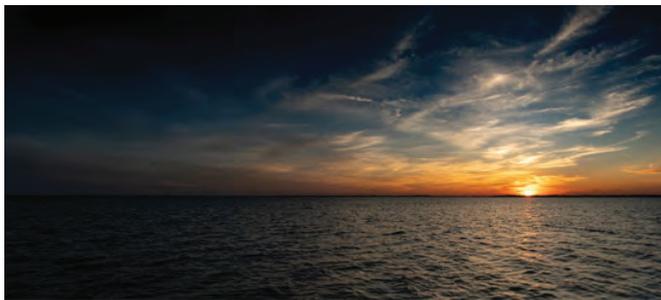




**OFFICIAL BUDGET**  
FISCAL YEAR 2022-2023



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.**

**Submitted to the Mayor and City Council September 19, 2022**

**The members of the City Council voted on the budget as follows:**

For: Marissa Barrett - Councilmember Place 1  
Gary Bilyeu - Councilmember Place 2  
Dennis Dillon - Councilmember Place 3  
Allen Chick - Councilmember Place 4  
Victor Gann - Councilmember Place 5

Against: None

Present (not voting): Thomas Muir, Mayor (only votes in case of a tie)

**PROPERTY TAX RATE COMPARISON**

| <b>RATE</b>                                      | <b>2021-2022</b>   | <b>2022-2023</b>   |
|--|--------------------|--------------------|
| Property Tax Rate                                | \$0.633711 / \$100 | \$0.589497 / \$100 |
| No New Revenue Tax Rate                          | \$0.627643 / \$100 | \$0.542505 / \$100 |
| No New Revenue Maintenance & Operations Tax Rate | \$0.561000 / \$100 | \$0.528961 / \$100 |
| Voter Approval Tax Rate                          | \$0.597770 / \$100 | \$0.561763 / \$100 |
| Debt Rate  | \$0.017135 / \$100 | \$0.014289 / \$100 |
| De Minimis Rate                                  | \$0.633711 / \$100 | \$0.589497 / \$100 |

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 19, 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

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Sanger  
Texas**

For the Fiscal Year Beginning

**October 01, 2021**

*Christopher P. Morill*

Executive Director

The 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.

# TABLE OF CONTENTS

## INTRODUCTION

|   |    |
|---|----|
| Budget Message .....                          | 10 |
| Strategic Planning for Results .....          | 20 |
| Strategic Goals .....                         | 21 |
| Sanger 2040 Comprehensive Plan.....           | 22 |
| Long-Range Financial Planning .....           | 23 |
| Organization Chart .....                      | 25 |
| Authorized Personnel .....                    | 26 |
| Budget Calendar .....                         | 27 |
| The Budget Process .....                      | 28 |
| List of Funds.....                            | 30 |
| Fund Relationship with Functional Areas ..... | 31 |
| About Sanger .....                            | 32 |
| Ordinance Adopting the Annual Budget .....    | 37 |
| Ordinance Adopting the Property Tax Rate..... | 40 |

## BUDGET SUMMARY

|  |    |
|--|----|
| 2022-2023 Budget at a Glance.....                      | 44 |
| 2022-2023 Budget by Fund .....                         | 46 |
| Revenues, Expenditures & Changes in Fund Balance ..... | 48 |
| Changes from Proposed Budget to Adopted Budget.....    | 57 |
| Combined Funds Budget Summary (Detailed) .....         | 58 |
| Combined Funds Budget Summary.....                     | 60 |

## FUNDS IN DETAIL

### GENERAL FUND

|                               |    |
|-------------------------------|----|
| Overview .....                | 62 |
| Budget Summary.....           | 63 |
| Revenues .....                | 65 |
| Departmental Budgets          |    |
| Police .....                  | 70 |
| Animal Control .....          | 72 |
| Fire.....                     | 74 |
| Municipal Court.....          | 76 |
| Development Services .....    | 78 |
| Streets .....                 | 80 |
| Parks & Recreation .....      | 82 |
| Library.....                  | 84 |
| Solid Waste.....              | 86 |
| Transfers to Other Funds..... | 88 |

### DEBT SERVICE FUND

|                     |    |
|---------------------|----|
| Overview .....      | 90 |
| Budget Summary..... | 91 |

# TABLE OF CONTENTS (continued)

|                                   |     |
|-----------------------------------|-----|
| DEBT SERVICE FUND                 |     |
| Expenditures .....                | 93  |
| Debt Service Requirements.....    | 94  |
| ENTERPRISE FUND                   |     |
| Overview .....                    | 96  |
| Budget Summary.....               | 97  |
| Revenues .....                    | 99  |
| Departmental Budgets              |     |
| Water .....                       | 100 |
| Waste Water .....                 | 102 |
| Electric .....                    | 104 |
| Transfers to Other Funds.....     | 106 |
| ENTERPRISE DEBT SERVICE FUND      |     |
| Overview .....                    | 108 |
| Budget Summary.....               | 109 |
| Expenditures .....                | 111 |
| Debt Service Requirements.....    | 112 |
| INTERNAL SERVICE FUND             |     |
| Overview .....                    | 114 |
| Budget Summary.....               | 115 |
| Departmental Budgets              |     |
| City Council.....                 | 118 |
| Administration .....              | 120 |
| City Secretary .....              | 122 |
| Legal .....                       | 124 |
| Public Works Administration ..... | 126 |
| Finance .....                     | 128 |
| Human Resources .....             | 130 |
| Engineering.....                  | 132 |
| Marketing .....                   | 134 |
| Fleet Services .....              | 136 |
| Facilities .....                  | 138 |
| Non-Departmental.....             | 140 |
| 4A CORPORATION FUND               |     |
| Overview .....                    | 142 |
| Budget Summary.....               | 143 |
| Revenues .....                    | 145 |
| Departmental Budget               |     |
| Economic Development .....        | 146 |
| 4B CORPORATION FUND               |     |
| Overview .....                    | 148 |

# TABLE OF CONTENTS (continued)

## 4B CORPORATION FUND

|   |     |
|---|-----|
| Budget Summary.....                     | 149 |
| Revenues.....                           | 151 |
| Departmental Budget                     |     |
| Economic Development Expenditures ..... | 152 |

## SPECIAL REVENUE FUNDS

|  |     |
|--|-----|
| Overview .....                                   | 154 |
| Budget Summary.....                              | 155 |
| Combined Schedule of Special Revenue Funds ..... | 156 |
| Hotel Occupancy Tax Fund .....                   | 157 |
| General Storm Recovery Fund.....                 | 157 |
| Electric Storm Recovery Fund.....                | 158 |
| Beautification Fund.....                         | 158 |
| Library Restricted Fund .....                    | 159 |
| Parkland Dedication Fund .....                   | 159 |
| Roadway Impact Fee Fund .....                    | 160 |
| Court Security Fund.....                         | 160 |
| Court Technology Fund .....                      | 161 |
| Child Safety Fund.....                           | 161 |
| Police Donations Fund .....                      | 162 |
| Fire Donations Fund .....                        | 162 |
| Park Donations Fund.....                         | 163 |
| Library Donations Fund .....                     | 163 |

## CAPITAL PROJECTS AND CAPITAL IMPROVEMENT PLAN

|   |     |
|---|-----|
| Overview .....                                      | 166 |
| Budget Summary.....                                 | 167 |
| Capital Projects Fund .....                         | 168 |
| Enterprise Capital Projects Fund.....               | 169 |
| Capital Improvement Plan .....                      | 170 |
| Capital Projects Fund Five Year Summary.....        | 174 |
| Enterprise Capital Projects Five Year Summary ..... | 176 |

## APPENDIX

|  |     |
|--|-----|
| General Fund Five Year Financial Projection .....      | 180 |
| Departmental Capital Equipment Requests.....           | 182 |
| Financial Management Policy.....                       | 204 |
| Investment Policy .....                                | 211 |
| Debt Service Schedules .....                           | 216 |
| S&P Global Rating Report.....                          | 220 |
| City of Sanger Monthly Report for September 2022 ..... | 228 |
| 2022 Tax Rate Calculation Worksheet .....              | 242 |
| Glossary of Terms .....                                | 253 |



# INTRODUCTION

# BUDGET MESSAGE

September 19, 2022

## 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.

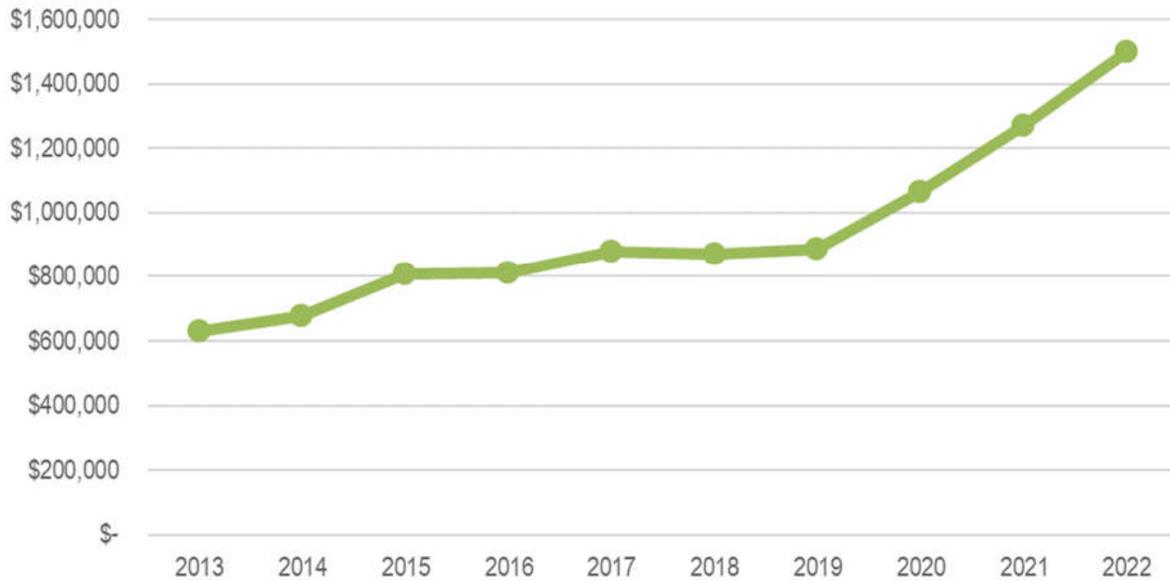
The intent of this budget message is to explain both the structure of the budget and the atmosphere in which it was created. Following the same format as previous years, the budget message outlines the highlights of this year's budget. It also discusses the city's Strengths, Weaknesses, Opportunities, 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.

General Fund Sales Tax Ten Year History



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.

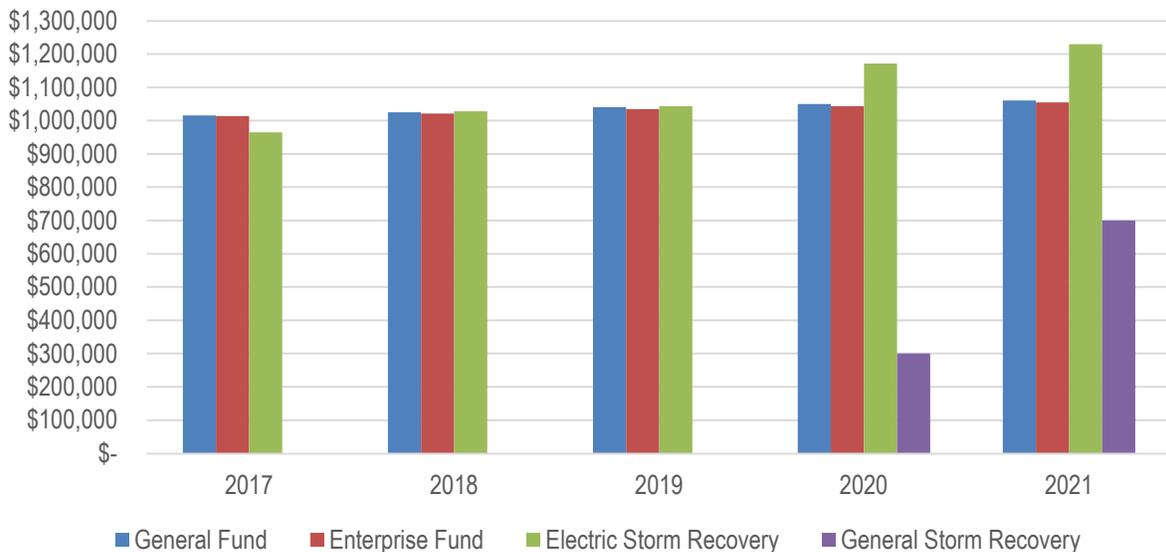
**Capital Projects**

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.

Contingency Reserve Funds Five Year History



**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.

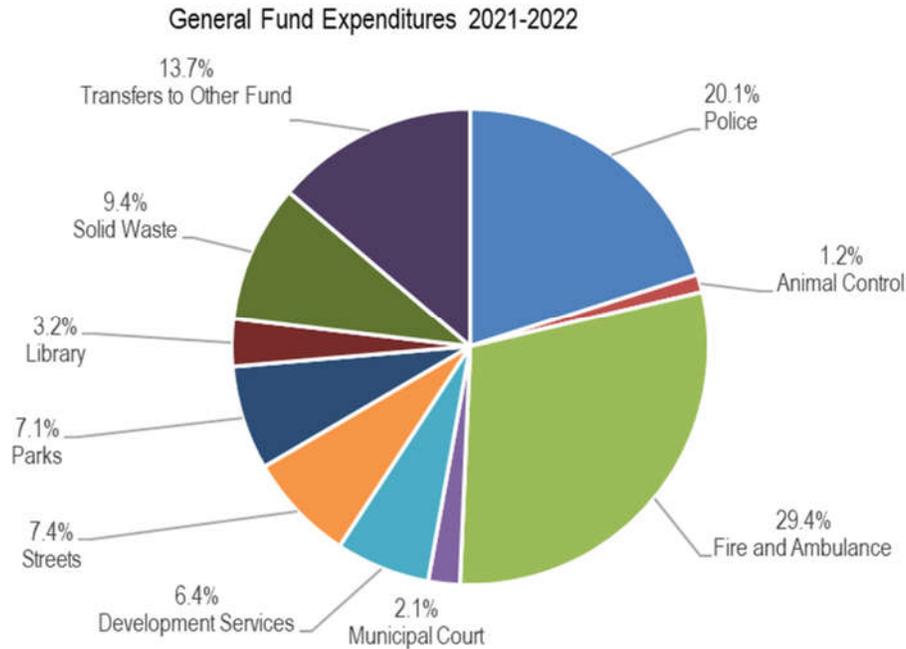
The city operates six major funds. They are the General Fund, Enterprise Fund, 4A Economic Development Fund, 4B Economic Development Fund, Debt Service Funds and Capital Improvement Funds. These funds are explained in detail below. The city's fiscal year runs from October 1<sup>st</sup> through September 30<sup>th</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> 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 4B Fund budget includes \$349,000 for renovations to Porter Park, \$65,000 for concept plans for a new downtown park, and \$65,000 for a miracle field. In the General Fund, the Parks Department includes \$18,000 for concept plans 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.

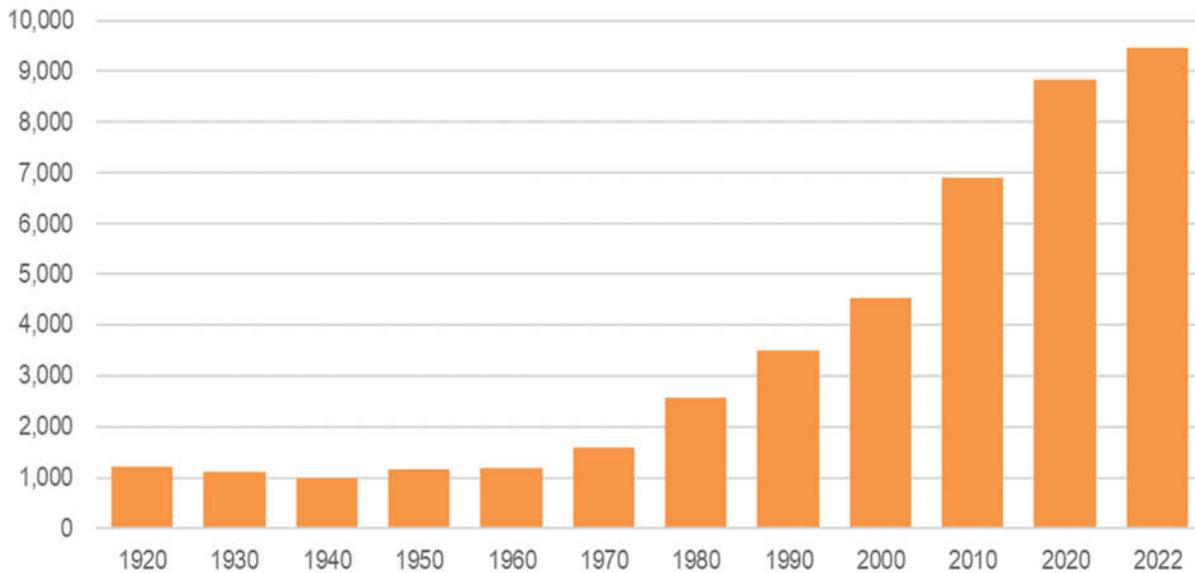
### **Looking Toward the Future**

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](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 strategy.

## 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 Sanger's vision and goals over the next 20 to 30 years.

View the plan here: <https://tx-sanger.civicplus.com/DocumentCenter/View/180/Sanger-Comprehensive-Plan-PDF>



# LONG-RANGE FINANCIAL PLANNING

## CONSIDERATION OF GROWTH FACTORS

The City’s long-range financial operating financial planning model takes into consideration a number of factors affecting the city’s continued growth. Key growth indicators affecting both revenue and expenses are presented below, indicating the growth from 2010 through 2021.

|   | Factor   | 2010          | 2021          | Growth |
|---|--|---------------|---------------|--------|
|    | Population - Denton County continues to see record numbers of new residents each year  | 6,916         | 9,640         | 39%    |
|    | Number of Housing Units - The increasing population drives development of new neighborhoods.   | 2,700         | 3,642         | 35%    |
|    | Number of Electric Utility Accounts - New construction in Sanger Electric's service area increases the number of customers           | 2,272         | 2,643         | 16%    |
|    | Number of Water Utility Accounts - - New construction in Sanger Electric's service area increases the number of customers            | 2,337         | 3,379         | 45%    |
|   | Number of Waste Water Utility Accounts - - New construction in Sanger Electric's service area increases the number of customers      | 2,241         | 3,193         | 42%    |
|  | Number of Property Tax Parcels - As open land is developed, the number of both residential and commercial parcels increase each year | 3,843         | 4,567         | 19%    |
|  | Property Tax Assessed Valuation - A continued strong real estate market and market demand continue to increase property values       | \$445,780,146 | \$889,990,847 | 100%   |
|  | Property Tax Revenues - As both the number of parcels and valuations rise each year, property tax revenues increase                  | \$ 2,279,313  | \$ 5,225,782  | 129%   |
|  | Sales Tax Revenues - Growth of commercial enterprises combined with an increasing population result in higher sales taxes            | \$ 944,006    | \$ 2,360,934  | 150%   |
|  | I-35 Estimated Daily Traffic Count - Interstate 35 runs through Sanger, bringing many visitors each day through our city             | 50,000        | 66,540        | 33%    |

## ASSUMPTIONS FOR REVENUE FORECASTING

An increasing population will lead to increased revenues in the following areas:

- Charges for Services –An increased number of customers for electric, water, and wastewater services. The City employs NewGen Strategies and Solutions for utility rate determination and forecasting. The last rate

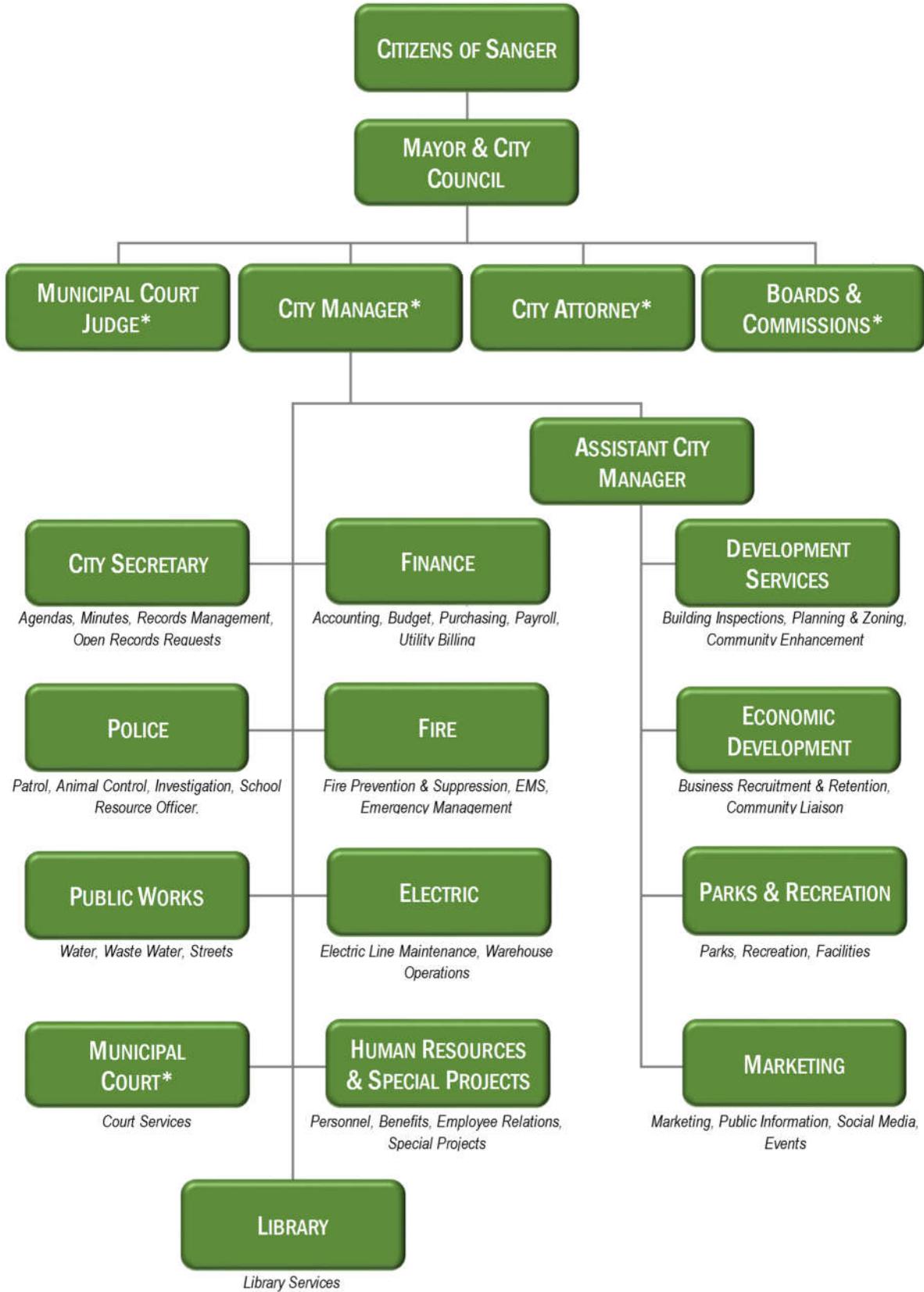
study was performed in 2017 and goes through 2023 and has been a very accurate forecast of demand, rate, and revenues. This budget includes funding for an updated study to be prepared in early 2023.

- Property Taxes – As the city grows, open land is divided into individual parcels for development. Continued high demand for new construction (both residential and commercial) result in increasing property tax revenues. The Texas State Senate passed Senate Bill 2 in 2019, making sweeping changes to the taxing process. The law restricts the amount of property tax increase allowed each year, which can greatly hinder a growing community like Sanger. The City works closely with the Denton Central Appraisal District and the Denton County Tax Assessor/Collector each year in updating revenue forecasts.
- Sales Taxes – The combination of a growing population and an increased number of commercial enterprises result in increased sales tax revenues for Sanger. The City works closely with our Economic Development department to understand how new businesses coming to Sanger will affect sales tax revenues. For instance, the city is slated to get a Starbucks in the coming year.
- Fines, Fees, Licenses & Permits – Combined licenses, fees, fines, and permits account for ten percent of the City's revenues. Increased population, development, density, and road traffic are factors affecting the growth of these revenue areas.

## **ASSUMPTIONS FOR EXPENDITURE FORECASTING**

- Salaries & Benefits – The City considers employees the most important of all assets. Each year, the personnel plan is fashioned to keep Sanger competitive in the job market. Historically, each budget year has averaged a 3% increase in wages, and the City provides a stipend to full-time employees for the cost of health insurance. This budget includes an updated pay plan that has some positions moving to new levels and, therefore, higher wage brackets. Also included is a 4% allotment for raised during the year. Also this year, the City will increase the Texas Municipal System Retirement contributions – employee contributions will go from 6% to 7%, and employer contributions will increase from 8.64% to 8.85%. As the city grows, staff levels will need to grow as well.
- Supplies & Materials – As Sanger grows, operations will demand that the consumption of supplies and materials increase accordingly. While these items are typically estimated to increase five percent each year, the COVID-19 pandemic has seen prices rise much higher in some categories. We continue to monitor costs, searching for the most cost-efficient means of obtaining the necessary items for operations.
- Maintenance & Operations – Overall, maintenance and operations costs are assumed to increase at a rate of five percent each year. The COVID-19 pandemic has seen prices rise much higher in some categories, and the City is exploring cost-efficient means of providing necessary items.
- Capital Expenditures – As Sanger grows, there is a need for new capital expenditures – including new streets, expanding utility systems, and other infrastructure to maintain the current levels of service offered to the citizens and businesses in our city. The City's Capital Improvement Plan is updated each year to give the most accurate forecast of needs over the next five years.

# 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    |
| 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    |
| 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 |
|---------|--------|
|---------|--------|

|  |  |
|--|--|
| March 28, 2022 - March 30, 2022            | City Manager and Finance Director meet individually with Directors for mid-year budget review  |
| April 5, 2022                              | Budget Materials Distributed to Departments, which begin working on a requested budget, goals, and long-range plans.                                       |
| April 5, 2021 - 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.          |
| May 10, 2022                               | City Manager, Finance Director and Directors meet to review individual departmental requested budget, discuss long-range financial plans and goal-setting. |
| June 30, 2022                              | Preliminary Budget Completed   |
| July 5, 2022                               | City Council Budget Workshop   |
| July 18, 2022                              | City Council Budget Workshop   |
| July 25, 2022                              | Chief Appraiser Certifies Tax Roll   |
| August 1, 2022                             | Proposed budget submitted to City Council<br>Budget Filed with the City Secretary and Posted on the City's Website   |
| August 15, 2022                            | Submit No-New-Revenue and Voter-Approval Tax Rates to City Council   |
| August 27/28, 2022 and September 4/5, 2022 | Publish Notice of Public Hearing on Budget<br>Publish Notice of Public Hearing on Tax Rate   |
| September 6, 2022 and September 19, 2022   | Public Hearing on Budget<br>Public Hearing on Tax Rate   |
| September 19, 2022                         | City Council Vote on Approval of Tax Roll  |
| September 19, 2022                         | City Council Vote on Adoption of Budget  |
| September 19, 2022                         | City Council Vote on Levying a Tax Rate  |

# THE BUDGET PROCESS

The fiscal year of the City of Sanger begins on October 1<sup>st</sup> and ends on September 30<sup>th</sup> 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 31<sup>st</sup>, 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.

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

FUND

# 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 6<sup>th</sup> 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

|                                  |   |
|----------------------------------|---|
| <b>LOCATION</b>                  | 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.  |
| <b>AREA</b>                      | 10.9 square miles   |
| <b>FORM OF GOVERNMENT</b>        | Council-Manager   |
| <b>INCORPORATION</b>             | 1892  |
| <b>POPULATION</b>                | 9,470 (01/01/2022 estimate)   |
| <b>TRANSPORTATION</b>            | Interstate 35<br>DFW Airport - 39 miles<br>Love Field - 48 miles<br>BNSF Railway  |
| <b>CLIMATE</b>                   | Köppen Climate Classification "Cfa" (Humid Subtropical Climate)<br>Average temperature 64°<br>Average Precipitation 14.9"   |
| <b>SALES TAX RATE</b>            | 6.25% State of Texas<br>1.00% City of Sanger<br>0.50% 4A Corporation<br>0.50% 4B Corporation  |
| <b>BOND RATING</b>               | AA (Standard & Poor's)  |
| <b>TOP 10 PROPERTY TAXPAYERS</b> | Wal-Mart Stores East, L.P. US06068<br>Wal-Mart Stores East, L.P.<br>Trails of Sanger Apartments LLC<br>Ramar Land Corporation<br>Maccamp LTD<br>Sanger Lodging, LLC<br>Paccar Financial<br>LGI Homes-Texas LLC<br>Williamsburg Construction Services<br>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*

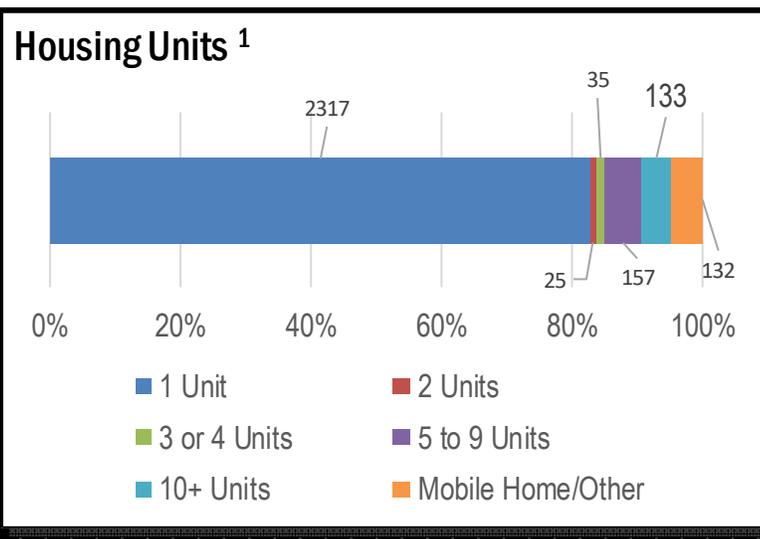
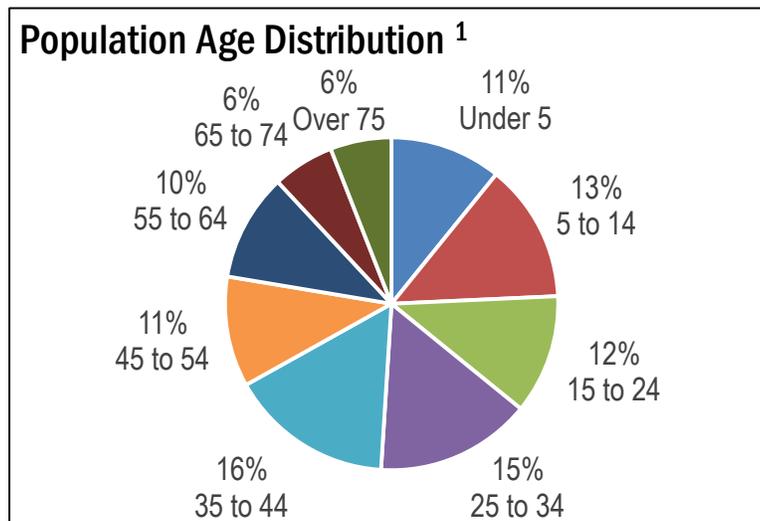
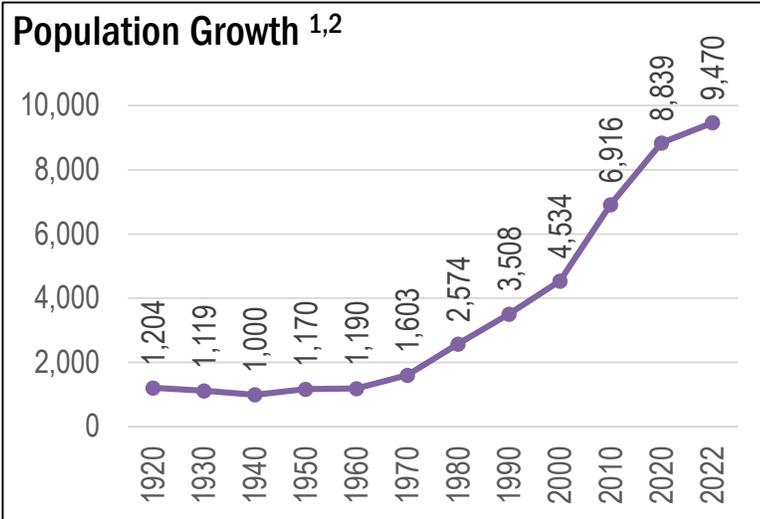


- FEBRUARY** *Mother-Son Valentine Dance*
- MARCH** *Spring Clean Up Day*
- APRIL** *City-wide Easter Egg Hunt*
- JUNE** *Summer Reading Program*



- 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**



### 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 <sup>2</sup>

- 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)

<sup>1</sup> factfinder.census.gov

<sup>2</sup> North Central Texas Council of Governments

<sup>3</sup> Sanger Economic Development Corporation

# ORDINANCE ADOPTING THE OFFICIAL BUDGET

## CITY OF SANGER, TEAS

### ORDINANCE No. 09-23-22

**AN ORDINANCE OF THE CITY OF SANGER, DENTON COUNTY, TEXAS, ADOPTING THE BUDGET PROVIDING FOR THE APPROPRIATION OF FUNDS FOR OPERATING AND CAPITAL EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022 AND ENDING SEPTEMBER 30, 2023, PROVIDING FOR THE INTRA AND INTER-DEPARTMENT AND FUND TRANSFERS, PROVIDING FOR UNEXPECTED REVENUES SUCH AS GRANTS, DONATIONS, AND INSURANCE PROCEEDS, PROVIDING FOR AN EFFECTIVE DATE, AND PROVIDING FOR APPROVAL OF THE INVESTMENT POLICY.**

**WHEREAS**, the City of Sanger (the "City") is a home rule municipality regulated by state law and Charter; and

**WHEREAS**, pursuant to the laws of the State of Texas and the City Charter, the budget covering proposed expenditures for the fiscal year beginning October 1, 2022 and ending September 30, 2023 was filed with the City Secretary; and

**WHEREAS**, budget workshops were conducted by the City Council on the proposed budget at which time the proposed budget was fully considered; and

**WHEREAS**, in accordance with the provisions of the City Charter and the Local Government Code, the City Council of the City of Sanger, Texas published notices of public hearings on the budget and conducted public hearings in accordance with City Charter and state statutes; and

**WHEREAS**, Chapter 2256 of the Texas Government Code, commonly known as the "Public Funds Investment Act," requires the City to review its investment policy and investment strategies not less than annually; and

**WHEREAS**, the Public Funds Investment Act requires the governing body to adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument shall record any changes made to either the investment policy or investment strategies; and

**WHEREAS**, the attached City of Sanger Investment Policy is in compliance with the Public Funds Investment Act and requires no changes to either the investment policy or investment strategies; and

**WHEREAS**, The City has implemented Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54) and Fund balance categories under GASB 54 are Nonspendable and Spendable and classifications under the Spendable category are Restricted, Committed, Assigned, and Unassigned and these classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance; and

**WHEREAS**, the City Council finds that passage of this Ordinance is in the best interest of the citizens of Sanger.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SANGER, TEXAS:**

**SECTION 1.** That the City Council adopts the budget for the City of Sanger, Texas, a copy of which is on file in the office of the City Secretary and which hereinafter referred to as the "Budget" for the fiscal year beginning October 1, 2022 and ending September 30, 2023.

**SECTION 2.** That the budget presented by the City Council and reviewed during the public hearing is hereby approved and adopted for the Fiscal Year 2022-2023.

|                                  |               |
|----------------------------------|---------------|
| General Fund                     | \$ 12,241,832 |
| Debt Service Fund                | \$ 388,089    |
| Enterprise Fund                  | \$ 14,432,598 |
| Enterprise Debt Service Fund     | \$ 2,132,761  |
| Internal Service Fund            | \$ 3,483,760  |
| 44 Fund                          | \$ 154,050    |
| 4B Fund                          | \$ 871,550    |
| Capital Projects Fund            | \$ 2,165,000  |
| Enterprise Capital Projects Fund | \$ 16,177,910 |
| Special Revenue Funds            | \$ 39,100     |

**SECTION 3.** That the City Manager be authorized to make intra and inter department fund transfers during the fiscal year as becomes necessary in order to avoid over expenditure of any departments total budget.

**SECTION 4.** That the City Manager be authorized to increase the budget for items received during the year that have a corresponding revenue and expenditure such as Grants, Donations, and Insurance Proceeds received for property damage.

**SECTION 5.** That the City Manager be authorized to sign contracts up to \$50,000 for services and projects authorized in the budget.

**SECTION 6.** That the City of Sanger has complied with the requirements of the Public Funds Investment Act and the City Council has reviewed the investment policy and investment strategies and there are no changes to either the investment policy or investment strategies.

**SECTION 7.** In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly unassigned fund balance. When it is appropriate for fund balance to be assigned, the City Council hereby delegates the authority to the City Manager. The following fund balances are committed: Equipment Replacement Funds, Library Building Expansion Funds, Beautification Board Funds, all Donated Funds, and Capital Projects Funds.

**SECTION 8.** It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, phrases and words of this Ordinance are severable and, if any word, phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared

unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining portions of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional word, phrase, clause, sentence, paragraph, or section.

**SECTION 9.** This ordinance will take effect immediately from and after its passage and the publication of the caption, as the law and Charter in such case provides.

**SECTION 10.** The City Council of the City of Sanger, Texas met in a public meeting on September 19, 2022, and adopted this ordinance with a majority vote as follows:

|                                |   |                              |                                  |                                 |
|--------------------------------|---|------------------------------|----------------------------------|---------------------------------|
| Council Member Marissa Barrett | AYE <input checked="" type="checkbox"/> | NAY <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |
| Council Member Gary Bilyeu     | AYE <input checked="" type="checkbox"/> | NAY <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |
| Council Member Dennis Dillon   | AYE <input checked="" type="checkbox"/> | NAY <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |
| Council Member Allen Chick     | AYE <input checked="" type="checkbox"/> | NAY <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |
| Council Member Victor Gann     | AYE <input checked="" type="checkbox"/> | NAY <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |

**PASSED AND APPROVED** by the City Council of the City of Sanger, Texas on this 19<sup>th</sup> day of September 2022.

ATTEST:

  
Kelly Edwards, City Secretary



APPROVED:

  
Thomas E. Muir, Mayor

APPROVED TO FORM:

  
Hugh Coleman, City Attorney

# ORDINANCE ADOPTING THE PROPERTY TAX RATE

## CITY OF SANGER, TEXAS

### ORDINANCE No. 09-25-22

#### **AN ORDINANCE OF THE CITY OF SANGER, DENTON COUNTY, TEXAS, LEVYING A TAX RATE FOR THE GENERAL GOVERNMENT FOR THE FISCAL YEAR 2022-2023 AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City of Sanger (the "City") is a home rule municipality regulated by state law and Charter; and

**WHEREAS**, the City Council of the City of Sanger finds that a tax rate of \$0.589497 per \$100 valuation for the Fiscal Year 2022-2023, hereinafter levied for current expenses of the City and general improvements of the City and its property, must be levied to provide the revenue requirements of the budget for the ensuing year; and

**WHEREAS**, all statutory and constitutional requirements for the levy and assessment of ad valorem taxes have been completed in due and correct time and all requirements of the Sanger Charter have been met; and

**WHEREAS**, the City Council finds that the passage of this Ordinance is in the best interest of the citizens of Sanger.

#### **NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SANGER, TEXAS:**

**SECTION 1:** That the City Council does hereby levy and adopt the tax rate on \$100 assessed valuation for the City for maintenance and operation of the City government for the tax year 2022- 2023 as follows:

\$0.575208/\$100

**SECTION 2:** That the City Council does hereby levy and adopt the tax rate on \$100 assessed valuation for the City for debt service for City government for the tax year 2022-2023 as follows:

\$0.014289/\$100

**SECTION 3.** That, because the total amount of revenue generated from taxes to fund maintenance and operations will be greater than last year and because the tax rate exceeds the effective maintenance and operations rate, the following statements are made as required by Section 26.05 of the Texas Tax Code: **THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 8.74 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$46.25.**

**SECTION 4.** It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, phrases and words of this Ordinance are severable and, if any word, phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining portions of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional word, phrase, clause, sentence, paragraph, or section.

**SECTION 5.** Any person, firm or corporation who shall violate any of the provisions of this article shall be guilty of a misdemeanor and upon conviction shall be fined in accordance with the general penalty provision found in The Code of Ordinances, Section 1.109 General Penalty for Violations of Code.

**SECTION 6.** This ordinance will take effect immediately from and after its passage and the publication of the caption, as the law and Charter in such cases provide.

