

SANGER

★ TEXAS

OFFICIAL BUDGET

FISCAL YEAR 2020-2021



Local Government Code Sec. 102.007 requires 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 \$411,267 (8.60%), and of that amount \$248,504 is tax revenue to be raised from new property added to the tax roll this year.

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
Alan Chick, Councilmember Place 4
David Clark, Councilmember Place 5

AGAINST: *None*

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

PROPERTY TAX RATE COMPARISON	2019-2020	2020-2021
Property Tax Rate	\$0.679100/\$100	\$0.679100/\$100
No New Revenue Tax Rate	\$0.668208/\$100	\$0.662164/\$100
No New Revenue Maintenance & Operations Tax Rate	\$0.561842/\$100	\$0.579126/\$100
Voter Approval Tax Rate	\$0.694312/\$100	\$0.673039/\$100
Debt Rate	\$0.087523/\$100	\$0.073644/\$100

Total debt obligation for the City of Sanger secured by property taxes: \$2,935,499

CITY OF SANGER, TEXAS
ANNUAL BUDGET
OCTOBER 1, 2020 – SEPTEMBER 30, 2021

SUBMITTED TO
THE MAYOR AND CITY COUNCIL
SEPTEMBER 21, 2020

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

DAVID CLARK
Council Member, Place 5

BUDGET PREPARED BY

ALINA CIOCAN
City Manager

CLAYTON GRAY
Finance Director



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Sanger

Texas

For the Fiscal Year Beginning

October 1, 2019

Christopher P. Morrill

Executive Director

TABLE OF CONTENTS

INTRODUCTION

Budget Message	11
Strategic Planning for Results	20
Comprehensive Plan	21
Organizational Values	22
Organization Chart	23
Authorized Personnel	24
Budget Calendar	25
The Budget Process	26
List of Funds	27
Fund Relationship with Functional Areas	28
About Sanger	29
Ordinance Adopting the Annual Budget	34
Ordinance Adopting the Property Tax Rate	36

BUDGET SUMMARY

2020-2021 Budget at a Glance	38
2020-2021 Budget by Fund	40
Revenues, Expenditures & Changes in Fund Balance	42
Combined Funds Budget Summary (Detailed)	48
Combined Funds Budget Summary	50

FUNDS IN DETAIL

GENERAL FUND	
Overview	53
Budget Summary	54
Revenues	56
Departmental Budgets	
Police	60
Animal Control	62
Fire	64
Municipal Court	66
Development Services	68
Streets	70
Parks	72
Recreation	74
Library	76
Solid Waste	78
Transfers to Other Funds	80

TABLE OF CONTENTS (continued)

DEBT SERVICE FUND	
Overview	83
Budget Summary.....	84
Expenditures	86
Debt Service Requirements.....	87
ENTERPRISE FUND	
Overview	89
Budget Summary.....	90
Revenues	93
Departmental Budgets	
Water	94
Waste Water	96
Electric	98
Debt Service	100
Transfers to Other Funds.....	102
ENTERPRISE DEBT SERVICE FUND	
Overview	105
Budget Summary.....	106
Expenditures	108
Debt Service Requirements.....	109
INTERNAL SERVICE FUND	
Overview	111
Budget Summary.....	112
Departmental Budgets	
City Council.....	114
Administration	116
Public Works Administration	118
Finance	120
Engineering.....	122
Fleet Services	124
Facilities	126
Non-Departmental.....	128
4A CORPORATION FUND	
Overview	131
Budget Summary.....	132
Revenues	135
Economic Development Expenditures.....	136

TABLE OF CONTENTS (continued)

4B CORPORATION FUND	
Overview	139
Budget Summary.....	140
Revenues	143
Economic Development Expenditures.....	144

SPECIAL REVENUE FUNDS

Overview	147
Budget Summary.....	148
Combined Schedule of Special Revenue Funds	149
Hotel/Motel Tax Fund	150
General Storm Recovery Fund.....	151
Electric Storm Recovery Fund.....	152
Beautification Fund.....	153
Library Restricted Fund	154
Parkland Dedication Fund	155
Roadway Impact Fee Fund	156
Court Security Fund.....	157
Court Technology Fund	158
Child Safety Fund.....	159
Police Donations Fund	160
Fire Donations Fund.....	161
Park Donations Fund.....	162
Library Donations Fund	163

CAPITAL PROJECTS FUNDS AND CAPITAL IMPROVEMENT PLAN

Overview	167
Budget Summary.....	168
Capital Projects Fund	169
Enterprise Capital Projects Fund.....	170
Capital Improvement Plan	171
Capital Projects Summary 2019-2025	174

APPENDIX

General Fund Five Year Financial Projection	178
Approved Departmental Capital Equipment Requests	180
Financial Management Policy.....	189
Investment Policy	196
Debt Service Schedules	201
Standard & Poor's Rating Report	205
City of Sanger Monthly Report for September 2019.....	212
2020 Tax Rate Calculation Worksheet	241
Glossary of Terms.....	260



INTRODUCTION



BUDGET MESSAGE

Introduction

We are pleased to present the FY 2020-2021 Budget for the City of Sanger.

The last several years the city has experienced steady growth. The number of residential building permits has increased and there have been more proposed development projects going through the permitting process than ever before. With growth comes additional challenges and our job is to balance the services our citizens want while looking ahead to ensure the sustainability of our community and address future needs. Our commitment is to achieving this balance while exercising responsible fiscal management.

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.

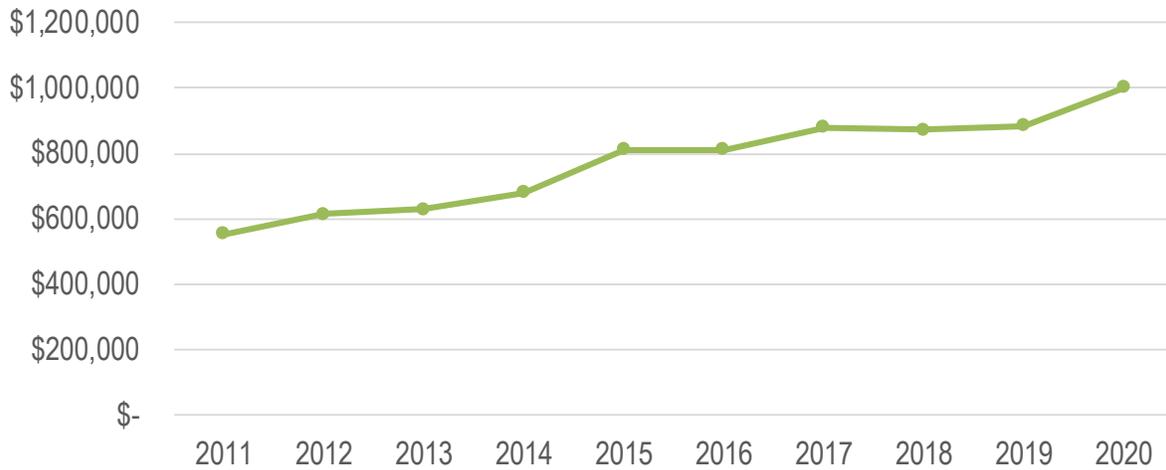
The intent of this budget message is to explain both the structure of the budget and the atmosphere in which it was created. Following the same format as previous years, the budget message outlines the highlights of this year's budget. It also discusses the City's Strengths, Weaknesses, Opportunities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

Currently, we are operating in an unprecedented environment due to the COVID-19 pandemic that has impacted everyday life not just here in Sanger but in many parts of the country and the world. The City has had to adapt and adjust to the unique challenges posed by this public health crisis and will continue to do so as this situation remains. At this time, it is very difficult to project the long-term impacts of COVID-19 on the economy.

The housing market is still strong, and demand continues to be high due to the shortage of housing in the area. 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 2019-2020 should end the year above projections. For FY 2020-2021 we are projecting General Fund Sales Tax Revenues of \$925,000.

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. Construction on the rehabilitation of the wastewater treatment plant is almost complete and should be finalized in the upcoming months. 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 2020 - 2021.

FY 2020 - 2021 Budget Highlights

Capital Equipment

The proposed budget includes the following Capital Equipment.

Department	Category	Description	Amount
Police	Vehicles	2 Police Patrol Vehicles	\$114,000
Fire	Mobile Equipment	Command Truck	\$55,000
Fire	Equipment	MSA Carbon Fiber SCBA Bottles	\$210,000

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 original requests submitted that have been approved for inclusion in the current budget will be included in the appendix section of the budget document.

Internal Service Fund

Some departments have responsibilities in both the General Fund and Enterprise Fund. To 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 will still be allocated to the funds at year end so that each fund's true cost can be reflected in the audit.

Personnel

I am recommending a 3% raise for employees again this year. In the current economic climate, it is imperative that we stay competitive on wages and benefits to keep from 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) Customer Service Supervisor in the Finance Department, one (1) Administrative Assistant in the Administration Department, (1) Electric Tech/Groundman in the Electric Department, and one (1) Assistant Fire-Chief/Fire Marshall in the Fire 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.

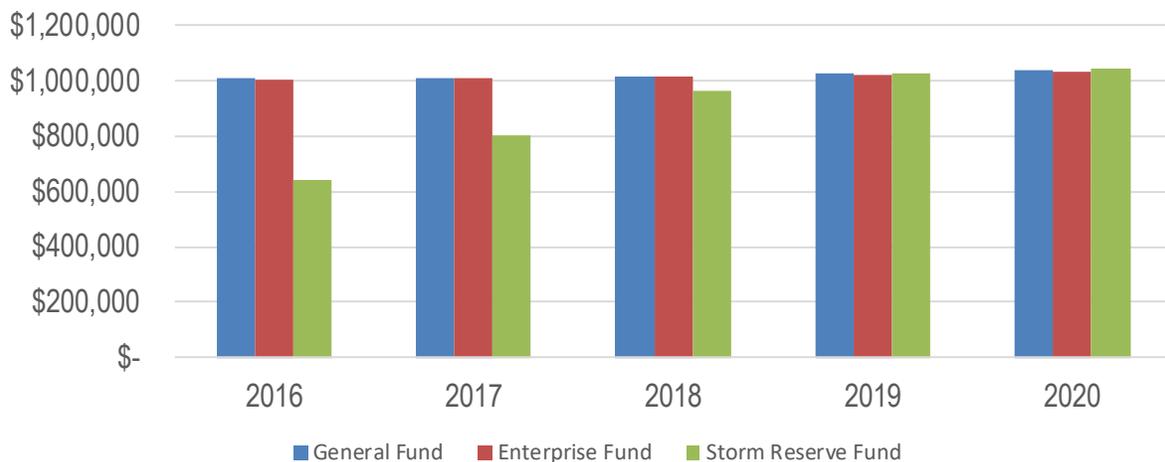
Capital Projects

Capital projects are discussed in detail in the Capital Improvement Plan included in the overall budget. This year capital projects continuing, work related to the relocation of utilities along FM 455, the rehabilitation of several streets in the city as well as determining the feasibility of the stream restoration project.

