Denton County Tax Assessor/Collector on 07/29/2022.

Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to

limit the rate of growth of property taxes in the state.

PROPOSED BUDGET

GLOSSARY OF TERMS

Accrual Basis of Accounting

The basis of accounting whereby revenue projections are developed recognizing revenues expected to be earned in the period, and expenditure estimates are developed for all expenses anticipated to be incurred during the last fiscal year.

Ad Valorem

Latin for “according to the value of.” Refers to the tax assessed against real (land and building) and personal (equipment and furniture) property.

Appropriation

A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in the amount and as to the time when it may be expended.

Assessed Valuation

A valuation set upon real estate and certain personal property by the appraisal district as a basis for levying property taxes.

Assets

Resources owned or held by a government which has monetary value.

Audit

The annual formal examination of the City’s financial statement by an independent third-party accounting firm.

Balanced Budget

A budget that is resources (revenues, fund balance) that equals, or is greater than, uses (expenditures/expenses, capital outlay).

Basis of Accounting

The timing method used in the recognition of revenues and expenditures for financial reporting purposes.

Bond

A written promise to pay a specified sum of money at a specified date or dates in the future, called the

maturity date(s), together with periodic interest at a specified rate.

Budget

A plan of financial operation embodying an estimate of proposed expenditures for any given period and the proposed means of financing them.

Capital Expenditures/ Outlays

Expenditures which result in the acquisition of or addition of fixed assets.

Capital Projects Funds

Funds created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Cash Basis of Accounting

The method of accounting under which revenues are recorded when received and expenditures are recorded when paid.

CIP

Acronym for Capital Improvement Plan.

CCN

A Certificate of Convenience and Necessity (CCN) gives a public utility the exclusive right to provide retail utility service to an identified geographic area, referred to as the certified service area.

DATCU

Acronym for Denton Area Teachers Credit Union.

Debt Service

Payment of interest and repayment of principle to holders of a government’s debt instruments.

Debt Service Fund

A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The Town has no debt; therefore, no debt service fund budget is presented.

DFW

Acronym for The Dallas - Fort Worth area.

EMS

Acronym for Emergency Medical Services.

Encumbrances

Commitments related to unperformed (executory) contracts for goods and services.

Enterprise Fund

A proprietary fund type used to report activity for which a fee is charged to external users for goods or services.

ERCOT

Acronym for Electric Reliability Council of Texas.

Expenditures

Decreases in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service, and capital outlays.

FM

Designation for Farm to Market road.

Fiduciary Fund

A fund type used to report assets held in a trustee or agency position for other entities.

Fund

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance (Equity)

The difference between fund assets and fund liabilities reported in the Town's governmental funds. For Budget presentation purposes, Fund Balance shall be defined as Unassigned Fund Balance for governmental funds and as Net Working Capital for proprietary funds.

FY

Acronym for Fiscal Year.

GAAP

Acronym for Generally Accepted Accounting Principles, which are a collection of rules and procedures that set the basis for the fair presentation of financial statements. The accounting and reporting policies of the Town conform to the GAAP applicable to state and local governments.

GASB

Acronym for Government Accounting Standards Board, an independent, non-profit agency responsible for the promulgation of accounting and financial reporting procedures for governmental entities.

General Fund

General Operating Fund of the Town, accounting for the resources and expenditures related to the generally recognized governmental services provided.

Governmental Funds

Funds generally used to account for tax-supported activities. There are five (5) types of governmental funds; the general fund, special revenue funds, debt services funds, capital projects funds and permanent funds.

HOT

Acronym for Hotel Occupancy Tax.

I&I

Acronym for Inflow & Infiltration. Inflow happens when groundwater and stormwater seep into sanitary sewer systems through private and public defects within the collection system. Infiltration is when groundwater enters the sanitary sewer system through faulty pipes or manholes.

I&S

Acronym for Interest & Sinking.

Infrastructure

Public domain fixed assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems and similar assets that are immovable and of value only to the government unit.

Internal Service Fund

A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis. The Town's Equipment Replacement, Technology Replacement and Building Maintenance & Investment Funds are internal service funds.

MICU

Acronym for Mobile Intensive Care Unit.

M&O

Acronym for Maintenance & Operations

Major Fund

A fund whose revenues, expenditures, assets or liabilities are greater than ten percent of corresponding totals and at least five percent of the aggregate amount for all governmental and enterprise funds.

Modified Accrual

A combination of cash basis and accrual basis. Revenues are recognized when they are (1) measurable and (2) available. Expenditures are fully accrued as they are measurable when they are incurred.

No-New-Revenue (NNR) Tax Rate

The no-new-revenue tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year, based on a tax rate that would produce the same amount of taxes if applied to the same properties taxed in both years.

Ordinance

A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, usually require ordinances.

P&Z

Acronym for Planning & Zoning.

Proprietary Fund

A fund type used to account for activities that involve business-like operations.

R&M

Acronym for Repairs & Maintenance.

Revenues

Increases in net financial resources. Revenues include the receipt of assets for goods sold or services provided in the current reporting period, intergovernmental grants, and interest income.

SCBA

Self-contained Breathing Apparatus

Special Revenue Fund

A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specific purposes. GAAP only require the use of special revenue funds when legally mandated. These include the Court Technology and Court Security Funds.

SWOT

Acronym for an analysis of the City's Strengths, Weaknesses, Opportunities and Threats.

Tax Levy

The total amount of taxes imposed by the Town of taxable property within its boundaries.

Tax Rate

The dollar rate for taxes levied for each \$100 of assessed valuation.

TBD

Acronym for To Be Determined.

TXDOT

Acronym for Texas Department of Transportation.

Transfer

The movement of monies from one fund, activity, department, or account to another. This includes budgetary and/or movement of assets.

Voter-Approval Tax Rate

The voter-approval tax rate is a calculated maximum rate allowed by law without voter approval. The calculation splits the voter-approval tax rate into two separate components - a no-new-revenue maintenance and operations (M&O) rate and a debt service rate.

WW

Acronym for Waste Water.

WWTP

Abbreviation for Waste Water Treatment Plant.

PROPOSED BUDGET