**SECTION 7.** The City Council of the City of Sanger, Texas met in a public meeting on September 19, 2022, and adopted this ordinance with a majority vote as follows:

|                                |   |                              |                                  |                                 |
|--------------------------------|---|------------------------------|----------------------------------|---------------------------------|
| Council Member Marissa Barrett | AYE <input checked="" type="checkbox"/> | NAY <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |
| Council Member Gary Bilyeu     | AYE <input checked="" type="checkbox"/> | NAY <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |
| Council Member Dennis Dillon   | AYE <input checked="" type="checkbox"/> | NAY <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |
| Council Member Allen Chick     | AYE <input checked="" type="checkbox"/> | NAY <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |
| Council Member Victor Gann     | AYE <input checked="" type="checkbox"/> | NAY <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |

**PASSED AND APPROVED** by the City Council of the City of Sanger, Texas on this 19th day of September 2022.



**ATTEST:**

*Kelly Edwards*  
**Kelly Edwards, City Secretary**

**APPROVED:**

*Thomas E. Muir*  
**Thomas E. Muir, Mayor**

**APPROVED TO FORM:**

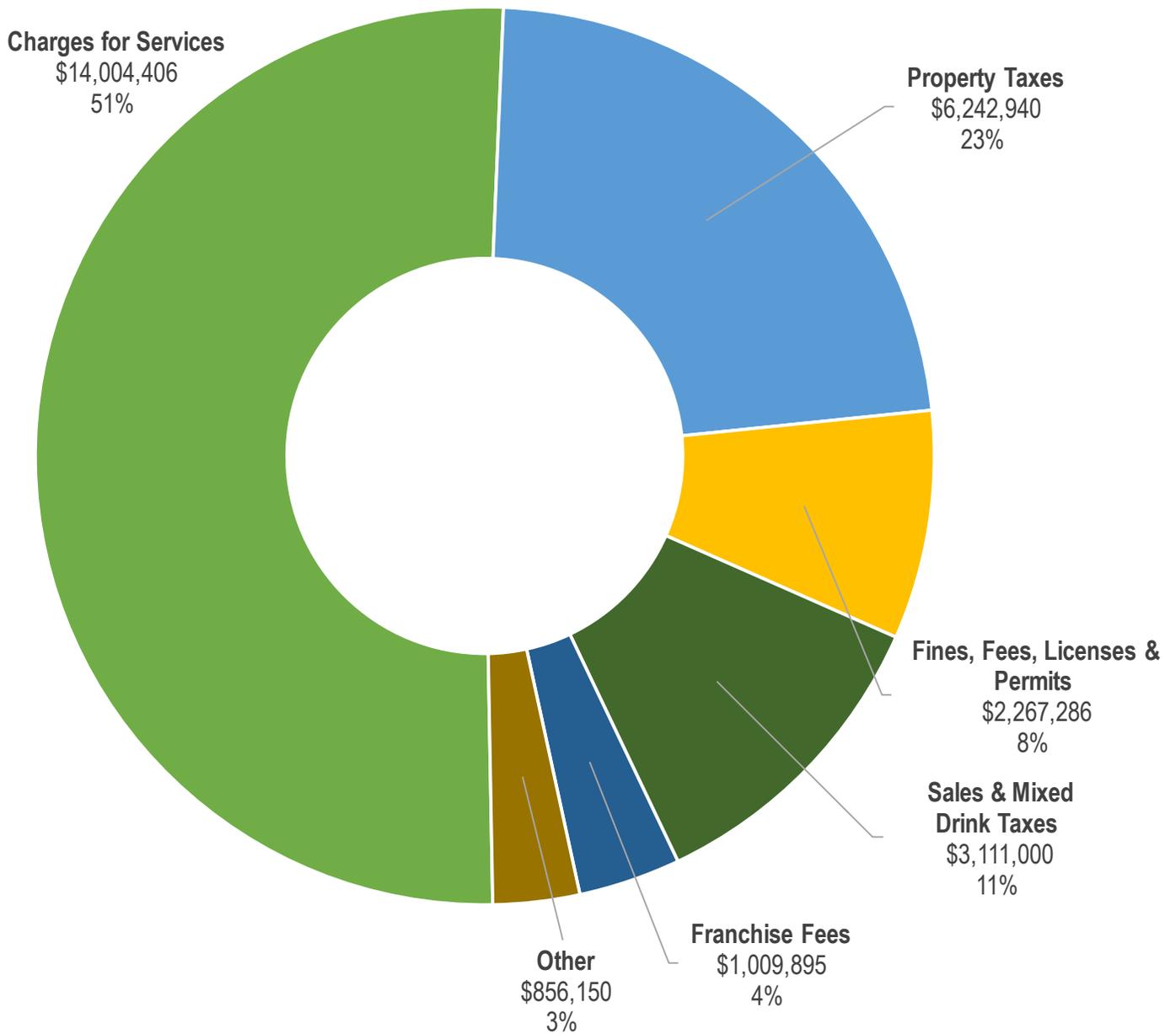
*Hugh Coleman*  
**Hugh Coleman, City Attorney**



# BUDGET SUMMARY

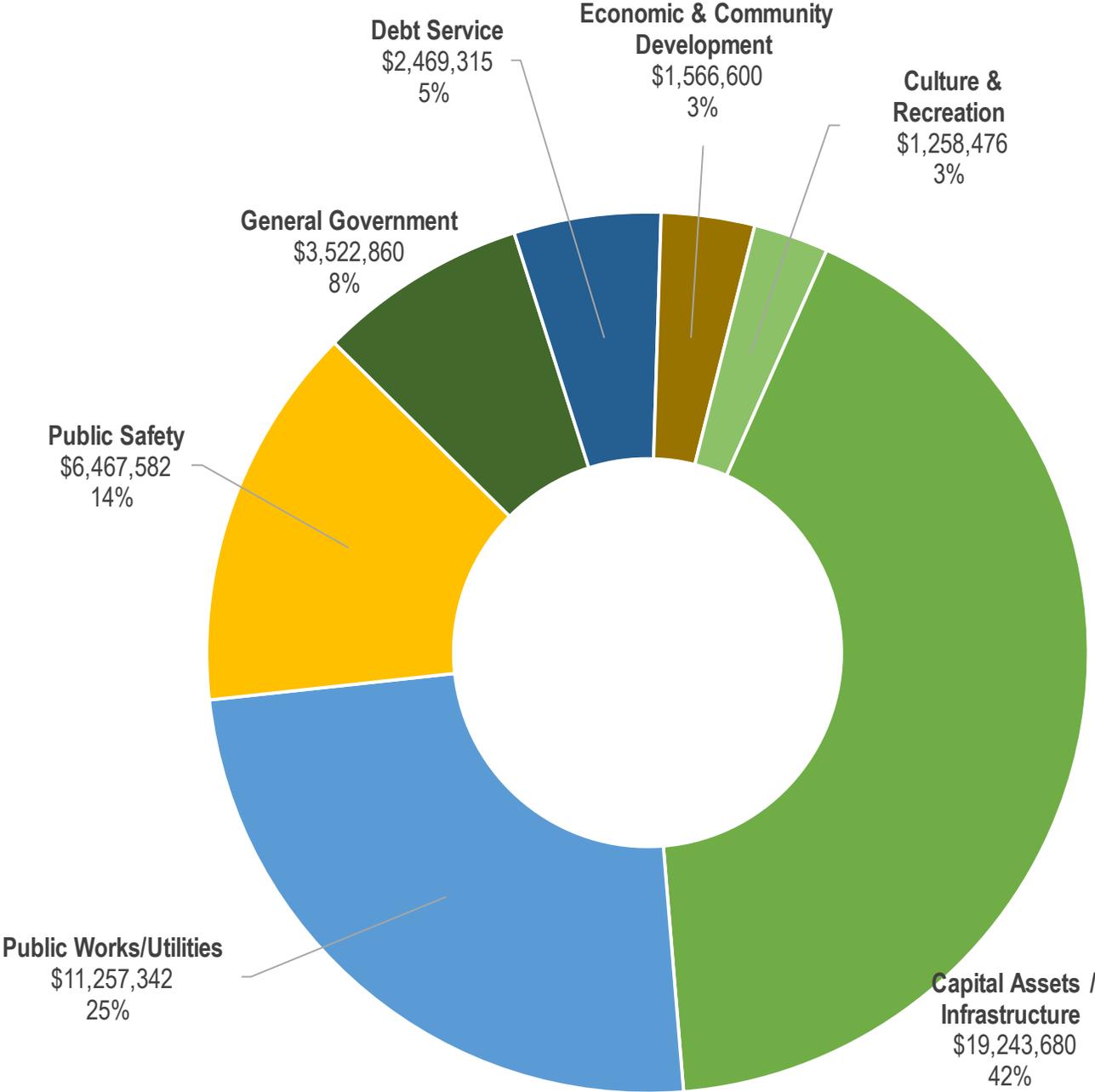
# 2022-2023 BUDGET AT A GLANCE

## WHERE DOES THE MONEY COME FROM?



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

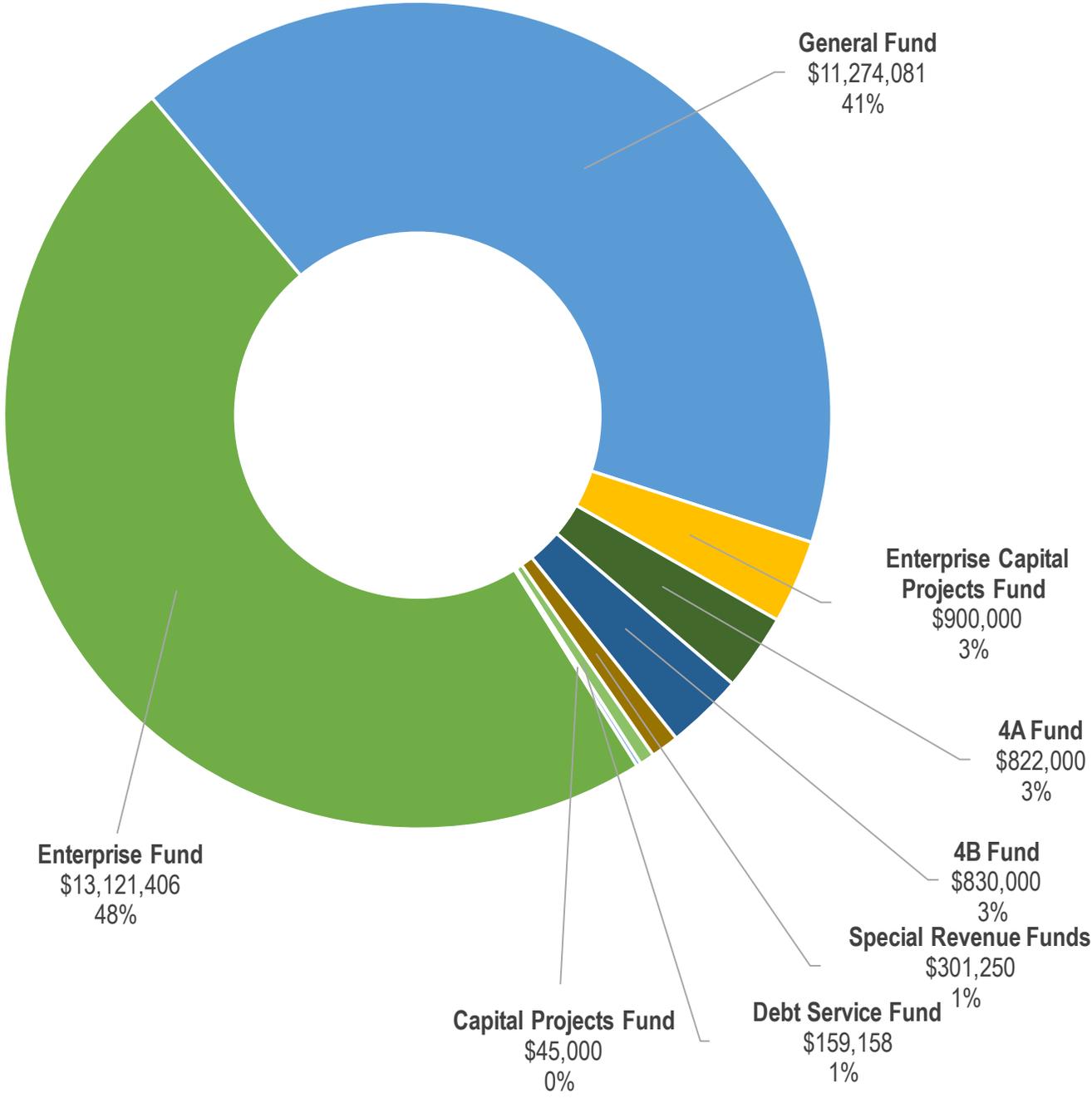
# HOW IS THE MONEY USED?



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

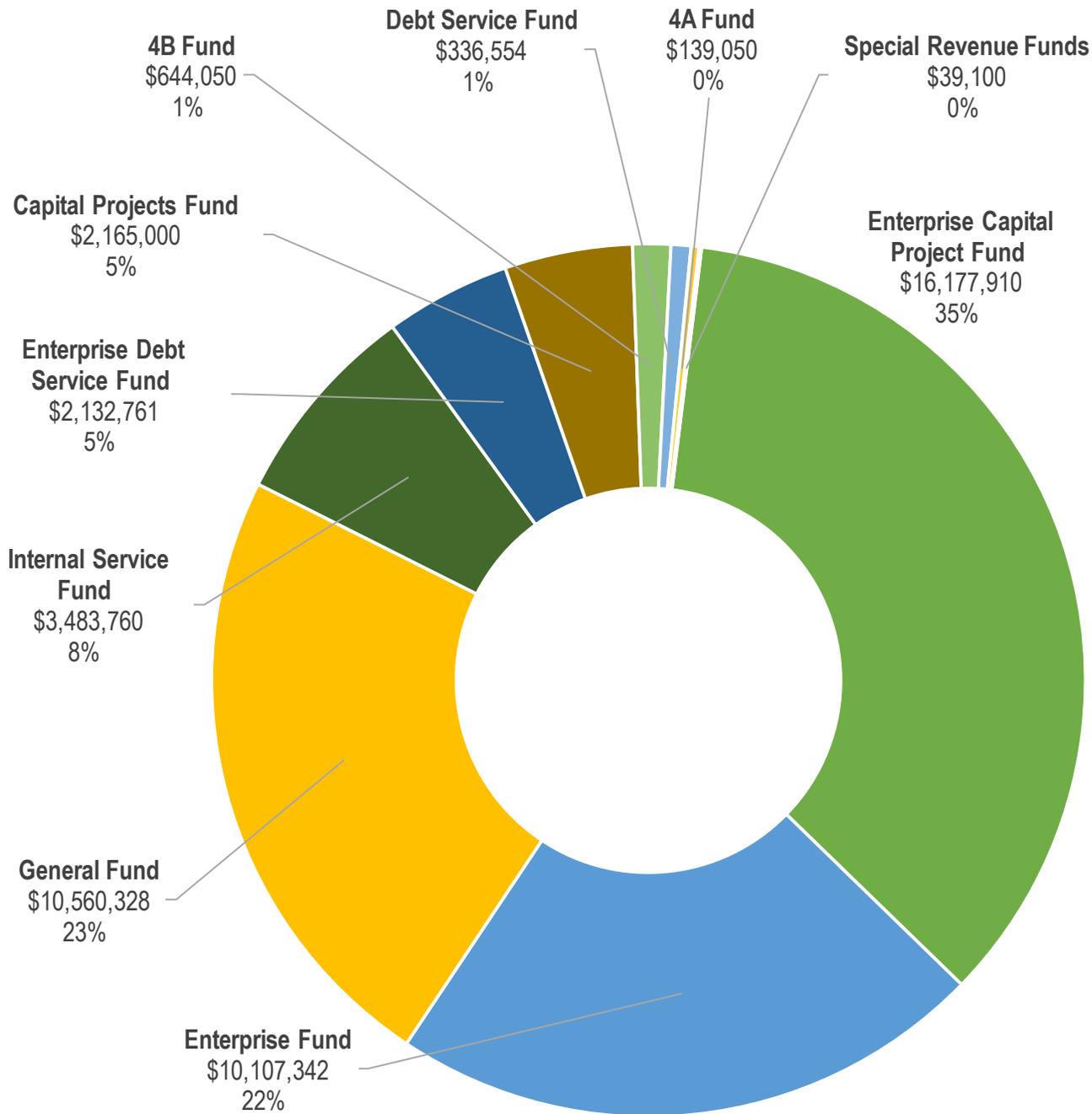
# 2022-2023 BUDGET BY FUND

## 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

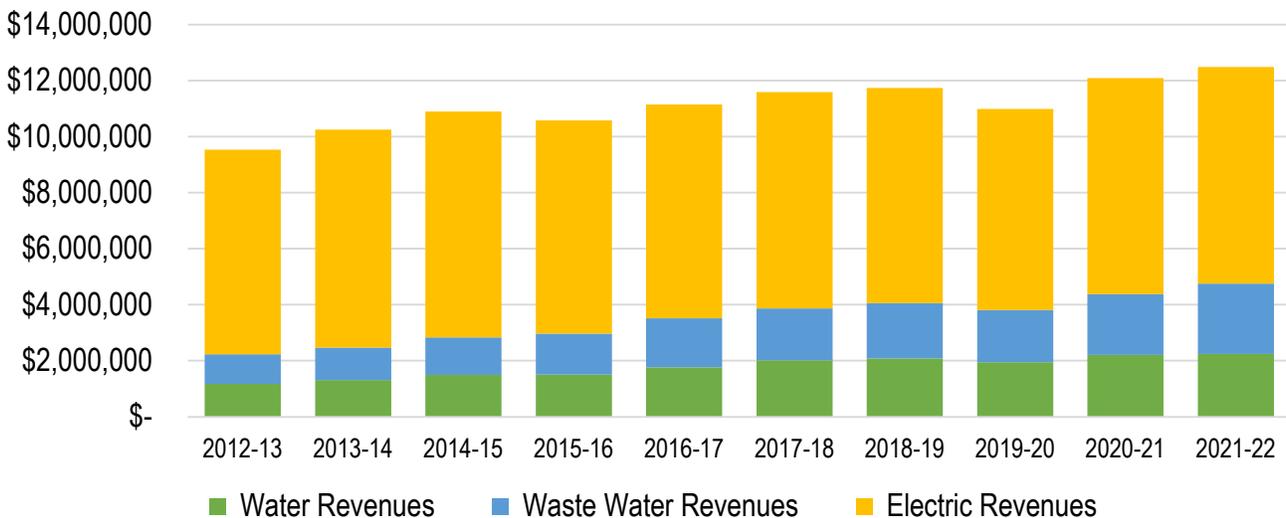
Charges for Services includes the billing of Water, Waste Water and Electric utilities in the Enterprise Fund and Solid Waste Collections in the General Fund. Total Charges for services are \$14,004,406, which is 51% of the City's total projected revenues.

### 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 the continued growth of our community's population.
- 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 the continued growth of our community's population.
- 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 the continued growth of our community's population.

**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.

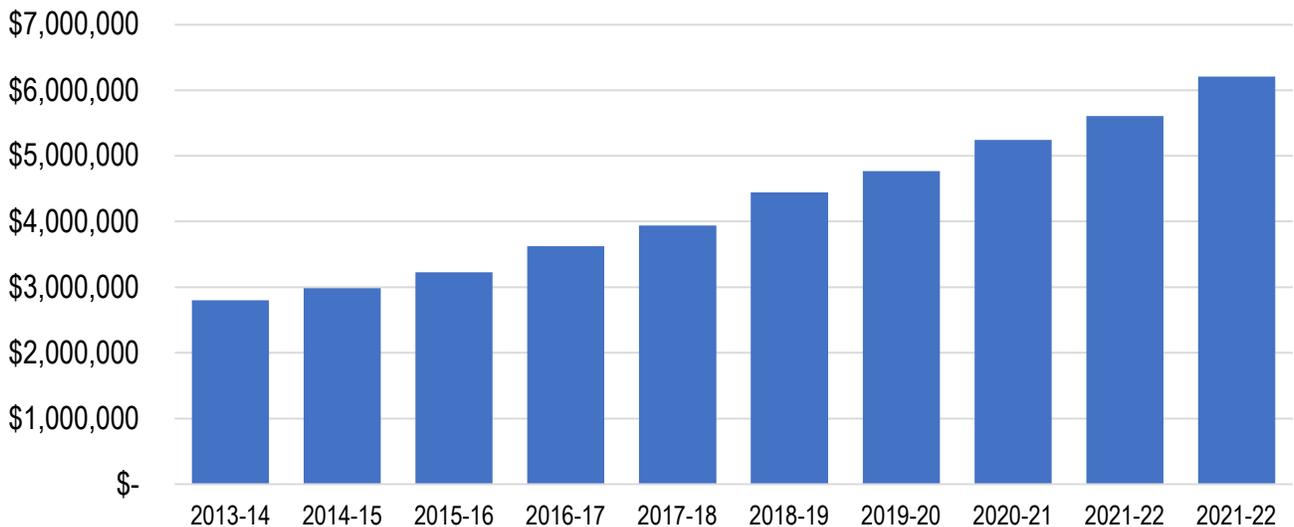
**General Fund Charges for Services**

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 a continued pattern of new home starts and commercial building in our community.

**Property Tax Revenues Past 10 Years**

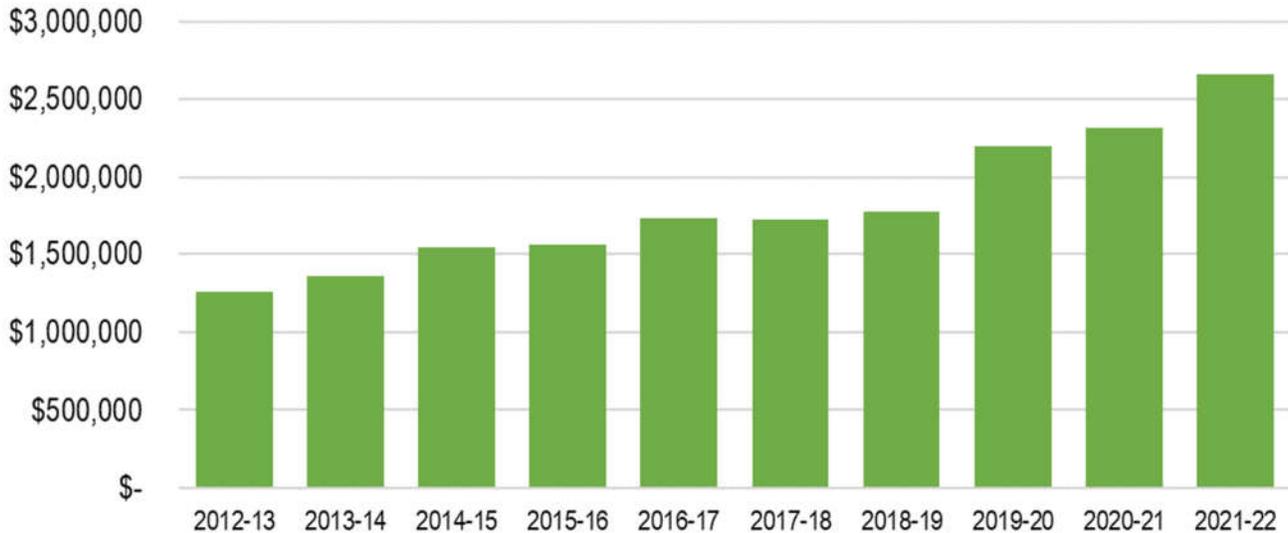


The Sanger City Council approved Ordinance 09-21-21 on September 7, 2021, setting the property tax rate at \$0.633711 per \$100 valuation for the 2021-22 budget year. For 2022-23, a lowered tax rate of \$0.589497 is proposed.

**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 of commercial enterprises in Sanger.

## Sales Tax Revenues Past 10 Years



### OVERVIEW OF MAJOR EXPENDITURE CATEGORIES

Sanger is a growing community, as evidenced by the fact that our population has more than doubled since 2000. As our major sources of revenue have grown, so have our major expenditure categories. Management is dedicated to keeping current service levels to our citizens and our business community as we continue to grow. The primary categories of expenditures in this budget 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.

|              | Capital Expense                           | Amount     | Budgetary Impact   | Service Level Impact  |
|--------------|---|------------|--|---|
| General Fund | Electronic Ticket Writers                 | \$ 90,103  | The expected impact on current and future operations is to provide a quicker and more efficient way of handling citations and reporting, which will free staff to perform other duties.                          | Allow the City to maintain the current level of police enforcement .                    |
|              | Facilities Renovations & Evidence Lockers | \$ 18,242  | The expected impact on current and future operations is to provide adequate office and storage space to allow police operations to continue in the current building.   | Allow the City to maintain the current level of police enforcement .                    |
|              | JTC Claw Go Sling & Claw Go Bag (19)      | \$ 6,175   | The expected impact on current and future operations is to provide adequate tools necessary to gain access to structures during emergency circumstances, reducing the need for assistance from outside agencies. | Allow the City to provide a higher level of police enforcement in emergency situations. |
|              | Laserfiche                                | \$ 12,916  | The expected impact on current and future operations is to increase efficiency using electronic documentation, which will free staff to perform other duties.  | Allow the City to provide a higher level of service to the public.                      |
|              | Patrol Vehicle                            | \$ 67,695  | The expected impact on current and future operations is to reduce maintenance costs for patrol units in the Police Department.   | Allow the City to maintain the current level of police enforcement .                    |
|              | Generator                                 | \$ 34,164  | The expected impact is to increase expenditures in the current year for this item to provide emergency power during power outages.   | Allow the City to maintain the current level of fire protection.                        |
|              | Ambulance                                 | \$ 300,000 | The expected impact on current and future operations is to reduce maintenance costs for the ambulance fleet in the Fire Department.  | Allow the City to maintain the current level of emergency medical services.             |
|              | Type I Fire Engine                        | \$ 925,000 | The expected impact on current and future operations is to reduce maintenance costs for engine units in the Fire Department.   | Allow the City to maintain the current level of fire protection.                        |
|              | Battery-operated Extrication Equipment    | \$ 42,500  | The expected impact on current and future operations is to reduce maintenance costs by replacing outdated units in the Fire Department.  | Allow the City to maintain the current level of emergency medical services.             |

|                   | Capital Expense              | Amount              | Budgetary Impact   | Service Level Impact   |
|-------------------|------------------------------|---------------------|--|--|
| General Fund      | Pickup Truck                 | \$ 49,131           | The expected impact on current and future operations is to reduce maintenance costs for vehicles in the Street Department.                         | Allow the City to maintain the current level of service in the Streets Department. |
|                   | Tractor Loader               | \$ 80,118           | The expected impact on current and future operations is to reduce maintenance costs for vehicles and outsourced services in the Street Department. | Allow the City to provide a higher level of service in the Streets Department.     |
|                   | Combination Drum Roller      | \$ 52,886           | The expected impact on current and future operations is to reduce maintenance costs for vehicles and outsourced services in the Street Department. | Allow the City to provide a higher level of service in the Streets Department.     |
|                   | 22' Tandem Axle Tilt Trailer | \$ 11,000           | The expected impact on current and future operations is to reduce maintenance costs for vehicles and outsourced services in the Street Department. | Allow the City to provide a higher level of service in the Streets Department.     |
|                   | New Park Plan                | \$ 18,000           | The expected impact on future operations is to increase maintenance costs for City parks by adding new parkland.                                   | Allow the City to increase the level of service in the Parks Department.           |
| <b>Fund Total</b> |                              | <b>\$ 1,707,930</b> |  |  |

|                   | Capital Expense | Amount            | Budgetary Impact   | Service Level Impact  |
|-------------------|-----------------|-------------------|--|---|
| Enterprise Fund   | Pickup Truck    | \$ 49,132         | This pickup is a new addition to the Water department fleet. This addition is expected to increase maintenance costs in the current and future years.                | Allow the City to provide a higher level of service in the water Department         |
|                   | SCADA System    | \$ 200,000        | By allowing for more efficient use of staff time, which will reduce operating costs in current and future budget years by eliminating the need for additional staff. | Allow the City to maintain the current level of service in the Electric Department. |
| <b>Fund Total</b> |                 | <b>\$ 249,132</b> |  |   |

|                       | Capital Expense                            | Amount           | Budgetary Impact   | Service Level Impact  |
|-----------------------|--|------------------|--|---|
| Internal Service Fund | Exterior Painting Historic Church Building | \$ 22,000        | Painting the building exterior is expected to reduce overall building maintenance costs in current and future years. | Allow the City to maintain the level of service in the Parks Department.                        |
|                       | New Roof on Public Works Building          | \$ 26,640        | Replacing the roof is expected to reduce overall building maintenance costs in current and future years.             | Allow the City to maintain the level of service in the Public Works Department.                 |
|                       | City Hall Conference Room Remodel          | \$ 22,815        | This item is not expected to have an impact on the cost of current or future operation.                              | Allow the City to maintain the current level of service in City Hall.                           |
|                       | Public Works Conference Room Remodel       | \$ 15,390        | This item is not expected to have an impact on the cost of current or future operation.                              | Allow the City to maintain the current level of service in the Development Services department. |
| <b>Fund Total</b>     |  | <b>\$ 86,845</b> |  |   |

|                   | Capital Expense              | Amount            | Budgetary Impact  | Service Level Impact  |
|-------------------|------------------------------|-------------------|---|---|
| 4B Fund           | New Downtown Park            | \$ 65,000         | As a new addition to the City's park system, the expected impact on future operations is to increase the costs for park maintenance.      | Allow the City to increase offerings of the Parks Department by hosting more games and tournaments. |
|                   | Miracle Field at Porter Park | \$ 65,000         | As a new addition to the City's park system, the expected impact on future operations is to increase the costs for park maintenance.      | Allow the City to increase offerings of the Parks Department by hosting more games and tournaments. |
|                   | Porter Park Renovations      | \$ 349,000        | The impact on current and future operations is to reduce maintenance costs for the fields and irrigation systems of the Parks Department. | Allow the City to increase offerings of the Parks Department by hosting more games and tournaments. |
| <b>Fund Total</b> |                              | <b>\$ 479,000</b> |   |   |

|                              | <b>Capital Expense</b>             | <b>Amount</b>       | <b>Budgetary Impact</b>  | <b>Service Level Impact</b>  |
|------------------------------|------------------------------------|---------------------|--|--|
| <b>Capital Projects Fund</b> | 2022-2023 Street Rehab Program     | \$ 340,000          | This project is expected to decrease maintenance costs in the Street Department in current and future budget years.              | Allow the City to provide upgraded street system for citizens.             |
|                              | Street Utility Maintenance Program | \$ 425,000          | This project is expected to decrease maintenance costs in the Street Department in current and future budget years.              | Allow the City to provide upgraded street system for citizens.             |
|                              | Downtown Improvements              | \$ 350,000          | This project is expected to decrease maintenance costs in the Parks and Street Department in current and future budget years.    | Allow the City to provided upgraded parks and street systems to citizens.  |
|                              | Marion Road                        | \$ 750,000          | This project is expected to decrease maintenance costs in the Street Department in current and future budget years.              | Allow the City to provide upgraded street system for citizens.             |
|                              | Joint Public Safety Facility       | \$ 300,000          | When a new facility is completed, the project is expected to decrease ongoing building maintenance costs and energy consumption. | Allow the City to provide upgraded police and fire protection to the City. |
|                              | <b>Fund Total</b>                  | <b>\$ 2,165,000</b> |  |  |

## Enterprise Capital Projects Fund

| Capital Expense                    | Amount              | Budgetary Impact  | Service Level Impact   |
|------------------------------------|---------------------|---|--|
| Railroad Lift Station              | \$ 500,000          | This project will not have an impact on current operations; however, it is expected to make operations more efficient in the future.                    | Allow the City to continue providing waste water service to customers as Sanger grows.                       |
| Relocation of Utilities Along I-35 | \$ 9,922,910        | There is no impact on current budget, but it is expected to reduce maintenance costs in the future since this project is replacing aged infrastructure. | Allow the City to maintain current utility service levels while allowing for the continued growth of Sanger. |
| Keaton Road Sewer Line             | \$ 320,000          | This project is expected to reduce sewer line maintenance costs in future budget years.   | Allow the City to continue providing waste water service to customers as Sanger grows.                       |
| Fifth Street Sewer Rehabilitation  | \$ 350,000          | This project is expected to reduce sewer line maintenance costs in future budget years.   | Allow the City to continue providing waste water service to customers as Sanger grows.                       |
| Metering System                    | \$ 3,200,000        | This project is expected to reduce routine maintenance costs and personnel costs associated with meter reading once completed.                          | Allow the City to provide upgraded service to water and electric utility customers.                          |
| Water System Improvements          | \$ 1,200,000        | This project will not have an impact on current operations; however, it is expected to make operations more efficient in the future.                    | Allow the City to continue providing water service to customers as Sanger grows.                             |
| Waste Water System Improvements    | \$ 335,000          | This project will not have an impact on current operations; however, it is expected to make operations more efficient in the future.                    | Allow the City to continue providing waste water service to customers as Sanger grows.                       |
| Electric System Improvements       | \$ 350,000          | This project will not have an impact on current operations; however, it is expected to make operations more efficient in the future.                    | Allow the City to continue providing electric service to customers as Sanger grows.                          |
| <b>Fund Total</b>                  | <b>\$16,177,910</b> |   |  |
| <b>Grand Total</b>                 | <b>\$20,865,817</b> |   |  |

Additional details on capital expenditures in the Capital Projects and Enterprise Capital Projects Funds are included in this document beginning on page 165.

## 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%          |
| <b>Total</b>                    | <b>49,629,611</b>                  | <b>49,886,425</b>        | <b>52,086,650</b>         | <b>47,429,386</b>                  | <b>-4.4%</b>   |

### 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.

# CHANGES FROM PROPOSED BUDGET TO ADOPTED BUDGET

|                                   |  | Proposed Budget | Adopted Budget | Change |
|-----------------------------------|--|-----------------|----------------|--------|
| General Fund                      | <b>Revenues:</b>                         |                 |                |        |
|                                   | Property Tax Revenue                     | 6,050,000       | 6,094,455      | 44,455 |
|                                   | <b>Expenditures:</b>                     |                 |                |        |
|                                   | Police Department Salaries & Benefits    | 1,939,700       | 1,946,400      | 6,700  |
|                                   | Police Department Contract Services      | 115,000         | 123,273        | 8,273  |
|                                   | Fire Department Supplies & Materials     | 144,500         | 154,596        | 10,096 |
|                                   | Municipal Court Salaries & Benefits      | 173,200         | 174,000        | 800    |
|                                   | Development Services Salaries & Benefits | 434,500         | 498,800        | 64,300 |
|                                   | Streets Department Salaries & Benefits   | 349,200         | 352,800        | 3,600  |
|                                   | Parks & Recreation Salaries & Benefits   | 401,900         | 450,200        | 48,300 |
| Transfer to Internal Service Fund | 1,420,744                                | 1,381,504       | (39,240)       |        |

|                 |                                       | Proposed Budget | Adopted Budget | Change   |
|-----------------|---------------------------------------|-----------------|----------------|----------|
| Enterprise Fund | <b>Expenditures:</b>                  |                 |                |          |
|                 | Water Department Salaries & Benefits  | 591,700         | 595,000        | 3,300    |
|                 | Waste Water Salaries & Benefits       | 246,500         | 253,100        | 6,600    |
|                 | Electric Department Contract Services | 312,495         | 300,495        | (12,000) |
|                 | Transfer to Internal Service Fund     | 2,108,803       | 2,072,256      | (36,547) |

|                                  |                                     | Proposed Budget | Adopted Budget | Change   |
|----------------------------------|-------------------------------------|-----------------|----------------|----------|
| Internal Service Fund            | <b>Revenues:</b>                    |                 |                |          |
|                                  | Transfer from General Fund          | 1,420,744       | 1,381,504      | (39,240) |
|                                  | Transfer from Enterprise Fund       | 2,108,803       | 2,072,256      | (36,547) |
|                                  | <b>Expenditures:</b>                |                 |                |          |
|                                  | City Secretary Salaries & Benefits  | 116,300         | 119,400        | 3,100    |
|                                  | City Secretary Supplies & Materials | 38,700          | 42,200         | 3,500    |
|                                  | City Secretary Contract Services    | 8,000           | 10,000         | 2,000    |
| Public Works Salaries & Benefits | 312,700                             | 230,600         | (82,100)       |          |

# COMBINED FUNDS SUMMARY (DETAILED)

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

|  | General<br>Fund   | Debt<br>Service<br>Fund | Enterprise<br>Fund | Enterprise<br>Debt<br>Service | Internal<br>Service<br>Fund |
|--|-------------------|-------------------------|--------------------|-------------------------------|-----------------------------|
| Beginning Fund Balance                               | 11,257,737        | 797,291                 | 21,021,290         | (23,755)                      | 431,207                     |
| <b>Revenues</b>                                      |                   |                         |                    |                               |                             |
| 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            | -                             | -                           |
| <b>Total Revenues</b>                                | <b>11,312,536</b> | <b>159,485</b>          | <b>13,121,406</b>  | <b>-</b>                      | <b>-</b>                    |
| <b>Other Sources</b>                                 |                   |                         |                    |                               |                             |
| 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          | -                             | -                           |
| <b>Total Other Sources</b>                           | <b>929,296</b>    | <b>212,500</b>          | <b>1,311,192</b>   | <b>2,158,000</b>              | <b>3,483,760</b>            |
| <b>Total Revenues/Sources</b>                        | <b>12,241,832</b> | <b>371,985</b>          | <b>14,432,598</b>  | <b>2,158,000</b>              | <b>3,483,760</b>            |
| <b>Expenditures</b>                                  |                   |                         |                    |                               |                             |
| 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            | -                       | -                  | -                             | -                           |
| <b>Total Expenditures</b>                            | <b>10,560,328</b> | <b>336,554</b>          | <b>10,107,342</b>  | <b>2,132,761</b>              | <b>3,483,760</b>            |
| <b>Other Uses</b>                                    |                   |                         |                    |                               |                             |
| Transfers Out  | 1,681,504         | 51,535                  | 4,325,256          | -                             | -                           |
| <b>Total Other Uses</b>                              | <b>1,681,504</b>  | <b>51,535</b>           | <b>4,325,256</b>   | <b>-</b>                      | <b>-</b>                    |
| <b>Total Expenses/Uses</b>                           | <b>12,241,832</b> | <b>388,089</b>          | <b>14,432,598</b>  | <b>2,132,761</b>              | <b>3,483,760</b>            |
| Excess of Revenues/Sources<br>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<br>Projects<br>Fund | Enterprise<br>Capital<br>Projects | Special<br>Revenue<br>Funds | Total              |
|--|------------------|------------------|-----------------------------|-----------------------------------|-----------------------------|--------------------|
| <b>Beginning Fund Balance</b>                                | 3,411,016        | 2,258,648        | 2,895,095                   | 3,843,353                         | 3,737,729                   | 49,629,611         |
| <b>Revenues</b>  |                  |                  |                             |                                   |                             |                    |
| 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            |
| <b>Total Revenues</b>  | <b>822,000</b>   | <b>830,000</b>   | <b>45,000</b>               | <b>900,000</b>                    | <b>301,250</b>              | <b>27,491,677</b>  |
| <b>Other Sources</b>   |                  |                  |                             |                                   |                             |                    |
| Transfers In   | -                | -                | -                           | -                                 | 300,000                     | 6,300,795          |
| Use of Bond Proceeds   | -                | -                | -                           | 14,000,000                        | -                           | 14,000,000         |
| Use of Fund Balance  | -                | -                | -                           | -                                 | -                           | 2,093,953          |
| <b>Total Other Sources</b>                                   | <b>-</b>         | <b>-</b>         | <b>-</b>                    | <b>14,000,000</b>                 | <b>300,000</b>              | <b>22,394,748</b>  |
| <b>Total Revenues/Sources</b>                                | <b>822,000</b>   | <b>830,000</b>   | <b>45,000</b>               | <b>14,900,000</b>                 | <b>601,250</b>              | <b>49,886,425</b>  |
| <b>Expenditures</b>  |                  |                  |                             |                                   |                             |                    |
| 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            |
| <b>Total Expenditures</b>                                    | <b>139,050</b>   | <b>644,050</b>   | <b>2,165,000</b>            | <b>16,177,910</b>                 | <b>39,100</b>               | <b>45,785,855</b>  |
| <b>Other Uses</b>  |                  |                  |                             |                                   |                             |                    |
| Transfers Out  | 15,000           | 227,500          | -                           | -                                 | -                           | 6,300,795          |
| <b>Total Other Uses</b>                                      | <b>15,000</b>    | <b>227,500</b>   | <b>-</b>                    | <b>-</b>                          | <b>-</b>                    | <b>6,300,795</b>   |
| <b>Total Expenses/Uses</b>                                   | <b>154,050</b>   | <b>871,550</b>   | <b>2,165,000</b>            | <b>16,177,910</b>                 | <b>39,100</b>               | <b>52,086,650</b>  |
| <b>Excess of Revenues/Sources<br/>over Expenditures/Uses</b> | <b>667,950</b>   | <b>(41,550)</b>  | <b>(2,120,000)</b>          | <b>(1,277,910)</b>                | <b>562,150</b>              | <b>(2,200,225)</b> |
| <b>Ending Fund Balance</b>                                   | <b>4,078,966</b> | <b>2,217,098</b> | <b>775,095</b>              | <b>2,565,443</b>                  | <b>4,299,879</b>            | <b>47,429,386</b>  |

# COMBINED FUNDS BUDGET SUMMARY

## COMBINED BUDGET SUMMARY

### FOR ALL FUNDS SUBJECT TO APPROPRIATION

|  | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget  |
|--|-------------------|-------------------|----------------------|--------------------|
| <b>Beginning Fund Balance</b>                                | <b>36,741,880</b> | <b>45,693,095</b> | <b>45,693,095</b>    | <b>49,629,611</b>  |
| <b>Revenues</b>  |                   |                   |                      |                    |
| 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            |
| <b>Total Revenues</b>  | <b>26,298,931</b> | <b>25,755,662</b> | <b>24,629,596</b>    | <b>27,491,677</b>  |
| <b>Other Sources</b>   |                   |                   |                      |                    |
| 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          |
| <b>Total Other Sources</b>                                   | <b>9,019,664</b>  | <b>33,111,503</b> | <b>13,111,503</b>    | <b>22,394,748</b>  |
| <b>Total Revenues/Sources</b>                                | <b>35,318,595</b> | <b>58,867,165</b> | <b>37,741,099</b>    | <b>49,886,425</b>  |
| <b>Expenditures</b>  |                   |                   |                      |                    |
| 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            |
| <b>Total Expenditures</b>                                    | <b>20,047,928</b> | <b>37,852,931</b> | <b>26,598,080</b>    | <b>45,785,855</b>  |
| <b>Other Uses</b>  |                   |                   |                      |                    |
| Transfers Out  | 6,319,452         | 7,106,503         | 7,206,503            | 6,300,795          |
| <b>Total Other Uses</b>                                      | <b>6,319,452</b>  | <b>7,106,503</b>  | <b>7,206,503</b>     | <b>6,300,795</b>   |
| <b>Total Expenses/Uses</b>                                   | <b>26,367,380</b> | <b>44,959,434</b> | <b>33,804,583</b>    | <b>52,086,650</b>  |
| <b>Excess of Revenues/Sources<br/>over Expenditures/Uses</b> | <b>8,951,215</b>  | <b>13,907,731</b> | <b>3,936,516</b>     | <b>(2,200,225)</b> |
| <b>Ending Fund Balance</b>                                   | <b>45,693,095</b> | <b>59,600,826</b> | <b>49,629,611</b>    | <b>47,429,386</b>  |

# 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.

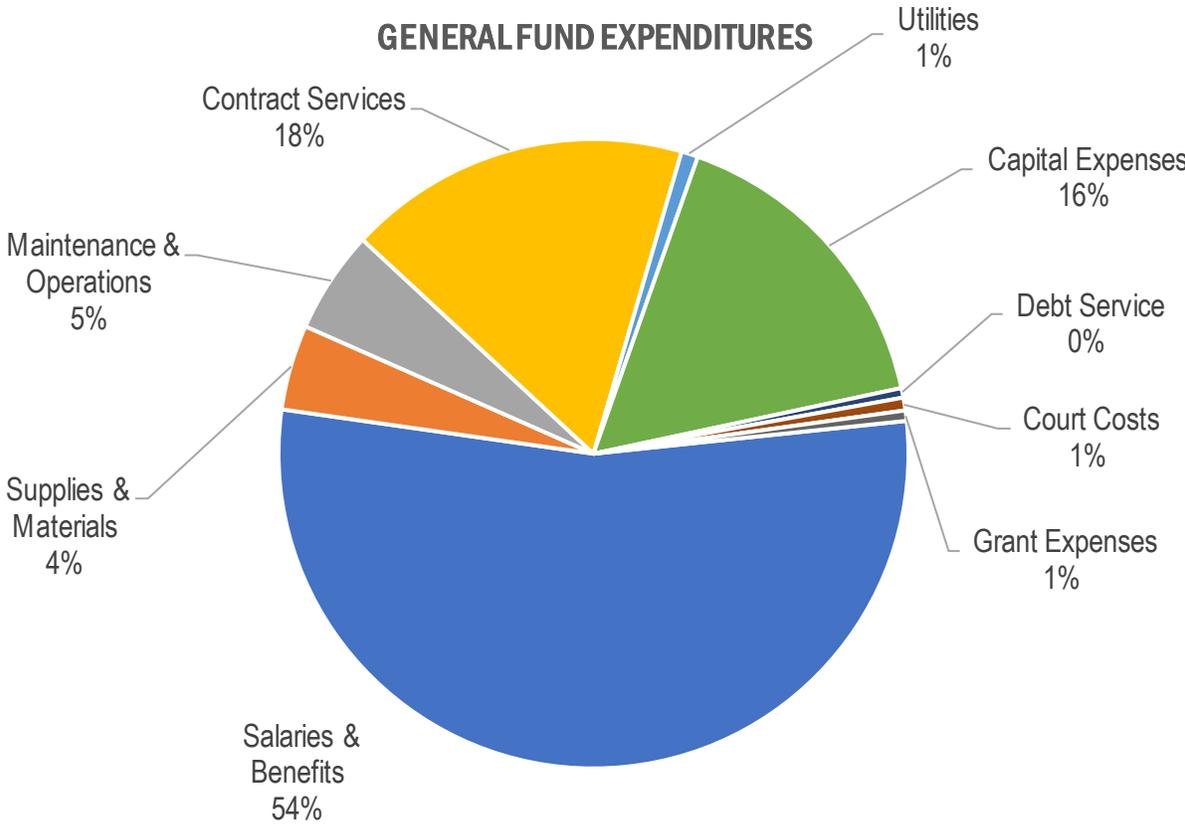
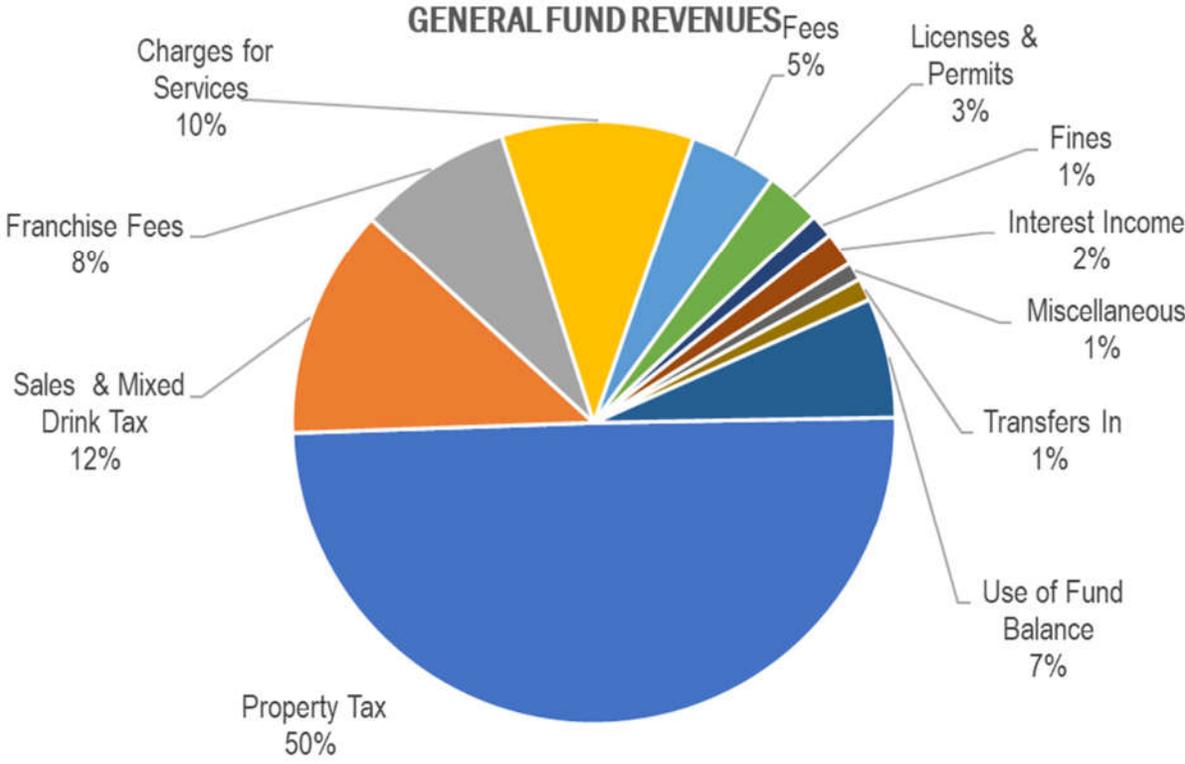
The General Fund receives revenues from property taxes, sales taxes, franchise fees, fines, fees for service, interest income and other miscellaneous general revenue sources.