Reserve

The Council set a goal of increasing emergency reserves to \$2,000,000. We realized that goal at the end of the 2014 Budget Year. The resolution also created a “Storm Reserve Fund”. In FY 2020-2021 this fund is funded by 2% of electric utility revenue and is intended to be used in the event of extensive storm damage to the City’s infrastructure. Currently, total reserves are approximately \$3.1 million.

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 increase in construction and low unemployment. 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 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. This is also a 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 \$400,000 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. Last year, according to an article in the Denton Record Chronicle, which referenced information from the Denton Central Appraisal District, the average taxable home value in Denton County was \$333,406. The average taxable home value in Sanger was \$180,818. This results 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.

Opportunities

Industrial Development

As mentioned under strengths, 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 extend water and wastewater lines to potential industrial sites along I35 to entice industrial development.

Residential Development

Currently, there are 152 new home starts. Several new phases of existing developments are underway or have residential lots that have just been released for construction. Staff and Council have been encouraging a greater mix in housing and we are starting to see our 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 \$181,000. At that value, a home will generate approximately \$1,229 in City property tax each year. In comparison, a \$300,000 home generates approximately \$2040 at the same tax rate. Simply put, higher priced homes translate into lower property taxes and increased services for everyone.

Commercial Development

Commercial development will follow residential development. Sanger is experiencing some commercial growth and should see more as the area's population increases. The good news is that Sanger has plenty of developable commercial property. We have invested heavily in bring 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

As mentioned earlier, we are facing an unprecedented situation due to the COVID-19 pandemic. 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 highly likely.

Another significant threat is action taken by State Legislature. The 86th Legislature passed several bills that have a direct impact on cities. One of them is Senate Bill 2 (effective January 1, 2020), which makes numerous changes to the process for adopting property tax rates. The bill lowers the city property tax rollback rate 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.

Understanding the Municipal Budget

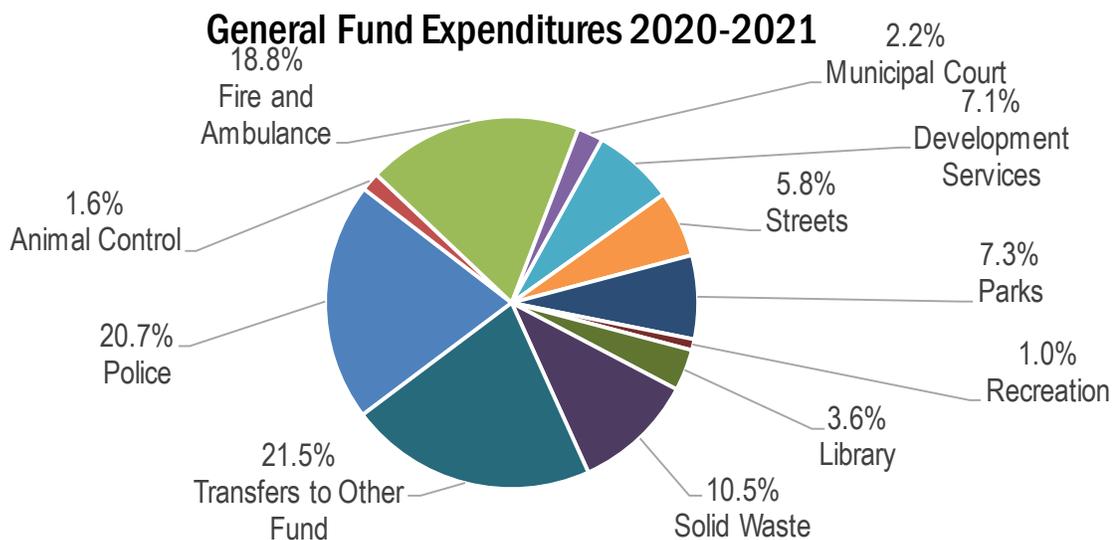
This section is intended to give the reader an overview of how the budget works. Municipal budgets are governed by Federal and State Statutes and local regulations. The intent here is not to explain every requirement for municipal budgeting but to discuss generally how the budget works.

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

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

General Fund

The General Fund is the fund used to finance the operations of general government. The General Fund includes Public Safety, a portion of Public Works, Community Services, Sanitation, and a portion of Administrative and Support Services. Public Safety includes: Police, Municipal Court, Animal Control, Code Enforcement, Fire and Ambulance departments. Sanitation is solid waste (Sanitation 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.

Several years ago, 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.

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 \$400,000 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 Fund and Capital Projects Fund

The Debt Service Fund is where long term, property tax funded debt is paid. The Capital Projects Fund is where expenditures on Capital Projects are paid. Both debt service and capital projects 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 \$12,000 a year in HOT taxes to the Sanger Chamber of Commerce for marketing.

New Funds

The following new funds have been added to the budget this year:

- **Enterprise Debt Service Fund** has been established to pay for funded debt of the Enterprise Fund. Previously, debt payments were budgeted directly in the Enterprise Fund
- **Electric Storm Recovery Fund** has been established to set aside designated monies to repair electric system damage from storms. Previously, these monies were accounted for in a separate bank account in the Enterprise Fund.
- **General Storm Recovery Fund** has been established to set aside designated monies for storm recovery expenses of the General Fund, such as repairing damages to streets or parks.

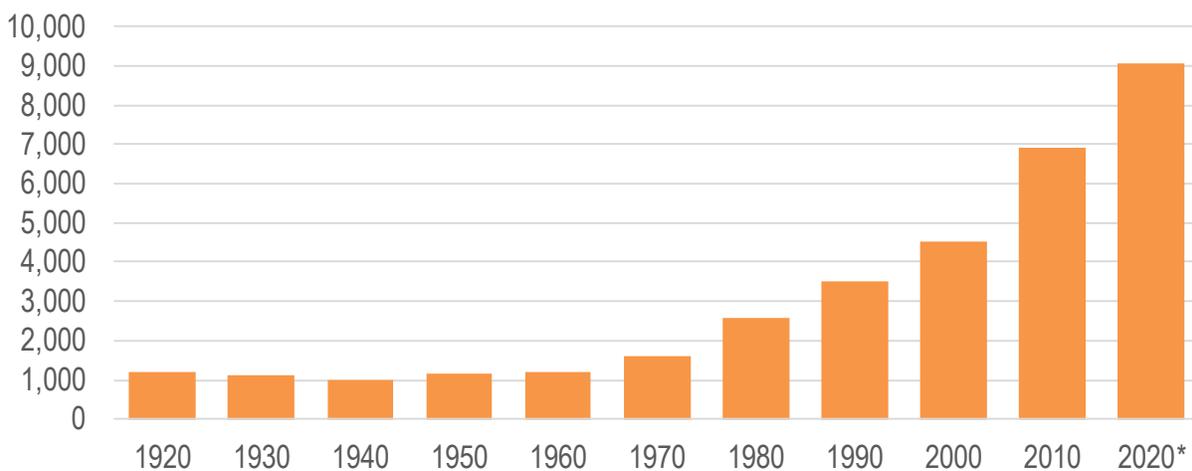
Looking Toward the Future

The Dallas-Fort Worth area continues to add new residents each year. According to the U.S. Census Bureau population estimates for July 1, 2019, 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. Since 2000, Sanger's population has grown 94% from 4,534 to 8,800.

Population Growth



Currently, DATCU Credit Union is in the process of building a permanent branch in Sanger, and Holiday Inn Express is now complete and operational. 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

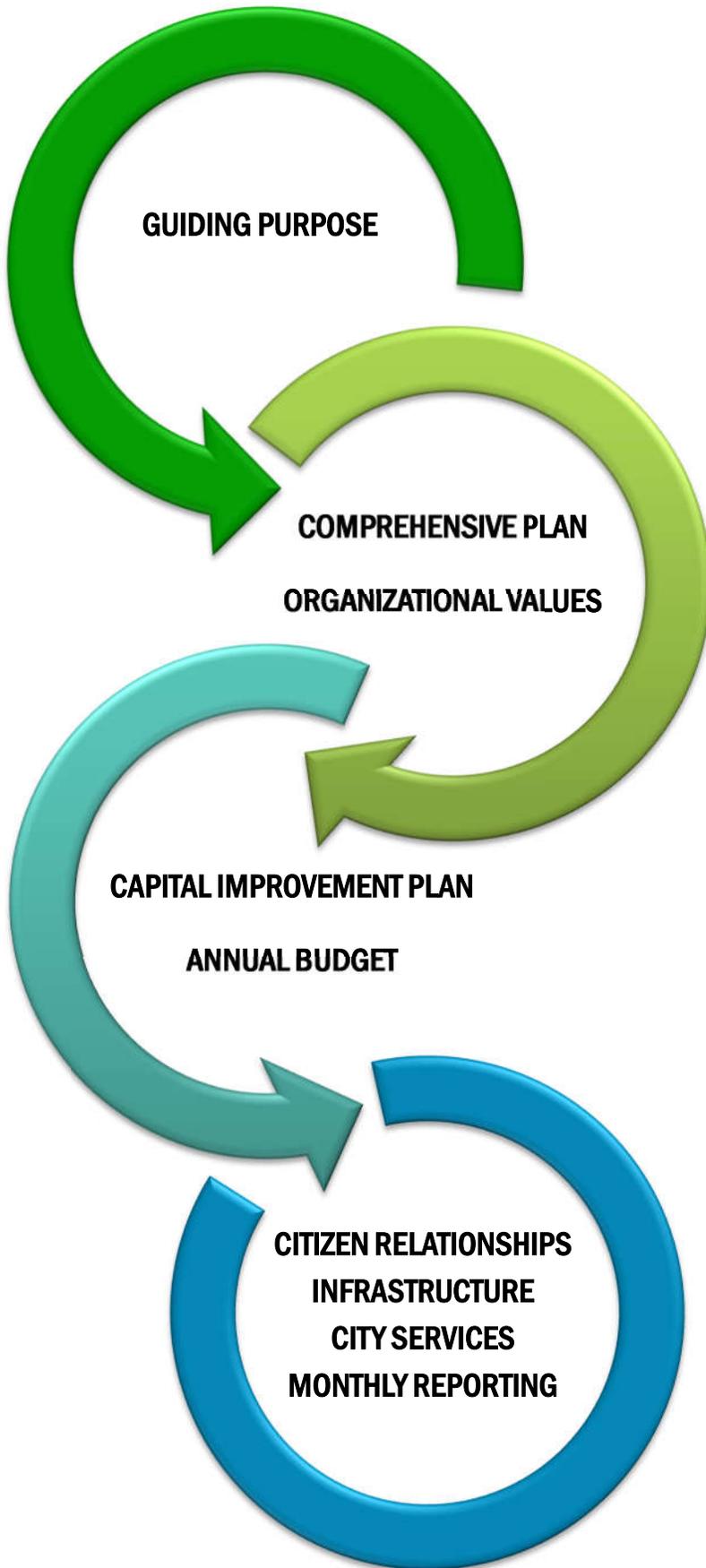
Staff has prepared a conservative budget that addresses both our short term and long-term needs. We will closely monitor both revenues and expenses throughout the year as well as the economic impacts that may potentially arise due to COVID-19 and be prepared to adjust accordingly as conditions dictate.

Staff have worked hard and kept up with their responsibilities while focusing on delivering quality services. They have willingly accepted cross training so they could help out in other departments when needed. I want to commend all of our employees for their hard work and dedication this year

I also want to thank the Mayor and Council for their continued support and leadership. The Citizens of Sanger are fortunate to have such people guiding the City.

Alina Ciocan
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 this purpose, the Sanger City Council has adopted a Comprehensive Plan (page 21) and City Staff has developed a set of Organizational Values (page 22) to guide City operations.

P L A N

To implement this vision, the Annual Budget and Capital Improvement Plan are developed each year as strategic planning documents. The City's 2020-2021 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.

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 2020 is presented on page 210.

COMPREHENSIVE PLAN

The Sanger City Council adopted a Comprehensive Plan to provide guidance for the future in 2007. This Plan included a specific set of goals, which are tangible directives raised by citizens to guide the development of the City into the next century. These goals are general statements of the community's desired ultimate physical, social, economic, and environmental status. These goals set the standard with respect to the community's desired quality of life.

Comprehensive Plan

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.



Improve Sanger's street network.



Encourage job development in Sanger.



Encourage development of quality single family residential neighborhoods in Sanger.



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

ORGANIZATIONAL VALUES

The City has adopted a set of Organizational Values, which are meant to inspire and direct City employees as they work together.

Organizational Values

We respect each other.

We communicate.

We perform quality work.

We are responsive to our customers.

We behave ethically.

We have an attitude of service.

We are proactive.

We focus on our customers.

We work together.

ORGANIZATIONAL CHART



AUTHORIZED PERSONNEL

Fund & Department	2018-2019	2019-2020	2020-2021
General Fund Authorized Personnel			
Police	16.0	16.0	16.0
Animal Control	1.0	1.0	1.0
Fire	32.0	33.0	34.0
Municipal Court	4.0	4.0	4.0
Development Services	4.0	6.0	6.0
Streets	4.0	4.0	4.0
Parks	4.0	3.5	3.5
Recreation	1.0	1.0	1.0
Library	6.0	6.0	6.0
General Fund Totals	72.0	74.5	75.5
Enterprise Fund Authorized Personnel			
Water	6.0	6.0	6.0
Waste Water	3.0	3.0	3.0
Electric	6.0	6.0	7.0
Enterprise Fund Totals	15.0	15.0	16.0
Internal Service Fund Authorized Personnel			
Administration	3.0	3.0	4.0
Public Works Administration	3.0	1.0	1.0
Finance	4.0	4.0	5.0
Engineering	-	2.5	2.5
Fleet Services	1.0	1.0	1.0
Internal Service Fund Totals	11.0	11.5	13.5
4A Fund Authorized Personnel			
Administration	1.0	1.0	1.0
4A Fund Totals	1.0	1.0	1.0
Total Authorized Personnel	99.0	102.0	106.0

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

The following four positions are new this year:

- Assistant Fire Chief/Fire Marshall – Fire Department
- Electric Tech/Groundman – Electric Department
- Administrative Assistant – Administration Department
- Customer Service Supervisor – Finance Department

BUDGET CALENDAR



THE CITY OF SANGER, TEXAS BUDGET CALENDAR FY 2020-2021	
Date	Action
Monday, April 13, 2020 - Friday, April 17, 2020	City Manager and Finance Director meet individually with Directors for mid-year budget review
Wednesday, April 29, 2020	Budget Materials Distributed to
Monday, April 20, 2020 - Tuesday, June 30, 2020	Preliminary Budget Prepared
Tuesday, June 16, 2020	City Manager, Finance Director and all Directors meet to review individual departmental requested budgets
Tuesday, June 30, 2020	Preliminary Budget Completed
Monday, July 6, 2020	Directors Present Budget Requests to City Council
Monday, July 20, 2020	City Council Budget Workshop
Saturday, July 25, 2020	Chief Appraiser Certifies Tax Roll
Friday, July 31, 2020	Proposed budget submitted to City Council Budget Filed with the City Secretary and Posted on the City's Website
Monday, August 17, 2020	Submit No-New-Revenue and Voter-Approval Tax Rates to City Council
Sunday, August 30, 2020	Publish Notice of Public Hearing on Budget Publish Notice of Public Hearing on Tax Rate
Tuesday, September 8, 2020	Public Hearing on Budget Public Hearing on Tax Rate
Monday, September 21, 2020	City Council Vote on Approval of Tax Roll City Council Vote on Adoption of Budget City Council Vote on Levying a Tax Rate

THE BUDGET PROCESS

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

The budget is developed at a departmental level. In March, the Finance Director develops worksheets that detail expenditures for the past four years, year to date balances as of March 31st, and projected totals through the end of the current fiscal year. These worksheets are distributed to individual departments for review and completion. Each department prepares an estimate for their projected totals through the end of the fiscal year and estimates for the upcoming year. For any increases or addition of new items to the budget, departments will document the justification for the requested increases. Once the departments have completed the worksheets, they are returned along with any supporting documentation to the Finance Director. The City Manager and the Finance Director meet with each Department Director individually to review the budget worksheets. The City Manager and all City Directors meet an entire day to review each department's budget requests for the coming year.

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.

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.

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 and public hearings on the budget to allow for citizen input. Following the public hearings, the budget is ready to 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 RELATIONSHIP WITH FUNCTIONAL AREAS

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

ABOUT SANGER

OVERVIEW

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

LOCATION

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

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



HISTORY

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

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

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

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

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

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

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

QUICK FACTS

LOCATION	Sanger is located along Interstate 35 in northern Denton County in north Texas. Sanger is located less than an hour from both Dallas and Fort Worth.
AREA	10.9 square miles
FORM OF GOVERNMENT	Council-Manager
INCORPORATION	1892
POPULATION	9,080 (01/01/2020 estimate)
TRANSPORTATION	Interstate 35 DFW Airport (39 miles) Love Field (48 miles) BNSF Railway
CLIMATE	Köppen Climate Classification "Cfa" (Humid Subtropical Climate) Average temperature 64° Average Precipitation 14.9"
SALES TAX RATE	6.25% State of Texas 1.00% City of Sanger 0.50% 4A Corporation 0.50% 4B Corporation
BOND RATING	AA (Standard & Poor's)
TOP 10 PROPERTY TAXPAYERS	Wal-Mart Stores East, L.P. US06068 Wal-Mart Stores East, L.P. Trails of Sanger Apartments LLC Ramar Land Corporation Maccamp LTD Sanger Lodging, LLC Paccar Financial LGI Homes-Texas LLC Williamsburg Construction Services Springer Properties LLC

LOCAL EVENTS

Sanger takes pride in the small-town charm it offers. Although many events were cancelled due to the COVID-19 pandemic, the City normally hosts many community events for all ages throughout the year, offering residents a chance to have fun with their neighbors.



- JULY** *Adult Softball League*
- SEPTEMBER** *Sanger "Sellabration" Market*
Adult Kickball league
- OCTOBER** *Halloween Trick or Trot 5K*
- DECEMBER** *Downtown Christmas Parade*

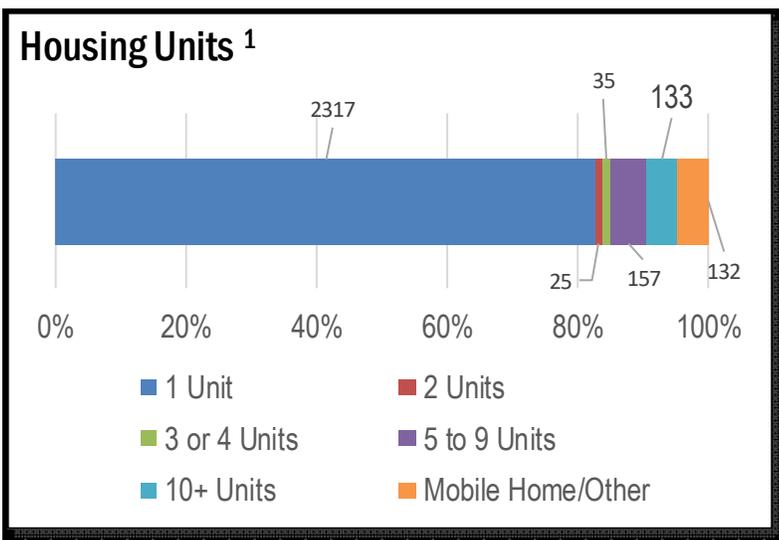
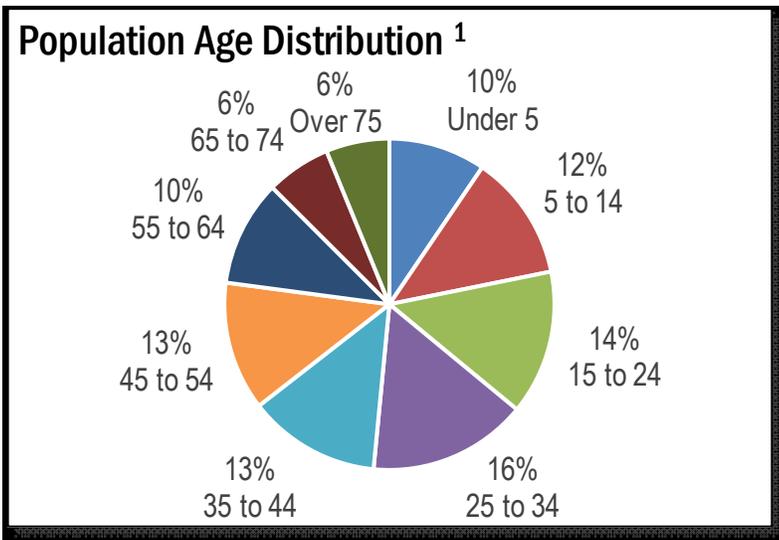
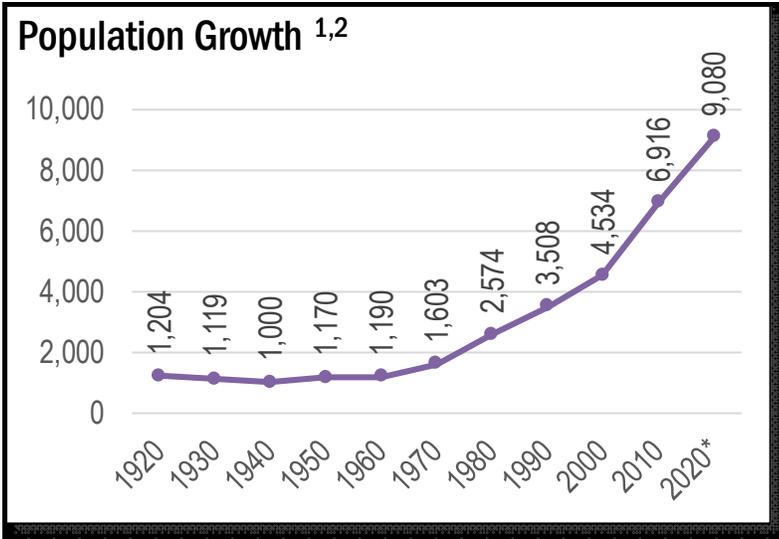


- FEBRUARY** *Mother-Son Valentine Dance*
- MARCH** *City-wide Easter Egg Hunt*
- APRIL** *Spring Fun Run*
- JUNE** *Summer Reading Program*



- ONGOING** *Yoga Classes*
LEGOs at the Library
Preschool Story Time
Book Clubs at the Library
Movies in the Park

STATISTICS



MAJOR EMPLOYERS ²

1,000+ Employees:

- Wal-Mart Distribution Center

200 – 499 Employees:

- 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:

- Super Save
- Ampco
- Hollingsworth Manufacturing
- North Texas Plastics
- Sanger Bank

SCHOOLS ²

- Butterfield Elementary School
- Chisholm Trail Elementary School
- Clear Creek Intermediate School
- Sixth Grade Campus
- Sanger Middle School
- Linda Tutt High School
- Sanger High School
- University of North Texas (Denton)
- Texas Women’s University (Denton)
- North Central Texas College (Gainesville)

¹ factfinder.census.gov

² North Central Texas Council of Governments

³ Sanger Economic Development Corporation

ORDINANCE ADOPTING THE ANNUAL BUDGET

ORDINANCE #09-24-20

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, 2020 AND ENDING SEPTEMBER 30, 2021, 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, 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, 2020 and ending September 30, 2021 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 notice of public hearing on the budget on September 2, 2020 and conducted a public hearing on September 8, 2020; 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.