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<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget |
|--|-------------------|-------------------|----------------------|-------------------|
| <b>Beginning Fund Balance</b>                                | <b>7,201,005</b>  | <b>10,922,485</b> | <b>10,922,485</b>    | <b>11,257,737</b> |
| <b>Revenues</b>  |                   |                   |                      |                   |
| 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           |
| <b>Total General Fund Revenues</b>                           | <b>10,659,160</b> | <b>10,174,887</b> | <b>9,563,277</b>     | <b>11,312,536</b> |
| <b>Other Sources</b>   |                   |                   |                      |                   |
| Transfers In   | 461,535           | 151,535           | 151,535              | 146,535           |
| Use of Fund Balance  | -                 | -                 | -                    | 782,761           |
| <b>Total Other Sources</b>                                   | <b>461,535</b>    | <b>151,535</b>    | <b>151,535</b>       | <b>929,296</b>    |
| <b>Total Revenues/Sources</b>                                | <b>11,120,695</b> | <b>10,326,422</b> | <b>9,714,812</b>     | <b>12,241,832</b> |
| <b>Expenditures</b>  |                   |                   |                      |                   |
| 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            |
| <b>Total Expenditures</b>                                    | <b>5,623,016</b>  | <b>7,526,725</b>  | <b>6,400,894</b>     | <b>10,560,328</b> |
| <b>Other Uses</b>  |                   |                   |                      |                   |
| Transfers Out  | 1,776,199         | 2,878,666         | 2,978,666            | 1,681,504         |
| <b>Total Other Uses</b>                                      | <b>1,776,199</b>  | <b>2,878,666</b>  | <b>2,978,666</b>     | <b>1,681,504</b>  |
| <b>Total Expenses/Uses</b>                                   | <b>7,399,215</b>  | <b>10,405,391</b> | <b>9,379,560</b>     | <b>12,241,832</b> |
| <b>Excess of Revenues/Sources<br/>over Expenditures/Uses</b> | <b>3,721,480</b>  | <b>(78,969)</b>   | <b>335,252</b>       | <b>-</b>          |
| <b>Ending Fund Balance</b>                                   | <b>10,922,485</b> | <b>10,843,516</b> | <b>11,257,737</b>    | <b>11,257,737</b> |

## GENERAL FUND REVENUES

|                                     | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget |
|-------------------------------------|-------------------|-------------------|----------------------|-------------------|
| <b>Taxes</b>                        |                   |                   |                      |                   |
| 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            |
| <b>Total Taxes</b>                  | <b>5,962,103</b>  | <b>6,600,999</b>  | <b>6,756,786</b>     | <b>7,599,455</b>  |
| <b>Franchise Fees</b>               |                   |                   |                      |                   |
| 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             |
| <b>Total Franchise Fees</b>         | <b>910,840</b>    | <b>971,463</b>    | <b>981,054</b>       | <b>1,009,895</b>  |
| <b>Solid Waste</b>                  |                   |                   |                      |                   |
| Sanitation Billing                  | 1,063,277         | 1,085,000         | 1,075,000            | 1,250,000         |
| Sanitation Penalties                | 9,783             | 11,000            | 11,644               | 12,000            |
| <b>Total Solid Waste</b>            | <b>1,073,060</b>  | <b>1,096,000</b>  | <b>1,086,644</b>     | <b>1,262,000</b>  |
| <b>Licenses &amp; Permits</b>       |                   |                   |                      |                   |
| 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             |
| <b>Total Licenses &amp; Permits</b> | <b>466,076</b>    | <b>424,000</b>    | <b>228,957</b>       | <b>363,500</b>    |

## GENERAL FUND REVENUES

|                             | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget |
|-----------------------------|-------------------|-------------------|----------------------|-------------------|
| <b>Fines</b>                |                   |                   |                      |                   |
| 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               |
| <b>Total Fines</b>          | <b>147,322</b>    | <b>153,300</b>    | <b>143,552</b>       | <b>155,755</b>    |
| <b>Fire &amp; EMS</b>       |                   |                   |                      |                   |
| 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                 |
| <b>Total Fire &amp; EMS</b> | <b>806,077</b>    | <b>635,000</b>    | <b>2,138</b>         | <b>466,890</b>    |

## GENERAL FUND REVENUES

|  | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget |
|--|-------------------|-------------------|----------------------|-------------------|
| <b>Police and Animal Control</b>       |                   |                   |                      |                   |
| 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                 |
| <b>Total Police and Animal Control</b> | <b>62,599</b>     | <b>61,450</b>     | <b>80,653</b>        | <b>70,621</b>     |
| <b>Parks &amp; Recreation</b>          |                   |                   |                      |                   |
| 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             |
| <b>Total Parks and Recreation</b>      | <b>10,510</b>     | <b>21,100</b>     | <b>18,631</b>        | <b>14,000</b>     |
| <b>Library</b>                         |                   |                   |                      |                   |
| 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            |
| <b>Total Library</b>                   | <b>18,241</b>     | <b>24,075</b>     | <b>20,048</b>        | <b>22,920</b>     |
| Interest Income                        | 15,160            | 100,000           | 175,000              | 225,000           |
| <b>Interest Income</b>                 | <b>15,160</b>     | <b>100,000</b>    | <b>175,000</b>       | <b>225,000</b>    |

## GENERAL FUND REVENUES

|  | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>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                 |
| <b>Total Miscellaneous</b>                 | <b>1,187,172</b>  | <b>87,500</b>     | <b>69,814</b>        | <b>122,500</b>    |
| <b>Total General Fund Revenues</b>         | <b>10,659,160</b> | <b>10,174,887</b> | <b>9,563,277</b>     | <b>11,312,536</b> |
| 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           |
| <b>Total Transfers</b>                     | <b>461,535</b>    | <b>151,535</b>    | <b>151,535</b>       | <b>929,296</b>    |
| <b>Total General Fund Revenues/Sources</b> | <b>11,120,695</b> | <b>10,326,422</b> | <b>9,714,812</b>     | <b>12,241,832</b> |



# 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         | 2019-20 | 2020-21 | 2021-22 |
|-------------------|---------|---------|---------|
| Response to Calls | 7,135   | 8,877   | 7,757   |
| Citations Issued  | 356     | 688     | 704     |
| Warnings Issued   | 320     | 823     | 928     |

*\*More activity details are provided in the September monthly report located in the Appendix of this document*

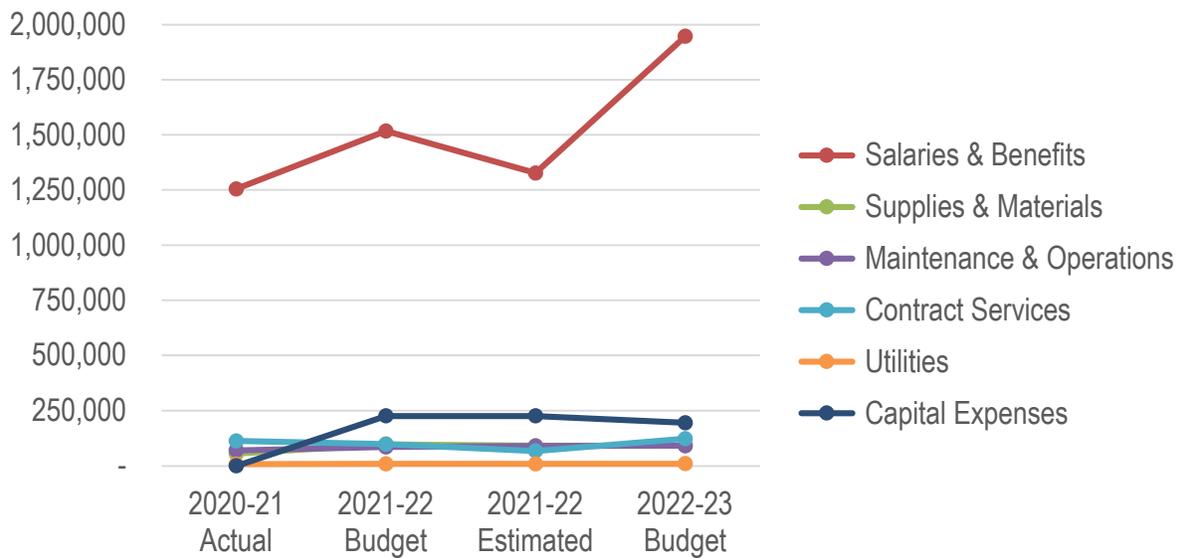
## BUDGETED PERSONNEL SCHEDULE

| 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         |
| <b>Total Budgeted Positions</b>  | <b>16</b> | <b>18</b> | <b>20</b> |

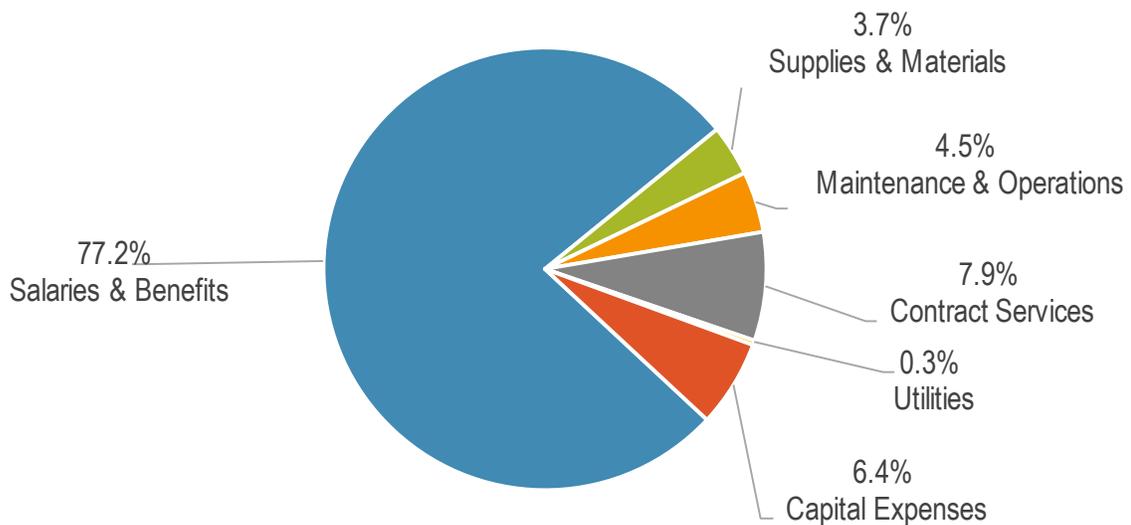
## DEPARTMENTAL EXPENDITURES

| Category                       | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference     | Percent<br>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%           |
| <b>Total Department Budget</b> | <b>1,500,607</b>  | <b>2,034,448</b>  | <b>1,810,985</b>     | <b>2,457,046</b>  | <b>422,598</b> | <b>20.77%</b>     |

## 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.

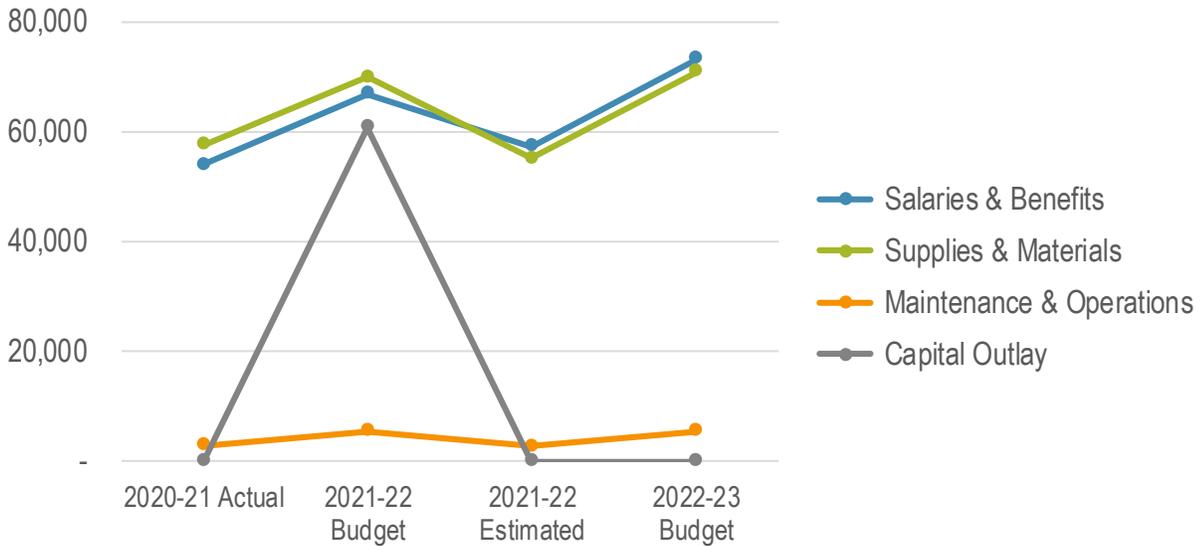
## BUDGETED PERSONNEL SCHEDULE

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

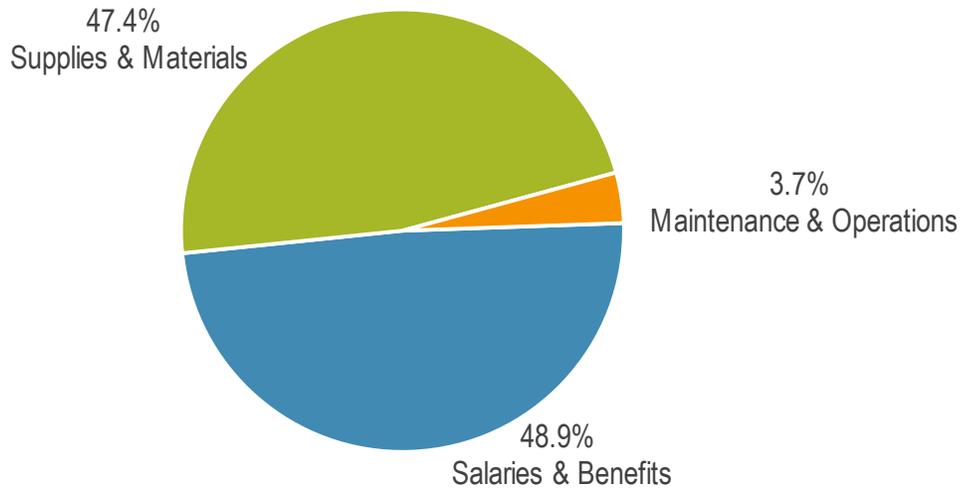
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference      | Percent<br>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%          |
| <b>Total</b>             | <b>114,288</b>    | <b>202,940</b>    | <b>114,943</b>       | <b>149,600</b>    | <b>(53,340)</b> | <b>-26.28%</b>    |

## 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                   | 2019-20 | 2020-21 | 2021-22 |
|-----------------------------|---------|---------|---------|
| False Alarm Calls           | 76      | 74      | 107     |
| Good Intent Calls           | 132     | 132     | 171     |
| Service Calls               | 366     | 483     | 443     |
| Hazardous Materials Calls   | 7       | 25      | 37      |
| Emergency Medical Incidents | 1,041   | 1,128   | 1,324   |
| Explosion Calls             | 0       | 3       | 1       |
| Fire Calls                  | 44      | 108     | 133     |

*\*More activity details are provided in the September monthly report located in the Appendix of this document*

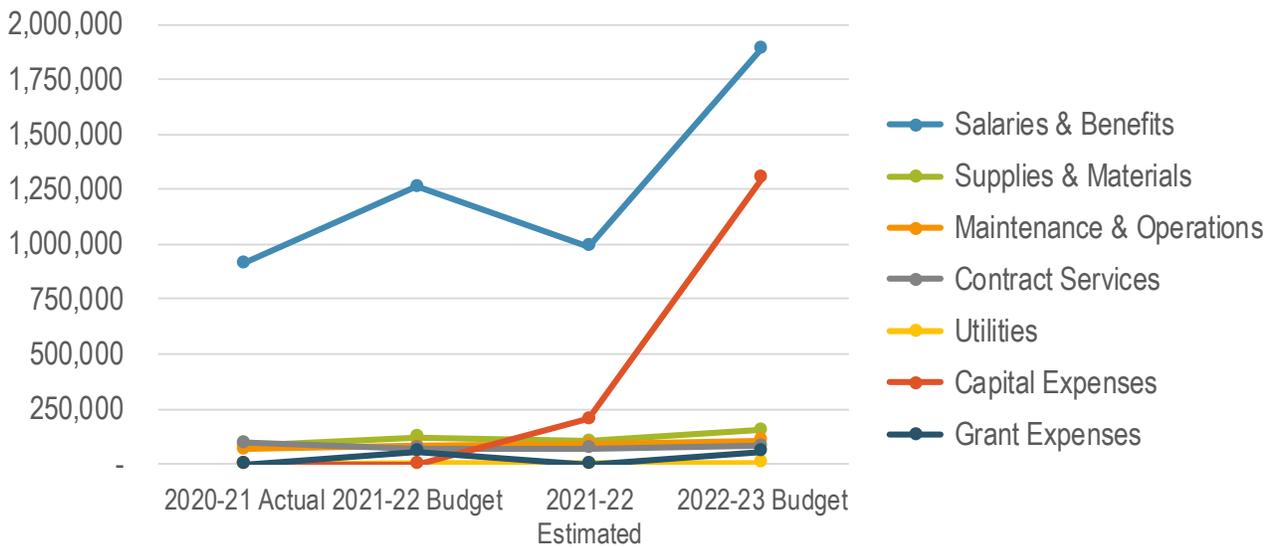
## BUDGETED PERSONNEL SCHEDULE

| 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        |
| <b>Total Budgeted Positions</b>   | <b>34</b> | <b>35</b> | <b>39</b> |

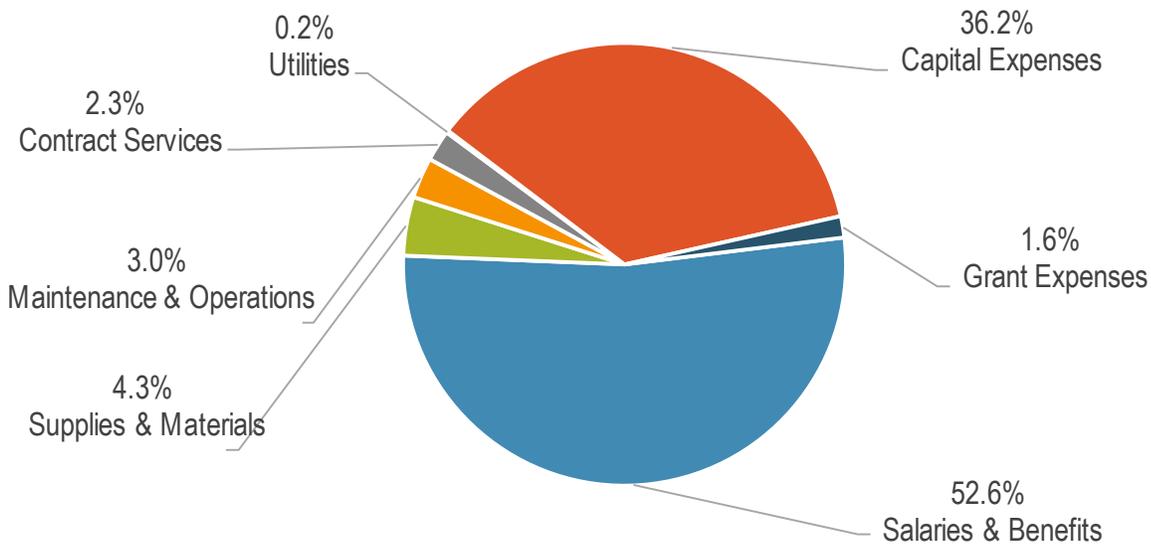
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference       | Percent<br>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%             |
| <b>Total</b>             | <b>1,161,523</b>  | <b>1,599,164</b>  | <b>1,461,913</b>     | <b>3,598,446</b>  | <b>1,999,282</b> | <b>125.02%</b>    |

## 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                                | 2019-20 | 2020-21 | 2021-22 |
|--|---------|---------|---------|
| Citations Filed in Court                 | 516     | 1,032   | 1,001   |
| Deferred Disposition Requests Processed  | 41      | 144     | 108     |
| Driver Safety Course Requests Processed  | 17      | 56      | 24      |
| Deferred Dispositions Granted            | 41      | 150     | 122     |
| Cases Closed by Driver Safety Courses    | 17      | 58      | 31      |
| Dispositions: Full Payment & Time Served | 219     | 443     | 428     |

*\*More activity details are provided in the September monthly report located in the Appendix of this document*

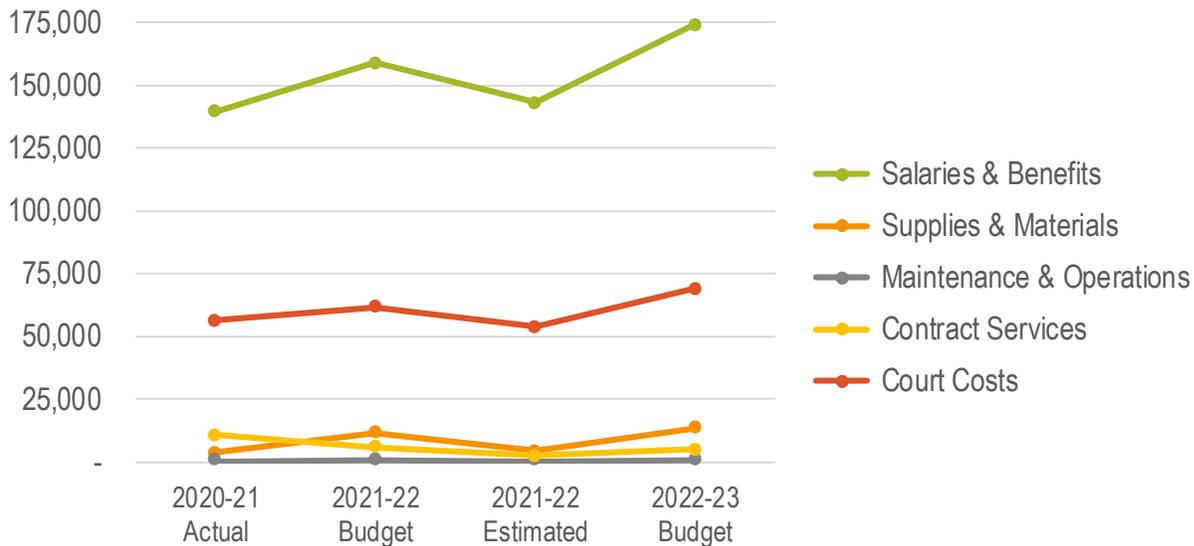
## BUDGETED PERSONNEL SCHEDULE

| 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        |
| <b>Total Budgeted Positions</b> | <b>4</b> | <b>4</b> | <b>4</b> |

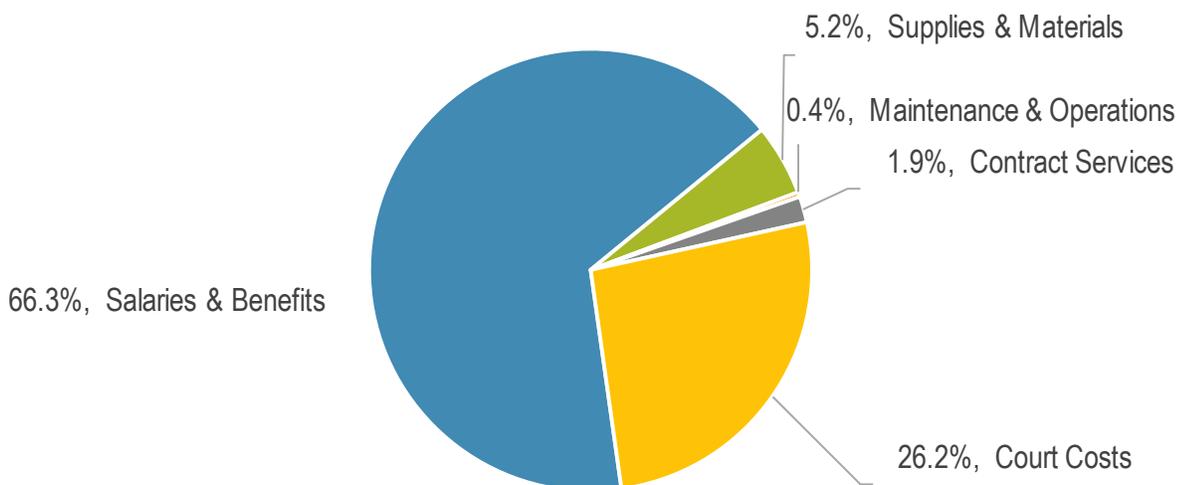
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference    | Percent<br>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%            |
| <b>Total</b>             | <b>211,443</b>    | <b>239,400</b>    | <b>204,369</b>       | <b>262,490</b>    | <b>23,090</b> | <b>9.64%</b>      |

## 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                           | 2019-20 | 2020-21 | 2021-22 |
|-------------------------------------|---------|---------|---------|
| Residential Permits Issued          | 235     | 182     | 118     |
| Residential Inspections Performed   | 3,035   | 3,107   | 1,297   |
| Commercial Permits Issued           | 23      | 23      | 11      |
| Commercial Inspections Performed    | 467     | 536     | 314     |
| Miscellaneous Permits Issued        | 389     | 473     | 349     |
| Miscellaneous Inspections Performed | 782     | 779     | 600     |

*\*More activity details are provided in the September monthly report located in the Appendix of this document*

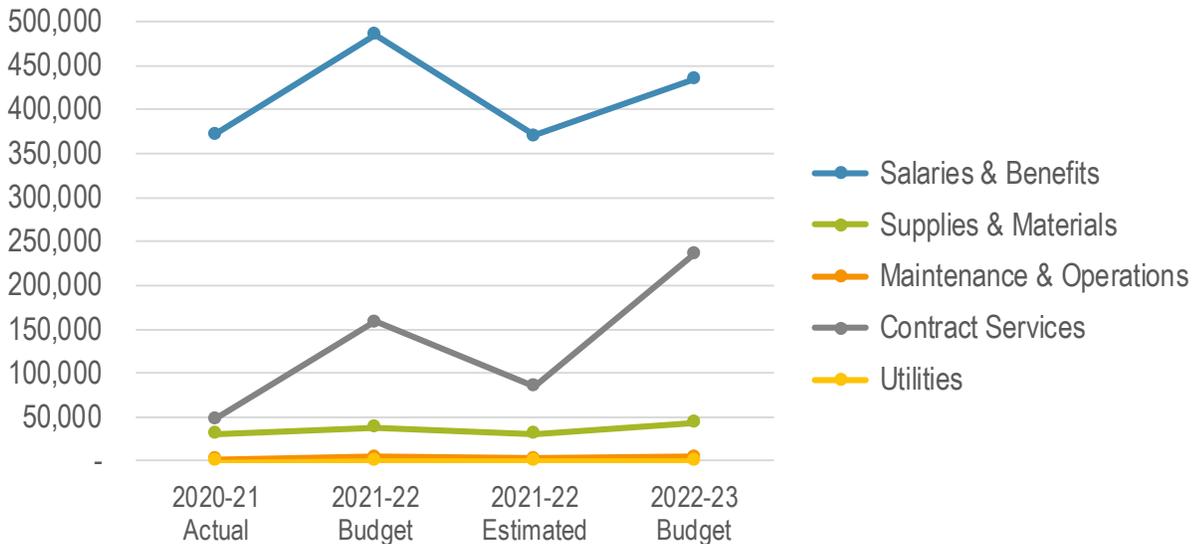
## BUDGETED PERSONNEL SCHEDULE

| 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        |
| <b>Total Budgeted Positions</b> | <b>6</b> | <b>6</b> | <b>6</b> |

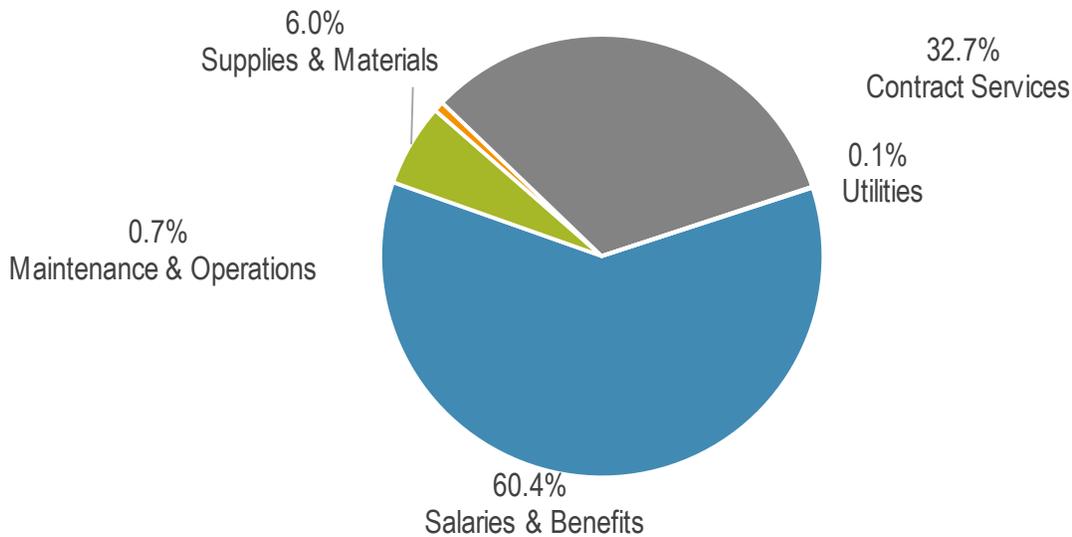
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference    | Percent<br>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%            |
| <b>Total</b>             | <b>453,151</b>    | <b>687,529</b>    | <b>489,422</b>       | <b>783,500</b>    | <b>95,971</b> | <b>13.96%</b>     |

## 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                                    | 2019-20 | 2020-21 | 2021-22 |
|--|---------|---------|---------|
| Road Hazards Assessed & Corrected            | 116     | 76      | 93      |
| Traffic & Street Signs Installed or Repaired | 108     | 35      | 42      |
| Miscellaneous Items Completed                | 31      | 69      | 66      |

*\*More activity details are provided in the September monthly report located in the Appendix of this document*

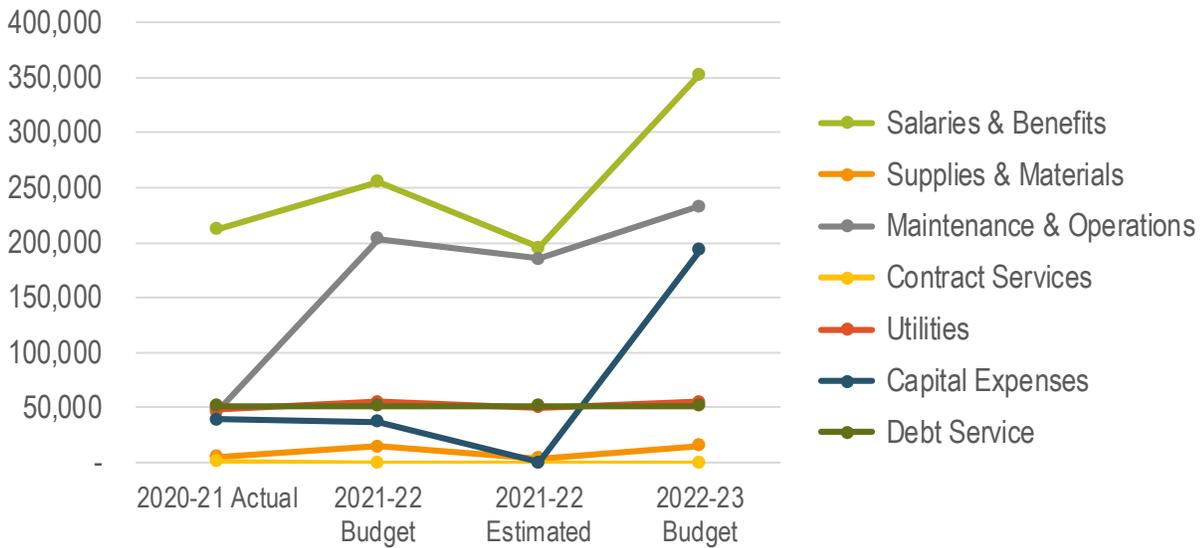
## BUDGETED PERSONNEL SCHEDULE

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

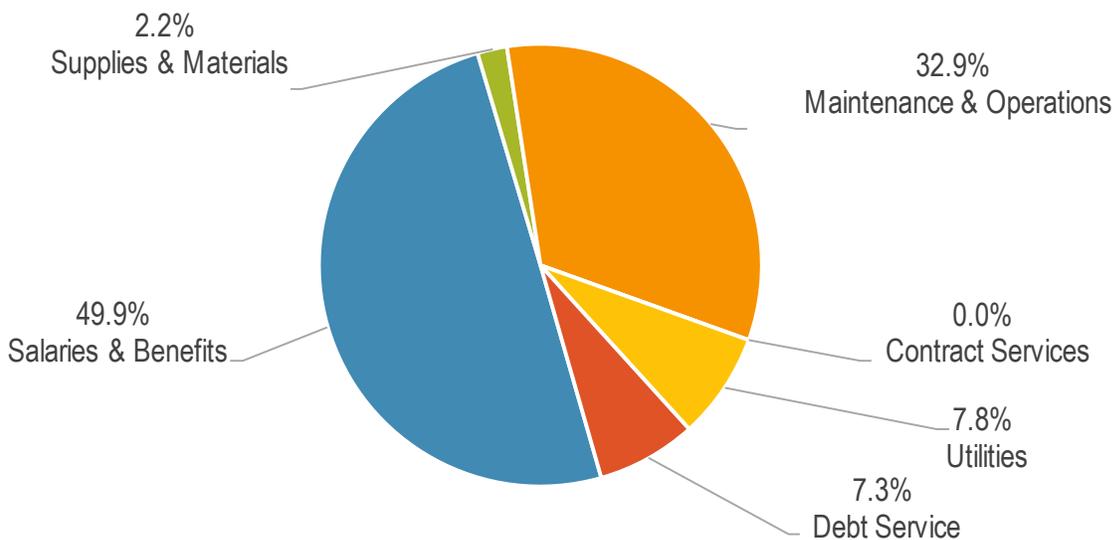
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference     | Percent<br>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%             |
| <b>Total</b>             | <b>403,023</b>    | <b>616,848</b>    | <b>485,872</b>       | <b>900,770</b>    | <b>283,922</b> | <b>46.03%</b>     |

## 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              | 2019-20 | 2020-21 | 2021-22 |
|------------------------|---------|---------|---------|
| Acres Mowed            | 1,505   | 2,030   | 2,030   |
| Brush Orders Completed | 1,470   | 760     | 760     |

*\*More activity details are provided in the September monthly report located in the Appendix of this document*

## BUDGETED PERSONNEL SCHEDULE

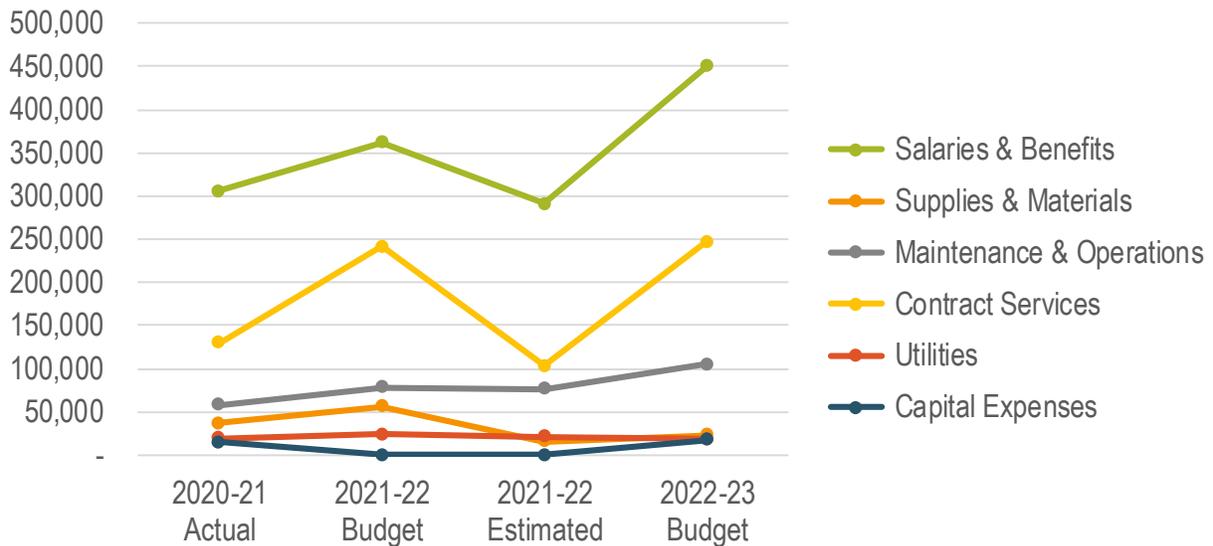
Functions of the Facilities Department are handled by personnel in the Parks Department. Although there are no employees working solely in Facilities, beginning this year, ten percent of salaries and benefits from Parks Department personnel are being allocated to Facilities.

| 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        |
| <b>Total Budgeted Positions</b> | <b>4.5</b> | <b>4.5</b> | <b>6.4</b> |

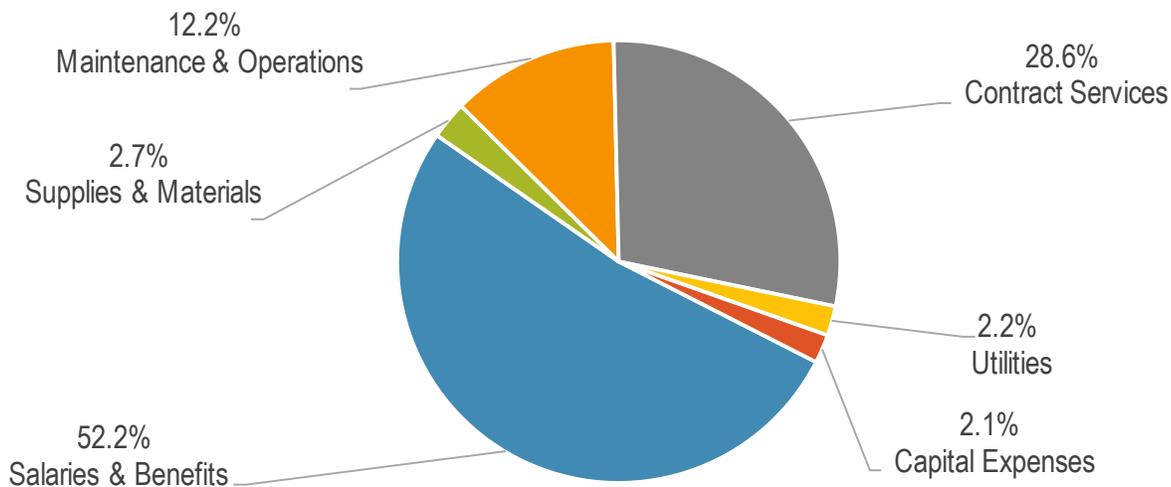
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference    | Percent<br>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        | -                 |
| <b>Total</b>             | <b>565,745</b>    | <b>764,292</b>    | <b>509,793</b>       | <b>863,050</b>    | <b>98,758</b> | <b>12.92%</b>     |

## 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                             | 2019-20 | 2020-21 | 2021-22 |
|---------------------------------------|---------|---------|---------|
| Physical Items Checked Out to Patrons | 15,356  | 15,356  | 19,039  |
| eBooks Checked Out to Patrons         | 1,244   | 1,244   | 3,632   |
| Patron Library Visits                 | 13,893  | 13,893  | 20,441  |

*\*More activity details are provided in the September monthly report located in the Appendix of this document*

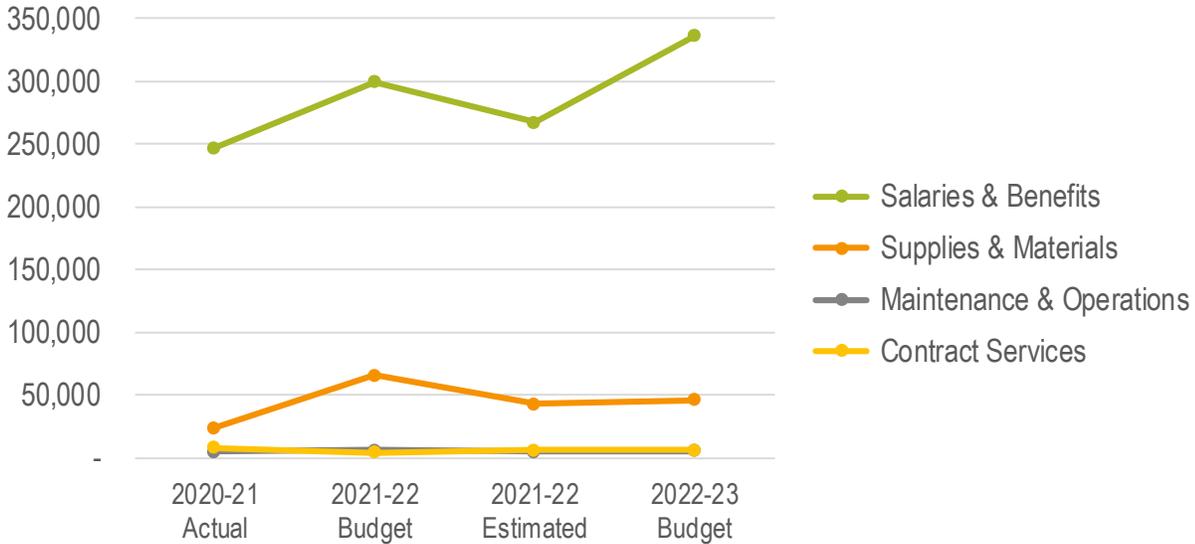
## BUDGETED PERSONNEL SCHEDULE

| 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        |
| <b>Total Budgeted Positions</b> | <b>6</b> | <b>6</b> | <b>6</b> |

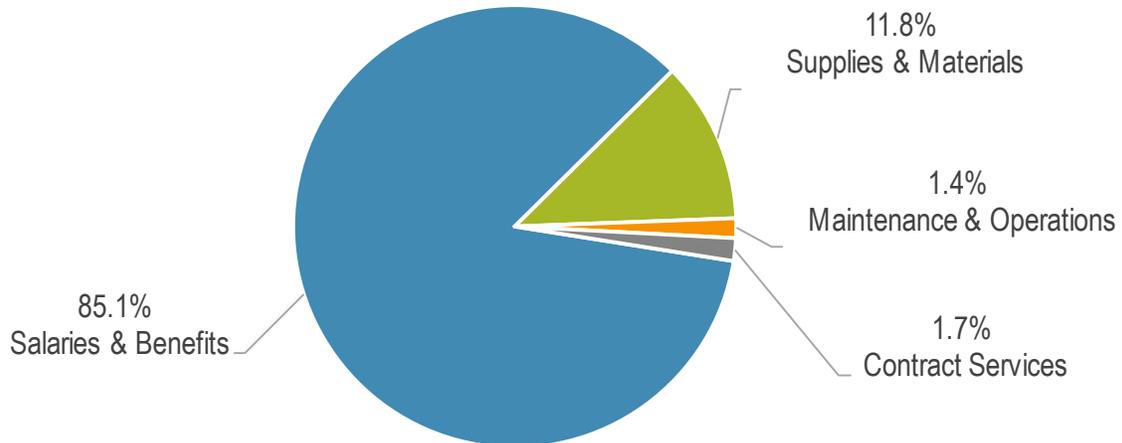
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference    | Percent<br>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%            |
| <b>Total</b>             | <b>285,345</b>    | <b>377,104</b>    | <b>322,079</b>       | <b>395,426</b>    | <b>18,322</b> | <b>4.86%</b>      |

## 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**

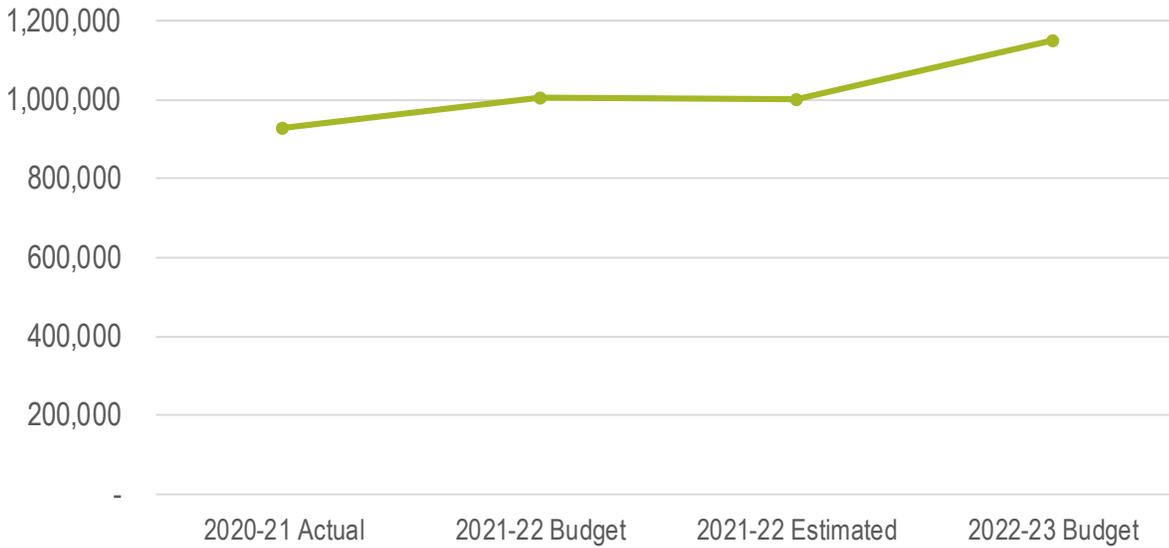
- Maintain and improve upon the existing country living atmosphere of Sanger.

*No personnel are budgeted in this department.*

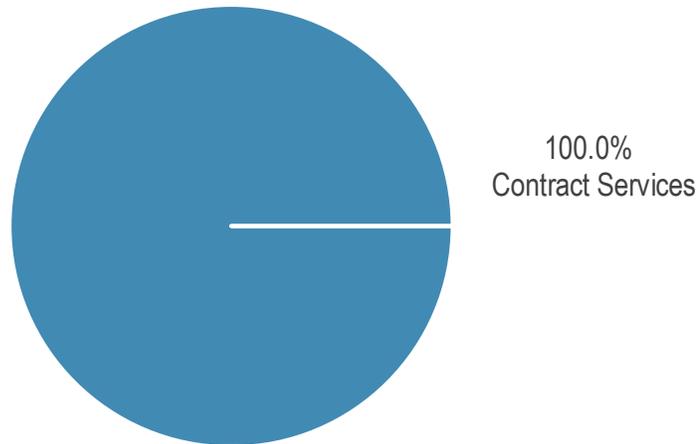
## DEPARTMENTAL EXPENDITURES

| 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

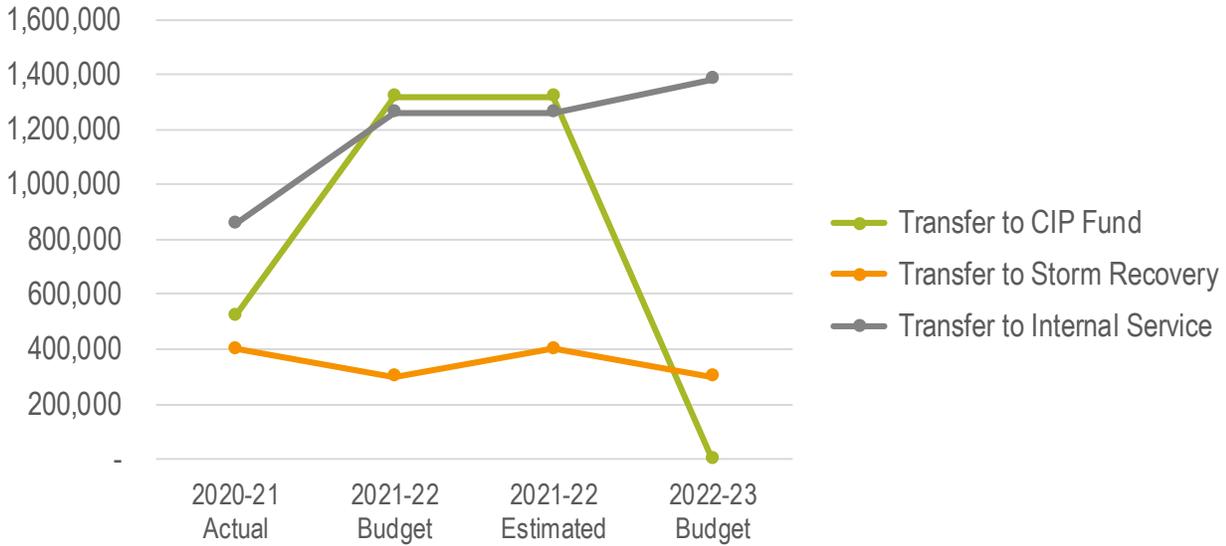
**The City transfers between funds in order to properly account for revenues and expenses.**

*No personnel are budgeted in this department.*

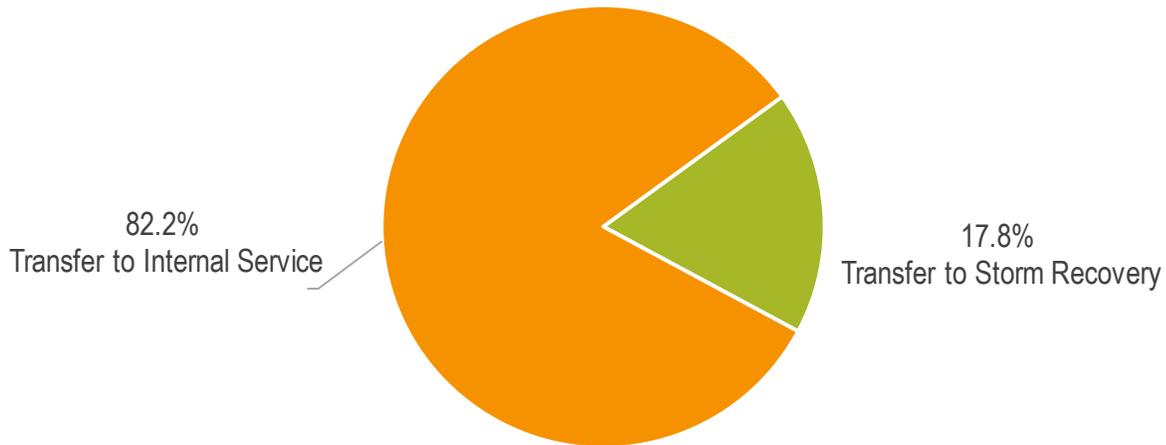
## DEPARTMENTAL EXPENDITURES

| Category                     | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference         | Percent<br>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%             |
| <b>Total</b>                 | <b>1,776,199</b>  | <b>2,878,666</b>  | <b>2,978,666</b>     | <b>1,681,504</b>  | <b>(1,197,162)</b> | <b>-41.59%</b>    |

## EXPENDITURE BY CATEGORY



## EXPENDITURE ALLOCATION



# DEBT SERVICE FUND

## OVERVIEW

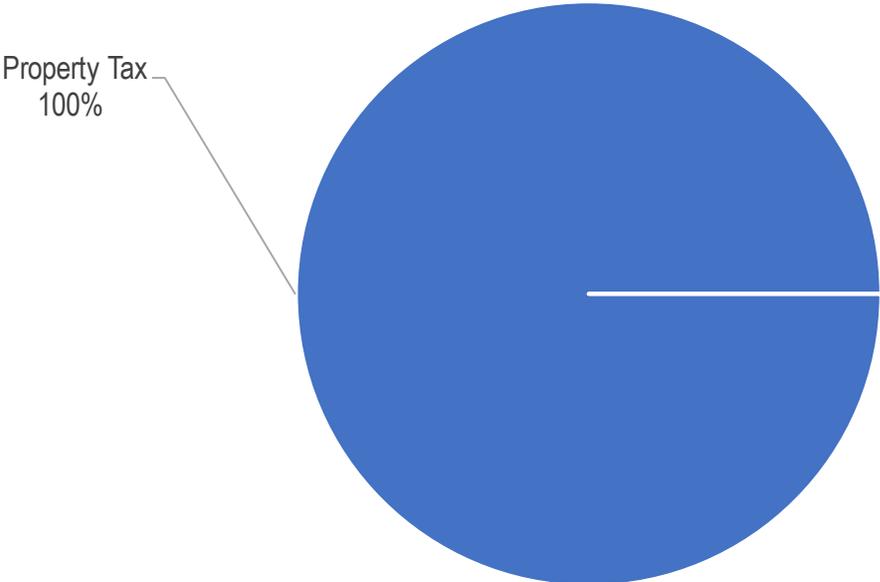
The Debt Service Fund accounts for the receipt of funds from a tax levy and other sources for the accumulation of funds to meet the principal and interest obligations on General Fund Obligations.

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.

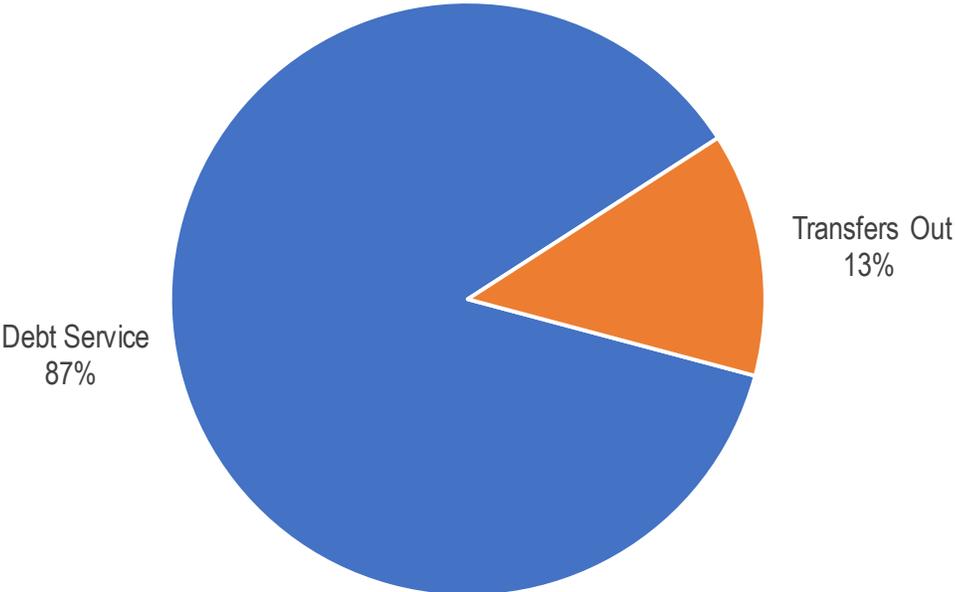
The basis of accounting for the Debt Service Fund for both financial reporting and budgeting is the modified accrual basis.

**DEBT SERVICE FUND BUDGET SUMMARY**

**DEBT SERVICE FUND REVENUES**



**DEBT SERVICE FUND EXPENDITURES**



## DEBT SERVICE FUND BUDGET SUMMARY

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

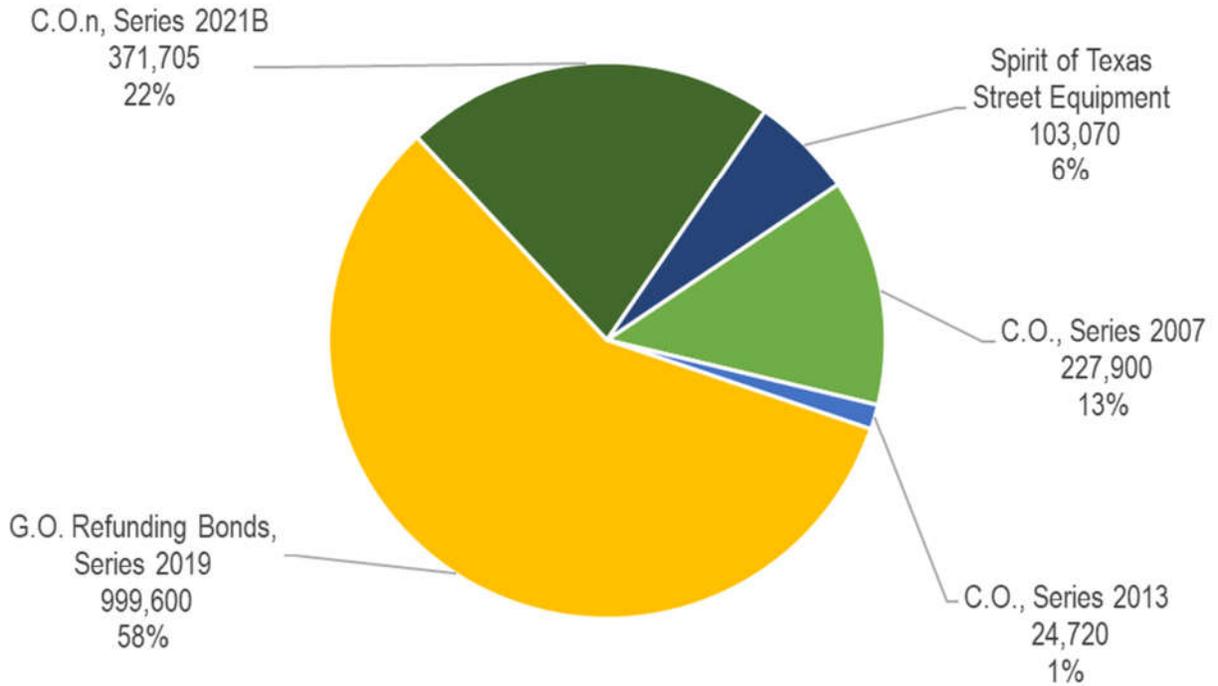
## DEBT SERVICE FUND EXPENDITURES

|                             | 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             |
| <b>Total Debt Payments</b>  | <b>\$ 739,585</b> | <b>\$ 334,326</b> | <b>\$ 334,326</b> | <b>\$ 336,554</b> |
| 74-Transfers                |                   |                   |                   |                   |
| Transfer To General Fund    | 60,388            | 51,535            | 51,535            | 51,535            |
| <b>Total 74-Transfers</b>   | <b>60,388</b>     | <b>51,535</b>     | <b>51,535</b>     | <b>51,535</b>     |
| <b>Total Debt Service</b>   | <b>799,973</b>    | <b>385,861</b>    | <b>385,861</b>    | <b>388,089</b>    |

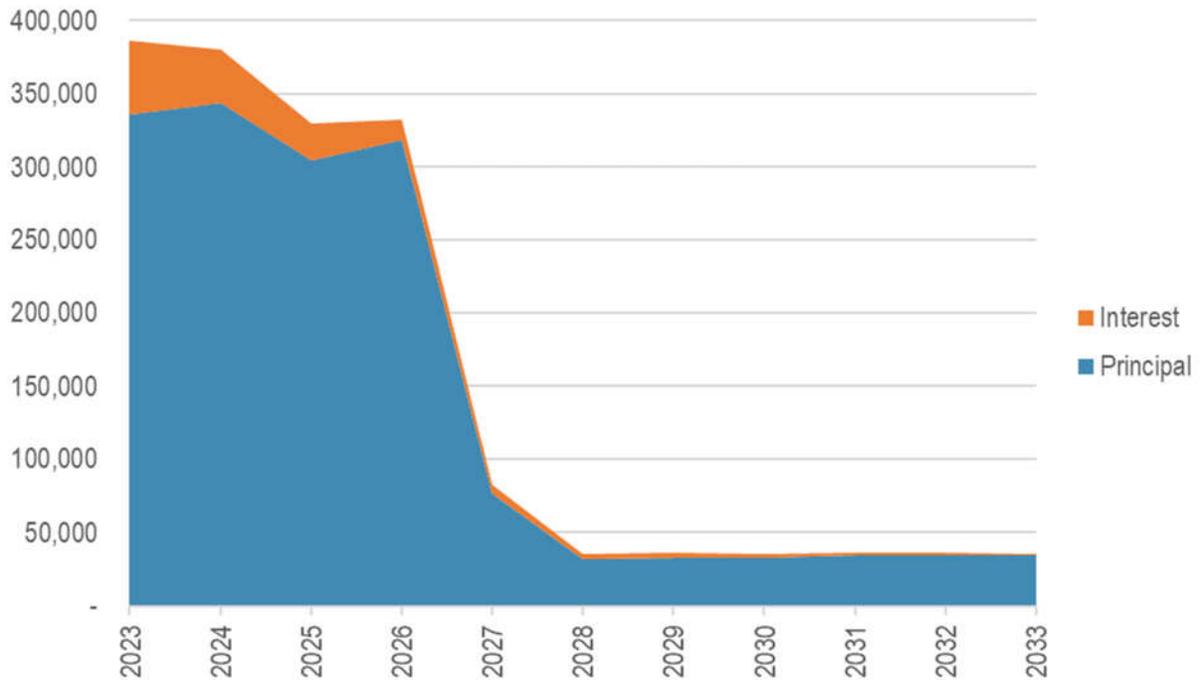
## DEBT SERVICE FUND REQUIREMENTS BY YEAR

| 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           |
| <b>Total</b> | <b>1,580,719</b> | <b>146,276</b> | <b>1,726,995</b> |

### 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.

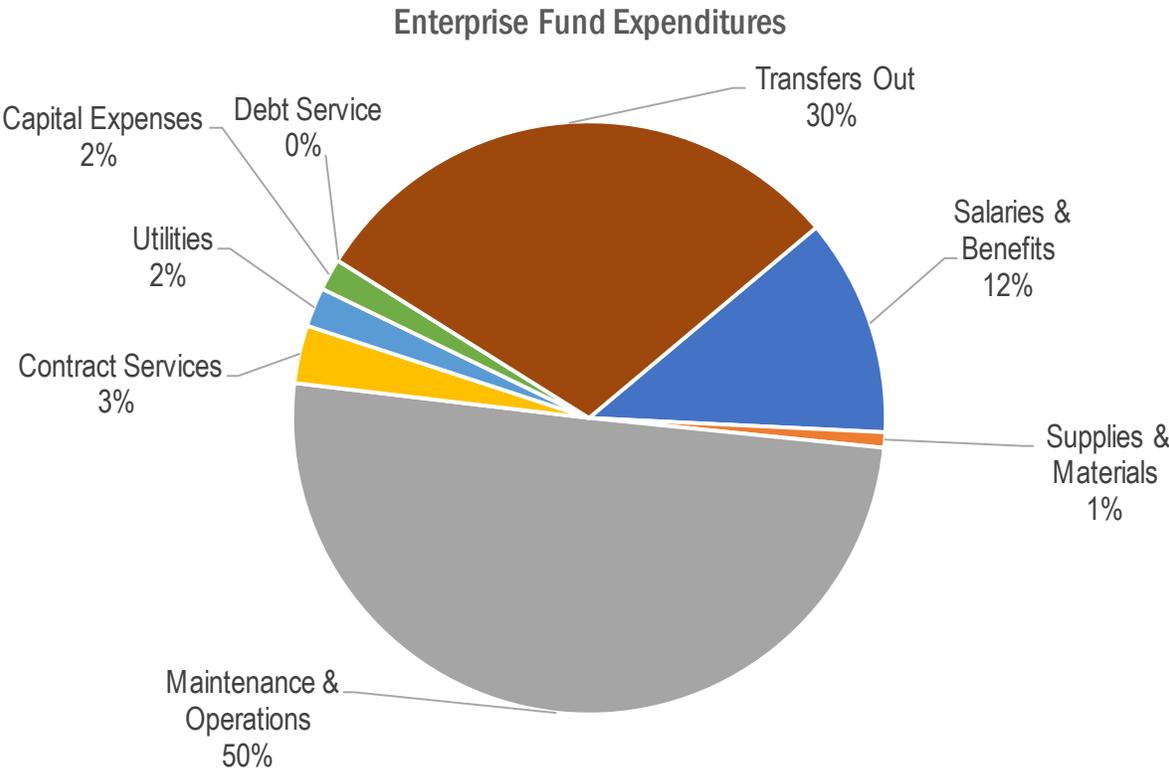
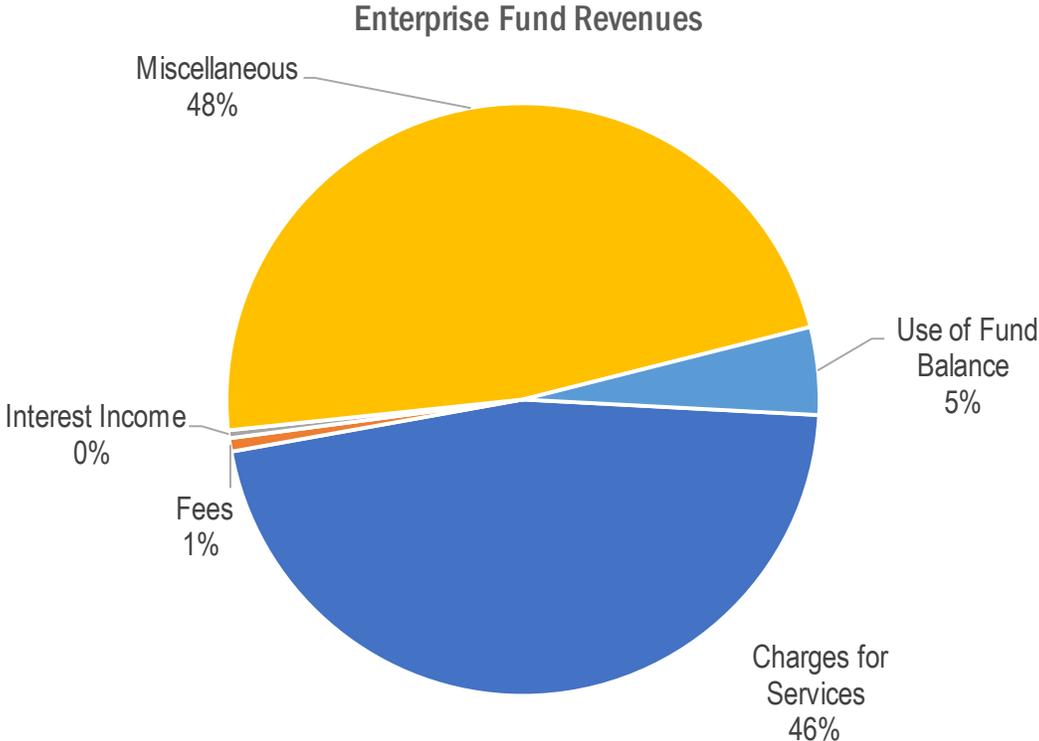
The Enterprise Fund receives revenues from the billing of water, wastewater, and electric, interest income and other miscellaneous revenue sources.

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.

**ENTERPRISE FUND BUDGET SUMMARY**



## ENTERPRISE FUND BUDGET SUMMARY

|  | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget |
|--|-------------------|-------------------|----------------------|-------------------|
| <b>Beginning Fund Balance</b>                                | <b>16,728,529</b> | <b>20,015,603</b> | <b>20,015,603</b>    | <b>21,021,290</b> |
| <b>Revenues</b>  |                   |                   |                      |                   |
| 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           |
| <b>Total Enterprise Fund Revenues</b>                        | <b>12,569,171</b> | <b>13,127,017</b> | <b>12,791,250</b>    | <b>13,121,406</b> |
| <b>Other Sources</b>   |                   |                   |                      |                   |
| Transfers In   | 2,459,294         | -                 | -                    | -                 |
| Use of Fund Balance  | -                 | -                 | -                    | 1,311,192         |
| <b>Total Other Sources</b>                                   | <b>2,459,294</b>  | <b>-</b>          | <b>-</b>             | <b>1,311,192</b>  |
| <b>Total Revenues/Sources</b>                                | <b>15,028,465</b> | <b>13,127,017</b> | <b>12,791,250</b>    | <b>14,432,598</b> |
| <b>Expenditures</b>  |                   |                   |                      |                   |
| 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             |
| <b>Total Expenditures</b>                                    | <b>7,949,708</b>  | <b>9,743,457</b>  | <b>7,821,761</b>     | <b>10,107,342</b> |
| <b>Other Uses</b>  |                   |                   |                      |                   |
| Transfers Out  | 3,791,683         | 3,963,802         | 3,963,802            | 4,325,256         |
| <b>Total Other Uses</b>                                      | <b>3,791,683</b>  | <b>3,963,802</b>  | <b>3,963,802</b>     | <b>4,325,256</b>  |
| <b>Total Expenses/Uses</b>                                   | <b>11,741,391</b> | <b>13,707,259</b> | <b>11,785,563</b>    | <b>14,432,598</b> |
| <b>Excess of Revenues/Sources<br/>over Expenditures/Uses</b> |                   |                   |                      |                   |
|  | 3,287,074         | (580,242)         | 1,005,687            | -                 |
| <b>Ending Fund Balance</b>                                   | <b>20,015,603</b> | <b>19,435,361</b> | <b>21,021,290</b>    | <b>21,021,290</b> |

## ENTERPRISE FUND REVENUES

|   | 2019-20<br>Actual | 2020-21<br>Budget | 2020-21<br>Estimated | 2021-22<br>Budget |
|---|-------------------|-------------------|----------------------|-------------------|
| <b>Water</b>                                |                   |                   |                      |                   |
| 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            |
| <b>Total Water</b>                          | <b>2,177,059</b>  | <b>2,256,187</b>  | <b>2,242,750</b>     | <b>2,334,878</b>  |
| <b>Total Sewer</b>                          | <b>2,135,174</b>  | <b>2,596,830</b>  | <b>2,503,313</b>     | <b>2,715,028</b>  |
| <b>Electric</b>                             |                   |                   |                      |                   |
| 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                  | -                 |
| <b>Total Electric</b>                       | <b>7,632,029</b>  | <b>7,752,500</b>  | <b>7,741,330</b>     | <b>7,692,500</b>  |
| <b>Penalties &amp; Fees</b>                 |                   |                   |                      |                   |
| Penalties                                   | 107,212           | 150,000           | 125,119              | 130,000           |
| Service Fees                                | 71,010            | 70,000            | 53,519               | 70,000            |
| <b>Total Penalties and Fees</b>             | <b>178,222</b>    | <b>220,000</b>    | <b>178,638</b>       | <b>200,000</b>    |
| <b>Total Interest</b>                       | <b>347,087</b>    | <b>200,000</b>    | <b>52,079</b>        | <b>60,000</b>     |
| <b>Miscellaneous Income</b>                 |                   |                   |                      |                   |
| 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            | -                 | -                    | -                 |
| <b>Total Miscellaneous</b>                  | <b>99,600</b>     | <b>101,500</b>    | <b>73,140</b>        | <b>119,000</b>    |
| <b>Total Revenues</b>                       | <b>12,569,171</b> | <b>13,127,017</b> | <b>12,791,250</b>    | <b>13,121,406</b> |
| <b>Transfers</b>                            |                   |                   |                      |                   |
| Transfer from Electric Storm Fund           | 2,459,294         | -                 | -                    | -                 |
| Use of Fund Balance                         | -                 | -                 | -                    | 1,311,192         |
| <b>Total Transfers</b>                      | <b>2,459,294</b>  | <b>-</b>          | <b>-</b>             | <b>1,311,192</b>  |
| <b>Total Enterprise Fund Revenues &amp;</b> | <b>15,028,465</b> | <b>13,127,017</b> | <b>12,791,250</b>    | <b>14,432,598</b> |

# 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                  | 2019-20 | 2020-21 | 2021-22 |
|----------------------------|---------|---------|---------|
| Water Meters Read Manually | 12,174  | 13,818  | 9,413   |
| Service Orders Completed   | 1,404   | 4,621   | 2,386   |

*\*More activity details are provided in the September monthly report located in the Appendix of this document*

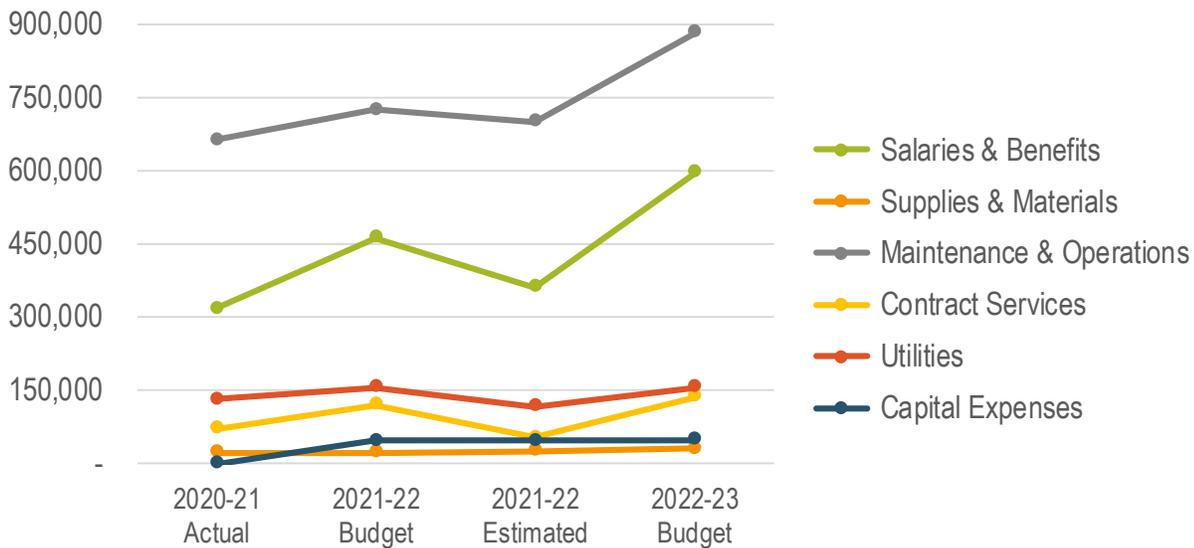
## BUDGETED PERSONNEL SCHEDULE

| 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       |

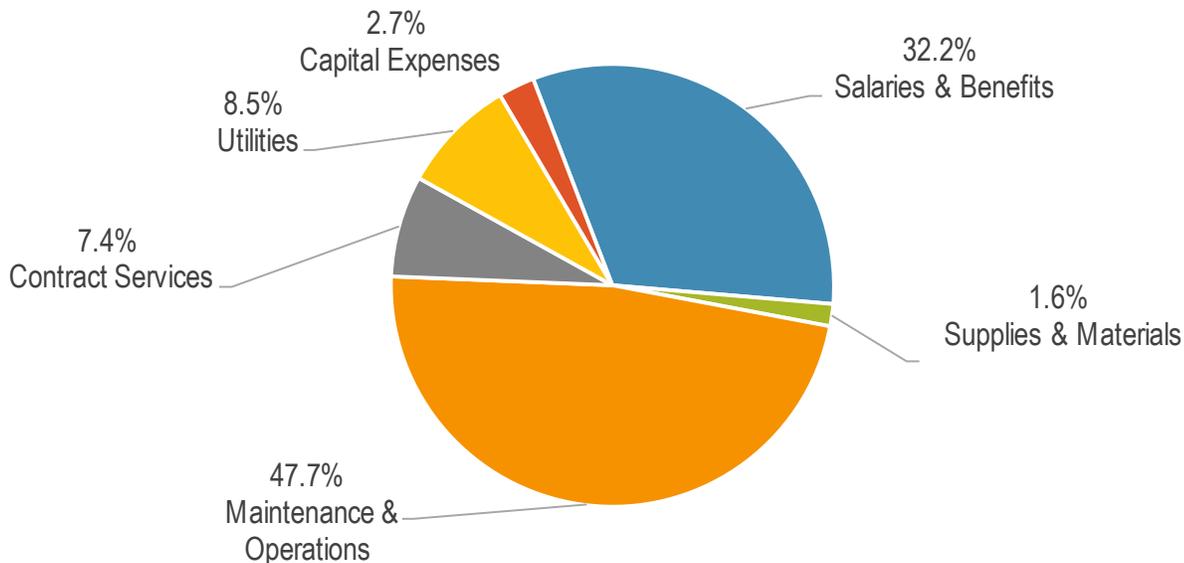
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference     | Percent<br>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%             |
| <b>Total</b>             | <b>1,203,679</b>  | <b>1,530,646</b>  | <b>1,302,973</b>     | <b>1,849,315</b>  | <b>318,669</b> | <b>20.82%</b>     |

## 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.

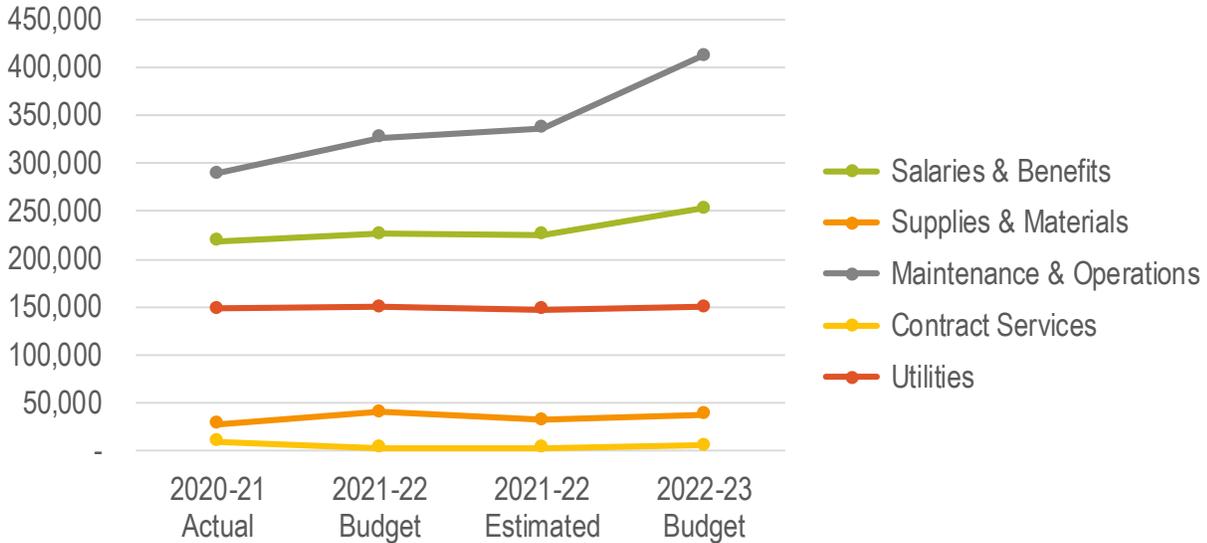
## BUDGETED PERSONNEL SCHEDULE

| Position Title                  | 2020-21  | 2021-22  | 2022-23  |
|---------------------------------|----------|----------|----------|
| WWTP Superintendent             | 1        | 1        | 1        |
| Plant Operator                  | 2        | 2        | 2        |
| <b>Total Budgeted Positions</b> | <b>3</b> | <b>3</b> | <b>3</b> |

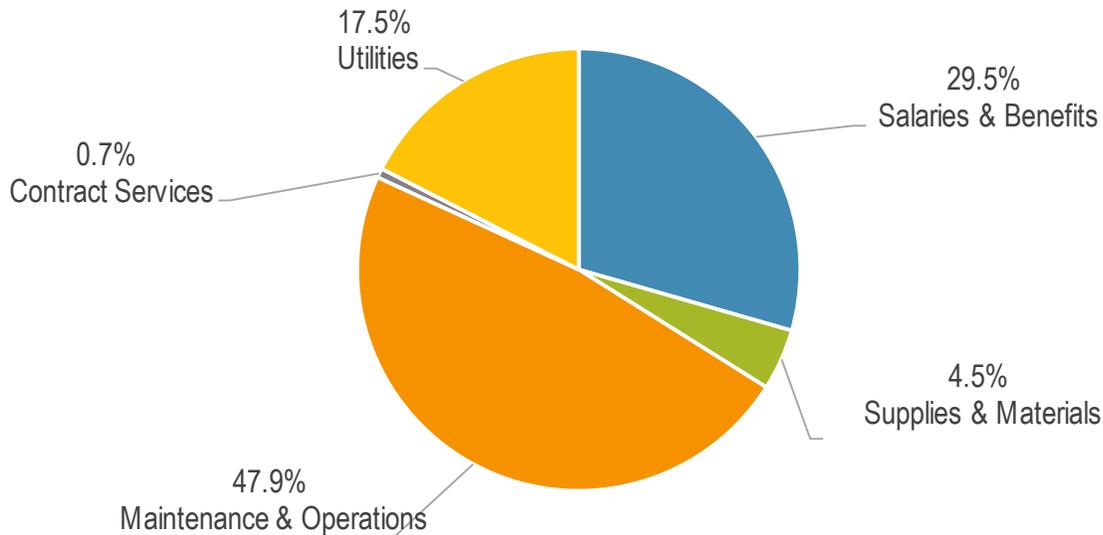
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference     | Percent<br>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%             |
| <b>Total</b>             | <b>693,904</b>    | <b>746,329</b>    | <b>744,058</b>       | <b>859,212</b>    | <b>112,883</b> | <b>15.13%</b>     |

## 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.

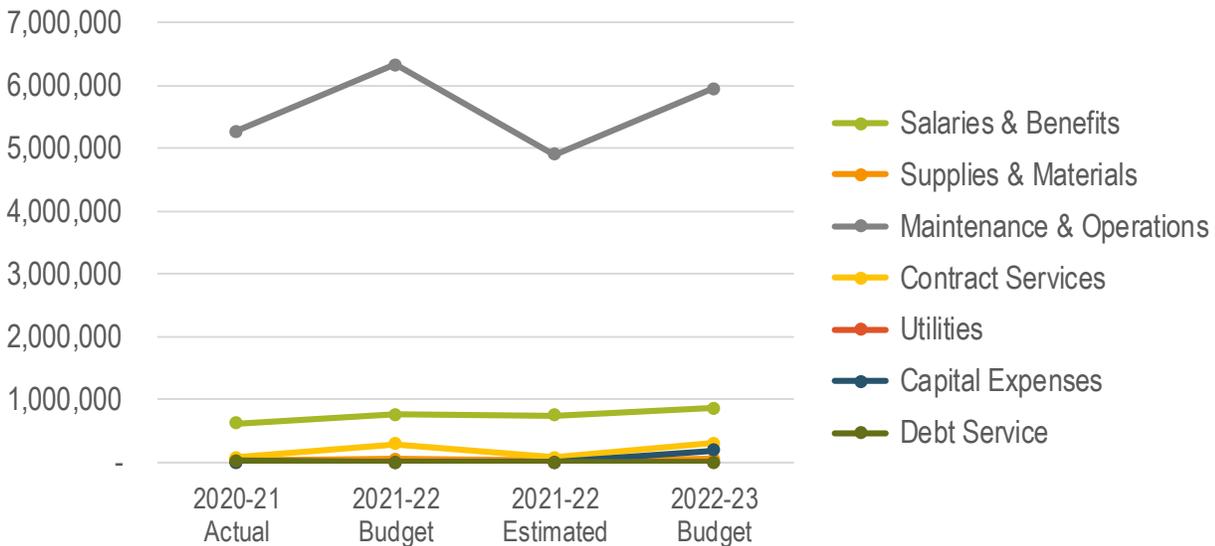
## BUDGETED PERSONNEL SCHEDULE

| 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        |
| <b>Total Budgeted Positions</b> | <b>8</b> | <b>8</b> | <b>8</b> |

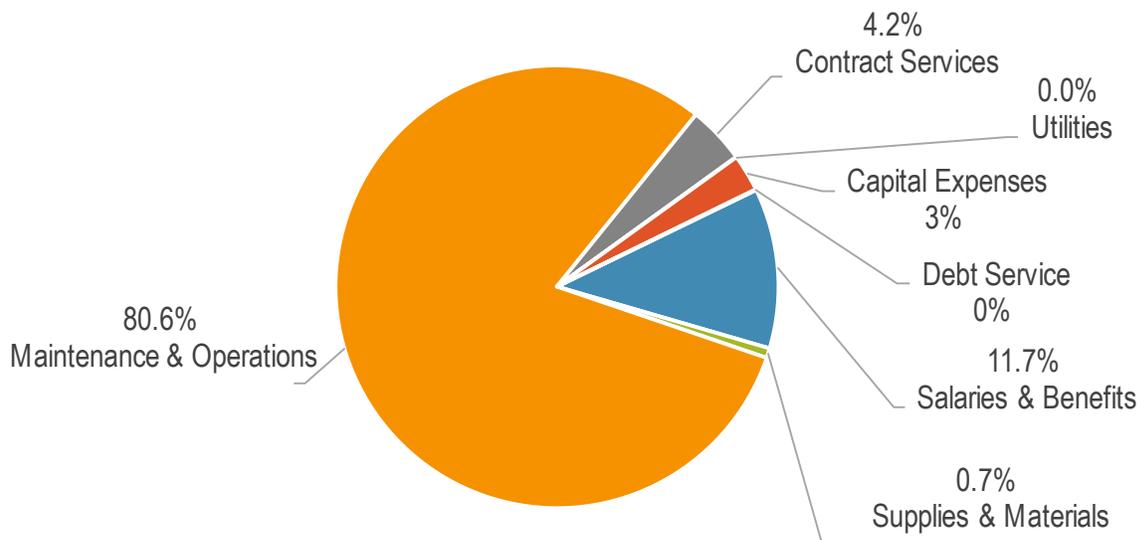
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference      | Percent<br>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%           |
| <b>Total</b>             | <b>6,052,125</b>  | <b>7,466,482</b>  | <b>5,774,730</b>     | <b>7,398,815</b>  | <b>(67,667)</b> | <b>-0.91%</b>     |

## EXPENDITURE BY CATEGORY



## EXPENDITURE ALLOCATION



# TRANSFERS

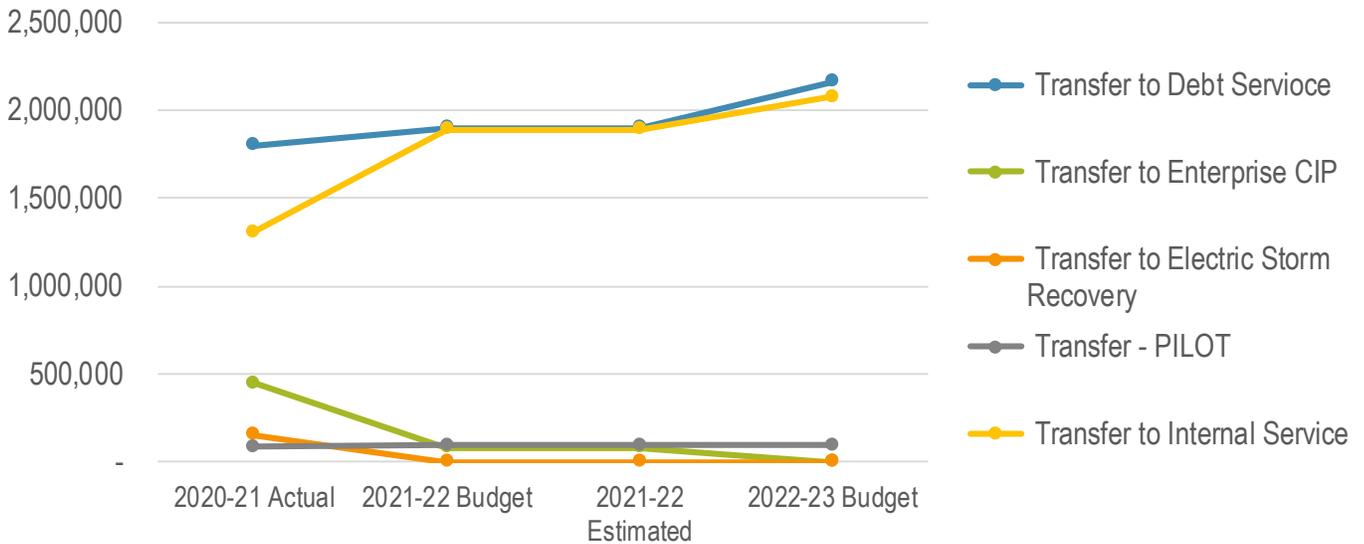
The City transfers between funds in order to properly account for revenues and expenses.