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, 2020 and ending September 30, 2021.

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 2020-2021.

General Fund	\$8,645,571
Debt Service Fund	\$793,491
Enterprise Fund	\$12,618,213
Enterprise Debt Service Fund	\$1,785,850
Internal Service Fund	\$2,339,770
44 Fund	\$171,726
4B Fund	\$312,525
Capital Projects Fund	\$250,000
Enterprise Capital Projects Fund	\$7,250,000
Special Revenue Funds	\$33,100

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 under \$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.

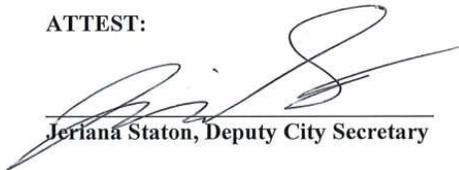
Section 8. This ordinance is effective immediately upon its adoption.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Sanger, Texas on this 21st day of September 2020.

APPROVED:


Thomas Muir, Mayor

ATTEST:


Jeriana Staton, Deputy City Secretary

ORDINANCE ADOPTING THE PROPERTY TAX RATE

ORDINANCE #09-26-20

AN ORDINANCE OF THE CITY OF SANGER, DENTON COUNTY, TEXAS, LEVYING A TAX RATE FOR THE GENERAL GOVERNMENT FOR THE FISCAL YEAR 2020-2021 AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Sanger finds that a tax rate of \$0.6791 per \$100 valuation for the Fiscal Year 2020-2021, 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;

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 2020- 2021, as follows:

\$0.605456/\$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 2020-2021 as follows:

\$0.073644/\$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 2.88 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$28.78.**

SECTION 4: This ordinance is effective upon its adoption.

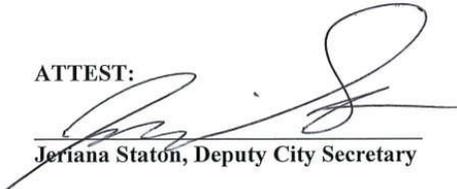
PASSED, APPROVED AND ADOPTED by the City Council of the City of Sanger, Texas on this 21st day of September 2020.

APPROVED:



Thomas Muir, Mayor

ATTEST:

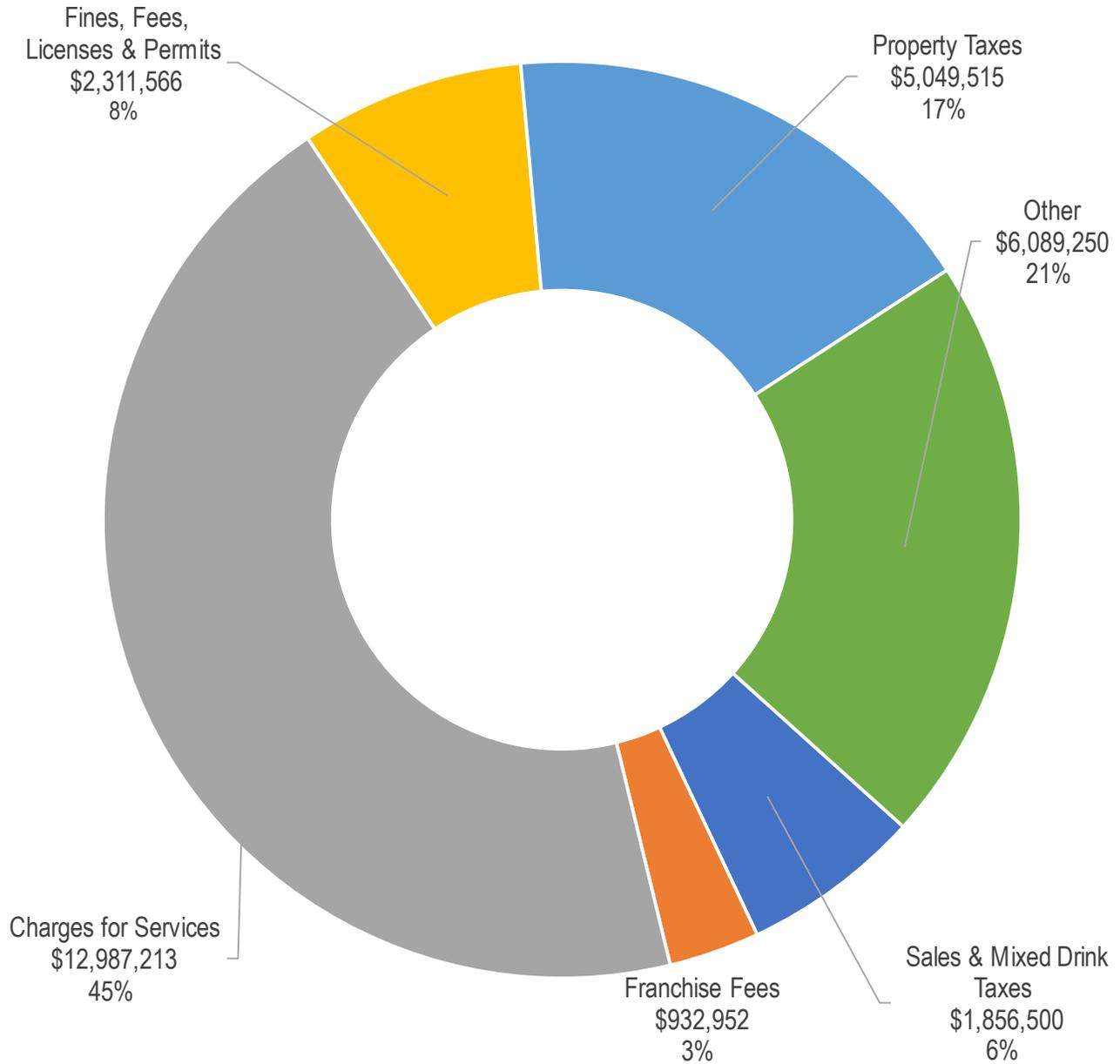


Jeriana Statón, Deputy City Secretary

BUDGET SUMMARY

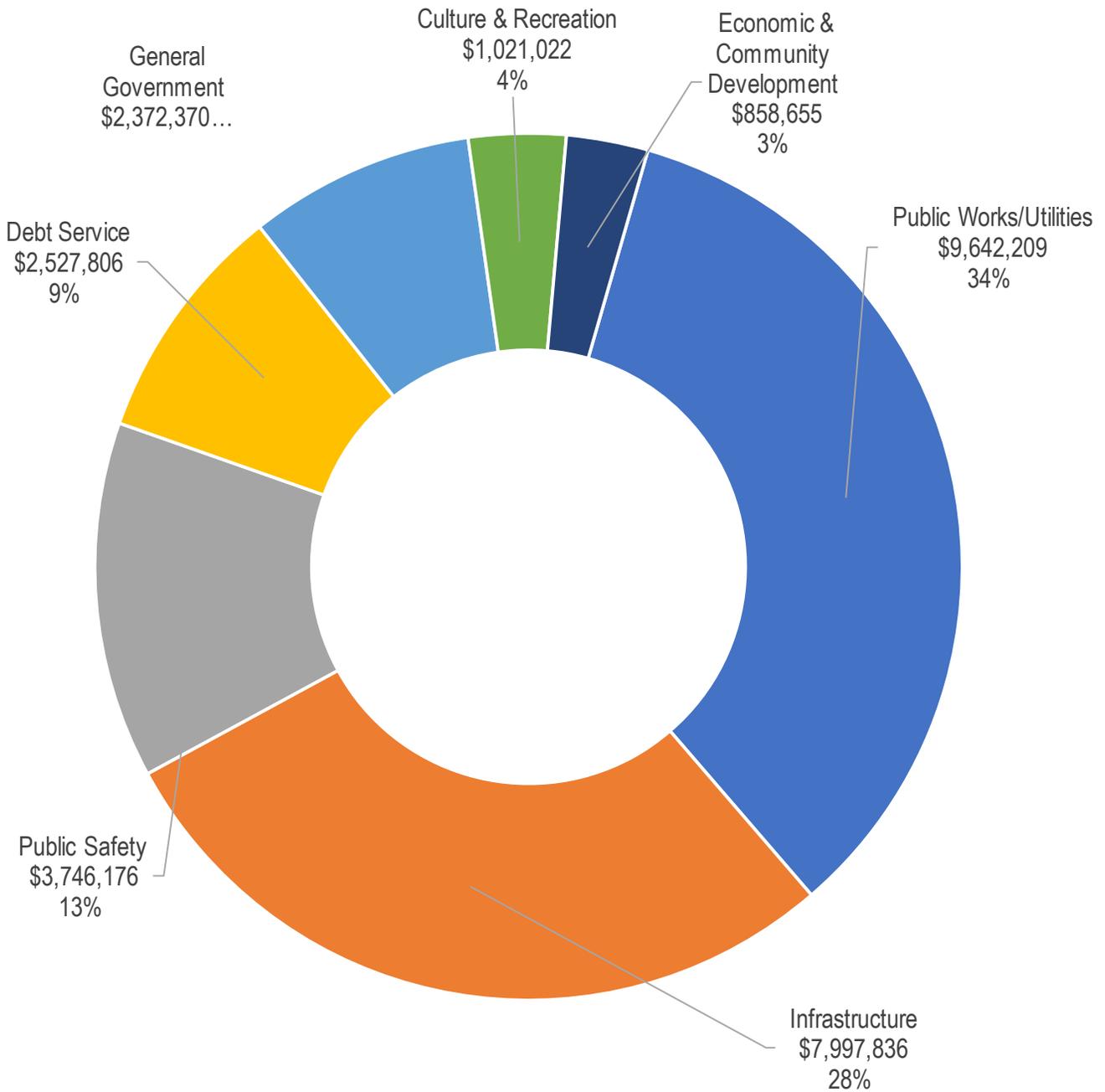
2020-2021 BUDGET AT A GLANCE

WHERE DOES THE MONEY COME FROM?