*No personnel are budgeted in this department.*

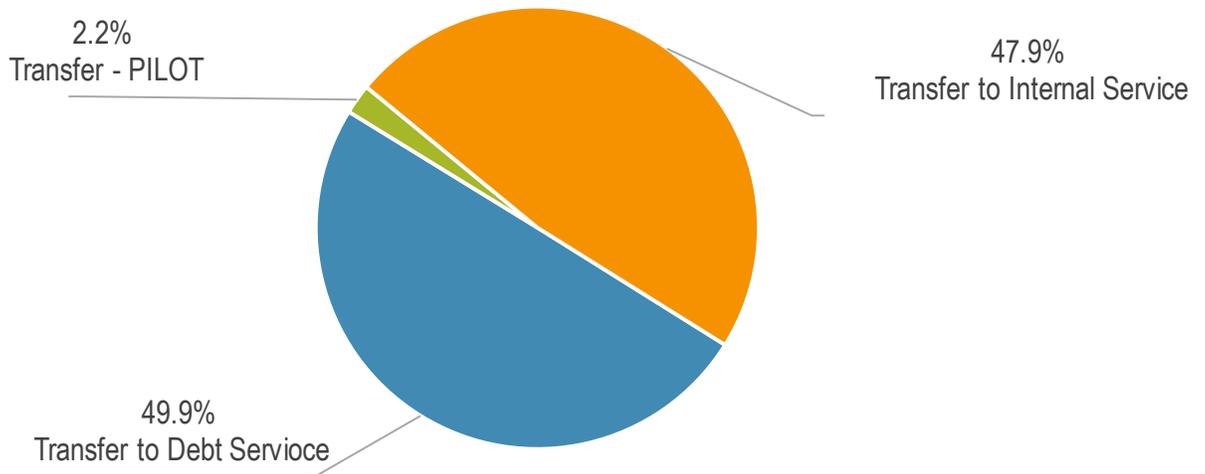
## DEPARTMENTAL EXPENDITURES

| Category                            | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference     | Percent<br>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           | -                 | -                    | -                 | -              | -                 |
| <b>Total</b>                        | <b>3,791,683</b>  | <b>3,963,802</b>  | <b>3,963,802</b>     | <b>4,325,256</b>  | <b>361,454</b> | <b>9.12%</b>      |

## EXPENDITURE BY CATEGORY



## EXPENDITURE ALLOCATION



# ENTERPRISE DEBT SERVICE FUND

## **OVERVIEW**

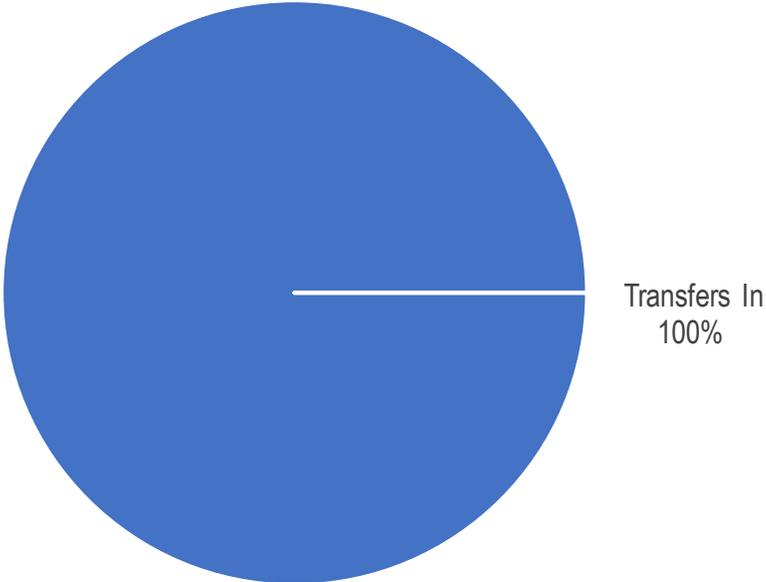
The Enterprise Debt Service Fund accounts for the accumulation of funds to meet the principal and interest obligations on Enterprise Fund Obligations.

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.

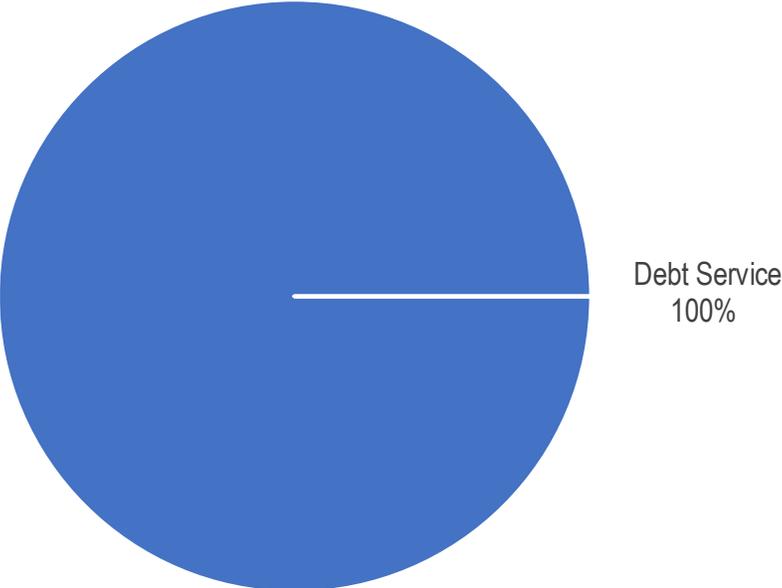
The basis of accounting for the Enterprise Debt Service Fund for both financial reporting and budgeting is the accrual basis.

**ENTERPRISE DEBT SERVICE FUND BUDGET SUMMARY**

**ENTERPRISE DEBT SERVICE FUND REVENUES**



**ENTERPRISE DEBT SERVICE FUND EXPENDITURES**



## ENTERPRISE DEBT SERVICE FUND BUDGET SUMMARY

|  | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>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<br>over Expenditures/Uses | (36,364)          | 12,609            | 12,609               | 25,239            |
| Ending Fund Balance                                  | (36,364)          | (23,755)          | (23,755)             | 1,484             |

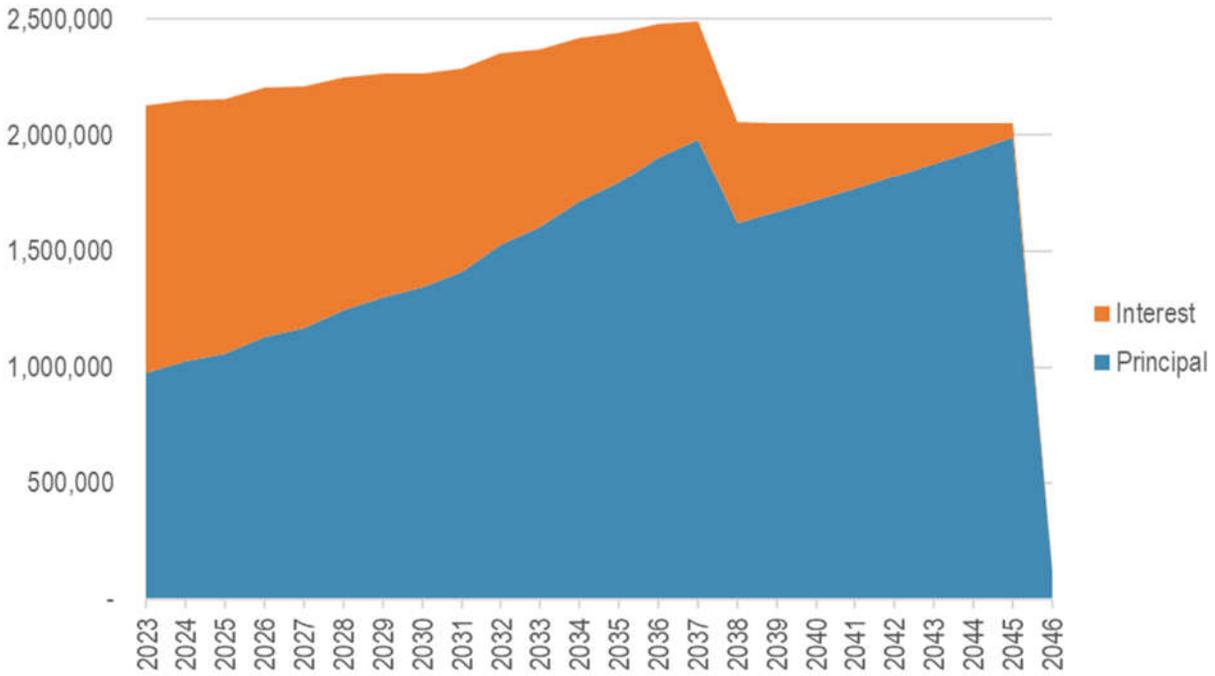
## ENTERPRISE DEBT SERVICE FUND EXPENDITURES

|                             | 2019-20<br>Actual | 2020-21<br>Budget | 2020-21<br>Estimated | 2021-22<br>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             |
| <b>Total Debt Service</b>   | <b>1,845,217</b>  | <b>1,887,391</b>  | <b>1,887,391</b>     | <b>2,132,761</b>  |

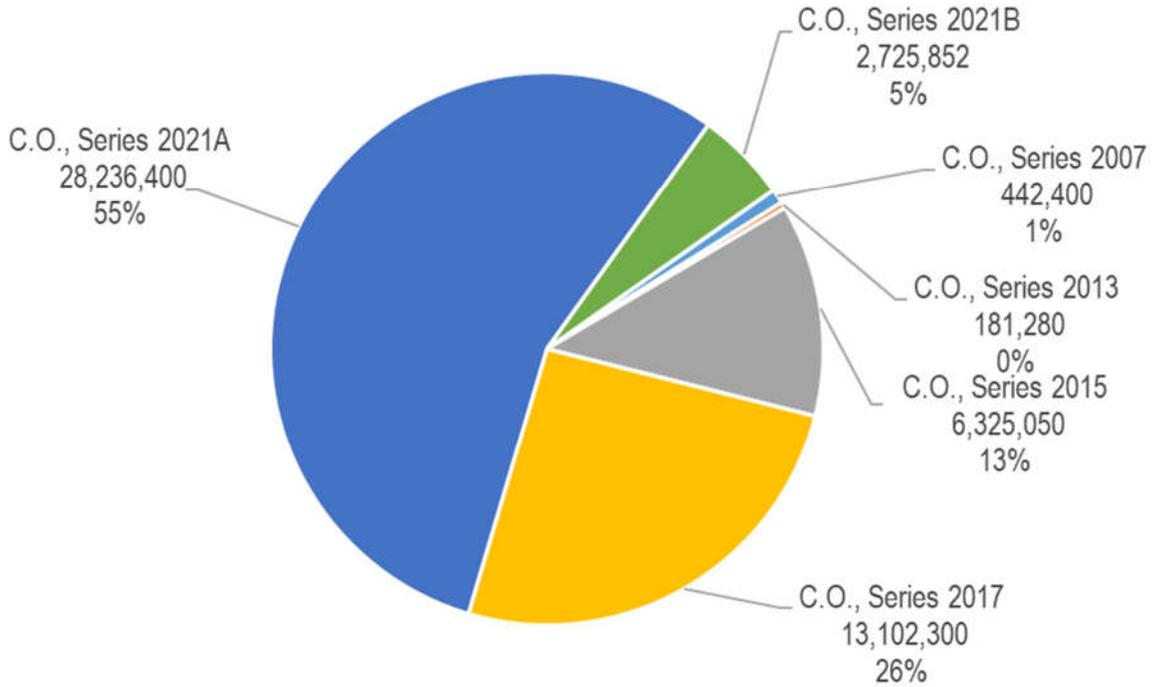
## ENTERPRISE DEBT SERVICE FUND REQUIREMENTS BY YEAR

| 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           |
| <b>Total</b> | <b>35,677,400</b> | <b>15,335,882</b> | <b>51,013,282</b> |

### 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.

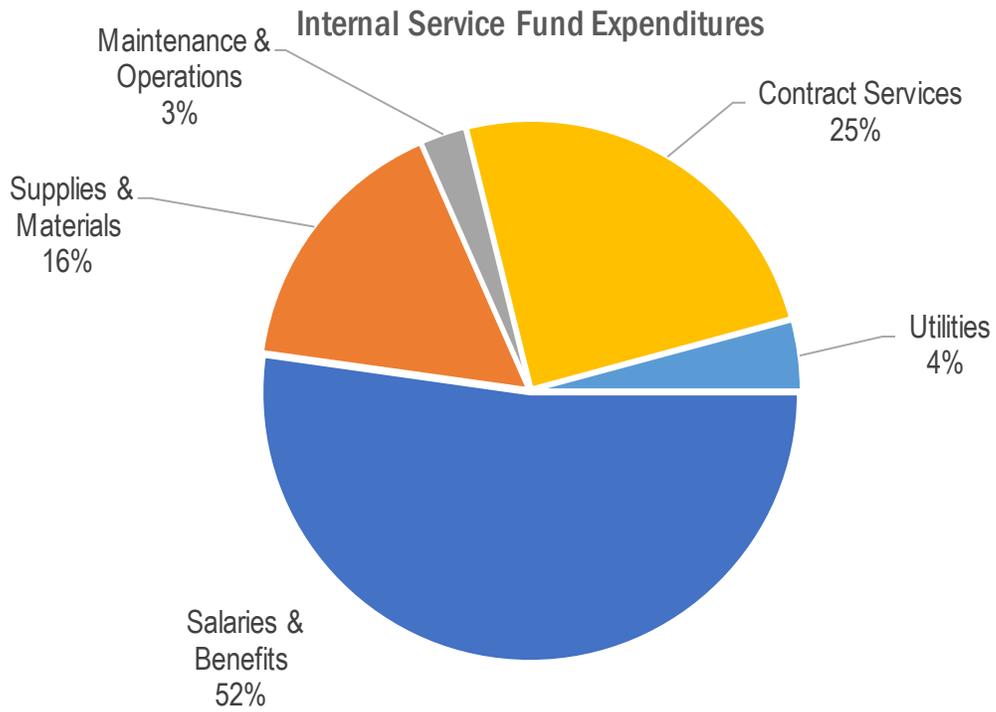
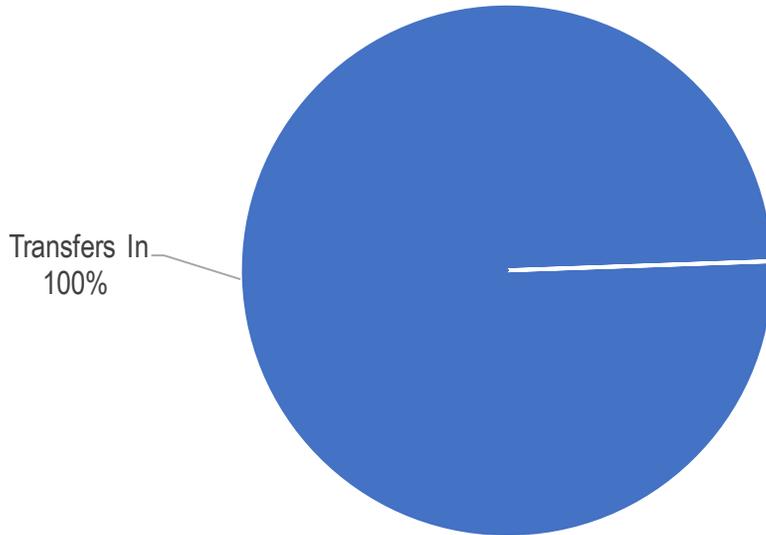
The Internal Service Fund includes these departments:

- 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 BUDGET SUMMARY

|   | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget |
|---|-------------------|-------------------|----------------------|-------------------|
| <b>Beginning Fund Balance</b>               | (85,854)          | (99,782)          | (99,782)             | 431,207           |
| <b>Revenues</b>                             |                   |                   |                      |                   |
| 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            |
| <b>Total Internal Service Fund Revenues</b> | <b>2,163,015</b>  | <b>3,150,386</b>  | <b>3,150,386</b>     | <b>3,483,760</b>  |
| <b>Expenditures</b>                         |                   |                   |                      |                   |
| 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             | -                 | -                    | -                 |
| <b>Total Expenditures</b>                   | <b>2,176,943</b>  | <b>3,150,386</b>  | <b>2,619,397</b>     | <b>3,483,760</b>  |
| <b>Excess of Revenues over Expenditures</b> | <b>(13,928)</b>   | <b>-</b>          | <b>530,989</b>       | <b>-</b>          |
| <b>Ending Fund Balance</b>                  | <b>(99,782)</b>   | <b>(99,782)</b>   | <b>431,207</b>       | <b>431,207</b>    |



# 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                       | 2019-20 | 2020-21 | 2021-22 |
|---------------------------------|---------|---------|---------|
| Ordinances Passed by Council    | 37      | 26      | 30      |
| Resolutions Approved by Council | 12      | 11      | 9       |

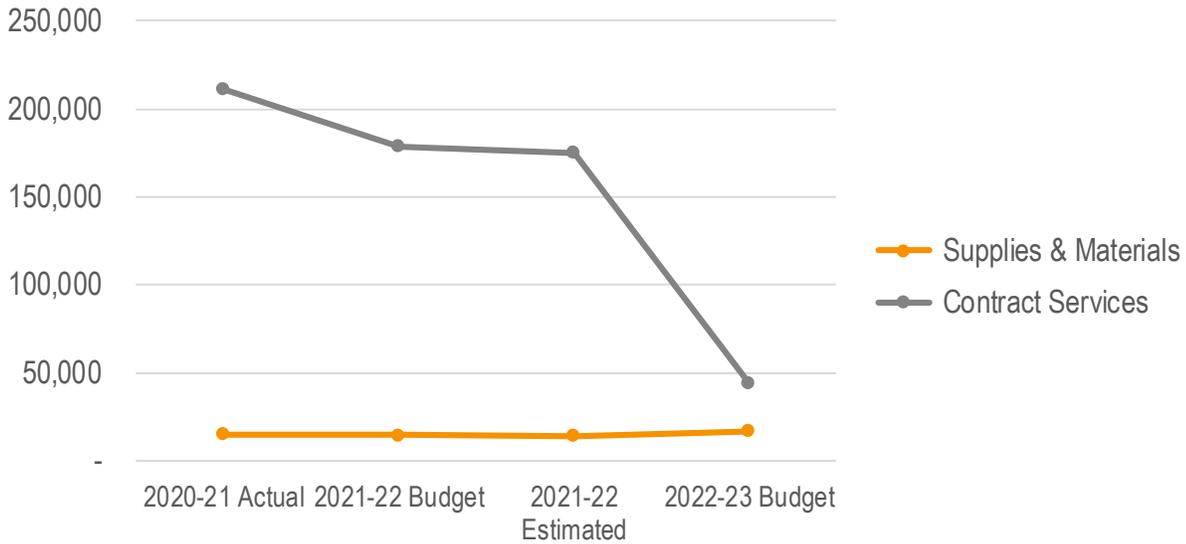
*\*More activity details are provided in the September monthly report located in the Appendix of this document*

*No personnel are budgeted in this department.*

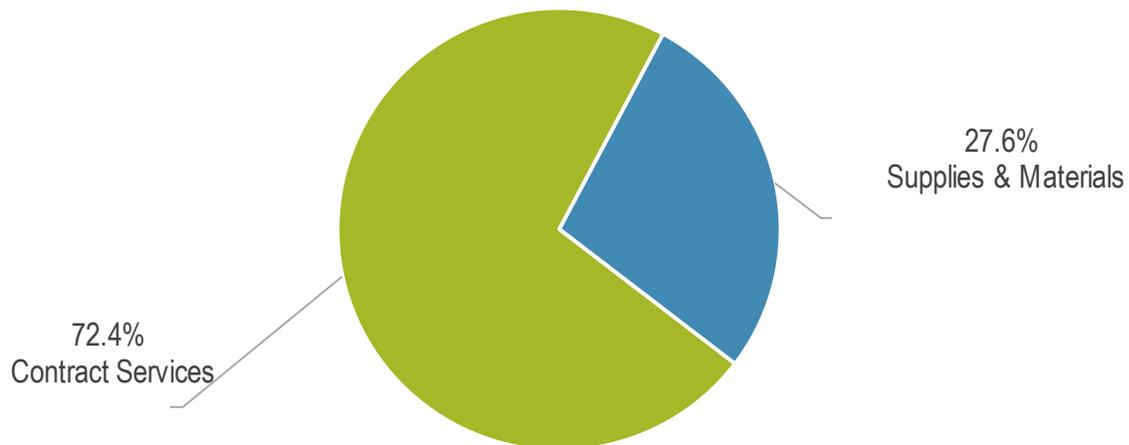
## DEPARTMENTAL EXPENDITURES

| 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%        |
| <b>Total</b>         | <b>226,285</b> | <b>193,800</b> | <b>189,000</b>    | <b>60,800</b>  | <b>(133,000)</b> | <b>-68.63%</b> |

## 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.

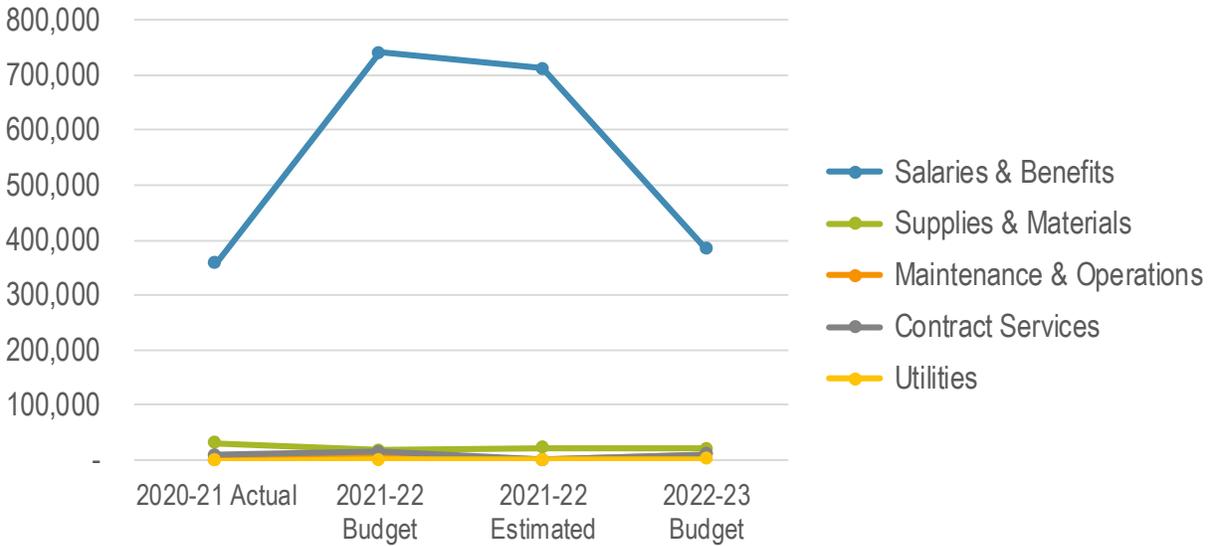
## BUDGETED PERSONNEL SCHEDULE

| 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        |
| <b>Total Budgeted Positions</b>           | <b>3</b> | <b>5</b> | <b>2</b> |

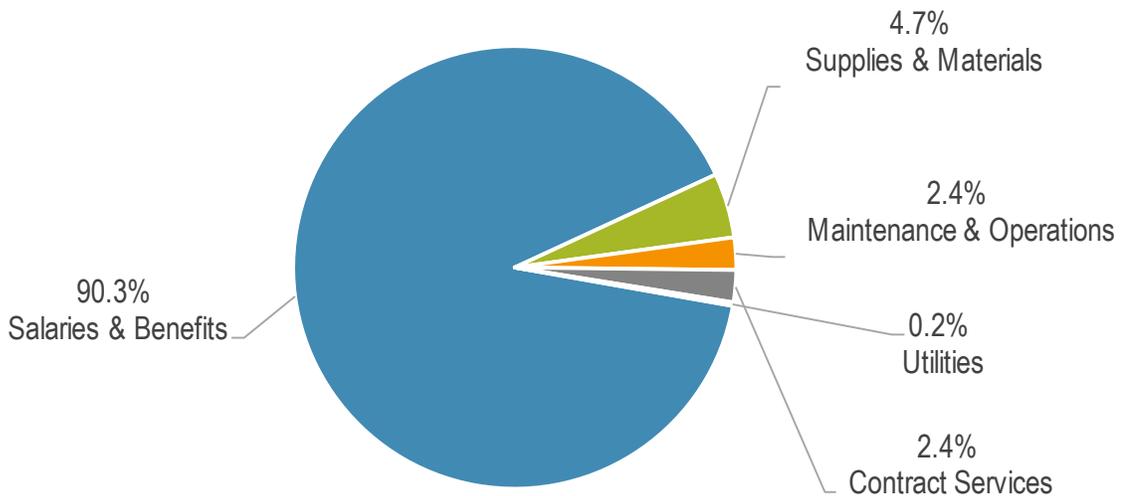
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference       | Percent<br>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%            |
| <b>Total</b>             | <b>397,088</b>    | <b>784,400</b>    | <b>735,412</b>       | <b>423,800</b>    | <b>(360,600)</b> | <b>-45.97%</b>    |

## 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                       | 2019-20 | 2020-21 | 2021-22 |
|---------------------------------|---------|---------|---------|
| Open Records Requests Completed | 179     | 213     | 460     |
| City Council Agendas            | 51      | 49      | 35      |

*\*More activity details are provided in the September monthly report located in the Appendix of this document*

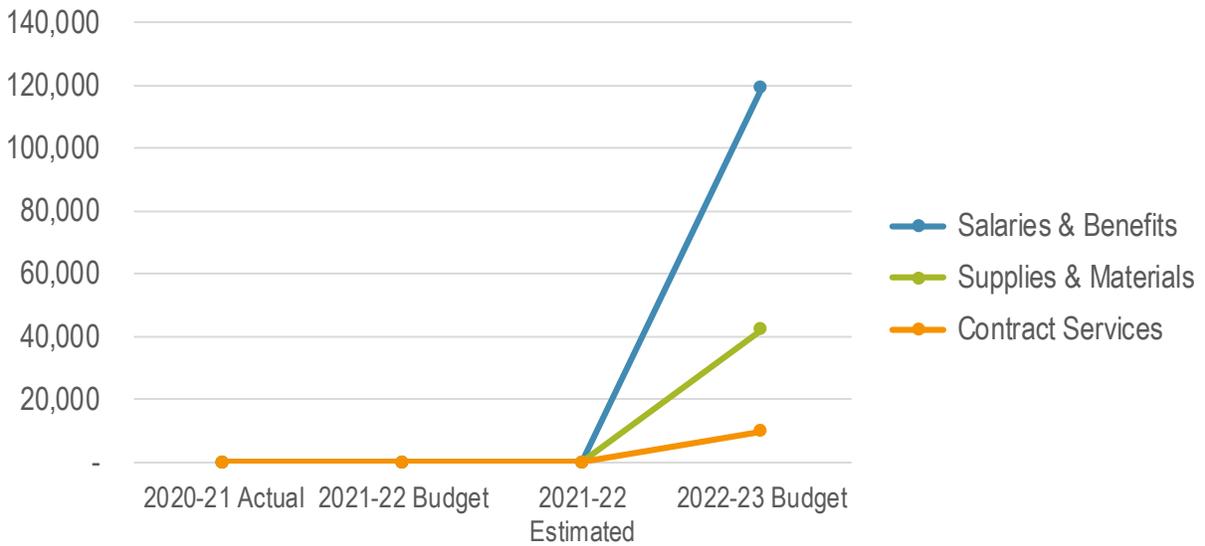
## BUDGETED PERSONNEL SCHEDULE

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

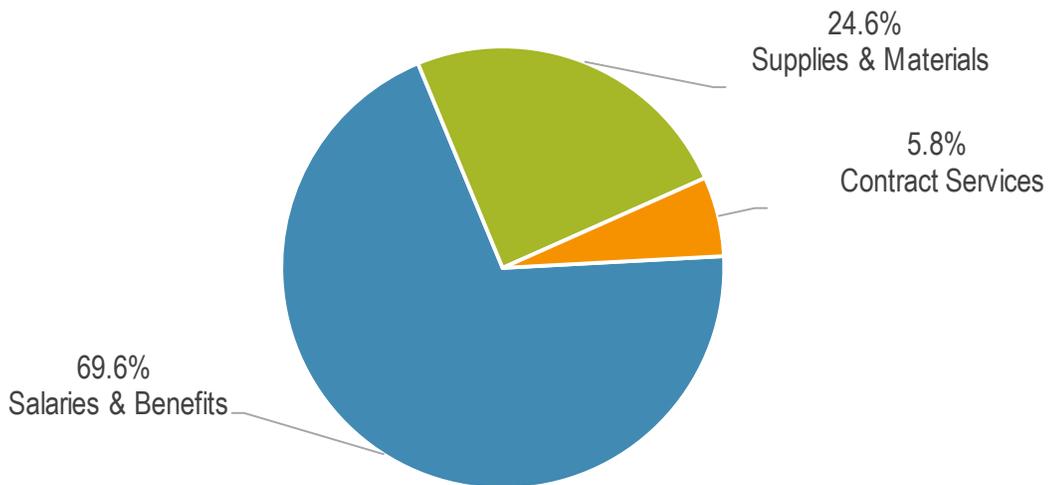
## DEPARTMENTAL EXPENDITURES

| 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         | -              |
| <b>Total</b>         | -              | -              | -                 | <b>171,600</b> | <b>171,600</b> | -              |

## 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.

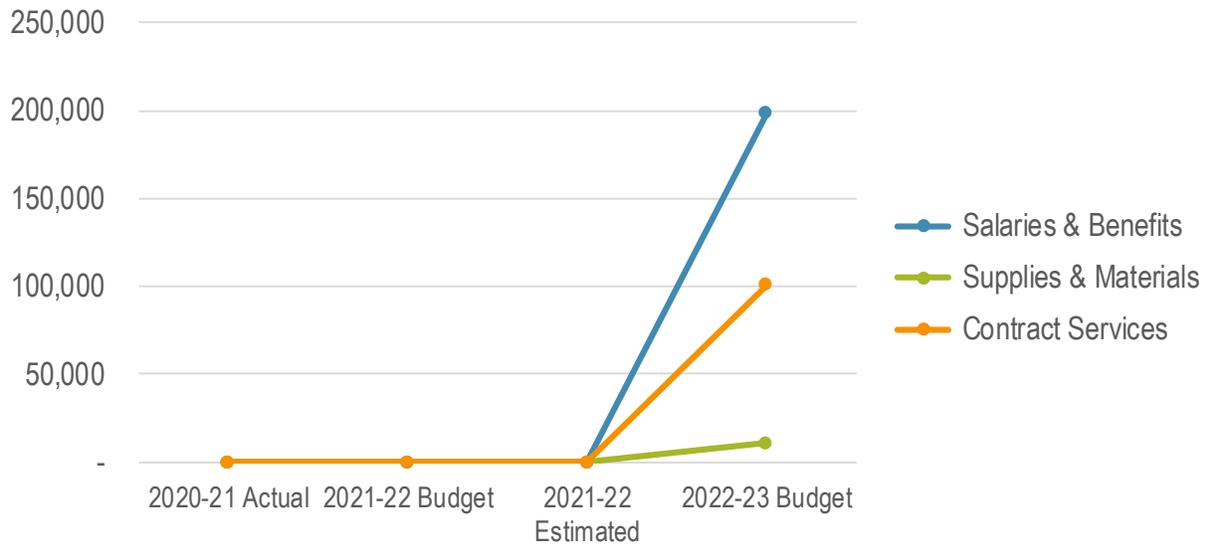
## BUDGETED PERSONNEL SCHEDULE

| Position Title                  | 2020-21  | 2021-22  | 2022-23  |
|---------------------------------|----------|----------|----------|
| City Attorney                   | 0        | 0        | 1        |
| <b>Total Budgeted Positions</b> | <b>0</b> | <b>0</b> | <b>1</b> |

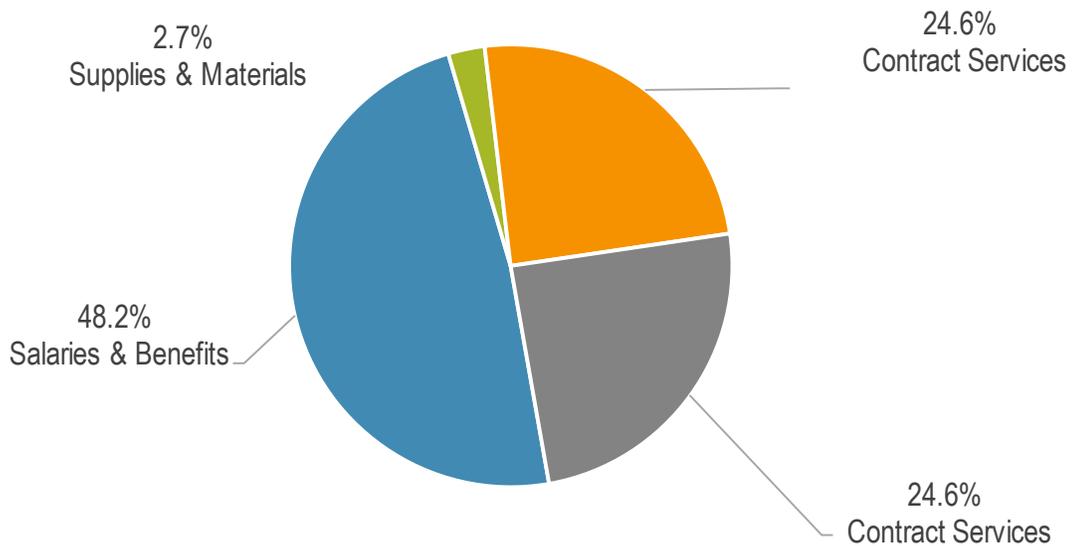
## DEPARTMENTAL EXPENDITURES

| 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        | -              |
| <b>Total</b>         | -              | -              | -                 | <b>310,205</b> | <b>310,205</b> | -              |

## 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.

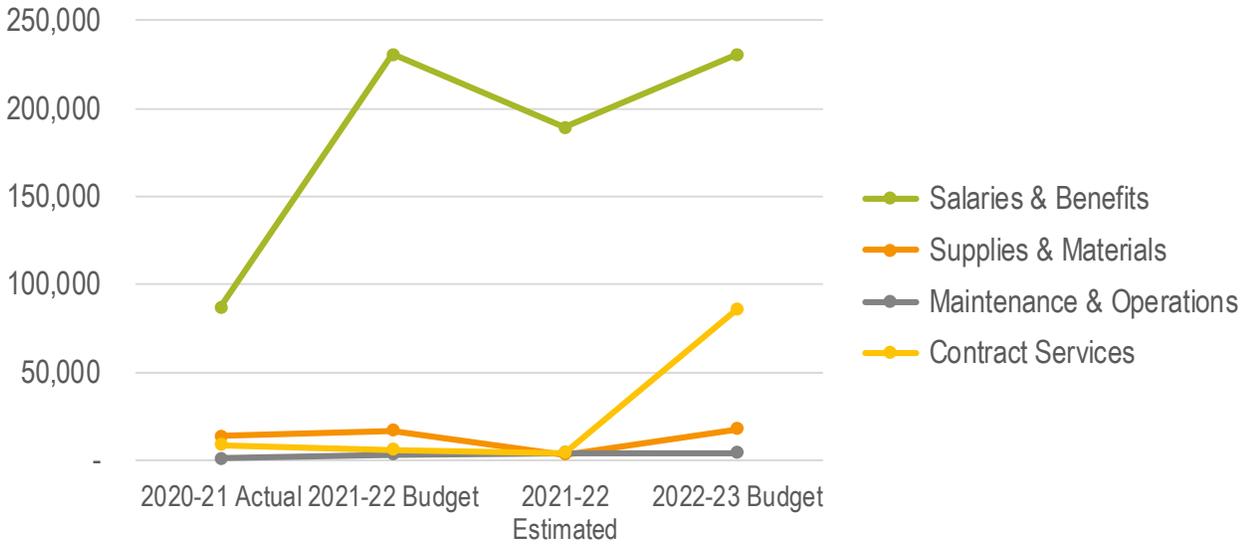
## BUDGETED PERSONNEL SCHEDULE

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

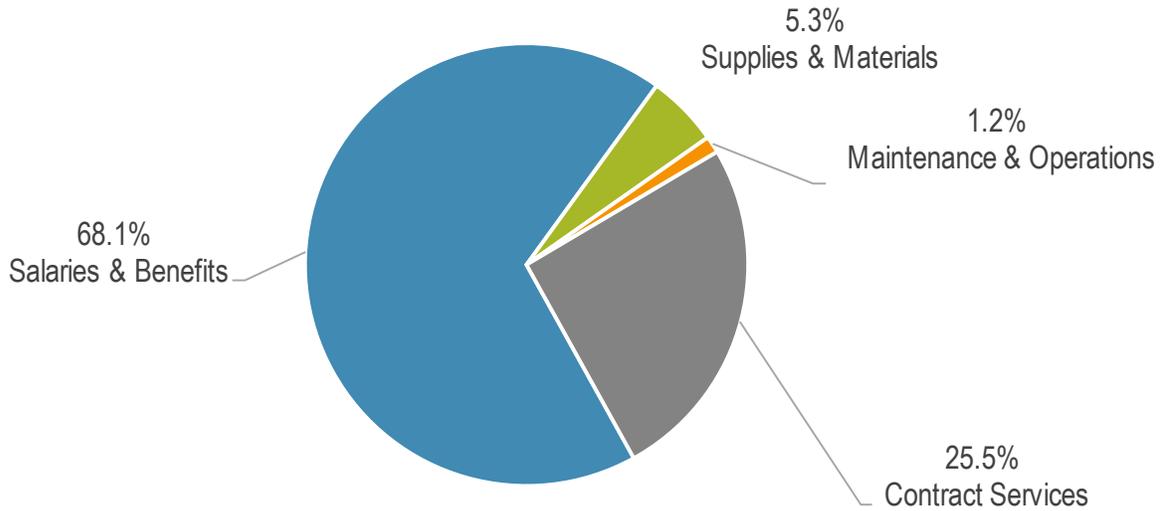
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference    | Percent<br>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%          |
| <b>Total</b>             | <b>110,502</b>    | <b>257,450</b>    | <b>200,491</b>       | <b>338,850</b>    | <b>81,400</b> | <b>31.62%</b>     |

## 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               | 2019-20 |               | 2020-21 |               | 2021-22 |               |
|-------------------------|---------|---------------|---------|---------------|---------|---------------|
|                         | #       | \$            | #       | \$            | #       | \$            |
| AP Invoices Processed   | 6,560   | \$ 20,025,263 | 7,211   | \$ 17,822,882 | 6,288   | \$ 24,239,979 |
| Purchase Orders Issued  | 197     | \$ 6,225,121  | 201     | \$ 3,459,354  | 332     | \$ 16,963,254 |
| Employee Payroll Items  | 2,342   | \$ 3,221,366  | 2,328   | \$ 3,378,891  | 2,301   | \$ 3,794,123  |
| Utility Bills Generated | 45,385  | \$ 12,948,464 | 46,807  | \$ 13,232,590 | 47,526  | \$ 14,464,483 |
| Utility Payments        | 42,942  | \$ 12,858,831 | 45,137  | \$ 13,054,979 | 46,680  | \$ 15,202,638 |

*\*More activity details are provided in the September monthly report located in the Appendix of this document*

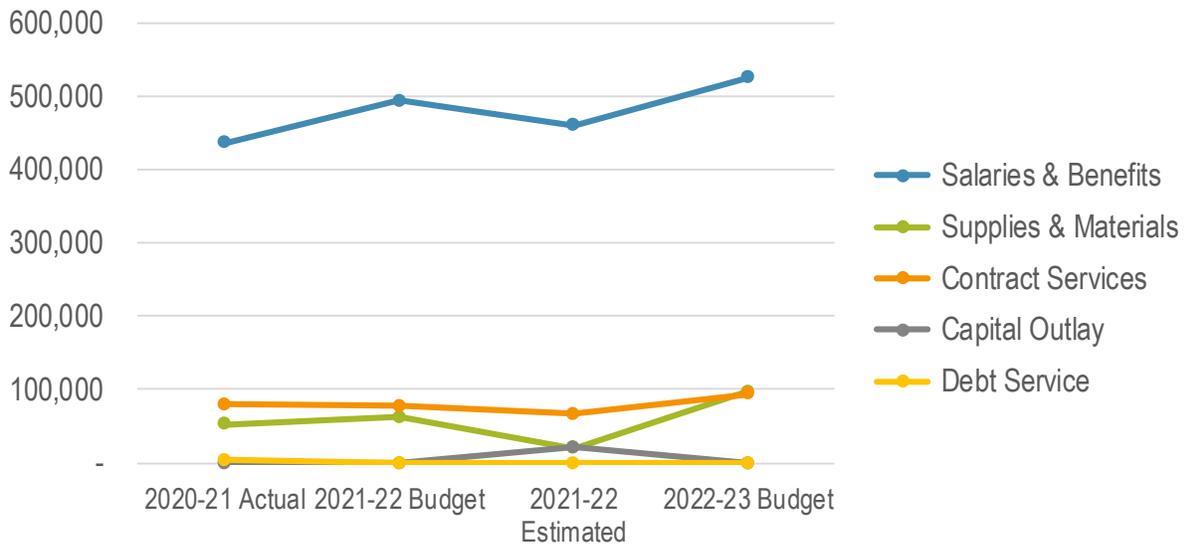
## BUDGETED PERSONNEL SCHEDULE

| 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        |
| <b>Total Budgeted Positions</b> | <b>6</b> | <b>6</b> | <b>6</b> |

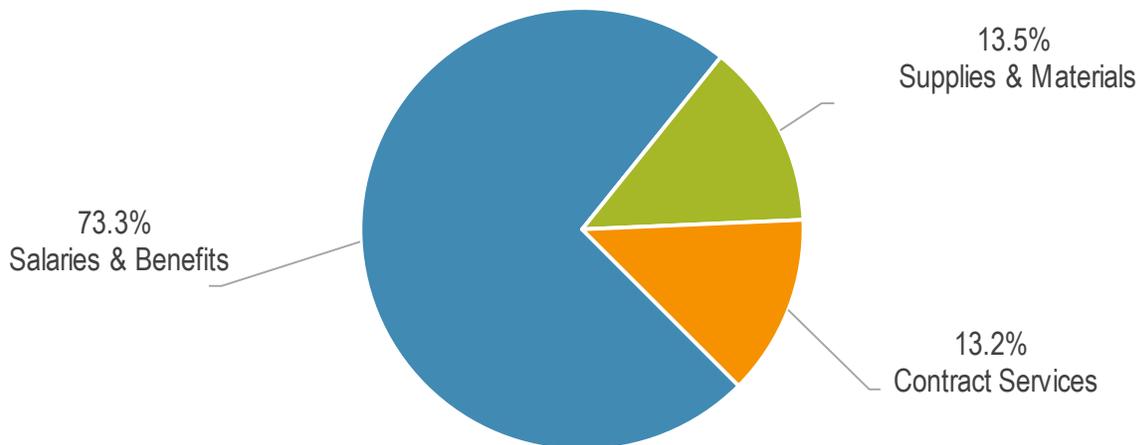
## DEPARTMENTAL EXPENDITURES

| 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          | -              | -                 | -              | -             | -              |
| <b>Total</b>         | <b>572,885</b> | <b>634,600</b> | <b>568,550</b>    | <b>717,000</b> | <b>82,400</b> | <b>12.98%</b>  |

## 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

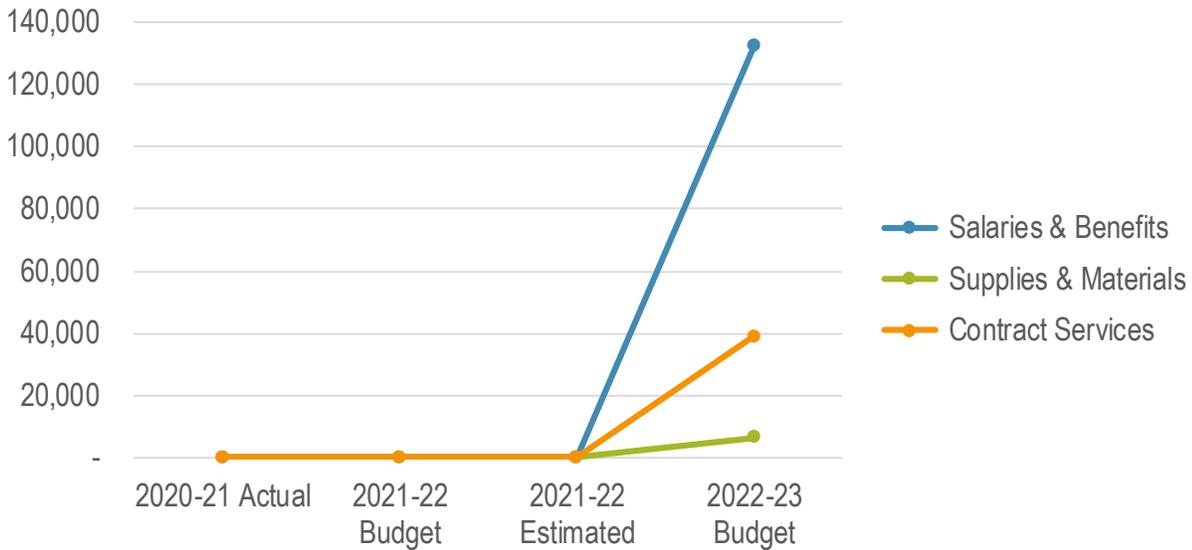
## BUDGETED PERSONNEL SCHEDULE

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

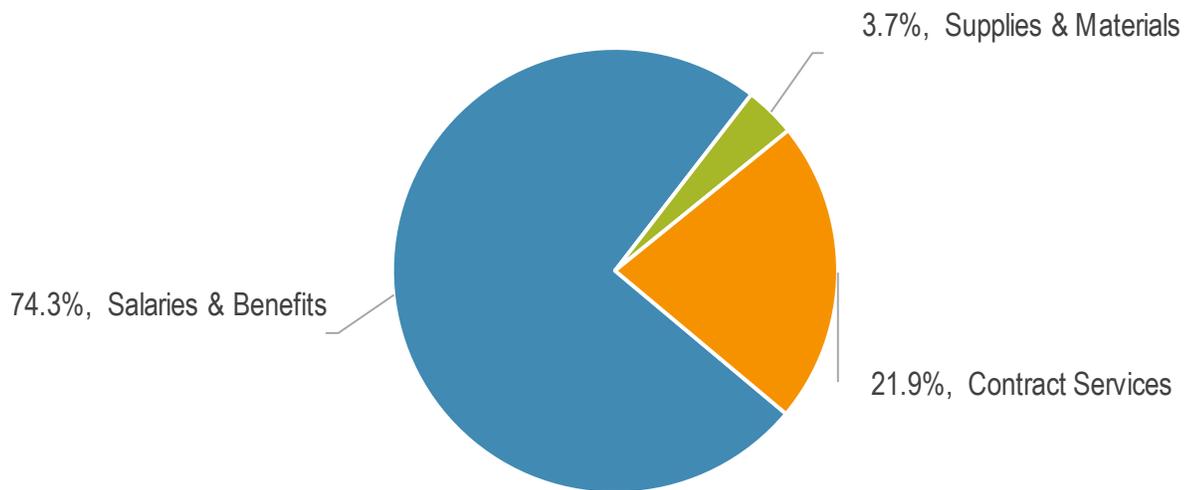
## DEPARTMENTAL EXPENDITURES

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

## 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. \*\*\*

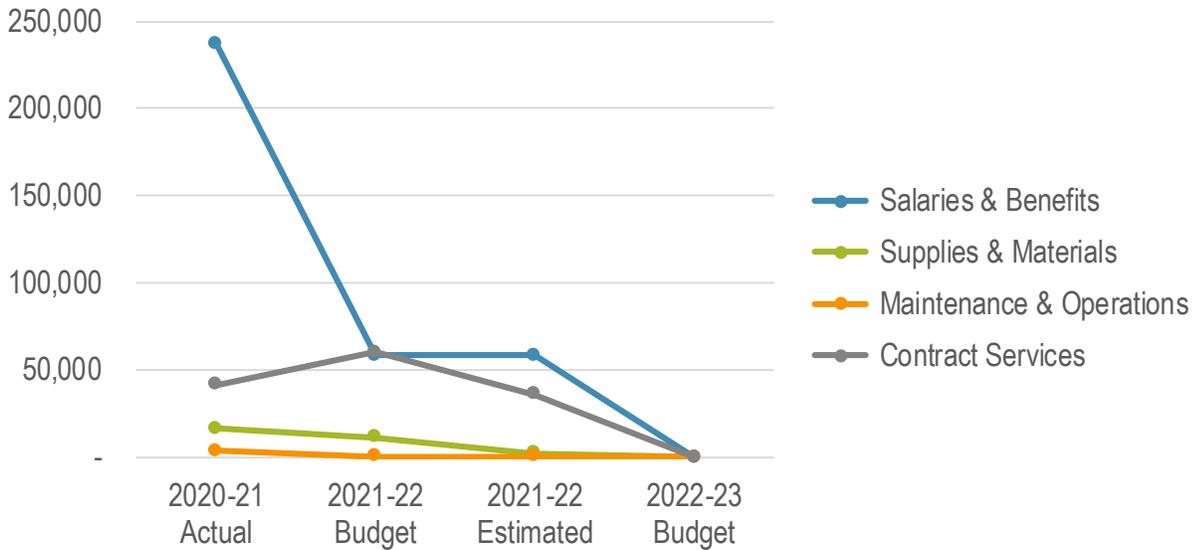
## BUDGETED PERSONNEL SCHEDULE

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

## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference       | Percent<br>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%          |
| <b>Total</b>             | <b>298,756</b>    | <b>130,049</b>    | <b>96,644</b>        | <b>-</b>          | <b>(130,049)</b> | <b>-100.00%</b>   |

## 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.

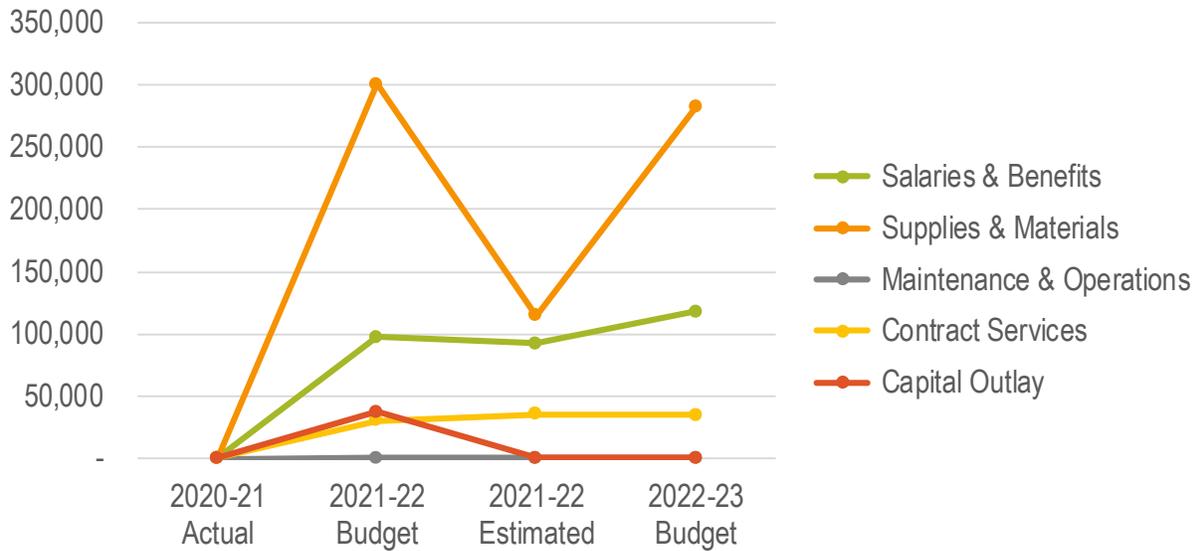
## BUDGETED PERSONNEL SCHEDULE

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

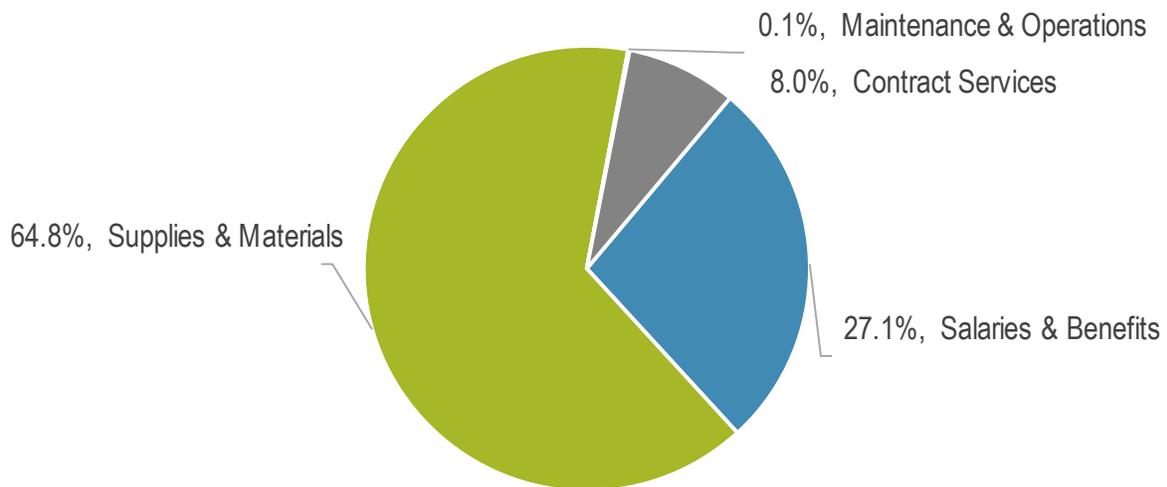
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference      | Percent<br>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%          |
| <b>Total</b>             | -                 | <b>465,500</b>    | <b>242,598</b>       | <b>435,760</b>    | <b>(29,740)</b> | <b>-6.39%</b>     |

## 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.\*\*\*

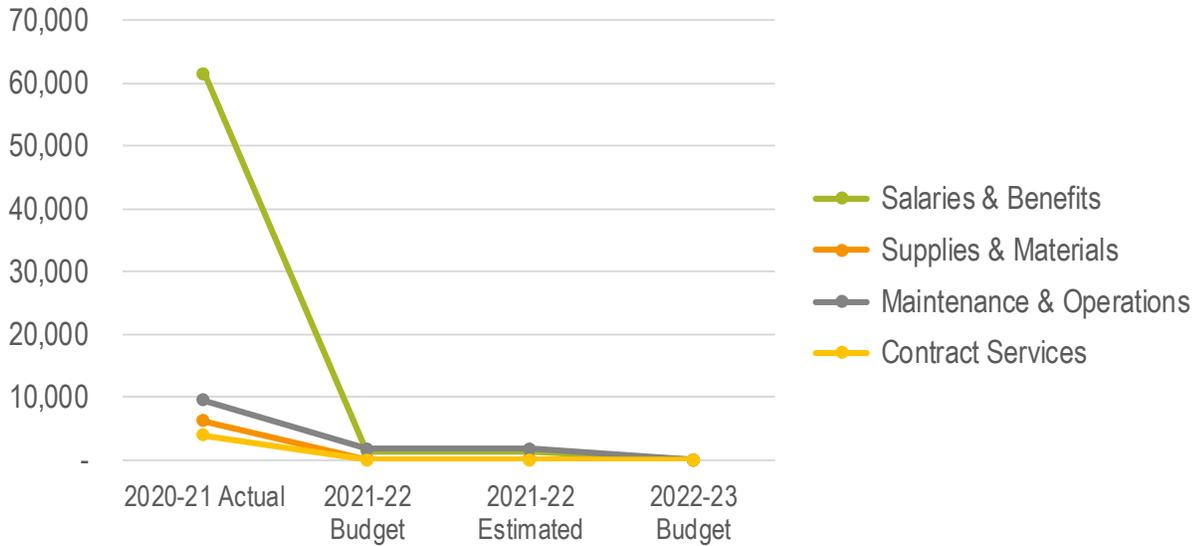
## BUDGETED PERSONNEL SCHEDULE

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

## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference     | Percent<br>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             | -                 | -                    | -                 | -              | -                 |
| <b>Total</b>             | <b>81,345</b>     | <b>3,487</b>      | <b>3,487</b>         | <b>-</b>          | <b>(3,487)</b> | <b>-100.00%</b>   |

## 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

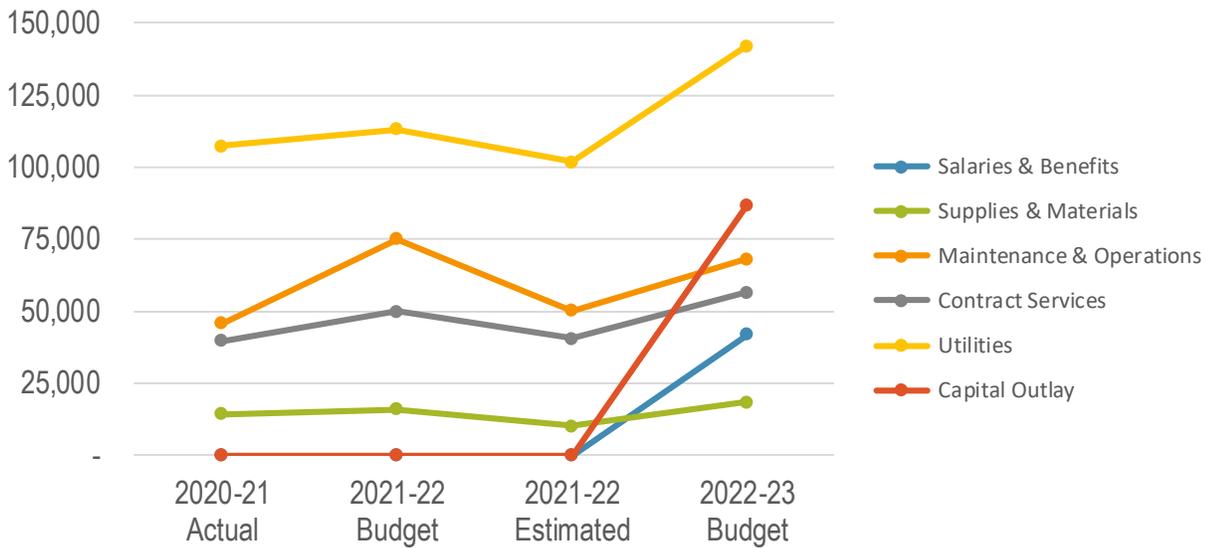
Functions of the Facilities Department are handled by personnel in the Parks Department. Although there are no employees working solely in Facilities, beginning this year, ten percent of salaries and benefits from Parks Department personnel are being allocated to Facilities.

| 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        |
| <b>Total Budgeted Positions</b> | <b>0</b> | <b>0</b> | <b>0.6</b> |

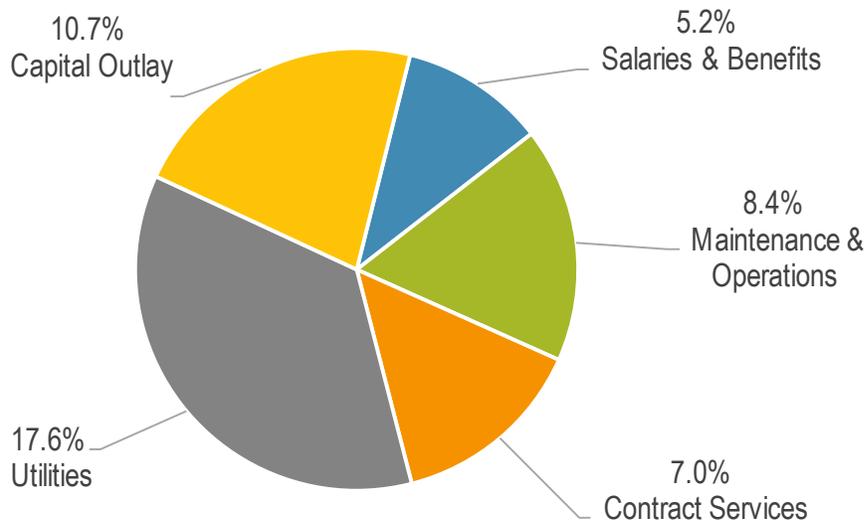
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference     | Percent<br>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         | -                 |
| <b>Total</b>             | <b>207,073</b>    | <b>253,900</b>    | <b>202,896</b>       | <b>413,645</b>    | <b>157,245</b> | <b>61.93%</b>     |

## EXPENDITURE BY CATEGORY



## EXPENDITURE ALLOCATION



# NON-DEPARTMENTAL

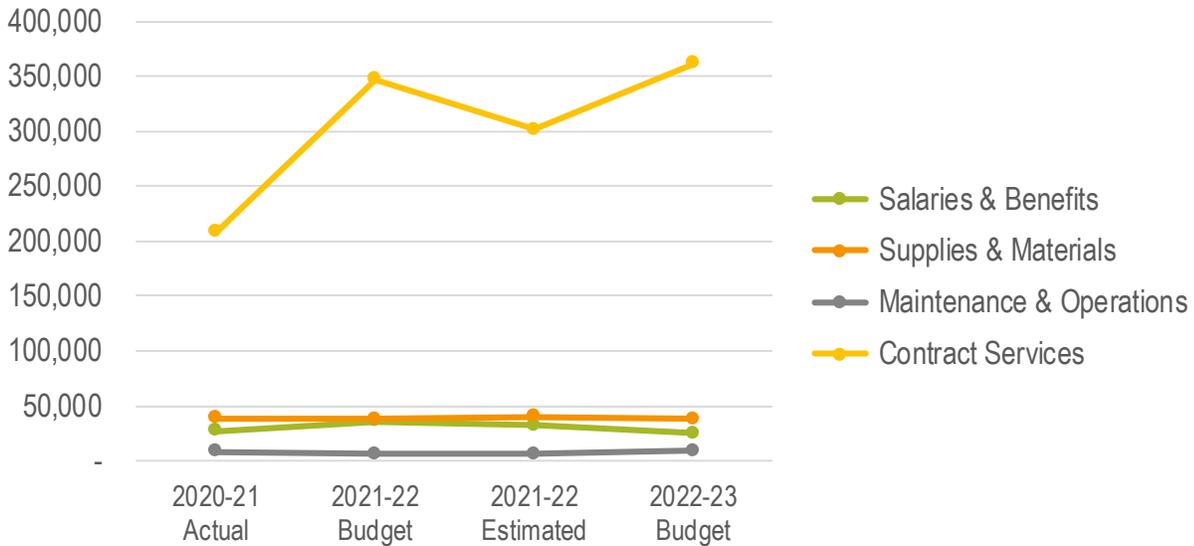
**The City of Sanger Non-Departmental Department budget accounts for expenses that cannot easily be attributed to any specific department.** This includes postage, property and liability insurance and tax collection fees.

*No personnel are budgeted in this department.*

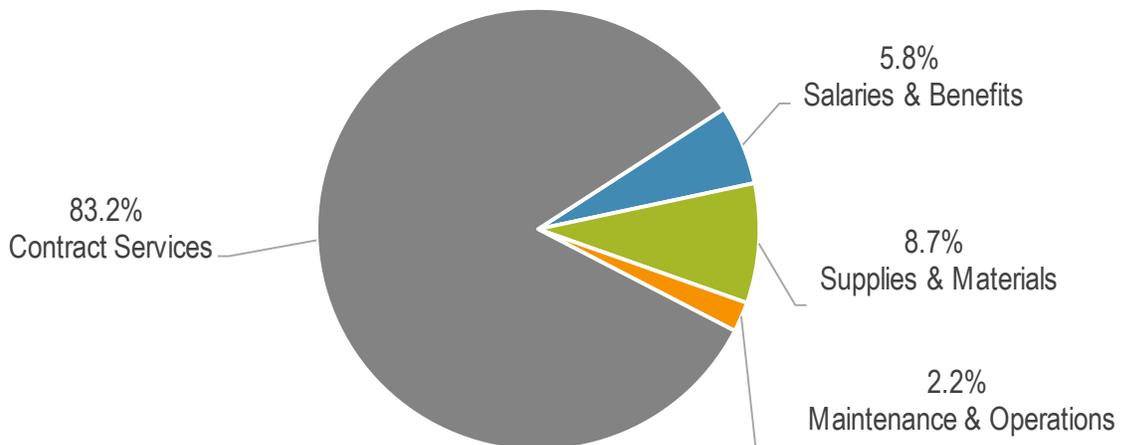
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference   | Percent<br>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%             |
| <b>Total</b>             | <b>283,009</b>    | <b>427,200</b>    | <b>380,319</b>       | <b>434,400</b>    | <b>7,200</b> | <b>1.69%</b>      |

## 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.

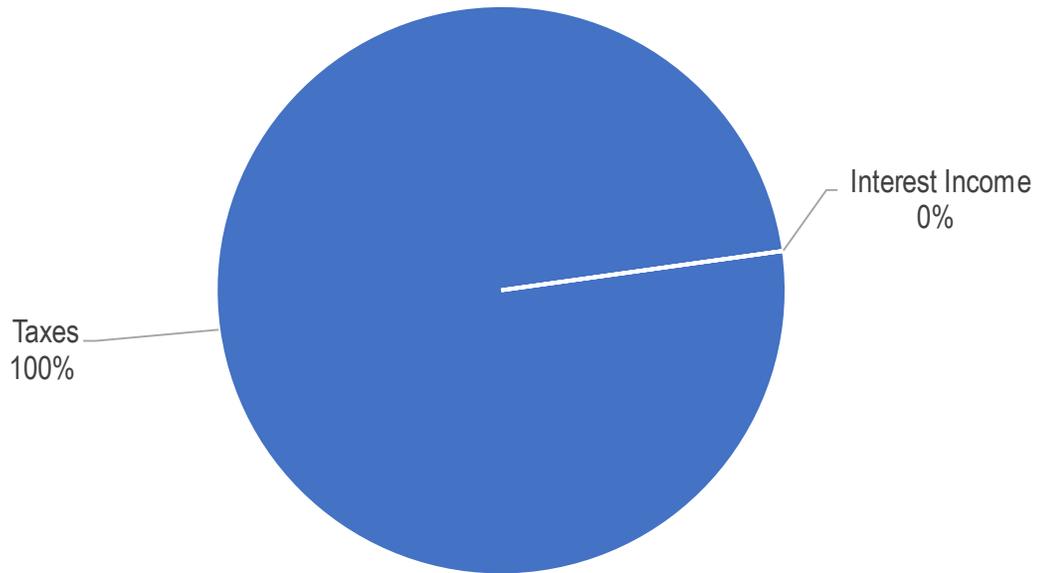
The basis of accounting for the 4A Corporation Fund for both financial reporting and budgeting is the modified accrual basis.

## SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

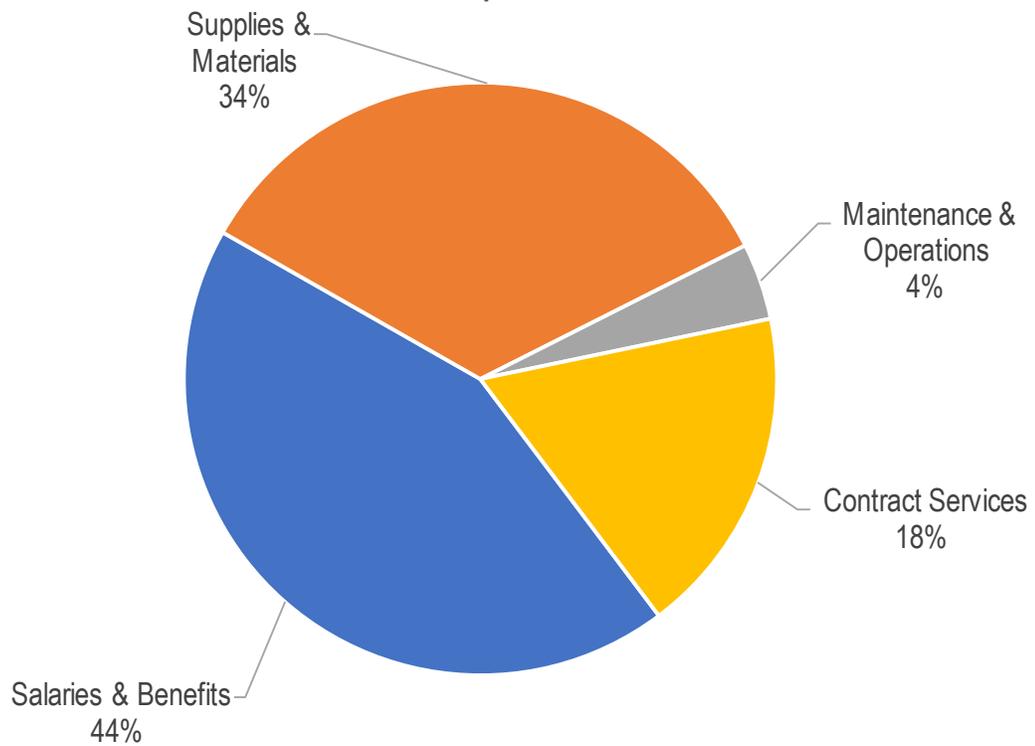
- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage the establishment of new commercial business and the expansion of existing businesses in Sanger.
- Encourage development and preservation of the Historic Sanger Downtown area.
- Improve the relationship of mixed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

# 4A CORPORATION FUND BUDGET SUMMARY

## 4A Fund Revenues



## 4A Fund Expenditures



## 4A CORPORATION FUND BUDGET SUMMARY

|                                   | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget |
|-----------------------------------|-------------------|-------------------|----------------------|-------------------|
| <b>Beginning Fund Balance</b>     | <b>2,337,944</b>  | <b>2,800,442</b>  | <b>2,800,442</b>     | <b>3,411,016</b>  |
| <b>Revenues</b>                   |                   |                   |                      |                   |
| Taxes                             | 641,438           | 600,000           | 679,336              | 800,000           |
| Grant Revenue                     | 5,000             | -                 | -                    | -                 |
| Interest Income                   | 881               | 10,000            | 22,617               | 22,000            |
| <b>Total Revenues</b>             | <b>647,319</b>    | <b>610,000</b>    | <b>701,953</b>       | <b>822,000</b>    |
| <b>Other Sources</b>              |                   |                   |                      |                   |
| Transfers In                      | 25,000            | -                 | -                    | -                 |
| <b>Total Other Sources</b>        | <b>25,000</b>     | <b>-</b>          | <b>-</b>             | <b>-</b>          |
| <b>Total Revenues/Sources</b>     | <b>672,319</b>    | <b>610,000</b>    | <b>701,953</b>       | <b>822,000</b>    |
| <b>Expenditures</b>               |                   |                   |                      |                   |
| 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            |
| <b>Total Expenditures</b>         | <b>179,821</b>    | <b>133,476</b>    | <b>91,379</b>        | <b>139,050</b>    |
| <b>Other Uses</b>                 |                   |                   |                      |                   |
| Transfers Out                     | 30,000            | -                 | -                    | 15,000            |
| <b>Total Other Uses</b>           | <b>30,000</b>     | <b>-</b>          | <b>-</b>             | <b>15,000</b>     |
| <b>Total Expenses/Uses</b>        | <b>209,821</b>    | <b>133,476</b>    | <b>91,379</b>        | <b>154,050</b>    |
| <b>Excess of Revenues/Sources</b> |                   |                   |                      |                   |

## 4A CORPORATION FUND REVENUES

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

# 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.

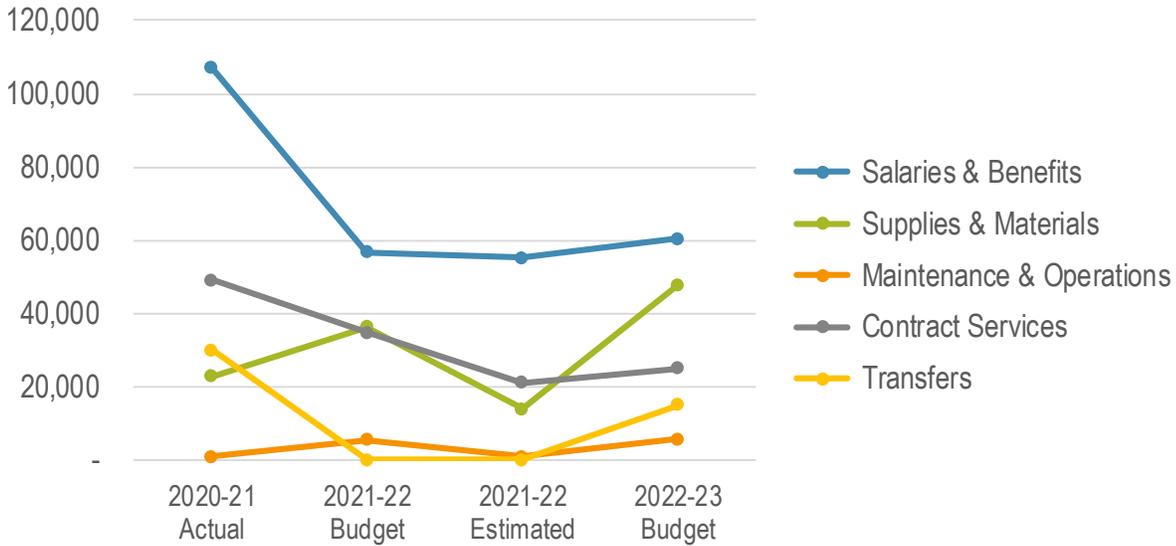
## BUDGETED PERSONNEL SCHEDULE

| Position Title                   | 2020-21  | 2021-22    | 2022-23    |
|----------------------------------|----------|------------|------------|
| Director of Economic Development | 1        | 0.5        | 0.5        |
| <b>Total Budgeted Positions</b>  | <b>1</b> | <b>0.5</b> | <b>0.5</b> |

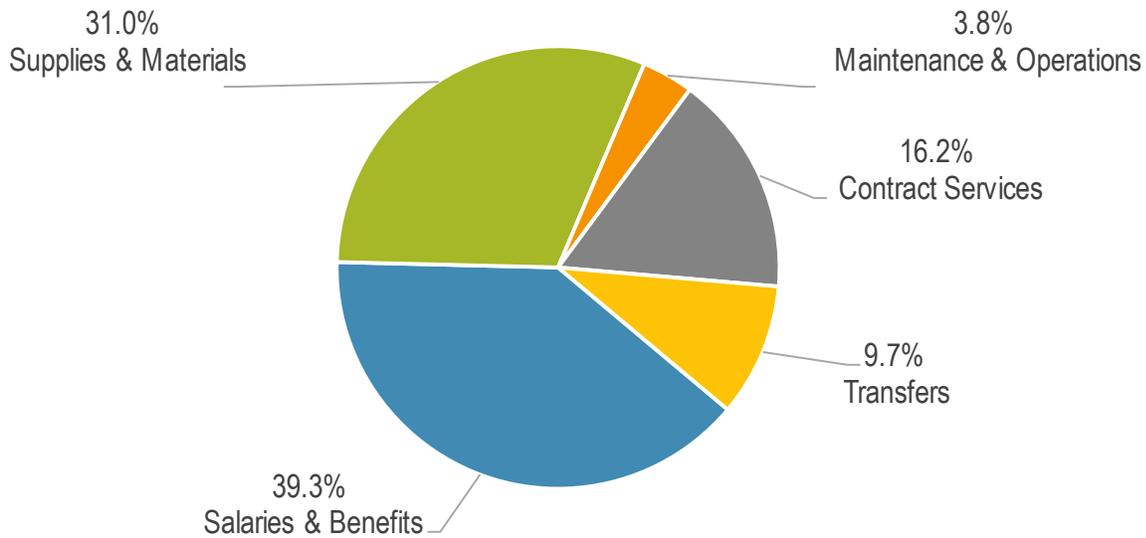
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference    | Percent<br>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        | -                 |
| <b>Total</b>             | <b>209,821</b>    | <b>133,476</b>    | <b>91,379</b>        | <b>154,050</b>    | <b>20,574</b> | <b>15.41%</b>     |

## 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.

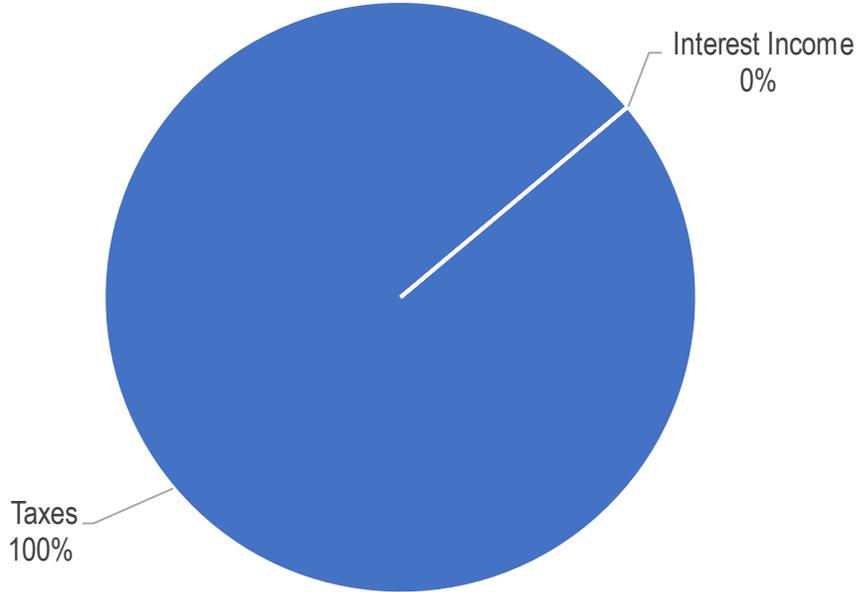
The basis of accounting for the 4B Corporation Fund for both financial reporting and budgeting is the modified accrual basis.

## SANGER COMPREHENSIVE PLAN GOALS SUPPORTED THROUGH OPERATIONS

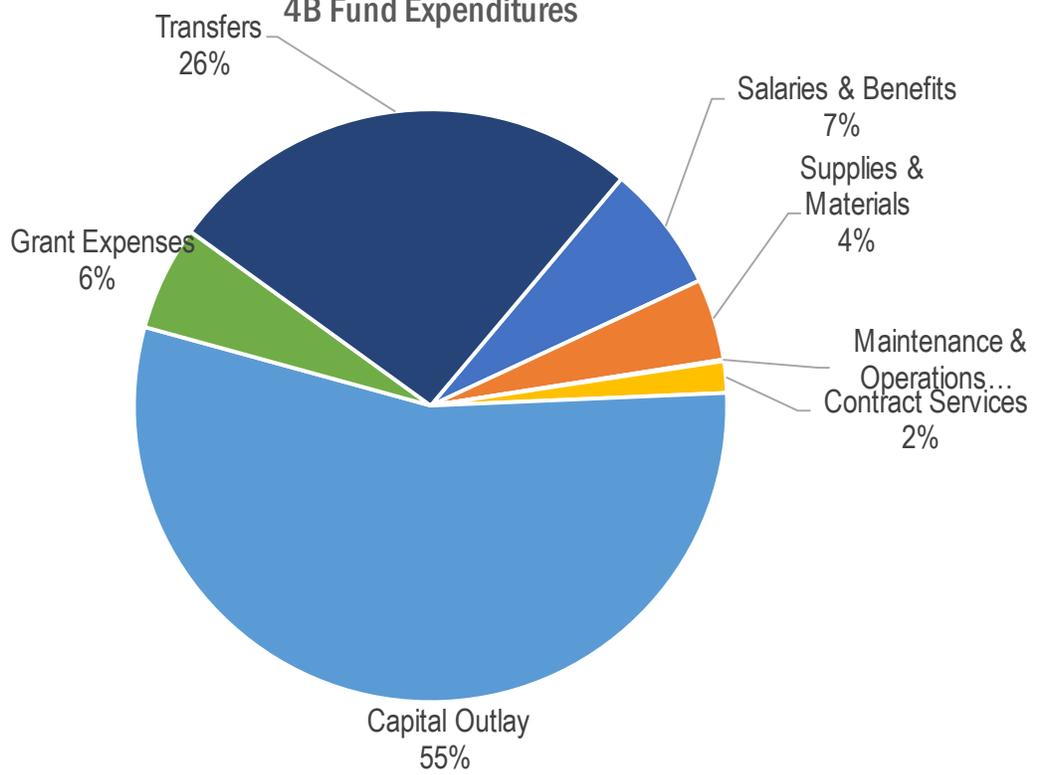
- Maintain and improve upon the existing country living atmosphere of Sanger.
- Develop, expand, and maintain the Sanger Park System with a variety of parks, open spaces and recreational facilities.