Total Revenues = \$28 Million (Excluding Inter-Fund Transfers)

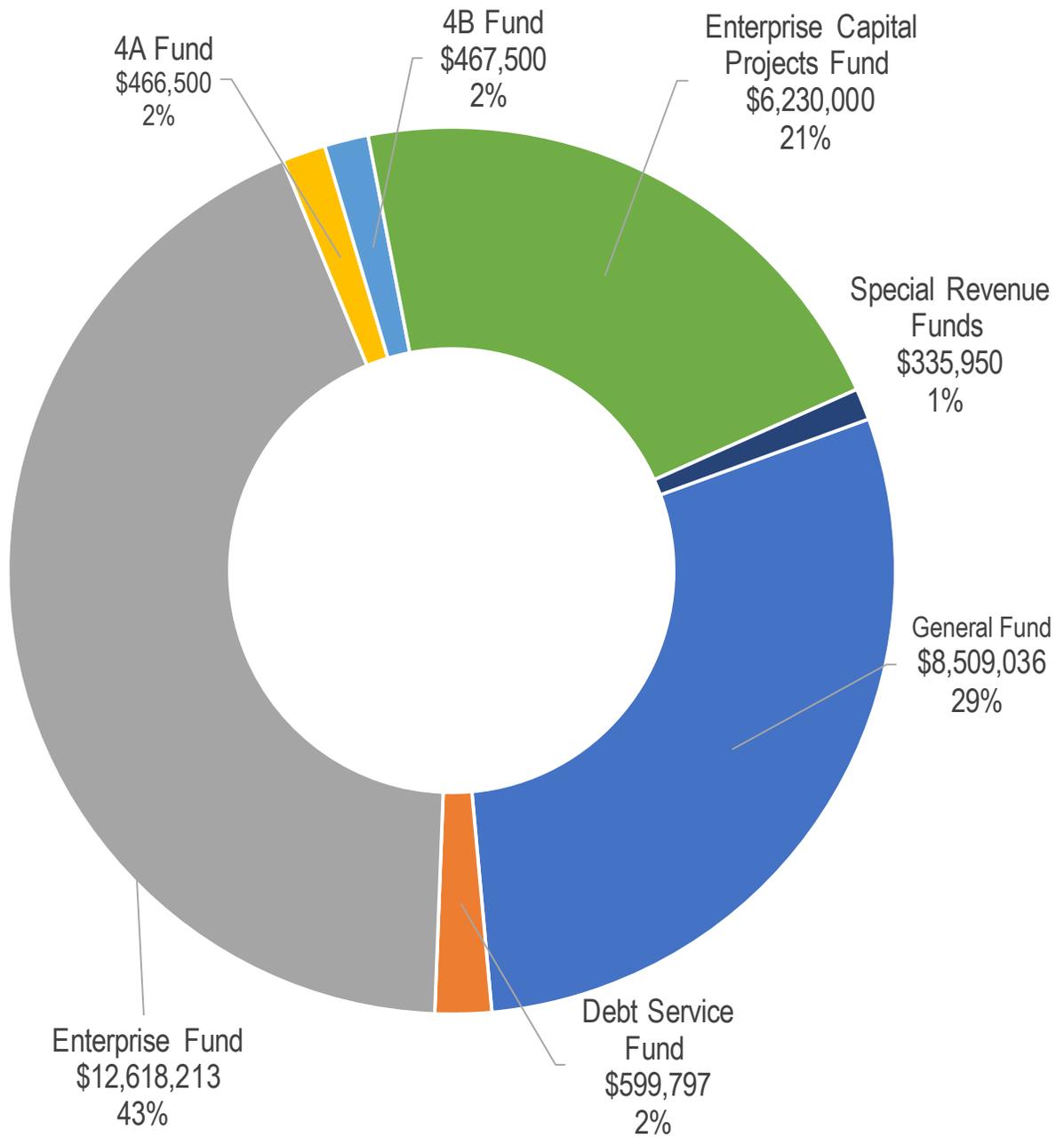
HOW IS THE MONEY USED?



Total Expenditures = \$25 Million (Excluding Inter-Fund Transfers)

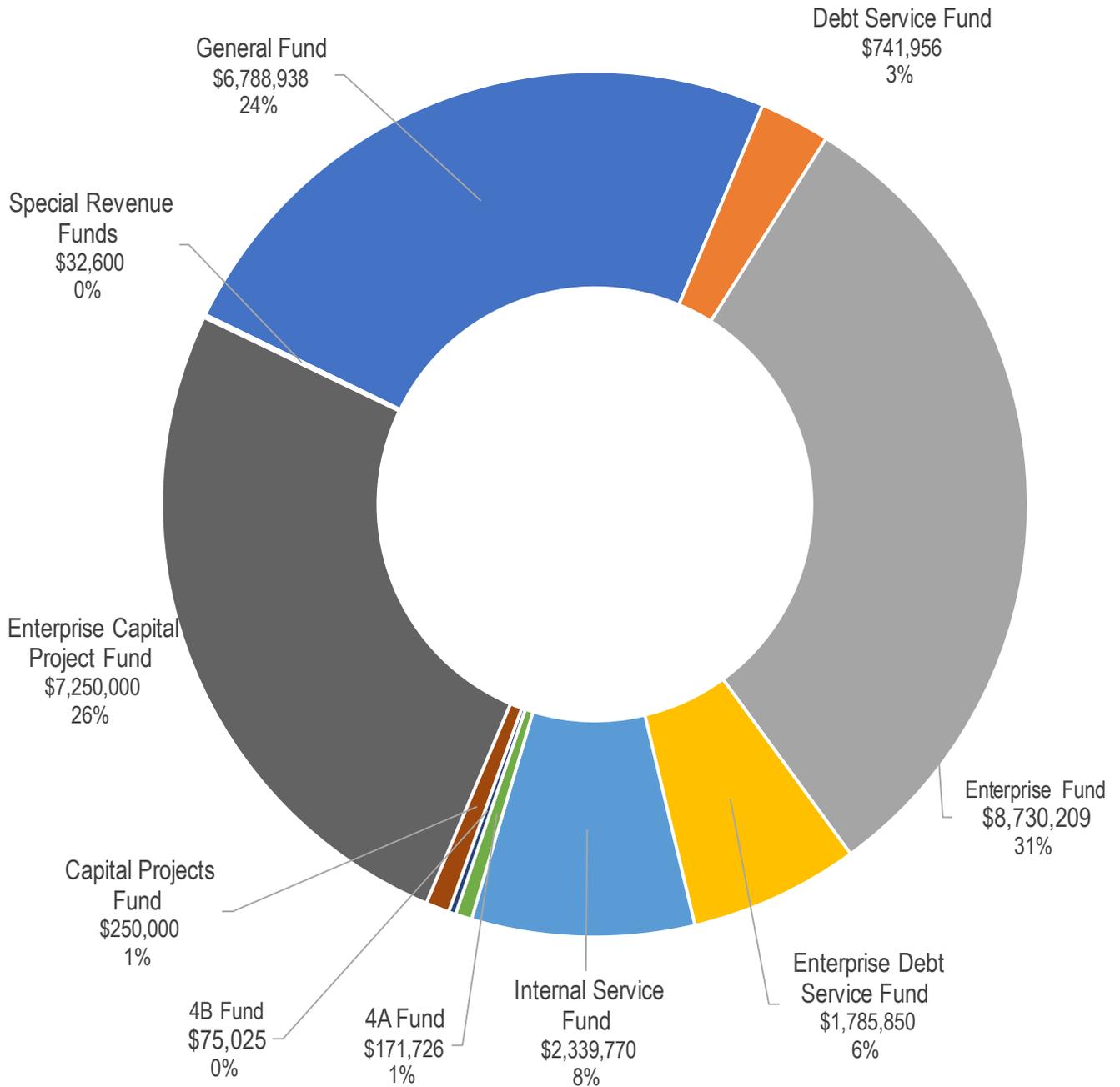
2020-2021 BUDGET BY FUND

REVENUES BY FUND



Total Revenues = \$28 Million (Excluding Inter-Fund Transfers)

EXPENDITURES BY FUND



Total Expenditures = \$25 Million (Excluding Inter-Fund Transfers)

REVENUES, EXPENDITURES & 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 2020-2021 budget, four revenue sources account for 92.8% of all revenues: Charges for Services, Property Taxes, Sales Taxes, and an anticipated bond issuance.

Charges for Services

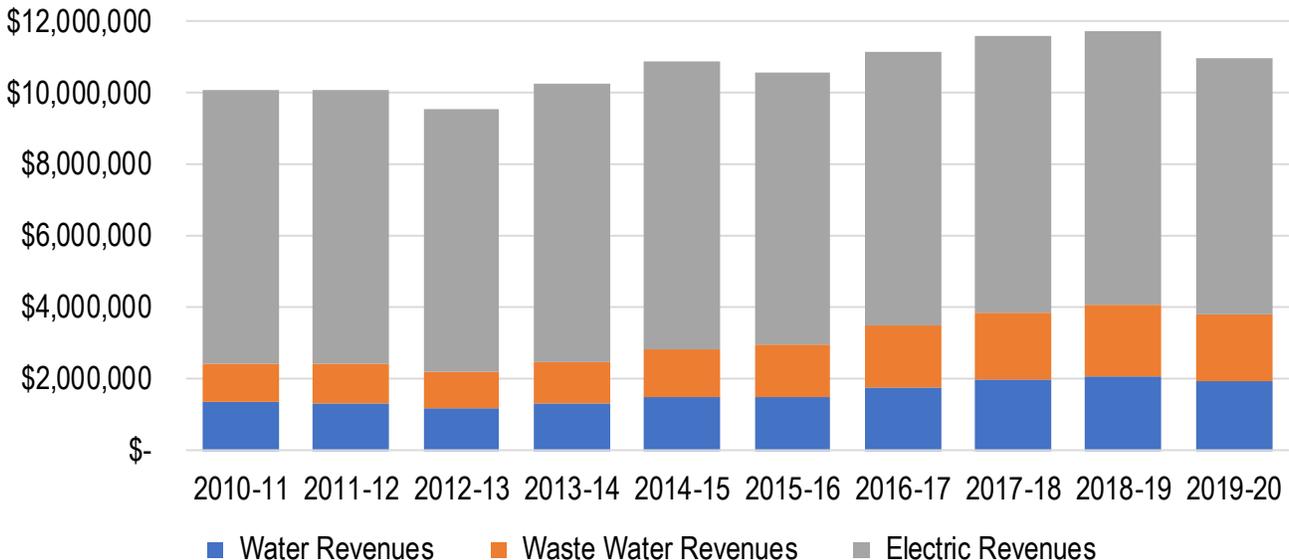
Charges for Services includes the billing of Water, Waste Water and Electric utilities in the Enterprise Fund and Solid Waste Collections in the General Fund. Total Charges for services are \$12,987,212, which is 44.4% of the City's total projected revenues.

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 \$12,004,213, these combined charges for services accounts for 41.7% of the City's projected revenues.

- Water revenues of \$2,160,522 are an increase of \$72,722 (3.5%) over last year's projection of \$2,087,800. Revenues have steadily grown through the years, the result of both increasing population and occasional changes in the rate structure. Water revenues are expected to rise in future years, the result of continued growth.
- Waste Water revenues of \$2,111,191 are an increase of \$74,541 (3.7%) over last year's projection of \$2,036,650. Revenues have steadily grown through the years, the result of both increasing population and occasional changes in the rate structure. Waste Water revenues are expected to rise in future years, the result of continued growth.
- Electric revenues of \$7,732,500 are an increase of \$32,500 (.04%) from last year's projection of \$7,700,000. The City has reevaluated projections for Electric revenues over the past several years and has adjusted revenue estimates as necessary. Electric revenues are expected to rise in future years, the result of continued growth.

Enterprise Fund Charges for Services Past 10 Years



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

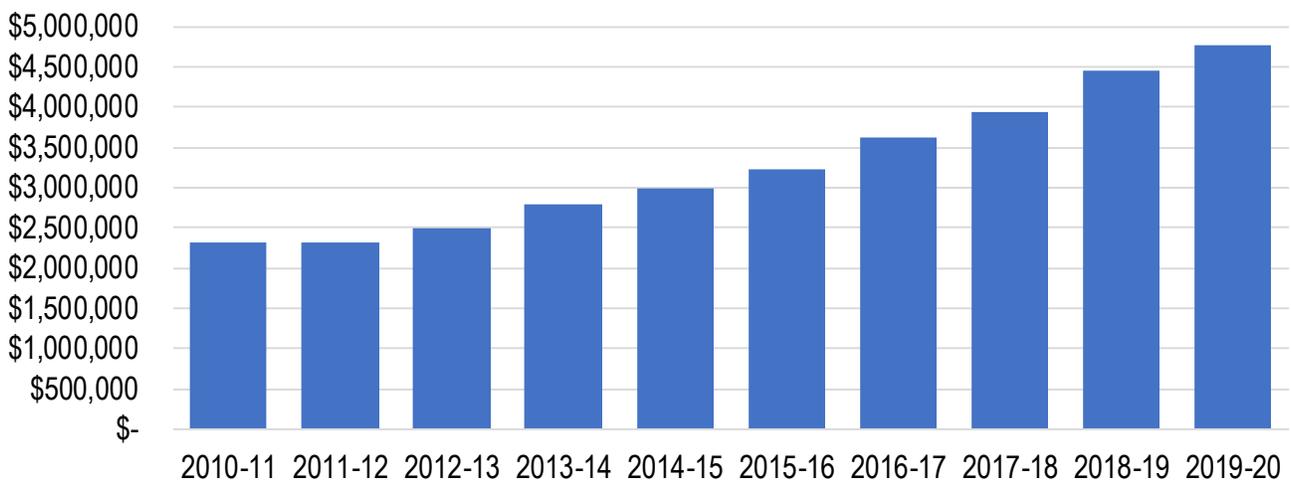
General Fund Charges for Services

General Fund Charges for services includes billing for Sanitation and Recycling Services. These charges total \$9,83,000 and account for 3.4% of total revenues. This amount is an increase of 5.1% over last year’s projection of \$935,500.

Property Taxes

The collection of Property Taxes accounts for a total of \$5,049,515 or 17.3% 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 \$378,092 (8.1%) over the prior year projection of \$4,671,423. Property Tax revenues are expected to continue to rise in future years, the result of continued growth.

Property Tax Revenues Past 10 Years



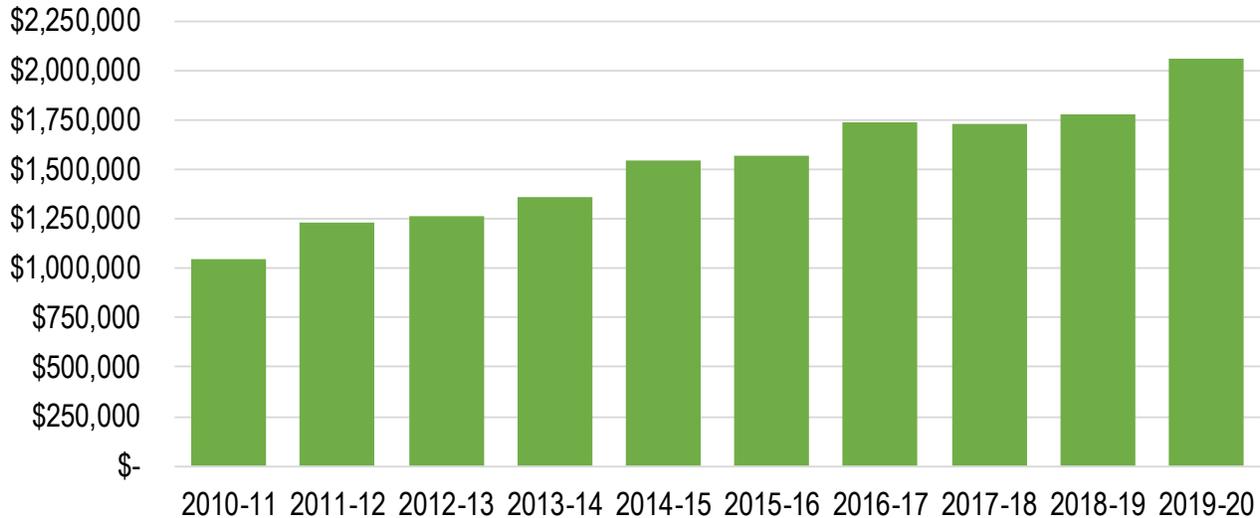
Bond Issuance

The City has \$7,250,000 budgeted in the current year for projects in the Enterprise Capital Projects Fund: FM 454 Utility Relocation; I-35 Utility Relocation; Railroad Lift Station; and Outfall Pipeline/Stream Restoration. To meet the cost of these projects, the City anticipates a bond issuance in the amount of \$5,500,000 (24.8% of the annual budget). At this time, the City is working with our bond advisors on the issuance and expects to issue bonds by the first quarter of calendar year 2021. More information on these projects is available on pages 167-175 of this document.

Sales Taxes

The collection of Sales Taxes accounts for a total of \$1,850,000 (6.3%) 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 2020-21 are an increase of 10.8% over those projected for 2019-20 at \$1,670,000. Sales Tax revenues are expected to rise in future years, the result of continued growth.

Sales Tax Revenues Past 10 Years



OVERVIEW OF MAJOR EXPENDITURE CATEGORIES

Numerous expenditures are necessary to operate a municipality. Primary categories of expenditures include Salaries & Benefits, Maintenance & Operations, and Capital Expenses. For the 2020-2021 budget, these three categories combined total 74.9% of all expenditures.

Maintenance and Operations

With a total of \$7,103,832, Maintenance and Operations expenditures account for 25.2% of total expenditures. The bulk of this amount (\$6,642,314) 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 \$6,846,100, Salaries and Benefits account for 24.3% of total expenditures. The General Fund accounts for \$3,976,700 of this amount. The General Fund accounts for 75.5 of the City's 106 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

With a total of \$7,929,000, Capital Expenditures account for 28.2% of total expenditures. The bulk of this amount (\$7,250,000) is budgeted in the Enterprise Capital Projects Fund. The major components of this amount are \$5,700,000 for the relocation of City utilities along FM 455, \$500,000 for the waste water treatment plant outfall pipeline/stream restoration, and \$500,000 for the relocation of City utilities along Interstate 35.

	Capital Expense	Amount	Budgetary Impact	Service Level Impact
General Fund	2 Police Patrol Vehicles (Replacement)	\$ 114,000	The expected impact on current and future operations is to reduce maintenance costs for these units in the Police Department.	Allow the City to maintain the current level of police enforcement.
	Command Truck (Replacement)	\$ 55,000	The expected impact on current and future operations is to reduce maintenance costs for this unit in the Fire Department.	Allow the City to maintain the current level of fire protection.
	MSA Carbon Fiber SCBA Bottles (Replacement)	\$ 210,000	This is a replacement of SCBA bottles currently used by out Fire Department. This purchase is not expected to have an impact on current and future operations.	Allow the City to maintain the current level of fire protection.
Fund Total		\$ 379,000		
4B Fund	Community Projects	\$ 50,000	The 4B Corporation is in the process of reviewing small community enhancement projects. Since the nature of these projects is currently unknown, the expected impact on current and future operations is also unknown.	Unknown
	Fund Total		\$ 50,000	
Capital Projects Fund	2020-2021 Street Rehabilitation Phase III	\$ 250,000	This is Phase three of five separate phases of a project to provide funding for the renovation/resurfacing of several streets within the City. This project is expected to decrease maintenance costs in the Street Department in current and future budget years.	Allow the City to provide upgraded streets for citizens.
	Fund Total		\$ 250,000	
Enterprise Capital Projects Fund	Railroad Lift Station	\$ 300,000	Work continues on the design of this lift station for the City's sewer system, and it is projected to be completed in the 2024 budget year. This project will not have an impact on current operations; however, it is expected to make operations more efficient once completed.	Allow the City to provide waste water to customers as the Sanger grows.
	Relocation of Utilities along FM 455	\$ 5,700,000	The City will be relocating water, waste water, and electric utilities along FM 455 in anticipation of the state of Texas widening the roadway. There is no projected impact on the current budget. Since this project is replacing some aged infrastructure, it is expected that this will reduce maintenance costs along this road for years to come.	Allow the City to maintain current utility service levels and provide for continued growth of the City.

	Capital Expense	Amount	Budgetary Impact	Service Level Impact
Enterprise Capital Projects Fund	WWTP Outfall Pipeline/Stream Restoration	\$ 500,000	The City is currently working with engineers to determine the best option for discharging effluent from the City's waste water treatment plant. A decision will be made between a pipeline or an open stream, and this decision will determine how this project will proceed. Since the specifics of this project are yet to be determined, the expected impact on current and future operations is unknown.	Allow the City to maintain current utility service levels and provide for continued growth of the City.
	WWTP Bar Screen Project	\$ 250,000	City staff discovered the bar screen that removes materials from the waste stream at the WWTP is damaged and it will be repaired during this budget year. This repair is not anticipated to have an impact on current and future operations of the plant.	Allow the City to maintain the current level of waste water service to customers.
	Relocation of Utilities along I-35	\$ 500,000	The City will be relocating water, waste water, and electric utilities along I-35 in anticipation of the state of Texas widening the roadway. There is no projected impact on the current budget. Since this project is replacing some aged infrastructure, it is expected that this will reduce maintenance costs along this road for years to come.	Allow the City to maintain current utility service levels while allowing for the continued growth of the City.
	Fund Total	\$ 7,250,000		
	Grand Total	\$ 7,929,000		

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, 10/01/2020	Revenues & Other Sources	Expenditures & Other Uses	Projected Fund Balance, 10/01/2020	Percent Change
General Fund	7,261,511	8,645,571	8,645,571	7,261,511	0.0%
Debt Service Fund	532,746	812,297	793,491	551,552	3.5%
Enterprise Fund	18,342,078	12,618,213	12,618,213	18,342,078	0.0%
Enterprise Debt Service Fund	-	1,800,000	1,785,850	14,150	0.0%
Internal Service Fund	41,466	2,339,770	2,339,770	41,466	0.0%
4A Fund	2,482,136	491,500	171,726	2,801,910	12.9%
4B Fund	1,563,022	467,500	312,525	1,717,997	9.9%
Capital Projects Funds	1,852,839	520,725	250,000	2,123,564	14.6%
Enterprise Capital Project Fund	633,049	6,677,142	7,250,000	60,191	-90.5%
Special Revenue Funds	1,224,363	887,950	32,600	2,079,713	69.9%
Total	33,933,210	35,260,668	34,199,746	34,994,132	3.1%

4A Fund

For the budget year, the 4A Fund is projected to have an increase in Fund Balance of \$319,774 (12.9%). The 4A Corporation is managed by a Board of Directors made up of five 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. In the current budget year, the 4A Corporation is minimizing expenditures in the current year to allow for use of the funds in future years.