# 4B CORPORATION FUND BUDGET SUMMARY

## 4B Fund Revenues



## 4B Fund Expenditures



## 4B CORPORATION FUND BUDGET SUMMARY

|  | 2020-21          | 2021-22          | 2021-22          | 2022-23          |
|--|------------------|------------------|------------------|------------------|
|  | Actual           | Budget           | Estimated        | Budget           |
| <b>Beginning Fund Balance</b>                                | <b>1,535,134</b> | <b>1,890,161</b> | <b>1,890,161</b> | <b>2,258,648</b> |
| <b>Revenues</b>  |                  |                  |                  |                  |
| Taxes  | 641,438          | 600,000          | 679,336          | 800,000          |
| Interest Income  | 3,918            | 10,000           | 25,691           | 30,000           |
| <b>Total Revenues</b>  | <b>645,356</b>   | <b>610,000</b>   | <b>705,027</b>   | <b>830,000</b>   |
| <b>Expenditures</b>  |                  |                  |                  |                  |
| 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          |
| <b>Total Expenditures</b>                                    | <b>52,829</b>    | <b>352,875</b>   | <b>124,040</b>   | <b>644,050</b>   |
| <b>Other Uses</b>  |                  |                  |                  |                  |
| Transfers Out  | 237,500          | 212,500          | 212,500          | 227,500          |
| <b>Total Other Uses</b>                                      | <b>237,500</b>   | <b>212,500</b>   | <b>212,500</b>   | <b>227,500</b>   |
| <b>Total Expenses/Uses</b>                                   | <b>290,329</b>   | <b>565,375</b>   | <b>336,540</b>   | <b>871,550</b>   |
| <b>Excess of Revenues/Sources<br/>over Expenditures/Uses</b> | <b>355,027</b>   | <b>44,625</b>    | <b>368,487</b>   | <b>(41,550)</b>  |
| <b>Ending Fund Balance</b>                                   | <b>1,890,161</b> | <b>1,934,786</b> | <b>2,258,648</b> | <b>2,217,098</b> |

## 4B CORPORATION REVENUES

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

# 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.

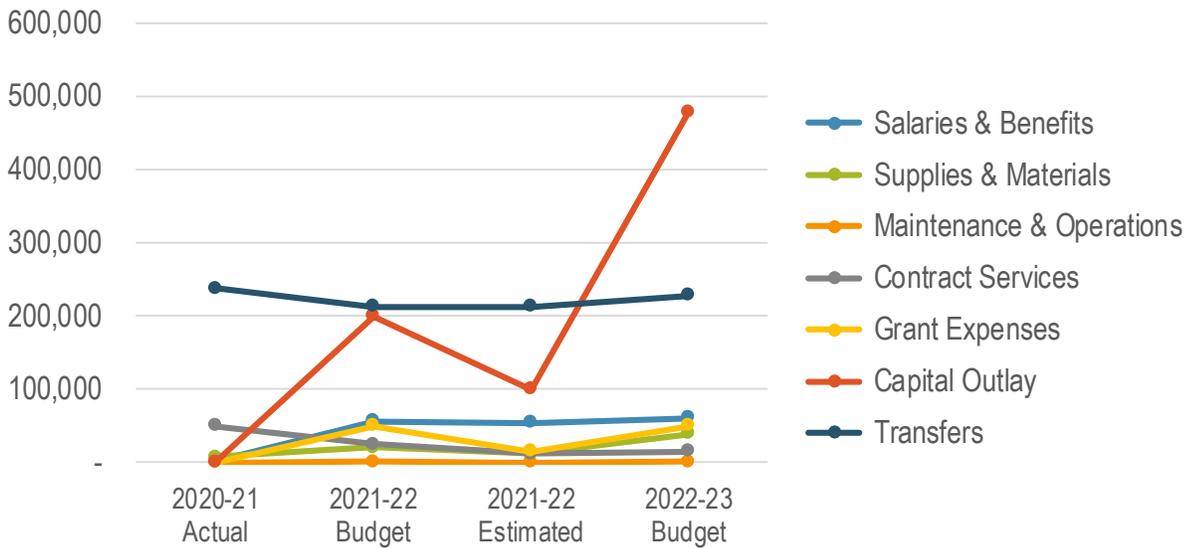
## BUDGETED PERSONNEL SCHEDULE

| 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     |

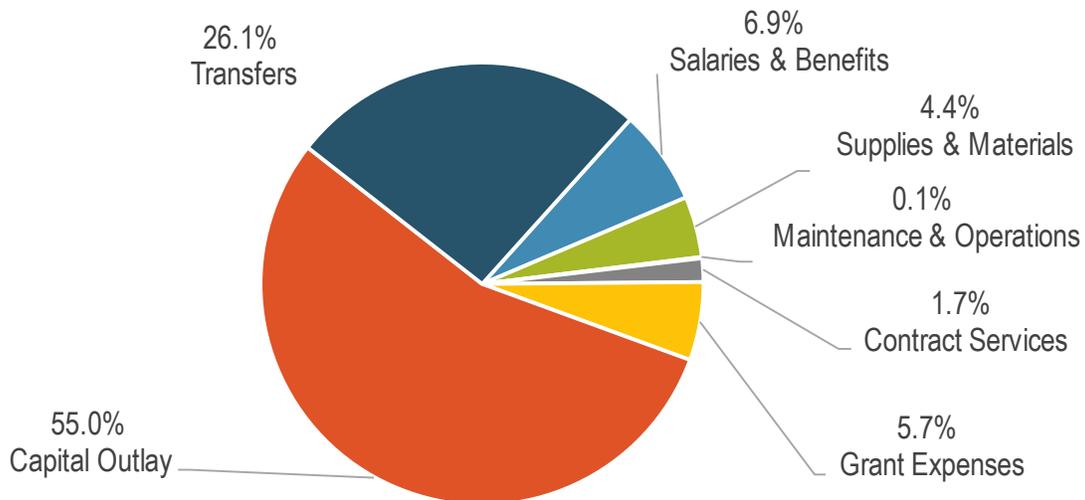
## DEPARTMENTAL EXPENDITURES

| Category                 | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget | Difference     | Percent<br>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%             |
| <b>Total</b>             | <b>296,396</b>    | <b>565,375</b>    | <b>406,540</b>       | <b>871,550</b>    | <b>306,175</b> | <b>54.15%</b>     |

## EXPENDITURE BY CATEGORY



## EXPENDITURE ALLOCATION



# SPECIAL REVENUE FUNDS

## OVERVIEW

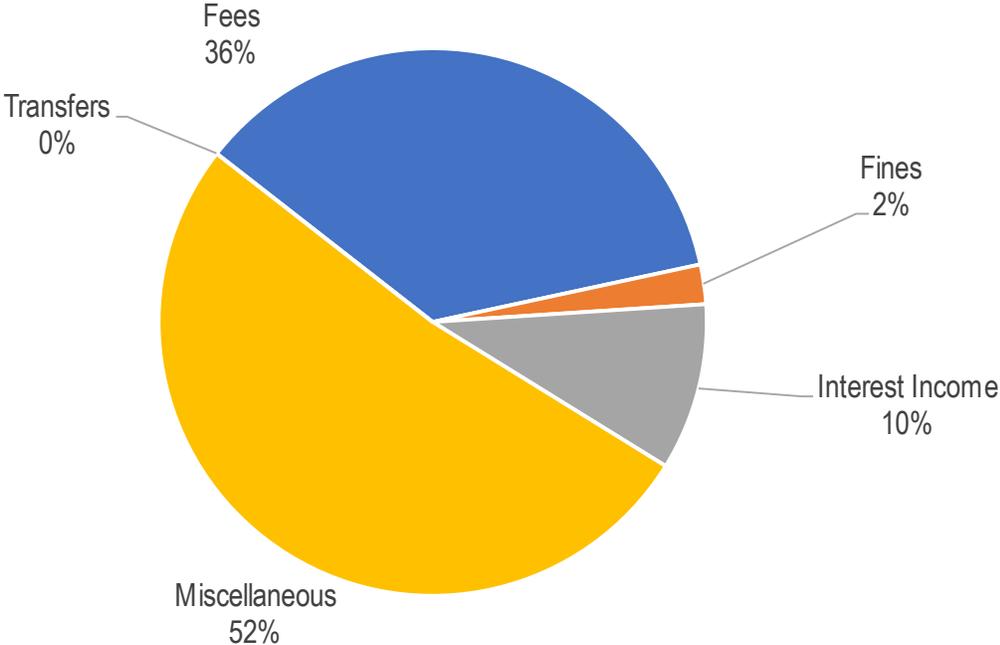
The City utilizes Special Revenue Funds to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes. The City utilizes the following Special Revenue Funds:

- 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

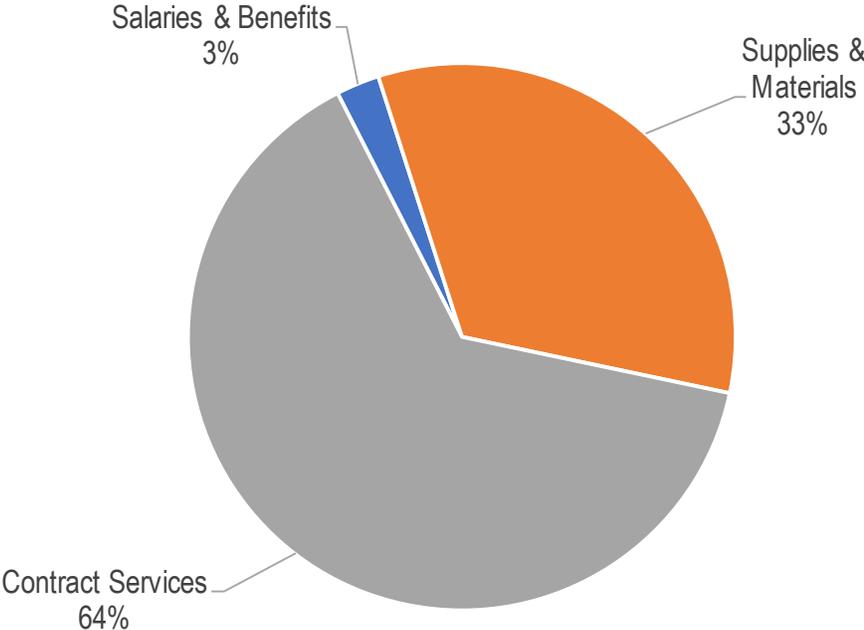
The basis of accounting for the Special Revenue Funds for both financial reporting and budgeting is the modified accrual basis.

**SPECIAL REVENUE FUNDS BUDGET SUMMARY**

**Special Revenue Funds Revenues**



**Special Revenue Funds Expenditures**



# COMBINED SCHEDULE OF ALL SPECIAL REVENUE FUNDS

|  | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget |
|--|-------------------|-------------------|----------------------|-------------------|
| <b>Beginning Fund Balance</b>                                | <b>2,267,313</b>  | <b>3,156,440</b>  | <b>3,156,440</b>     | <b>3,737,729</b>  |
| <b>Revenues</b>  |                   |                   |                      |                   |
| 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             |
| <b>Total Special Revenue Fund Revenues</b>                   | <b>352,064</b>    | <b>334,600</b>    | <b>302,839</b>       | <b>301,250</b>    |
| <b>Other Sources</b>   |                   |                   |                      |                   |
| Transfers  | 552,000           | 300,000           | 300,000              | 300,000           |
| <b>Total Other Sources</b>                                   | <b>552,000</b>    | <b>300,000</b>    | <b>300,000</b>       | <b>300,000</b>    |
| <b>Total Revenues/Sources</b>                                | <b>904,064</b>    | <b>634,600</b>    | <b>602,839</b>       | <b>601,250</b>    |
| <b>Expenditures</b>  |                   |                   |                      |                   |
| 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            |
| <b>Total Special Revenue Fund Expenditures</b>               | <b>14,937</b>     | <b>39,500</b>     | <b>21,550</b>        | <b>39,100</b>     |
| <b>Excess of Revenues/Sources<br/>over Expenditures/Uses</b> | <b>889,127</b>    | <b>595,100</b>    | <b>581,289</b>       | <b>562,150</b>    |
| <b>Ending Fund Balance</b>                                   | <b>3,156,440</b>  | <b>3,751,540</b>  | <b>3,737,729</b>     | <b>4,299,879</b>  |

# HOTEL OCCUPANCY TAX FUND

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

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

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

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

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

## LIBRARY RESTRICTED FUND

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

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

## 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<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget |
|--|-------------------|-------------------|----------------------|-------------------|
| <b>Beginning Fund Balance</b>                  | <b>104,428</b>    | <b>104,428</b>    | <b>104,428</b>       | <b>114,428</b>    |
| <b>Revenues</b>                                |                   |                   |                      |                   |
| Parkland Dedication Fee                        | -                 | 10,000            | 10,000               | 10,000            |
| <b>Total Parkland Dedication Fund Revenues</b> | <b>-</b>          | <b>10,000</b>     | <b>10,000</b>        | <b>10,000</b>     |
| <b>Ending Fund Balance</b>                     | <b>104,428</b>    | <b>114,428</b>    | <b>114,428</b>       | <b>124,428</b>    |

## 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<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget |
|---|-------------------|-------------------|----------------------|-------------------|
| <b>Beginning Fund Balance</b>                 | <b>882,093</b>    | <b>1,146,079</b>  | <b>1,146,079</b>     | <b>1,346,079</b>  |
| <b>Revenues</b>                               |                   |                   |                      |                   |
| Roadway Impact Fee                            | 263,986           | 250,000           | 200,000              | 200,000           |
| <b>Total Roadway Impact Fee Fund Revenues</b> | <b>263,986</b>    | <b>250,000</b>    | <b>200,000</b>       | <b>200,000</b>    |
| <b>Ending Fund Balance</b>                    | <b>1,146,079</b>  | <b>1,396,079</b>  | <b>1,346,079</b>     | <b>1,546,079</b>  |

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

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

## CHILD SAFETY FUND

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

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

## 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<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget |
|--|-------------------|-------------------|----------------------|-------------------|
| <b>Beginning Fund Balance</b>                                | <b>78</b>         | <b>78</b>         | <b>78</b>            | <b>78</b>         |
| <b>Revenues</b>  |                   |                   |                      |                   |
| Miscellaneous  | -                 | 5,000             | 5,000                | 5,000             |
| <b>Total Police Donations Fund Revenues</b>                  | <b>-</b>          | <b>5,000</b>      | <b>5,000</b>         | <b>5,000</b>      |
| <b>Expenditures</b>  |                   |                   |                      |                   |
| Supplies & Materials   | -                 | 5,000             | 5,000                | 5,000             |
| <b>Total Police Donations Fund Expenditures</b>              | <b>-</b>          | <b>5,000</b>      | <b>5,000</b>         | <b>5,000</b>      |
| <b>Excess of Revenues/Sources<br/>over Expenditures/Uses</b> | <b>-</b>          | <b>-</b>          | <b>-</b>             | <b>-</b>          |
| <b>Ending Fund Balance</b>                                   | <b>78</b>         | <b>78</b>         | <b>78</b>            | <b>78</b>         |

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

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

# LIBRARY DONATIONS FUND

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

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



# CAPITAL PROJECTS FUNDS

# CAPITAL PROJECTS FUNDS

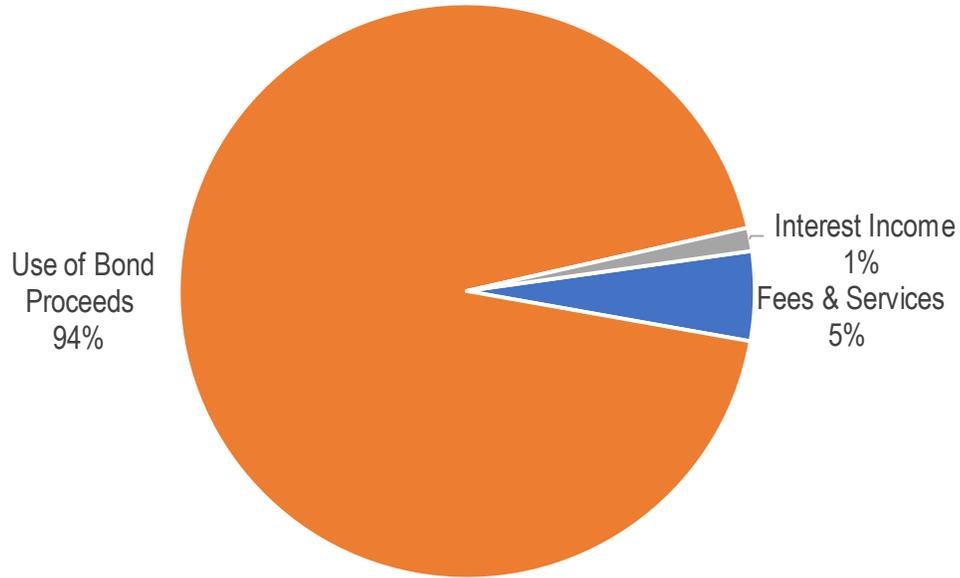
## **OVERVIEW**

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.

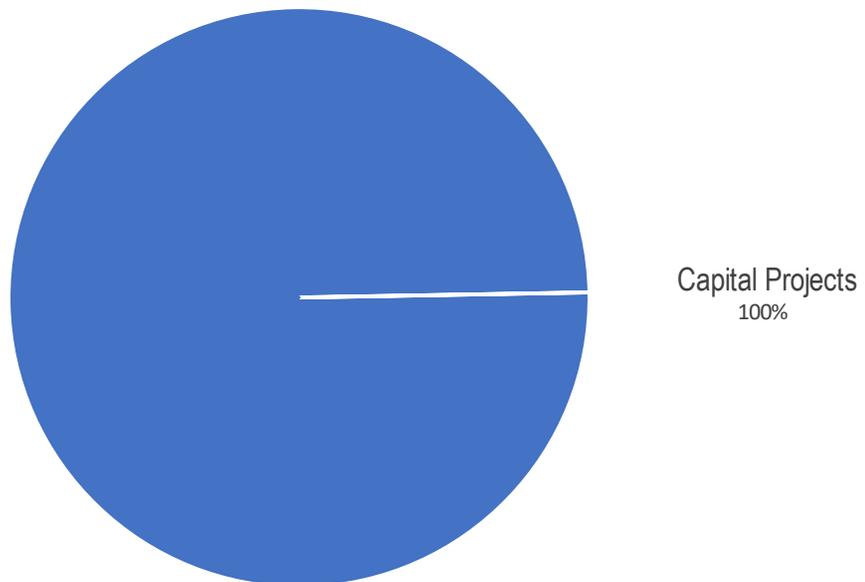
The basis of accounting for the Capital Projects Funds for both financial reporting and budgeting is the modified accrual basis.

# COMBINED CAPITAL PROJECTS FUNDS BUDGET SUMMARY

## Combined Capital Projects Funds Revenues



## Combined Capital Projects Funds Expenditures



# CAPITAL PROJECTS FUND

|   | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget |
|---|-------------------|-------------------|----------------------|-------------------|
| <b>Beginning Fund Balance</b>               | 1,997,068         | 2,276,284         | 2,276,284            | 2,895,095         |
| <b>Revenues</b>                             |                   |                   |                      |                   |
| Interest Income                             | -                 | 10,000            | 48,000               | 45,000            |
| <b>Total Capital Projects Fund Revenues</b> | -                 | 10,000            | 48,000               | 45,000            |
| <b>Other Sources</b>                        |                   |                   |                      |                   |
| Transfers From General Fund                 | 520,725           | 1,318,511         | 1,318,511            | -                 |
| Transfers From Enterprise CIP               | -                 | -                 | -                    | -                 |
| <b>Total Other Sources</b>                  | 520,725           | 1,318,511         | 1,318,511            | -                 |
| <b>Total Revenues/Sources</b>               | 520,725           | 1,328,511         | 1,366,511            | 45,000            |
| <b>Expenditures</b>                         |                   |                   |                      |                   |
| 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           |
| <b>Total Expenditures</b>                   | 241,509           | 997,700           | 747,700              | 2,165,000         |
| <b>Excess of Revenues over Expenditures</b> | 279,216           | 330,811           | 618,811              | (2,120,000)       |
| <b>Ending Fund Balance</b>                  | 2,276,284         | 2,607,095         | 2,895,095            | 775,095           |

# ENTERPRISE CAPITAL PROJECTS FUND

|   | 2020-21<br>Actual | 2021-22<br>Budget | 2021-22<br>Estimated | 2022-23<br>Budget  |
|---|-------------------|-------------------|----------------------|--------------------|
| <b>Beginning Fund Balance</b>               | <b>4,284,456</b>  | <b>3,964,424</b>  | <b>3,964,424</b>     | <b>3,843,353</b>   |
| <b>Revenues</b>                             |                   |                   |                      |                    |
| 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            |
| <b>Total Revenues</b>                       | <b>850,871</b>    | <b>730,000</b>    | <b>350,000</b>       | <b>900,000</b>     |
| <b>Other Sources</b>                        |                   |                   |                      |                    |
| 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         |
| <b>Total Other Sources</b>                  | <b>477,142</b>    | <b>13,078,571</b> | <b>6,078,571</b>     | <b>14,000,000</b>  |
| <b>Total Revenues/Sources</b>               | <b>1,328,013</b>  | <b>13,808,571</b> | <b>6,428,571</b>     | <b>14,900,000</b>  |
| <b>Expenditures</b>                         |                   |                   |                      |                    |
| 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            |
| <b>Total Expenditures</b>                   | <b>1,224,363</b>  | <b>13,687,095</b> | <b>6,549,642</b>     | <b>16,177,910</b>  |
| <b>Other Uses</b>                           |                   |                   |                      |                    |
| Transfers Out                               | 423,682           | -                 | -                    | -                  |
| <b>Total Other Uses</b>                     | <b>423,682</b>    | <b>-</b>          | <b>-</b>             | <b>-</b>           |
| <b>Total Expenses/Uses</b>                  | <b>1,648,045</b>  | <b>13,687,095</b> | <b>6,549,642</b>     | <b>16,177,910</b>  |
| <b>Excess of Revenues over Expenditures</b> | <b>(320,032)</b>  | <b>121,476</b>    | <b>(121,071)</b>     | <b>(1,277,910)</b> |
| <b>Ending Fund Balance</b>                  | <b>3,964,424</b>  | <b>4,085,900</b>  | <b>3,843,353</b>     | <b>2,565,443</b>   |

# 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 5<sup>th</sup> 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.



**CAPITAL PROJECTS FIVE YEAR SUMMARY 2020-2026**  
**General Capital Projects**

|  | 2020-2021        | 2021-2022        | 2022-2023          |
|--|------------------|------------------|--------------------|
|  | Actual           | Estimate         | Budget             |
| <b>Capital Projects Fund Balance</b>     | <b>1,997,068</b> | <b>2,276,284</b> | <b>2,895,095</b>   |
| <b>Project Funding</b>                   |                  |                  |                    |
| Interest Income                          | -                | 48,000           | 45,000             |
| Transfers from General Fund              | 520,725          | 1,318,511        | -                  |
| Bond Funds                               | -                | -                | -                  |
| <b>Total Funding Sources</b>             | <b>520,725</b>   | <b>1,366,511</b> | <b>45,000</b>      |
| <b>Expenditures</b>                      |                  |                  |                    |
| 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                        | -                | -                | -                  |
| <b>Total Expenditures</b>                | <b>241,509</b>   | <b>747,700</b>   | <b>2,165,000</b>   |
| <b>Funding Sources less Expenditures</b> | <b>279,216</b>   | <b>618,811</b>   | <b>(2,120,000)</b> |
| <b>Capital Projects Fund Balance</b>     | <b>2,276,284</b> | <b>2,895,095</b> | <b>775,095</b>     |

| 2023-2024<br>Projected | 2024-2025<br>Projected | 2025-2026<br>Projected | 2026-2027<br>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<br>Actual | 2021-2022<br>Estimate | 2022-2023<br>Budget |
|---|---------------------|-----------------------|---------------------|
| <b>Capital Projects Fund Balance</b>        | <b>4,284,456</b>    | <b>3,964,424</b>      | <b>3,843,353</b>    |
| <b>Project Funding</b>                      |                     |                       |                     |
| 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              | -                     | -                   |
| <b>Total Funding Sources</b>                | <b>1,328,013</b>    | <b>6,428,571</b>      | <b>14,900,000</b>   |
| <b>Expenditures</b>                         |                     |                       |                     |
| 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             | -                     | -                   |
| <b>Total Expenditures</b>                   | <b>1,648,045</b>    | <b>6,549,642</b>      | <b>16,177,910</b>   |
| <b>Funding Sources less Expenditures</b>    | <b>(320,032)</b>    | <b>(121,071)</b>      | <b>(1,277,910)</b>  |
| <b>Capital Projects Fund Balance</b>        | <b>3,964,424</b>    | <b>3,843,353</b>      | <b>2,565,443</b>    |

| 2023-2024<br>Projected | 2024-2025<br>Projected | 2025-2026<br>Projected | 2026-2027<br>Projected |
|------------------------|------------------------|------------------------|------------------------|
| <b>2,565,443</b>       | <b>8,915,443</b>       | <b>8,265,443</b>       | <b>8,365,443</b>       |
| 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                |
| -                      | -                      | -                      | -                      |
| <b>8,100,000</b>       | <b>1,100,000</b>       | <b>1,100,000</b>       | <b>1,100,000</b>       |
| \$ -                   | \$ -                   | \$ -                   | \$ -                   |
| -                      | -                      | -                      | -                      |
| -                      | -                      | -                      | -                      |
| -                      | -                      | -                      | -                      |
| -                      | -                      | -                      | -                      |
| 1,750,000              | 1,750,000              | -                      | -                      |
| -                      | -                      | -                      | -                      |
| -                      | -                      | -                      | -                      |
| -                      | -                      | -                      | -                      |
| -                      | -                      | -                      | -                      |
| -                      | -                      | -                      | -                      |
| -                      | -                      | -                      | -                      |
| -                      | -                      | -                      | -                      |
| -                      | -                      | 1,000,000              | -                      |
| -                      | -                      | 0                      | 0                      |
| <b>1,750,000</b>       | <b>1,750,000</b>       | <b>1,000,000</b>       | <b>-</b>               |
| <b>6,350,000</b>       | <b>(650,000)</b>       | <b>100,000</b>         | <b>1,100,000</b>       |
| <b>8,915,443</b>       | <b>8,265,443</b>       | <b>8,365,443</b>       | <b>9,465,443</b>       |



# 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<br>Actual | 2021-22<br>Estimated |
|------------------------------------|-------------------|----------------------|
| <b>Beginning Fund Balance</b>      | <b>7,201,005</b>  | <b>10,922,485</b>    |
| <b>Revenues</b>                    |                   |                      |
| 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               |
| <b>Total General Fund Revenues</b> | <b>10,659,160</b> | <b>9,563,277</b>     |
| <b>Other Sources</b>               |                   |                      |
| Transfers In                       | 461,535           | 151,535              |
| Use of Fund Balance                | -                 | -                    |
| <b>Total Other Sources</b>         | <b>461,535</b>    | <b>151,535</b>       |
| <b>Total Revenues/Sources</b>      | <b>11,120,695</b> | <b>9,714,812</b>     |
| <b>Expenditures</b>                |                   |                      |
| 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                              | -                 | -                    |
| <b>Total Expenditures</b>          | <b>5,623,016</b>  | <b>6,400,894</b>     |
| <b>Other Uses</b>                  |                   |                      |
| Transfers Out                      | 1,776,199         | 2,978,666            |
| <b>Total Other Uses</b>            | <b>1,776,199</b>  | <b>2,978,666</b>     |
| <b>Total Expenses/Uses</b>         | <b>7,399,215</b>  | <b>9,379,560</b>     |
| <b>Ending Fund Balance</b>         | <b>10,922,485</b> | <b>11,257,737</b>    |

|                                    | 2022-23<br>Budget | Projection<br>Percentage | Projected           |                     |                     |                   |
|------------------------------------|-------------------|--------------------------|---------------------|---------------------|---------------------|-------------------|
|                                    |                   |                          | Year 2<br>2023-2024 | Year 3<br>2024-2025 | Year 4<br>2025-2026 | Year 5<br>2026-27 |
| <b>Beginning Fund Balance</b>      | 11,257,737        |                          | 11,257,737          | 10,746,743          | 10,509,632          | 10,576,743        |
| <b>Revenues</b>                    |                   |                          |                     |                     |                     |                   |
| 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           |
| <b>Total General Fund Revenues</b> | <b>11,274,081</b> |                          | <b>12,013,138</b>   | <b>12,801,499</b>   | <b>13,642,497</b>   | <b>14,539,695</b> |
| <b>Other Sources</b>               |                   |                          |                     |                     |                     |                   |
| Transfers In                       | 146,535           | 2%                       | 149,466             | 152,455             | 155,504             | 158,614           |
| Use of Fund Balance                | 756,916           | 0.00%                    | -                   | -                   | -                   | -                 |
| <b>Total Other Sources</b>         | <b>903,451</b>    |                          | <b>149,466</b>      | <b>152,455</b>      | <b>155,504</b>      | <b>158,614</b>    |
| <b>Total Revenues/Sources</b>      | <b>12,177,532</b> |                          | <b>12,162,604</b>   | <b>12,953,954</b>   | <b>13,798,001</b>   | <b>14,698,309</b> |
| <b>Expenditures</b>                |                   |                          |                     |                     |                     |                   |
| 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            |
| <b>Total Expenditures</b>          | <b>10,496,028</b> |                          | <b>10,958,464</b>   | <b>11,441,628</b>   | <b>11,946,464</b>   | <b>12,473,959</b> |
| <b>Other Uses</b>                  |                   |                          |                     |                     |                     |                   |
| Transfers Out                      | 1,681,504         | 2%                       | 1,715,134           | 1,749,437           | 1,784,426           | 1,820,115         |
| <b>Total Other Uses</b>            | <b>1,681,504</b>  |                          | <b>1,715,134</b>    | <b>1,749,437</b>    | <b>1,784,426</b>    | <b>1,820,115</b>  |
| <b>Total Expenses/Uses</b>         | <b>12,177,532</b> |                          | <b>12,673,598</b>   | <b>13,191,065</b>   | <b>13,730,890</b>   | <b>14,294,074</b> |
| <b>Ending Fund Balance</b>         | <b>11,257,737</b> |                          | <b>10,746,743</b>   | <b>10,509,632</b>   | <b>10,576,743</b>   | <b>10,980,978</b> |

# 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.

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

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

BRIEF DESCRIPTION OF REQUEST: Ticket Writers and Printers

|                              |                 |
|------------------------------|-----------------|
| <b>COST OF ACQUISITION:</b>  |                 |
| PURCHASE PRICE               | \$90,103        |
| DELIVERY & INSTALLATION      | \$0             |
| ALL OTHER ACQUISITION COSTS* | \$0             |
|                              | <b>\$90,103</b> |

|                                 |                |
|---------------------------------|----------------|
| <b>OPERATING BUDGET IMPACT:</b> |                |
| ANNUAL CONTRACT RENEWAL         | \$8,060        |
| SUPPLIES, FUEL, ETC             | \$0            |
| ALL OTHER OPERATING COSTS*      | \$0            |
|                                 | <b>\$8,060</b> |

\* EXPLANATION OF "OTHER" COSTS

**THIS REQUEST WILL: (MARK ANY THAT APPLY)**

- |  |   |
|--|---|
| <input type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS            | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)      |
| <input checked="" type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS          | <input type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY                     |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input checked="" type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY |
| <input type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE                 | <input type="checkbox"/> 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:         |                 | OPERATING BUDGET IMPACT:   |            |
|------------------------------|-----------------|----------------------------|------------|
| PURCHASE PRICE               | \$11,500        | ANNUAL CONTRACT RENEWAL    | \$0        |
| DELIVERY & INSTALLATION      | \$0             | SUPPLIES, FUEL, ETC        | \$0        |
| ALL OTHER ACQUISITION COSTS* | \$0             | ALL OTHER OPERATING COSTS* | \$0        |
|                              | <b>\$11,500</b> |                            | <b>\$0</b> |

\* EXPLANATION OF "OTHER" COSTS

THIS REQUEST WILL: (MARK ANY THAT APPLY)

- |  |  |
|--|--|
| <input type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS            | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS) |
| <input type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS                     | <input type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY                |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY       |
| <input checked="" type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE      | <input type="checkbox"/> 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:

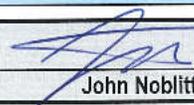
Modifications include adding walled office space, walled storage space, expanding property room wall, and painting and adding electrical outlets. Objective is to add office space to accommodate Lieutenant position, patrol supervisors and animal control. Storage space for approximately 20 file cabinets,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

|                              |                |
|------------------------------|----------------|
| <b>COST OF ACQUISITION:</b>  |                |
| PURCHASE PRICE               | \$6,742        |
| DELIVERY & INSTALLATION      | \$0            |
| ALL OTHER ACQUISITION COSTS* | \$0            |
|                              | <b>\$6,742</b> |

|                                 |            |
|---------------------------------|------------|
| <b>OPERATING BUDGET IMPACT:</b> |            |
| ANNUAL CONTRACT RENEWAL         | \$0        |
| SUPPLIES, FUEL, ETC             | \$0        |
| ALL OTHER OPERATING COSTS*      | \$0        |
|                                 | <b>\$0</b> |

\* EXPLANATION OF "OTHER" COSTS

**THIS REQUEST WILL: (MARK ANY THAT APPLY)**

- |  |  |
|--|--|
| <input type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS            | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS) |
| <input type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS                     | <input checked="" type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY     |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY       |
| <input type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE                 | <input type="checkbox"/> 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:**

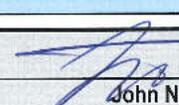
Objective is to collect and store evidence and property securely.

**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:         |                | OPERATING BUDGET IMPACT:   |            |
|------------------------------|----------------|----------------------------|------------|
| PURCHASE PRICE               | \$6,175        | ANNUAL CONTRACT RENEWAL    | \$0        |
| DELIVERY & INSTALLATION      | \$0            | SUPPLIES, FUEL, ETC        | \$0        |
| ALL OTHER ACQUISITION COSTS* | \$0            | ALL OTHER OPERATING COSTS* | \$0        |
|                              | <b>\$6,175</b> |                            | <b>\$0</b> |

\* EXPLANATION OF "OTHER" COSTS

THIS REQUEST WILL: (MARK ANY THAT APPLY)

- |  |  |
|--|--|
| <input type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS            | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS) |
| <input checked="" type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS          | <input checked="" type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY     |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY       |
| <input checked="" type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE      | <input type="checkbox"/> 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 Uvlade 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:         |                 | OPERATING BUDGET IMPACT:   |                |
|------------------------------|-----------------|----------------------------|----------------|
| PURCHASE PRICE               | \$12,916        | ANNUAL CONTRACT RENEWAL    | \$1,900        |
| DELIVERY & INSTALLATION      | \$0             | SUPPLIES, FUEL, ETC        | \$0            |
| ALL OTHER ACQUISITION COSTS* | \$0             | ALL OTHER OPERATING COSTS* | \$0            |
|                              | <b>\$12,916</b> |                            | <b>\$1,900</b> |

\* EXPLANATION OF "OTHER" COSTS

THIS REQUEST WILL: (MARK ANY THAT APPLY)

- |  |   |
|--|---|
| <input type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS            | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)      |
| <input type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS                     | <input checked="" type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY          |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input checked="" type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY |
| <input checked="" type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE      | <input type="checkbox"/> 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 intenseive 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:         |                  | OPERATING BUDGET IMPACT:   |                 |
|------------------------------|------------------|----------------------------|-----------------|
| PURCHASE PRICE               | \$183,420        | ANNUAL CONTRACT RENEWAL    | \$0             |
| DELIVERY & INSTALLATION      |                  | SUPPLIES, FUEL, ETC        | \$10,500        |
| ALL OTHER ACQUISITION COSTS* | \$19,665         | ALL OTHER OPERATING COSTS* | \$0             |
|                              | <b>\$203,085</b> |                            | <b>\$10,500</b> |

**\* EXPLANATION OF "OTHER" COSTS**

Toughbook 55 Computer and IT setup for new vehicles.

**THIS REQUEST WILL: (MARK ANY THAT APPLY)**

- |  |  |
|--|--|
| <input type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS            | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS) |
| <input checked="" type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS          | <input checked="" type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY     |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY       |
| <input type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE                 | <input type="checkbox"/> 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:**

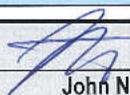
These vehicles will be assigned to the three new police officer positions requested in the 2022-2023 budget.

**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

|                              |                 |
|------------------------------|-----------------|
| <b>COST OF ACQUISITION:</b>  |                 |
| PURCHASE PRICE               | \$27,614        |
| DELIVERY & INSTALLATION      | \$3,250         |
| ALL OTHER ACQUISITION COSTS* | \$3,300         |
|                              | <b>\$34,164</b> |

|                                 |            |
|---------------------------------|------------|
| <b>OPERATING BUDGET IMPACT:</b> |            |
| ANNUAL CONTRACT RENEWAL         | \$0        |
| SUPPLIES, FUEL, ETC             | \$0        |
| ALL OTHER OPERATING COSTS*      | \$0        |
|                                 | <b>\$0</b> |

\* EXPLANATION OF "OTHER" COSTS

**THIS REQUEST WILL: (MARK ANY THAT APPLY)**

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)      |
| <input type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS                     | <input checked="" type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY          |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input checked="" type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY |
| <input checked="" type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE      | <input type="checkbox"/> 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:         |                  | OPERATING BUDGET IMPACT:   |                |
|------------------------------|------------------|----------------------------|----------------|
| PURCHASE PRICE               | \$295,000        | ANNUAL CONTRACT RENEWAL    | \$0            |
| DELIVERY & INSTALLATION      | \$0              | SUPPLIES, FUEL, ETC        | \$9,500        |
| ALL OTHER ACQUISITION COSTS* | \$5,000          | ALL OTHER OPERATING COSTS* | \$0            |
|                              | <b>\$300,000</b> |                            | <b>\$9,500</b> |

\* EXPLANATION OF "OTHER" COSTS

THIS REQUEST WILL: (MARK ANY THAT APPLY)

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)      |
| <input type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS                     | <input checked="" type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY          |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input checked="" type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY |
| <input type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE                 | <input type="checkbox"/> 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 \$198,000.00 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 is 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:         |                  | OPERATING BUDGET IMPACT:   |                |
|------------------------------|------------------|----------------------------|----------------|
| PURCHASE PRICE               | \$925,000        | ANNUAL CONTRACT RENEWAL    | \$0            |
| DELIVERY & INSTALLATION      | \$0              | SUPPLIES, FUEL, ETC        | \$3,000        |
| ALL OTHER ACQUISITION COSTS* | \$0              | ALL OTHER OPERATING COSTS* | \$0            |
|                              | <b>\$925,000</b> |                            | <b>\$3,000</b> |

\* EXPLANATION OF "OTHER" COSTS

THIS REQUEST WILL: (MARK ANY THAT APPLY)

- |  |   |
|--|---|
| <input type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS            | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)      |
| <input checked="" type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS          | <input type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY                     |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input checked="" type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY |
| <input checked="" type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE      | <input type="checkbox"/> 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:

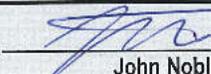
To replace a 27 year old fire apparatus.

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

|                              |                 |
|------------------------------|-----------------|
| <b>COST OF ACQUISITION:</b>  |                 |
| PURCHASE PRICE               | \$42,500        |
| DELIVERY & INSTALLATION      | \$0             |
| ALL OTHER ACQUISITION COSTS* | \$0             |
|                              | <b>\$42,500</b> |

|                                 |              |
|---------------------------------|--------------|
| <b>OPERATING BUDGET IMPACT:</b> |              |
| ANNUAL CONTRACT RENEWAL         | \$650        |
| SUPPLIES, FUEL, ETC             | \$0          |
| ALL OTHER OPERATING COSTS*      | \$0          |
|                                 | <b>\$650</b> |

\* EXPLANATION OF "OTHER" COSTS

**THIS REQUEST WILL: (MARK ANY THAT APPLY)**

- |  |  |
|--|--|
| <input type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS            | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS) |
| <input type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS                     | <input checked="" type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY     |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY       |
| <input checked="" type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE      | <input type="checkbox"/> 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  
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:         |                 | OPERATING BUDGET IMPACT:   |            |
|------------------------------|-----------------|----------------------------|------------|
| PURCHASE PRICE               | \$49,131        | ANNUAL CONTRACT RENEWAL    | \$0        |
| DELIVERY & INSTALLATION      | \$0             | SUPPLIES, FUEL, ETC        | \$0        |
| ALL OTHER ACQUISITION COSTS* | \$0             | ALL OTHER OPERATING COSTS* | \$0        |
|                              | <b>\$49,131</b> |                            | <b>\$0</b> |

\* EXPLANATION OF "OTHER" COSTS

**THIS REQUEST WILL: (MARK ANY THAT APPLY)**

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)      |
| <input type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS                     | <input type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY                     |
| <input type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY            | <input checked="" type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY |
| <input type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE                 | <input type="checkbox"/> 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  
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

|                              |                 |
|------------------------------|-----------------|
| <b>COST OF ACQUISITION:</b>  |                 |
| PURCHASE PRICE               | \$80,118        |
| DELIVERY & INSTALLATION      | \$0             |
| ALL OTHER ACQUISITION COSTS* | \$0             |
|                              | <b>\$80,118</b> |

|                                 |            |
|---------------------------------|------------|
| <b>OPERATING BUDGET IMPACT:</b> |            |
| ANNUAL CONTRACT RENEWAL         | \$0        |
| SUPPLIES, FUEL, ETC             | \$0        |
| ALL OTHER OPERATING COSTS*      | \$0        |
|                                 | <b>\$0</b> |

**\* EXPLANATION OF "OTHER" COSTS**

**THIS REQUEST WILL: (MARK ANY THAT APPLY)**

- |  |   |
|--|---|
| <input type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS            | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)    |
| <input checked="" type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS          | <input type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY                   |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY          |
| <input checked="" type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE      | <input checked="" type="checkbox"/> 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: **22' Tandem Axle Tilt Trailer**

| COST OF ACQUISITION:         |                 | OPERATING BUDGET IMPACT:   |            |
|------------------------------|-----------------|----------------------------|------------|
| PURCHASE PRICE               | \$11,000        | ANNUAL CONTRACT RENEWAL    | \$0        |
| DELIVERY & INSTALLATION      | \$0             | SUPPLIES, FUEL, ETC        | \$0        |
| ALL OTHER ACQUISITION COSTS* | \$0             | ALL OTHER OPERATING COSTS* | \$0        |
|                              | <b>\$11,000</b> |                            | <b>\$0</b> |

\* EXPLANATION OF "OTHER" COSTS

THIS REQUEST WILL: (MARK ANY THAT APPLY)

- |  |   |
|--|---|
| <input type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS            | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)    |
| <input checked="" type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS          | <input type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY                   |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY          |
| <input type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE                 | <input checked="" type="checkbox"/> 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:         |                 | OPERATING BUDGET IMPACT:   |            |
|------------------------------|-----------------|----------------------------|------------|
| PURCHASE PRICE               | \$18,000        | ANNUAL CONTRACT RENEWAL    | \$0        |
| DELIVERY & INSTALLATION      | \$0             | SUPPLIES, FUEL, ETC        | \$0        |
| ALL OTHER ACQUISITION COSTS* | \$0             | ALL OTHER OPERATING COSTS* | \$0        |
|                              | <b>\$18,000</b> |                            | <b>\$0</b> |

\* EXPLANATION OF "OTHER" COSTS

THIS REQUEST WILL: (MARK ANY THAT APPLY)

- |   |   |
|---|---|
| <input type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS   | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)      |
| <input checked="" type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS | <input type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY                     |
| <input type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY   | <input checked="" type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY |
| <input type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE        | <input type="checkbox"/> 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  
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**

|                              |                 |
|------------------------------|-----------------|
| <b>COST OF ACQUISITION:</b>  |                 |
| PURCHASE PRICE               | \$49,132        |
| DELIVERY & INSTALLATION      | \$0             |
| ALL OTHER ACQUISITION COSTS* | \$0             |
|                              | <b>\$49,132</b> |

|                                 |            |
|---------------------------------|------------|
| <b>OPERATING BUDGET IMPACT:</b> |            |
| ANNUAL CONTRACT RENEWAL         | \$0        |
| SUPPLIES, FUEL, ETC             | \$0        |
| ALL OTHER OPERATING COSTS*      | \$0        |
|                                 | <b>\$0</b> |

**\* EXPLANATION OF "OTHER" COSTS**

**THIS REQUEST WILL: (MARK ANY THAT APPLY)**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS) |
| <input type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS                     | <input type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY                |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY       |
| <input type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE                 | <input type="checkbox"/> 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:         |                  | OPERATING BUDGET IMPACT:   |            |
|------------------------------|------------------|----------------------------|------------|
| PURCHASE PRICE               | \$200,000        | ANNUAL CONTRACT RENEWAL    | \$0        |
| DELIVERY & INSTALLATION      | \$0              | SUPPLIES, FUEL, ETC        | \$0        |
| ALL OTHER ACQUISITION COSTS* | \$0              | ALL OTHER OPERATING COSTS* | \$0        |
|                              | <b>\$200,000</b> |                            | <b>\$0</b> |

\* EXPLANATION OF "OTHER" COSTS

THIS REQUEST WILL: (MARK ANY THAT APPLY)

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)      |
| <input checked="" type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS          | <input type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY                     |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input checked="" type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY |
| <input checked="" type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE      | <input type="checkbox"/> 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:

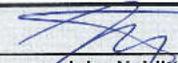
Remote access to electrical system information and aid in load shed capabilities.

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

|                              |                 |
|------------------------------|-----------------|
| <b>COST OF ACQUISITION:</b>  |                 |
| PURCHASE PRICE               | \$15,390        |
| DELIVERY & INSTALLATION      | \$0             |
| ALL OTHER ACQUISITION COSTS* | \$0             |
|                              | <b>\$15,390</b> |

|                                 |            |
|---------------------------------|------------|
| <b>OPERATING BUDGET IMPACT:</b> |            |
| ANNUAL CONTRACT RENEWAL         | \$0        |
| SUPPLIES, FUEL, ETC             | \$0        |
| ALL OTHER OPERATING COSTS*      | \$0        |
|                                 | <b>\$0</b> |

\* EXPLANATION OF "OTHER" COSTS

**THIS REQUEST WILL: (MARK ANY THAT APPLY)**

- |  |   |
|--|---|
| <input type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS            | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS)      |
| <input checked="" type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS          | <input checked="" type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY          |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input checked="" type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY |
| <input checked="" type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE      | <input type="checkbox"/> 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:**

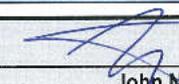
The Development Services Conference room is utilized by many departments within the City. It serves as the meeting room for any new development coming into the City of Sanger and is often the first impression of our City. The meetings that are held in this room consist of development meetings, TxDOT 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:**

N/A

**IMPACT OF NOT FUNDING THIS REQUEST:**

N/A

APPROVED FOR FUNDING  YES  NO   
John Nablitt, 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:         |                 | OPERATING BUDGET IMPACT:   |            |
|------------------------------|-----------------|----------------------------|------------|
| PURCHASE PRICE               | \$22,000        | ANNUAL CONTRACT RENEWAL    | \$0        |
| DELIVERY & INSTALLATION      | \$0             | SUPPLIES, FUEL, ETC        | \$0        |
| ALL OTHER ACQUISITION COSTS* | \$0             | ALL OTHER OPERATING COSTS* | \$0        |
|                              | <b>\$22,000</b> |                            | <b>\$0</b> |

\* EXPLANATION OF "OTHER" COSTS

THIS REQUEST WILL: (MARK ANY THAT APPLY)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS) |
| <input type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS                     | <input type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY                |
| <input type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY            | <input type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY       |
| <input checked="" type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE      | <input type="checkbox"/> 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 noticable. Painting the exterior would greatly improve the overall look of the Presbyterian Church.

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  
FACILITIES**

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

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

|                              |                 |                                 |            |
|------------------------------|-----------------|---------------------------------|------------|
| <b>COST OF ACQUISITION:</b>  |                 | <b>OPERATING BUDGET IMPACT:</b> |            |
| PURCHASE PRICE               | \$26,640        | ANNUAL CONTRACT RENEWAL         | \$0        |
| DELIVERY & INSTALLATION      | \$0             | SUPPLIES, FUEL, ETC             | \$0        |
| ALL OTHER ACQUISITION COSTS* | \$0             | ALL OTHER OPERATING COSTS*      | \$0        |
|                              | <b>\$26,640</b> |                                 | <b>\$0</b> |

\* EXPLANATION OF "OTHER" COSTS

**THIS REQUEST WILL: (MARK ANY THAT APPLY)**

- |   |  |
|---|--|
| <input type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS) |
| <input type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS          | <input type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY                |
| <input type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY       |
| <input type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE      | <input type="checkbox"/> 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:**

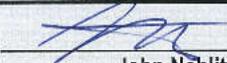
The Public Work office houses many different division within the City of Sanger. The building roof is in need of replacement. Repair 8x4 rotten section of the flat roof and apply self adhering rolled roofing overlay over the rest of the roof.

**ALTERNATIVES TO THIS REQUEST:**

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  
FACILITIES**

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

BRIEF DESCRIPTION OF REQUEST: City Hall Conference Room Remodel

| COST OF ACQUISITION:         |                 | OPERATING BUDGET IMPACT:   |            |
|------------------------------|-----------------|----------------------------|------------|
| PURCHASE PRICE               | \$22,815        | ANNUAL CONTRACT RENEWAL    | \$0        |
| DELIVERY & INSTALLATION      | \$0             | SUPPLIES, FUEL, ETC        | \$0        |
| ALL OTHER ACQUISITION COSTS* | \$0             | ALL OTHER OPERATING COSTS* | \$0        |
|                              | <b>\$22,815</b> |                            | <b>\$0</b> |

\* EXPLANATION OF "OTHER" COSTS

THIS REQUEST WILL: (MARK ANY THAT APPLY)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> MAINTAIN CURRENT SERVICE LEVEL TO CITIZENS | <input type="checkbox"/> HAVE MATCHING FUNDS AVAILABLE (e.g. GRANTS) |
| <input type="checkbox"/> EXPAND SERVICE LEVELS TO CITIZENS                     | <input type="checkbox"/> PROTECT PUBLIC HEALTH/SAFETY                |
| <input checked="" type="checkbox"/> IMPROVE THE EFFICIENCY OF SERVICE DELIVERY | <input type="checkbox"/> REPLACE OUTDATED EQUIPMENT/TECHNOLOGY       |
| <input checked="" type="checkbox"/> MODERNIZE/UPGRADE CITY INFRASTRUCTURE      | <input type="checkbox"/> 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:

N/A

IMPACT OF NOT FUNDING THIS REQUEST:

N/A

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 19, 2022*

## **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 Manger 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 19, 2022*

## **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        |
| <b>Total</b> | <b>200,600</b>   | <b>27,300</b> | <b>227,900</b> | <b>389,400</b>       | <b>53,000</b> | <b>442,400</b> | <b>590,000</b> | <b>80,300</b> | <b>670,300</b> |

## 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        |
| <b>Total</b> | <b>24,000</b>    | <b>720</b> | <b>24,720</b> | <b>176,000</b>       | <b>5,280</b> | <b>181,280</b> | <b>200,000</b> | <b>6,000</b> | <b>206,000</b> |

## 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          |
| <b>Total</b> | <b>-</b>         | <b>-</b> | <b>-</b> | <b>4,955,000</b>      | <b>1,370,050</b> | <b>6,325,050</b> | <b>4,955,000</b> | <b>1,370,050</b> | <b>6,325,050</b> |

**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         |
| <b>Total</b> | -                | -        | -     | <b>9,155,000</b>      | <b>3,947,300</b> | <b>13,102,300</b> | <b>9,155,000</b> | <b>3,947,300</b> | <b>13,102,300</b> |

**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        |
| <b>Total</b> | <b>925,000</b>    | <b>74,600</b> | <b>999,600</b> | <b>-</b>            | <b>-</b> | <b>-</b> | <b>925,000</b> | <b>74,600</b> | <b>999,600</b> |

**Certificates of Obligation, Series 2021A**

Purpose: to pay for the expansion and improvements to the City's waster 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           |
| <b>Total</b> | <b>-</b>         | <b>-</b> | <b>-</b> | <b>18,560,000</b>     | <b>9,676,400</b> | <b>28,236,400</b> | <b>18,560,000</b> | <b>9,676,400</b> | <b>28,236,400</b> |

**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          |
| <b>Total</b> | <b>333,000</b>   | <b>38,705</b> | <b>371,705</b> | <b>2,442,000</b>      | <b>283,852</b> | <b>2,725,852</b> | <b>2,775,000</b> | <b>322,557</b> | <b>3,097,557</b> |

**Spirit of Texas Street Equipment**

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

| Fiscal Year  | General Fund: 100% |              |                | Enterprise Fund: 0% |          |          | Total         |              |                |
|--------------|--------------------|--------------|----------------|---------------------|----------|----------|---------------|--------------|----------------|
|              | 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         |
| <b>Total</b> | <b>98,119</b>      | <b>4,951</b> | <b>103,070</b> | <b>-</b>            | <b>-</b> | <b>-</b> | <b>98,119</b> | <b>4,951</b> | <b>103,070</b> |

**Total Debt**

| Fiscal Year  | General Fund     |                |                  | Enterprise Fund   |                   |                   | Total             |                   |                   |
|--------------|------------------|----------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|              | 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           |
| <b>Total</b> | <b>1,580,719</b> | <b>146,276</b> | <b>1,726,995</b> | <b>35,677,400</b> | <b>15,335,882</b> | <b>51,013,282</b> | <b>37,258,119</b> | <b>15,482,158</b> | <b>52,740,277</b> |

# STANDARD & POORS RATING REPORT



## RatingsDirect®

---

### Summary:

## Sanger, Texas; General Obligation

#### Primary Credit Analyst:

Jim Tchou, New York + 1 (212) 438 3821; jim.tchou@spglobal.com

#### Secondary Contact:

Amahad K Brown, Farmers Branch + 1 (214) 765 5876; amahad.brown@spglobal.com

### Table Of Contents

---

Rating Action

Stable Outlook

Credit Opinion

Related Research

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

## 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      |
| US\$2.855 mil GO rfdg bn ds ser 2021B dtd 05/01/2021 due 08/01/2033                          |           |          |
| <i>Long Term Rating</i>  | AA/Stable | New      |
| Sanger GO  |           |          |
| <i>Long Term Rating</i>  | AA/Stable | Affirmed |

### 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

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.standardandpoors.com](http://www.standardandpoors.com) for further information. Complete ratings information is available to subscribers of RatingsDirect at [www.capitaliq.com](http://www.capitaliq.com). All ratings affected by this rating action can be found on S&P Global Ratings' public website at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column.

*Summary: Sanger, Texas; General Obligation*

Copyright © 2021 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, [www.standardandpoors.com](http://www.standardandpoors.com) (free of charge), and [www.ratingsdirect.com](http://www.ratingsdirect.com) (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at [www.standardandpoors.com/usratingsfees](http://www.standardandpoors.com/usratingsfees).

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.

[WWW.STANDARDANDPOORS.COM/RATINGSDIRECT](http://WWW.STANDARDANDPOORS.COM/RATINGSDIRECT)

APRIL 5, 2021 8

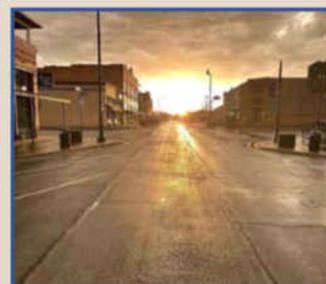
# SANGER MONTHLY REPORT SEPTEMBER 2022



September 2022

To keep the citizens of Sanger informed on the City's progress and performance, we publish this monthly report. The report from September 2022 is included here to supplement the performance indicators included in this document.

## Monthly Report



## Water

During the month of September 2022, Sanger Water Department cleaned 6 sewer service lines, installed 2 new water meters, 200 water and sewer service orders, and installed 24 new water meters. Visually, they read 814 water meters that were not read by the mobile collector. For the month of September, there were 3,278 active water connections and 3,256 active sewer connections.

Also, in the month of September, THI Well Services completed the warranty repairs on well #9. At startup the water division found the chemical booster pump at Well #9 had failed. A new pump is on order and we have one in stock to install. Rangeline Utilities made emergency 2" main line water repairs at 2518 Chippewa. Paterson Professional Services made a water line repair at Acker and Pecan. RLC Controls made some programming changes to the level control device at the Quail Run Lift Station. Curro Environmental collected several TCEQ mandated water samples at 215 Southside and 1601 Fairfield on September 21, 2022. The water division made a force main repair after a fiberoptic company hit the main while directional drilling on McReynolds.

There was one CODERED sent out for September for the Heritage West subdivision on 9/9/22. 54 out of 105 phone numbers were answered, there were 0 emails and 0 text messages for sent to this area.

## Streets

During the month of September 2022, Sanger Streets Department was able to patch multiple potholes. The Streets Department cleaned rocks of and near the railroad tracks on Willow Street, trimmed trees on Keaton Road, Cherry Street, 3<sup>rd</sup> Street, Duck Creek, Tejas Street, Wayne Street, and First Street for school bus clearance and easier view of oncoming traffic. Streets worked on replacing traffic and street signs at Tejas Street, Indian Lane, and repainted school zone lines. They checked drain inlets, some road repairs at Duck Creek, and put door hangers out in areas where Reynolds Asphalt crews will start work for the 2022 Road Rehabilitation project. Streets placed out barricades for two temporary street closures this month, one was for Sanger Homecoming, and the other was for American Legion's Car show.

## Police

During the month of September 2022, Officers of the Sanger Police Department responded to a total of 743 calls for service having an average response time of 10 minutes per call. The department issued a total of 67 citations and 62 warnings.

The Texas Department of Public Safety Uniform Crime Reporting tracks seven classifications of offenses. You will find below a list of those classifications as well as any of those classifications the Department responded to:

Criminal Homicide 0  
Forcible Rape 0  
Robbery 0  
Assault 6  
Burglary 5  
Larceny/Theft 18  
Motor Vehicle Theft 1  
Officer Assault 0

## Planning & Zoning

During the month of September 2022, Development Services met with several potential new developments. Staff will continue to work with them through our development process.

The Planning & Zoning Department was presented the following cases:

- Request for Zoning Change from Agricultural to PD – Recommended Approval
- Enderby Gas Addition – Minor Plat – Recommended Approval

The Zoning Board of Adjustments was presented the following case:

- No Cases

The City Council was presented the following cases:

- Request for Qualifications for rewrite of the Subdivision, Zoning and Sign Ordinance – Approved
- Ordinance No. 09-26-22 Future Land Use Map amendment – Approved
- Ordinance No. 09-27-22 zoning change from Agricultural to Industrial 1 - Approved
- Request to Select Antero Group for rewrite of the Subdivision, Zoning and Sign Ordinance - Approved

Staff conducted the following meetings relating to development (this does not include walk in or front counter meetings with applicants/citizens or phone calls)

- Pre- Application/Construction - 1
- Meetings with Developers/Landowners - 10
- Meetings with Builders/Building Owners - 2
- Organization Meetings (NTCOG, ICC, etc.) - 2
- Internal Meetings – 7
- Training - 1

## Parks, Recreation & Facility Maintenance

### **Parks:**

The Parks Staff have the mowers out and are ready for the long mowing season.

### **Facilities:**

Reservations fill up quickly and are on a first come first serve basis. You can find our facility rental calendars as well as the reservation forms for the Community Center, Church, and all pavilions on our website [www.sangertexas.org](http://www.sangertexas.org), under the Parks and Recreation tab. In September, we had 9 Community rentals, 2 Pavilion rentals, 2 Baseball field rentals, 7 Church rentals, and 1 Downtown rental.

### **Department Staff:**

Parks & Recreation Superintendent – Ryan Nolting  
Recreation Coordinator – Blake Junker  
Maintenance Worker II – Dean Mason  
Maintenance Worker I – Open  
Parks & Facility Maintenance Worker I - Open

## Library

- September was Library Card Sign-Up Month, and a higher-than-average number of people registered for cards: 42 new cards were issued.
- The majority of the library's programs had good attendance, including weekly Preschool Storytimes, monthly Legos, and monthly Book Club. Legos in particular brought in 19 total, including 11 children, 4 tweens/teens, and 4 adults.
- A new monthly program for tweens and teens, Art Afternoons, was held on September 27th, with four tweens participating.
- Many more orders for books and other materials were placed for replacements and new items before the end of the fiscal year. In addition to hundreds of books, Playaway audiobook players were ordered and a new online service, Ferguson's Career Guidance Center.
- Library staff created displays for Banned Books Week and Hispanic Heritage Month.

### Statistics:

- 2,044 physical items were checked out.
- 335 digital items were checked out.
- 42 new cardholders and a total of 3,905.
- 1,731 visits to the library.
- 71 reference questions answered
- 43 computer-related questions answered.

## Emergency Services

The Sanger Fire Department responded to 173 emergency incidents during the month of August. The top four busiest incident types:

- 107 Emergency Medical Incident
  - 27 Service calls
  - 16 Good Intent
  - 10 False Alarms
- 
- The busiest time of the day for the month of September. We had 11 calls for service within a one-hour period: 11:00-11:59 for the month of September.
  - The busiest day of the week for patient transports was Saturday with 18 transports during the month. We transported 69% of our patient contacts.
  - Emergency Medical calls accounted for 61 % of the total call volume.

The Sanger Fire Department also responded as part of the Texas Interstate Fire Mutual Aid System (TIFMAS) to the West Texas fires. Our crew members are not only certified as Structural firefighters, but also as Texas Wildland firefighters. This has been one of the busiest Wildland fire seasons since 2011.

## Finance

The Finance Department is responsible for all the City's financial, accounting, payroll, and utility billing operations. The department manages the City's resources through budgeting, purchasing, and reporting. Functions 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 annual budget document.

During the month of September 2022, the Finance Department:

- Presented the final budget and property tax ordinances for fiscal year 2022-2023 to City Council
- Worked with Tyler Technologies on an update to the City's financial management software

Staff also performed the following normal departmental functions for the city:

- Accounts Payable - Processed 357 Accounts Payable invoices totaling \$1,225,218
- Purchase Orders - Issued 56 Purchase Orders totaling \$463,838
- Payroll - Issued 168 payments to employees totaling \$295,871
- Utility Customer Service - Prepared 4,004 Utility bills and Collected 3,917 Utility account payments
- Financial Reporting – prepared monthly financial statements for City Council and biweekly internal budget reports for City staff.

## Electric Department

The FM 455 project is moving forward on the Electric side with an anticipated completion date of 12/31/2022.

During the month of September 2022, the Electric Department performed the following:

- Straightened Primary Poles on FM 455 Project.
- Held poles for Henkels and McCoy on the FM 455 Project.
- Pulled old pole at Acker Street and FM 455.
- Pulled old temp pole on FM 455.
- Replaced broken light pole at Acker Street and Porter Place.
- Trimmed trees on South Stemmons Freeway.
- Performed disconnects.
- Counted Inventory.

Also, during the month of September 2022 the Service Truck performed the following:

- Connects – 16
- Disconnects – 15
- Occupant change – 12
- Cutoff – 27
- Reinstates – 29
- Re-read – 17
- Line Locates – 140

## Economic Development

During the month of September 2022, the Economic Development Department performed the following:

### Prospect Engagement:

- 0 – Potentially interested / broker rumor
- 0 – Serious, but not engaged with ED
- 1 – Actively engaged, discussing options
- 0 – On hold/pending/dead

### Marketing:

- Economic Development Marketing Plan
- Economic Development Newsletter
- Trade show marketing material

### Education/Training/Networking

- 1 – Retail Live Conference
- 1 – Texas Economic Development Sales Tax Workshop

### Administrative Meetings:

- 0 – 4B Board Meeting
- 0 – 4A Board Meeting
- 1 – City Council Meeting

### Chamber of Commerce Events Participation:

- 1 – Board Meeting
- 1 – Business Over Breakfast
- 1 – Monthly Luncheon

### Projects:

- Economic Development Workforce Survey
- Porter Park Renovations

## Development Service

During the month of September, 22 Development Services had the following permits:

New Residential – 9  
Residential Remodel – 3  
New Commercial - 1  
Commercial Alterations – 1  
Miscellaneous- 33  
Certificate of Occupancy – 2  
Calls - 782

### Inspections:

New Residential – 194  
Residential Remodel – 8  
New Commercial - 9  
Commercial Alterations – 16  
Miscellaneous- 43  
Certificate of Occupancy – 2

### Code Enforcement:

|                                 |    |
|---------------------------------|----|
| Cases open                      | 91 |
| Complaint received              | 7  |
| Cases closed                    | 80 |
| Average # of days to close case | 25 |
| Citations issued                | 8  |
| Worker orders issued            | 7  |
| Liens filed                     | 1  |
| Signs pulled                    | 36 |

### Case violation types

|                                 |    |
|---------------------------------|----|
| High grass & weeds              | 83 |
| Trash & debris                  | 6  |
| Parked on an unimproved surface | 0  |
| Blocking sidewalk               | 0  |
| Junked Vehicle                  | 0  |
| Referred to another department  | 0  |
| Work without a permit           | 2  |
| Zoning violation                | 0  |
| Placement of Trash Containers   | 0  |
| Accessory Building Regulations  | 0  |

**Brush pile pickup program**

|   |                   |
|---|-------------------|
| 103 addresses on the pickup list          | (206 inspections) |
| 15 piles greater than 4 cu. yds.          | 14%               |
| 103 piles removed by Republic             |                   |
| 0 piles missed by Republic                |                   |
| 23 generated by citizens                  | 22%               |
| 4 on line                                 | 17%               |
| 19 calling in                             | 82%               |
| 80 generated by Code Enforcement          | 78%               |
| 33 Code Enforcement hours on this program |                   |

## Court

- For the month of September 2022, the Municipal Court filed 106 citations.
- There was 3 request for deferred disposition.
- There was 2 request for a driver safety course
- There was 4 case successfully closed by deferred disposition and 0 cases successfully closed by driver safety course.
- The court closed 39 cases by payment in full or time served.
- There were 34 warrants issued for the month.
- The total fines, court costs, and other fees collected were \$10,0099.00 with \$3,014.93 of that being remitted to the State.

# 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.   | <b>2021 total taxable value.</b> 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). <sup>1</sup> | \$ 898,898,382     |
| 2.   | <b>2021 tax ceilings.</b> 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. <sup>2</sup>   | \$ 0               |
| 3.   | <b>Preliminary 2021 adjusted taxable value.</b> Subtract Line 2 from Line 1.   | \$ 898,898,382     |
| 4.   | <b>2021 total adopted tax rate.</b>  | \$ 0.633711 /\$100 |
| 5.   | <b>2021 taxable value lost because court appeals of ARB decisions reduced 2021 appraised value.</b>  |                    |
|      | A. Original 2021 ARB values: .....   | \$ 0               |
|      | B. 2021 values resulting from final court decisions: .....   | -\$ 0              |
|      | C. 2021 value loss. Subtract B from A. <sup>3</sup>  | \$ 0               |
| 6.   | <b>2021 taxable value subject to an appeal under Chapter 42, as of July 25.</b>  |                    |
|      | A. 2021 ARB certified value: .....   | \$ 0               |
|      | B. 2021 disputed value: .....  | -\$ 0              |
|      | C. 2021 undisputed value. Subtract B from A. <sup>4</sup>  | \$ 0               |
| 7.   | <b>2021 Chapter 42 related adjusted values.</b> Add Line 5C and Line 6C.   | \$ 0               |

<sup>1</sup> Tex. Tax Code § 26.012(14)  
<sup>2</sup> Tex. Tax Code § 26.012(14)  
<sup>3</sup> Tex. Tax Code § 26.012(14)  
<sup>4</sup> Tex. Tax Code § 26.012(14)

| Line | No-New-Revenue Tax Rate Worksheet   | Amount/Rate    |
|------|---|----------------|
| 8.   | <b>2021 taxable value, adjusted for actual and potential court-ordered adjustments.</b> Add Line 3 and Line 7.  | \$ 898,898,382 |
| 9.   | <b>2021 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2021.</b> Enter the 2021 value of property in deannexed territory. <sup>5</sup>  | \$ 0           |
| 10.  | <b>2021 taxable value lost because property first qualified for an exemption in 2022.</b> 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.<br><b>A. Absolute exemptions.</b> Use 2021 market value:..... \$ 812,068<br><b>B. Partial exemptions.</b> 2022 exemption amount or 2022 percentage exemption times 2021 value:..... + \$ 1,167,000<br><b>C. Value loss.</b> Add A and B. <sup>6</sup>  | \$ 1,979,068   |
| 11.  | <b>2021 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/senic appraisal or public access airport special appraisal in 2022.</b> Use only properties that qualified in 2022 for the first time; do not use properties that qualified in 2021.<br><b>A. 2021 market value:</b> ..... \$ 0<br><b>B. 2022 productivity or special appraised value:</b> ..... - \$ 0<br><b>C. Value loss.</b> Subtract B from A. <sup>7</sup>  | \$ 0           |
| 12.  | <b>Total adjustments for lost value.</b> Add Lines 9, 10C and 11C.  | \$ 1,979,068   |
| 13.  | <b>2021 captured value of property in a TIF.</b> 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. <sup>8</sup> If the taxing unit has no captured appraised value in line 18D, enter 0.   | \$ 0           |
| 14.  | <b>2021 total value.</b> Subtract Line 12 and Line 13 from Line 8.  | \$ 896,919,314 |
| 15.  | <b>Adjusted 2021 total levy.</b> Multiply Line 4 by Line 14 and divide by \$100.  | \$ 5,683,876   |
| 16.  | <b>Taxes refunded for years preceding tax year 2021.</b> 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. <sup>9</sup>  | \$ 4,361       |
| 17.  | <b>Adjusted 2021 levy with refunds and TIF adjustment.</b> Add Lines 15 and 16. <sup>10</sup>   | \$ 5,688,237   |
| 18.  | <b>Total 2022 taxable value on the 2022 certified appraisal roll today.</b> 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. <sup>11</sup><br><b>A. Certified values:</b> ..... \$ 949,561,959<br><b>B. Counties:</b> Include railroad rolling stock values certified by the Comptroller's office:..... + \$ .....<br><b>C. Pollution control and energy storage system exemption:</b> Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property:..... - \$ 0<br><b>D. Tax increment financing:</b> 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. <sup>12</sup> ..... - \$ 0<br><b>E. Total 2022 value.</b> Add A and B, then subtract C and D. | \$ 949,561,959 |

<sup>5</sup> Tex. Tax Code § 26.0121(5)  
<sup>6</sup> Tex. Tax Code § 26.0121(5)  
<sup>7</sup> Tex. Tax Code § 26.0121(5)  
<sup>8</sup> Tex. Tax Code § 26.03(c)  
<sup>9</sup> Tex. Tax Code § 26.0121(3)  
<sup>10</sup> Tex. Tax Code § 26.0121(3)  
<sup>11</sup> Tex. Tax Code § 26.012, 26.04(c-2)  
<sup>12</sup> Tex. Tax Code § 26.03(c)

| Line | No-New-Revenue Tax Rate Worksheet   | Amount/Rate        |
|------|---|--------------------|
| 19.  | <b>Total value of properties under protest or not included on certified appraisal roll.</b> <sup>14</sup><br><b>A. 2022 taxable value of properties under protest.</b> 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. <sup>14</sup> ..... \$ 131,582,870<br><b>B. 2022 value of properties not under protest or included on certified appraisal roll.</b> 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. <sup>15</sup> ..... + \$ 0<br><b>C. Total value under protest or not certified.</b> Add A and B. \$ 131,582,870 |                    |
| 20.  | <b>2022 tax ceilings.</b> 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. <sup>16</sup>   | \$ 0               |
| 21.  | <b>2022 total taxable value.</b> Add Lines 18E and 19C. Subtract Line 20. <sup>17</sup>   | \$ 1,081,144,829   |
| 22.  | <b>Total 2022 taxable value of properties in territory annexed after Jan. 1, 2021.</b> Include both real and personal property. Enter the 2022 value of property in territory annexed. <sup>18</sup>  | \$ 0               |
| 23.  | <b>Total 2022 taxable value of new improvements and new personal property located in new improvements.</b> 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 <b>do</b> include property on which a tax abatement agreement has expired for 2022. <sup>19</sup>  | \$ 32,633,369      |
| 24.  | <b>Total adjustments to the 2022 taxable value.</b> Add Lines 22 and 23.  | \$ 32,633,369      |
| 25.  | <b>Adjusted 2022 taxable value.</b> Subtract Line 24 from Line 21.  | \$ 1,048,511,460   |
| 26.  | <b>2022 NNR tax rate.</b> Divide Line 17 by Line 25 and multiply by \$100. <sup>20</sup>  | \$ 0.542505 /\$100 |
| 27.  | <b>COUNTIES ONLY.</b> Add together the NNR tax rates for each type of tax the county levies. The total is the 2022 county NNR tax rate. <sup>21</sup>   | \$ /\$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.  | <b>2021 M&amp;O tax rate.</b> Enter the 2021 M&O tax rate.   | \$ 0.616576 /\$100 |
| 29.  | <b>2021 taxable value, adjusted for actual and potential court-ordered adjustments.</b> Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> . | \$ 898,898,382     |

<sup>14</sup> Tex. Tax Code § 26.011(c) and (d)  
<sup>15</sup> Tex. Tax Code § 26.011(c)  
<sup>16</sup> Tex. Tax Code § 26.011(d)  
<sup>17</sup> Tex. Tax Code § 26.012(a)(8)(B)  
<sup>18</sup> Tex. Tax Code § 26.012(a)(6)  
<sup>19</sup> Tex. Tax Code § 26.012(17)  
<sup>20</sup> Tex. Tax Code § 26.012(17)  
<sup>21</sup> Tex. Tax Code § 26.041(c)  
<sup>22</sup> Tex. Tax Code § 26.041(d)

| Line | Votee-Approval Tax Rate Worksheet  | Amount/Rate        |
|------|--|--------------------|
| 30.  | <b>Total 2021 M&amp;O levy.</b> Multiply Line 28 by Line 29 and divide by \$100  | \$ 5,542,391       |
| 31.  | <b>Adjusted 2021 levy for calculating NNR M&amp;O rate.</b>  |                    |
|      | <b>A. M&amp;O taxes refunded for years preceding tax year 2021.</b> 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>B. 2021 taxes in TIF.</b> 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             |
|      | <b>C. 2021 transferred function.</b> 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           |
|      | <b>D. 2021 M&amp;O levy adjustments.</b> Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function.....  | \$ 3,832           |
|      | <b>E. Add Line 30 to 31D.</b>  | \$ 5,546,223       |
| 32.  | <b>Adjusted 2022 taxable value.</b> Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .  | \$ 1,048,511,460   |
| 33.  | <b>2022 NNR M&amp;O rate (unadjusted).</b> Divide Line 31E by Line 32 and multiply by \$100.   | \$ 0.528961 /\$100 |
| 34.  | <b>Rate adjustment for state criminal justice mandate.<sup>23</sup></b>  |                    |
|      | <b>A. 2022 state criminal justice mandate.</b> 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>B. 2021 state criminal justice mandate.</b> 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             |
|      | <b>C. Subtract B from A and divide by Line 32 and multiply by \$100.....</b>   | \$ 0 /\$100        |
|      | <b>D. Enter the rate calculated in C. If not applicable, enter 0.</b>  | \$ 0 /\$100        |
| 35.  | <b>Rate adjustment for indigent health care expenditures.<sup>24</sup></b>   |                    |
|      | <b>A. 2022 indigent health care expenditures.</b> 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>B. 2021 indigent health care expenditures.</b> 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             |
|      | <b>C. Subtract B from A and divide by Line 32 and multiply by \$100.....</b>   | \$ 0 /\$100        |
|      | <b>D. Enter the rate calculated in C. If not applicable, enter 0.</b>  | \$ 0 /\$100        |

<sup>23</sup> Reserved for expansion  
<sup>24</sup> Tex. Tax Code § 26.044  
<sup>25</sup> Tex. Tax Code § 26.0441

| Line | Voter-Approval Tax Rate Worksheet   | Amount/Rate |
|------|---|-------------|
| 36.  | <p><b>Rate adjustment for county indigent defense compensation.</b> <sup>25</sup></p> <p><b>A. 2022 indigent defense compensation expenditures.</b> 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</p> <p><b>B. 2021 indigent defense compensation expenditures.</b> 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</p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100. . . . . \$ _____ 0/\$100</p> <p><b>D.</b> Multiply B by 0.05 and divide by Line 32 and multiply by \$100. . . . . \$ _____ 0/\$100</p> <p><b>E.</b> Enter the lesser of C and D. If not applicable, enter 0. . . . . \$ _____ 0/\$100</p> |             |
| 37.  | <p><b>Rate adjustment for county hospital expenditures.</b> <sup>26</sup></p> <p><b>A. 2022 eligible county hospital expenditures.</b> 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</p> <p><b>B. 2021 eligible county hospital expenditures.</b> 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</p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100. . . . . \$ _____ 0/\$100</p> <p><b>D.</b> Multiply B by 0.08 and divide by Line 32 and multiply by \$100. . . . . \$ _____ 0/\$100</p> <p><b>E.</b> Enter the lesser of C and D, if applicable. If not applicable, enter 0. . . . . \$ _____ 0/\$100</p>  |             |
| 38.  | <p><b>Rate adjustment for defunding municipality.</b> 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.</p> <p><b>A. Amount appropriated for public safety in 2021.</b> Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year. . . . . \$ _____ 0</p> <p><b>B. Expenditures for public safety in 2021.</b> Enter the amount of money spent by the municipality for public safety during the preceding fiscal year. . . . . \$ _____ 0</p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100. . . . . \$ _____ 0/\$100</p> <p><b>D.</b> Enter the rate calculated in C. If not applicable, enter 0. . . . . \$ _____ 0/\$100</p>   |             |
| 39.  | <p><b>Adjusted 2022 NNR M&amp;O rate.</b> Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D. . . . . \$ _____ 0.528961/\$100</p>  |             |
| 40.  | <p><b>Adjustment for 2021 sales tax specifically to reduce property values.</b> Cities, counties and hospital districts that collected and spent additional sales tax on M&amp;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.</p> <p><b>A.</b> Enter the amount of additional sales tax collected and spent on M&amp;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</p> <p><b>B.</b> Divide Line 40A by Line 32 and multiply by \$100. . . . . \$ _____ 0/\$100</p> <p><b>C.</b> Add Line 40B to Line 39. . . . . \$ _____ 0.528961/\$100</p>  |             |
| 41.  | <p><b>2022 voter-approval M&amp;O rate.</b> Enter the rate as calculated by the appropriate scenario below:</p> <p><b>Special Taxing Unit.</b> If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08.</p> <p>- or -</p> <p><b>Other Taxing Unit.</b> If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035. . . . . \$ _____ 0.547474/\$100</p>   |             |

<sup>25</sup> Tex. Tax Code § 26.0442  
<sup>26</sup> Tex. Tax Code § 26.0443

| Line        | Voter-Approval Tax Rate Worksheet  | Amount/Rate        |
|-------------|--|--------------------|
| <b>D41.</b> | <p><b>Disaster Line 41 (D41): 2022 voter-approval M&amp;O rate for taxing unit affected by disaster declaration.</b> 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</p> <p>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</p> <p>2) the third tax year after the tax year in which the disaster occurred</p> <p>If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08.<sup>27</sup> If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).</p>  | \$ _____ 0 /\$100  |
| <b>42.</b>  | <p><b>Total 2022 debt to be paid with property taxes and additional sales tax revenue.</b> Debt means the interest and principal that will be paid on debts that:</p> <p>(1) are paid by property taxes,</p> <p>(2) are secured by property taxes,</p> <p>(3) are scheduled for payment over a period longer than one year, and</p> <p>(4) are not classified in the taxing unit's budget as M&amp;O expenses.</p> <p><b>A. Debt</b> 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.<sup>28</sup></p> <p>Enter debt amount ..... \$ 388,089</p> <p><b>B. Subtract unencumbered fund amount</b> used to reduce total debt ..... - \$ 10,000</p> <p><b>C. Subtract certified amount spent from sales tax to reduce debt</b> (enter zero if none) ..... - \$ 0</p> <p><b>D. Subtract amount paid</b> from other resources ..... - \$ 212,500</p> <p><b>E. Adjusted debt.</b> Subtract B, C and D from A.</p> | \$ 165,589         |
| <b>43.</b>  | <b>Certified 2021 excess debt collections.</b> Enter the amount certified by the collector. <sup>29</sup>  | \$ 11,104          |
| <b>44.</b>  | <b>Adjusted 2022 debt.</b> Subtract Line 43 from Line 42E.   | \$ 154,485         |
| <b>45.</b>  | <p><b>2022 anticipated collection rate.</b></p> <p><b>A.</b> Enter the 2022 anticipated collection rate certified by the collector.<sup>30</sup> ..... 100.00%</p> <p><b>B.</b> Enter the 2021 actual collection rate ..... 100.27%</p> <p><b>C.</b> Enter the 2020 actual collection rate ..... 97.90%</p> <p><b>D.</b> Enter the 2019 actual collection rate ..... 99.86%</p> <p><b>E.</b> 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%.<sup>31</sup></p>   | 100.00%            |
| <b>46.</b>  | <b>2022 debt adjusted for collections.</b> Divide Line 44 by Line 45E.   | \$ 154,485         |
| <b>47.</b>  | <b>2022 total taxable value.</b> Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .   | \$ 1,081,144,829   |
| <b>48.</b>  | <b>2022 debt rate.</b> Divide Line 46 by Line 47 and multiply by \$100.  | \$ 0.014289 /\$100 |
| <b>49.</b>  | <b>2022 voter-approval tax rate.</b> Add Lines 41 and 48.  | \$ 0.561763 /\$100 |
| <b>D49.</b> | <p><b>Disaster Line 49 (D49): 2022 voter-approval tax rate for taxing unit affected by disaster declaration.</b> 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.</p>   | \$ _____ /\$100    |

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

| Line | Voter-Approval Tax Rate Worksheet   | Amount/Rate       |
|------|---|-------------------|
| 50.  | <b>COUNTIES ONLY.</b> 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.  | <b>Taxable Sales.</b> 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. <sup>32</sup> 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.  | <b>Estimated sales tax revenue.</b> Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. <sup>33</sup><br><b>Taxing units that adopted the sales tax in November 2021 or in May 2022.</b> Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. <sup>34</sup><br>-or-<br><b>Taxing units that adopted the sales tax before November 2021.</b> Enter the sales tax revenue for the previous four quarters. Do not multiply by .95. | \$ _____ 0         |
| 53.  | <b>2022 total taxable value.</b> Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .   | \$ 1,081,144,829   |
| 54.  | <b>Sales tax adjustment rate.</b> Divide Line 52 by Line 53 and multiply by \$100.   | \$ _____ 0 /\$100  |
| 55.  | <b>2022 NNR tax rate, unadjusted for sales tax.</b> <sup>35</sup> Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .  | \$ 0.542505 /\$100 |
| 56.  | <b>2022 NNR tax rate, adjusted for sales tax.</b><br><b>Taxing units that adopted the sales tax in November 2021 or in May 2022.</b> Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2021.  | \$ 0.542505 /\$100 |
| 57.  | <b>2022 voter-approval tax rate, unadjusted for sales tax.</b> <sup>36</sup> 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.  | <b>2022 voter-approval tax rate, adjusted for sales tax.</b> 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.  | <b>Certified expenses from the Texas Commission on Environmental Quality (TCEQ).</b> Enter the amount certified in the determination letter from TCEQ. <sup>37</sup> The taxing unit shall provide its tax assessor-collector with a copy of the letter. <sup>38</sup> | \$ _____ 0         |
| 60.  | <b>2022 total taxable value.</b> Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .   | \$ 1,081,144,829   |
| 61.  | <b>Additional rate for pollution control.</b> Divide Line 59 by Line 60 and multiply by \$100.   | \$ _____ 0 /\$100  |
| 62.  | <b>2022 voter-approval tax rate, adjusted for pollution control.</b> 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 |

<sup>32</sup> Tex. Tax Code § 26.011(d)  
<sup>33</sup> Tex. Tax Code § 26.011(i)  
<sup>34</sup> Tex. Tax Code § 26.011(d)  
<sup>35</sup> Tex. Tax Code § 26.04(c)  
<sup>36</sup> Tex. Tax Code § 26.04(c)  
<sup>37</sup> Tex. Tax Code § 26.045(d)  
<sup>38</sup> 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.<sup>39</sup> 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;<sup>40</sup>
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);<sup>41</sup> 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.<sup>42</sup>

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

| Line | Unused Increment Rate Worksheet  | Amount/Rate              |
|------|--|--------------------------|
| 63.  | <b>2021 unused increment rate.</b> 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.  | <b>2020 unused increment rate.</b> 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.  | <b>2019 unused increment rate.</b> 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.  | <b>2022 unused increment rate.</b> Add Lines 63, 64 and 65.  | \$ _____ 0 /\$100        |
| 67.  | <b>2022 voter-approval tax rate, adjusted for unused increment rate.</b> 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.<sup>44</sup>

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.<sup>45</sup>

| Line | De Minimis Rate Worksheet  | Amount/Rate              |
|------|--|--------------------------|
| 68.  | <b>Adjusted 2022 NNR M&amp;O tax rate.</b> Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i> . | \$ _____ 0.528961 /\$100 |
| 69.  | <b>2022 total taxable value.</b> Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .           | \$ _____ 1,081,144,829   |
| 70.  | <b>Rate necessary to impose \$500,000 in taxes.</b> Divide \$500,000 by Line 69 and multiply by \$100.                   | \$ _____ 0.046247 /\$100 |
| 71.  | <b>2022 debt rate.</b> Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .                     | \$ _____ 0.014289 /\$100 |
| 72.  | <b>De minimis rate.</b> 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.<sup>46</sup>

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.<sup>47</sup>

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.

<sup>39</sup> Tex. Tax Code § 26.013(a)  
<sup>40</sup> Tex. Tax Code § 26.013(c)  
<sup>41</sup> Tex. Tax Code §§ 26.0501 (a) and (c)  
<sup>42</sup> Tex. Local Gov't Code § 120.002(d) effective Jan. 1, 2022  
<sup>43</sup> Tex. Tax Code § 26.063(a)(1)  
<sup>44</sup> Tex. Tax Code § 26.012(a)  
<sup>45</sup> Tex. Tax Code § 26.063(a)(1)  
<sup>46</sup> Tex. Tax Code § 26.042(b)  
<sup>47</sup> 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.  | <b>2021 adopted tax rate.</b> Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .   | \$ 0.633711 / \$100 |
| 74.  | <b>Adjusted 2021 voter-approval tax rate.</b> Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line.<br>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.<br>- or -<br>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. <sup>49</sup> Enter the final adjusted 2021 voter-approval tax rate from the worksheet.<br>- or -<br>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.  | <b>Increase in 2021 tax rate due to disaster.</b> Subtract Line 74 from Line 73.   | \$ 0.633711 / \$100 |
| 76.  | <b>Adjusted 2021 taxable value.</b> Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .  | \$ 896,919,314      |
| 77.  | <b>Emergency revenue.</b> Multiply Line 75 by Line 76 and divide by \$100.   | \$ 5,683,876        |
| 78.  | <b>Adjusted 2022 taxable value.</b> Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .  | \$ 1,048,511,460    |
| 79.  | <b>Emergency revenue rate.</b> Divide Line 77 by Line 78 and multiply by \$100. <sup>49</sup>  | \$ 0 / \$100        |
| 80.  | <b>2022 voter-approval tax rate, adjusted for emergency revenue.</b> 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:

|   |                     |
|---|---------------------|
| <b>No-new-revenue tax rate.</b> .....<br>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 |
| <b>Voter-approval tax rate.</b> .....<br>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 |
| <b>De minimis rate.</b> .....<br>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. <sup>50</sup>



Printed Name of Taxing Unit Representative \_\_\_\_\_



Taxing Unit Representative \_\_\_\_\_

Date \_\_\_\_\_

<sup>49</sup> Tex: Tax Code §26.042(c)  
<sup>50</sup> Tex: Tax Code §26.042(b)  
<sup>51</sup> 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.

|  |                  |
|--|------------------|
| <b>This year's no-new-revenue tax rate</b> | \$0.542505/\$100 |
| <b>This year's voter-approval tax rate</b> | \$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<br>Payment to be Paid<br>from Property Taxes | Interest to be<br>Paid from<br>Property Taxes | Other Amounts<br>to be Paid | Total Payment |
|--|--|---|-----------------------------|---------------|
| 2007 CERTIFICATES OF<br>OBLIGATION             | 37,400   | 8,826   | 0                           | 46,226        |
| 2013 CERTIFICATES OF<br>OBLIGATION             | 24,000   | 720   | 0                           | 24,720        |
| 2019 GO REFUNDING<br>BONDS                     | 220,000  | 32,100  | 0                           | 252,100       |
| 2021 GO REFUNDING<br>BONDS                     | 6,600  | 5,158   | 0                           | 11,758        |
| GOVERNMENT CAPITAL<br>STREET EQUIPMENT<br>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](http://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.

# 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**

An acquisition or an improvement that will have a life of more than one year and cost more than \$5,000. Repairs that do not extend the life of an asset do not qualify.

## **Capital Project**

A specific project in the Capital Projects Fund or in the Enterprise Capital Projects Fund. These major projects (e.g., parks, buildings, streets, water lines) have a long-term nature and are constructed for the public good.

## **Capital Projects Funds**

Funds that have been created to account for financial resources to be used to acquire or construct major capital projects (see above).

## **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 in 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.