Capital Projects Fund

The Capital Projects Fund is projecting a 14.6% increase (\$270,725) in Fund Balance this year. The funds will be utilized in future years on additional projects: continued rehabilitation of various streets throughout the City; rebuilding and expanding Marion Road; and Utility Road Tie-in across Railroad.

Enterprise Capital Projects Fund

The Enterprise Capital Projects Fund is projecting a decrease in Fund Balance of \$572,858 (-90.5%). The relocation of utilities along FM 455 is a massive project which will use a large portion of fund balance.

Special Revenue Funds

The Special Revenue Funds are projecting an overall increase in Fund Balance of \$855,350 (69.9%). The majority of this increase is a \$400,000 projected increase in the General Storm Recovery Fund; and a \$250,000 increase in the Roadway Impact Fee Fund; and a \$152,000 increase in the Electric Storm Recovery Fund. The monies in the Roadway Impact Fee Fund will be used for future neighborhood development projects. The monies in the General Storm Recovery Fund and in the Electric Storm Recovery Fund will be used for repairs to City-owned property from damage caused by future storms.

COMBINED FUNDS BUDGET SUMMARY (DETAILED)

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

	General Fund	Debt Service Fund	Enterprise Fund	Enterprise Debt Service Fund	Internal Service Fund
Beginning Fund Balance	7,261,511	532,746	18,342,078	-	41,466
Revenues					
Property Tax	4,450,618	598,897	-	-	-
Sales & Mixed Drink Tax	931,500	-	-	-	-
Franchise Fees	932,952	-	-	-	-
Charges for Services	983,000	-	12,004,213	-	-
Fees	689,500	-	212,500	-	-
Licenses & Permits	344,500	-	-	-	-
Fines	74,466	-	-	-	-
Intergovernmental	-	-	-	-	-
Bond Proceeds	-	-	-	-	-
Interest Income	18,000	900	300,000	-	-
Miscellaneous	84,500	-	101,500	-	-
Total Revenues	8,509,036	599,797	12,618,213	-	-
Other Sources					
Transfers In	136,535	212,500	-	1,800,000	2,339,770
Total Other Sources	136,535	212,500	-	1,800,000	2,339,770
Total Revenues/Sources	8,645,571	812,297	12,618,213	1,800,000	2,339,770
Expenditures					
Salaries & Benefits	3,976,700	-	1,393,000	-	1,364,500
Supplies & Materials	389,173	-	94,000	-	125,150
Maintenance & Operations	370,767	-	6,642,314	-	84,550
Contract Services	1,504,613	-	293,595	-	656,570
Utilities	89,800	-	307,300	-	109,000
Capital Expenses	379,000	-	-	-	-
Debt Service	51,536	741,956	-	1,785,850	-
Court Costs	20,849	-	-	-	-
Grant Expenses	6,500	-	-	-	-
Total Expenditures	6,788,938	741,956	8,730,209	1,785,850	2,339,770
Other Uses					
Transfers Out	1,856,633	51,535	3,888,004	-	-
Total Other Uses	1,856,633	51,535	3,888,004	-	-
Total Expenses/Uses	8,645,571	793,491	12,618,213	1,785,850	2,339,770
Excess of Revenues/Sources over Expenditures/Uses	-	18,806	-	14,150	-
Ending Fund Balance	7,261,511	551,552	18,342,078	14,150	41,466

	4A Fund	4B Fund	Capital Projects Fund	Enterprise Capital Projects Fund	Special Revenue Funds	Total
Beginning Fund Balance	2,482,136	1,563,022	1,852,839	633,049	1,224,363	33,933,210
Revenues						
Property Tax	-	-	-	-	-	5,049,515
Sales & Mixed Drink Tax	462,500	462,500	-	-	-	1,856,500
Franchise Fees	-	-	-	-	-	932,952
Charges for Services	-	-	-	-	-	12,987,213
Fees	-	-	-	680,000	300,000	1,882,000
Licenses & Permits	-	-	-	-	-	344,500
Fines	-	-	-	-	10,600	85,066
Intergovernmental	-	-	-	-	-	-
Bond Proceeds	-	-	-	5,500,000	-	5,500,000
Interest Income	4,000	5,000	-	50,000	350	378,250
Miscellaneous	-	-	-	-	25,000	211,000
Total Revenues	466,500	467,500	-	6,230,000	335,950	29,226,996
Other Sources						
Transfers In	25,000	-	520,725	447,142	552,000	6,033,672
Total Other Sources	25,000	-	520,725	447,142	552,000	6,033,672
Total Revenues/Sources	491,500	467,500	520,725	6,677,142	887,950	35,260,668
Expenditures						
Salaries & Benefits	111,100	-	-	-	800	6,846,100
Supplies & Materials	27,650	12,050	-	-	10,000	658,023
Maintenance & Operations	5,601	600	-	-	-	7,103,832
Contract Services	27,375	12,375	-	-	21,800	2,516,328
Utilities	-	-	-	-	-	506,100
Capital Expenses	-	50,000	250,000	7,250,000	-	7,929,000
Debt Service	-	-	-	-	-	2,579,342
Court Costs	-	-	-	-	-	20,849
Grant Expenses	-	-	-	-	-	6,500
Total Expenditures	171,726	75,025	250,000	7,250,000	32,600	28,166,074
Other Uses						
Transfers Out	-	237,500	-	-	-	6,033,672
Total Other Uses	-	237,500	-	-	-	6,033,672
Total Expenses/Uses	171,726	312,525	250,000	7,250,000	32,600	34,199,746
Excess of Revenues/Sources over Expenditures/Uses	319,774	154,975	270,725	(572,858)	855,350	1,060,922
Ending Fund Balance	2,801,910	1,717,997	2,123,564	60,191	2,079,713	34,994,132

COMBINED FUNDS BUDGET SUMMARY

COMBINED BUDGET SUMMARY

FOR ALL FUNDS SUBJECT TO APPROPRIATION

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	29,450,896	31,710,833	31,710,833	33,933,210
Revenues				
Property Tax	4,473,906	4,671,423	4,768,162	5,049,515
Sales & Mixed Drink Tax	1,823,221	1,675,800	2,068,005	1,856,500
Franchise Fees	856,317	878,222	853,159	932,952
Charges for Services	12,649,083	12,759,950	11,926,532	12,987,213
Fees	1,887,362	1,810,961	2,160,357	1,882,000
Licenses & Permits	308,480	343,070	453,879	344,500
Fines	86,509	107,526	79,928	85,066
Intergovernmental	434,436	-	7,293	-
Bond Proceeds	1,635,000	-	-	5,500,000
Interest Income	205,539	28,300	404,502	378,250
Miscellaneous	294,392	170,950	723,763	211,000
Total Revenues	24,654,245	22,446,202	23,445,580	29,226,996
Other Sources				
Transfers In	3,114,678	3,869,855	3,811,275	6,033,672
Total Other Sources	3,114,678	3,869,855	3,811,275	6,033,672
Total Revenues/Sources	27,768,923	26,316,057	27,256,855	35,260,668
Expenditures				
Salaries & Benefits	5,633,157	6,660,123	5,777,926	6,846,100
Supplies & Materials	511,285	635,085	460,952	658,023
Maintenance & Operations	7,071,935	7,169,622	6,612,992	7,103,832
Contract Services	1,790,688	2,270,200	2,078,564	2,516,328
Utilities	412,318	511,300	458,372	506,100
Capital Expenses	3,582,879	6,253,578	3,397,430	7,929,000
Debt Service	3,242,411	2,400,395	2,391,107	2,579,342
Court Costs	27,872	35,494	17,078	20,849
Grant Expenses	5,843	57,500	5,376	6,500
Total Expenditures	22,278,388	25,993,297	21,199,797	28,166,074
Other Uses				
Transfers Out	3,230,598	3,867,128	3,834,681	6,033,672
Total Other Uses	3,230,598	3,867,128	3,834,681	6,033,672
Total Expenses/Uses	25,508,986	29,860,425	25,034,478	34,199,746
Excess of Revenues/Sources over Expenditures/Uses	2,259,937	(3,544,368)	2,222,377	1,060,922
Ending Fund Balance	31,710,833	28,166,465	33,933,210	34,994,132

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.

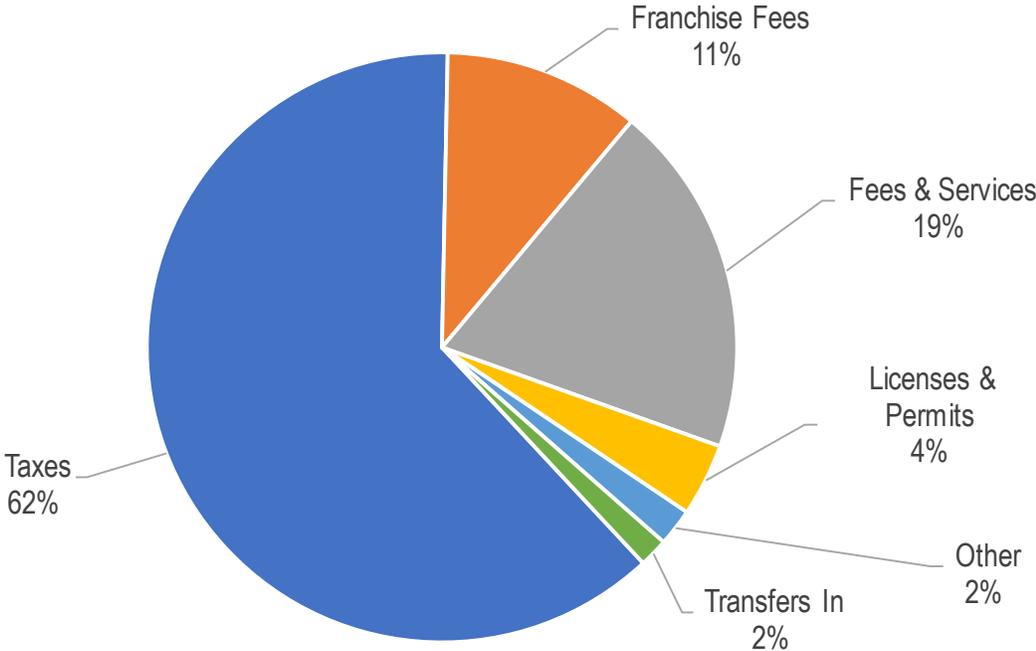
The General Fund includes these departments:

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

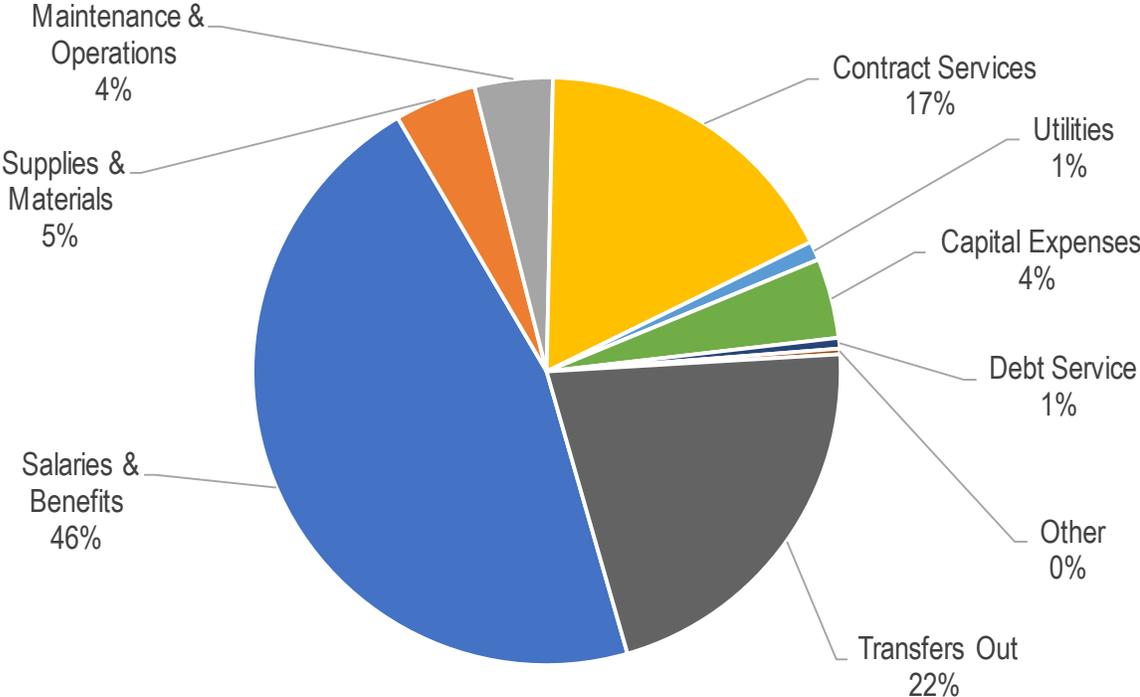
The basis of accounting for the General Fund for both financial reporting and budgeting is the modified accrual basis.

GENERAL FUND BUDGET SUMMARY

GENERAL FUND REVENUES



GENERAL FUND EXPENDITURES



GENERAL FUND BUDGET SUMMARY

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	4,379,986	5,522,228	5,522,228	7,261,511
Revenues				
Taxes	4,667,374	4,971,050	5,035,909	5,382,118
Franchise Fees	856,317	878,222	853,159	932,952
Solid Waste	917,455	935,500	938,797	983,000
Licenses & Permits	308,480	343,070	453,879	344,500
Fines	74,486	95,526	68,267	74,466
Fire & EMS	751,180	724,329	649,106	585,000
Police & Animal Control	69,776	53,282	55,849	60,350
Parks & Recreation	24,639	32,000	10,489	21,100
Library	24,279	25,350	20,536	23,050
Interest Income	10,716	4,000	18,597	18,000
Miscellaneous	56,222	77,500	560,676	84,500
Total General Fund Revenues	7,760,924	8,139,829	8,665,264	8,509,036
Other Sources				
Transfers In	214,352	136,535	136,535	136,535
Total Other Sources	214,352	136,535	136,535	136,535
Total Revenues/Sources	7,975,276	8,276,364	8,801,799	8,645,571
Expenditures				
Salaries & Benefits	3,204,122	4,032,362	3,306,949	3,976,700
Supplies & Materials	315,349	376,810	267,348	389,173
Maintenance & Operations	405,547	387,367	265,364	370,767
Contract Services	1,225,577	1,335,189	1,211,705	1,504,613
Utilities	76,569	89,600	77,250	89,800
Capital Expenses	237,184	599,000	558,138	379,000
Debt Service	129,352	51,535	51,535	51,536
Court Costs	27,872	35,494	17,078	20,849
Grant Expenses	5,843	57,500	5,376	6,500
Total Expenditures	5,627,415	6,964,857	5,760,743	6,788,938
Other Uses				
Transfers Out	1,205,619	1,311,507	1,301,773	1,856,633
Total Other Uses	1,205,619	1,311,507	1,301,773	1,856,633
Total Expenses/Uses	6,833,034	8,276,364	7,062,516	8,645,571
Excess of Revenues/Sources over Expenditures/Uses	1,142,242	-	1,739,283	-
Ending Fund Balance	5,522,228	5,522,228	7,261,511	7,261,511

GENERAL FUND REVENUES

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Taxes				
Property Tax	3,657,925	4,015,250	4,106,852	4,400,618
Delinquent Prop. Tax	28,494	25,000	(13,564)	25,000
Penalty & Interest Prop. Tax	66,206	25,000	60,054	25,000
Sales Tax	908,473	900,000	876,331	925,000
Mixed Drink Tax	6,276	5,800	6,236	6,500
Total Taxes	4,667,374	4,971,050	5,035,909	5,382,118
Franchise Fees				
Century Link	5,876	6,500	3,896	5,500
ATMOS	53,914	54,000	47,401	49,000
Suddenlink	35,378	42,000	32,614	42,000
COSERV	101,188	90,000	74,787	120,000
Water	96,095	111,119	111,119	115,048
Sewer	94,080	109,979	109,979	114,004
Sanger Electric	406,000	404,024	404,024	410,400
Progressive	50,484	50,400	54,415	53,000
Roll-offs	10,382	8,000	10,863	12,000
ROW fees	2,920	2,200	4,061	12,000
Total Franchise Fees	856,317	878,222	853,159	932,952
Solid Waste				
Sanitation Billing	906,093	925,000	929,412	972,000
Sanitation Penalties	11,362	10,500	9,385	11,000
Total Solid Waste	917,455	935,500	938,797	983,000
Licenses & Permits				
Building Permits	237,815	250,000	399,302	250,000
Zoning and Plats	21,535	20,000	21,333	20,000
Engineering Inspection Fee	22,781	30,000	2,040	30,000
Civil Plan Review Fees	4,129	20,000	1,751	20,000
Street Cut Permit	2,500	1,000	1,020	1,000
Health Permits	15,400	17,500	16,023	17,500
Fire Alarm/Sprinkler	200	200	10,225	500
AC & Mechanical	225	1,500	75	1,500
Irrigation	75	1,000	0	1,000
Solicitor Permits	750	0	550	0
RV Park Annual Permit	1,510	1,370	1,500	1,500
Beer & Wine Permit	1,560	500	60	1,500
Total Licenses & Permits	308,480	343,070	453,879	344,500

GENERAL FUND REVENUES

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Fines				
Default/Court	653	850	429	645
Restitution Fee	8	0	0	8
Judicial Fee- County-JFCT	2,098	2,500	548	2,098
Judicial Fee-City	240	300	61	240
Teen Court	0	0	18	0
Expunction Fee	12	0	0	11
State Traffic Fee	4,443	6,200	5,580	4,432
Consolidated Court Fee	15,542	18,000	15,053	15,542
State Jury Fee	1,566	1,800	406	1,566
Child Safety Court Cost	550	1,000	425	550
Insurance & Dismissal Fees	170	400	80	170
Special Expense Fee	12,732	13,000	8,364	12,732
Truancy Prevention Fund	767	900	1,072	767
Fines	25,382	35,440	25,047	25,382
Impound Fees	120	0	0	120
Warrant Fees	2,418	4,000	3,200	2,418
Arrest Fees	1,285	2,000	1,208	1,285
Traffic Code	432	700	357	432
Civil Justice Fee	20	50	5	20
Defensive Driving Fee	320	475	210	320
Time Payment Local	288	576	175	288
Municipal Service Bureau	3,087	4,000	4,541	3,087
Time Payment State	288	560	175	288
Truancy Defensive Fund	775	900	203	775
TLFTA1	860	1,200	740	860
TLFTA2	258	400	222	258
TLFTA3	172	275	148	172
Total Fines	74,486	95,526	68,267	74,466
Fire & EMS				
Fire Denton Co. Interlocal	22,100	10,000	10,000	10,000
EMS Denton Co. Interlocal	255,041	250,000	321,645	250,000
Fire Grant Funding	0	139,329	0	0
Emergicon Revenue	385,764	325,000	300,708	325,000
Texas Supplemental Amb	59,762	0	16,753	0
Hurricane Relief Reimbursement	28,513	0	0	0
Total Fire & EMS	751,180	724,329	649,106	585,000

GENERAL FUND REVENUES

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Miscellaneous Income				
Rental Income	22,885	22,500	20,352	22,500
Returned Check Fees	35	0	0	0
Misc. Income GF	11,113	17,000	11,565	12,000
Proceeds from Sale of Assets	0	25,000	9,523	25,000
Insurance Damage Reimbursement	22,149	13,000	75,330	25,000
COVID-19 Funding	0	0	443,906	0
Construction Income	40	0	0	0
Total Miscellaneous	56,222	77,500	560,676	84,500
Total General Fund Revenues	7,760,924	8,139,829	8,665,264	8,509,036
Other Sources				
PILOT from EF	85,000	85,000	85,000	85,000
Transfer from EF	0	0	0	0
From DSF	129,352	51,535	51,535	51,535
Total Transfers	214,352	136,535	136,535	136,535
Total General Fund Revenues/Sources	7,975,276	8,276,364	8,801,799	8,645,571

GENERAL FUND REVENUES

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Miscellaneous Income				
Rental Income	22,885	22,500	20,352	22,500
Returned Check Fees	35	0	0	0
Misc. Income GF	11,113	17,000	11,565	12,000
Proceeds from Sale of Assets	0	25,000	9,523	25,000
Insurance Damage Reimbursement	22,149	13,000	75,330	25,000
COVID-19 Funding	0	0	443,906	0
Construction Income	40	0	0	0
Total Miscellaneous	56,222	77,500	560,676	84,500
Total General Fund Revenues	7,760,924	8,139,829	8,665,264	8,509,036
Other Sources				
PILOT from EF	85,000	85,000	85,000	85,000
Transfer from EF	0	0	0	0
From DSF	129,352	51,535	51,535	51,535
Total Transfers	214,352	136,535	136,535	136,535
Total General Fund Revenues/Sources	7,975,276	8,276,364	8,801,799	8,645,571

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.

ACTIVITY INDICATORS

Indicator	Activity
Call Responses	7,135
Citations Issued	356
Warnings Issued	320

**More activity details are provided in the September 2020 Monthly Report on page 212 of this document.*

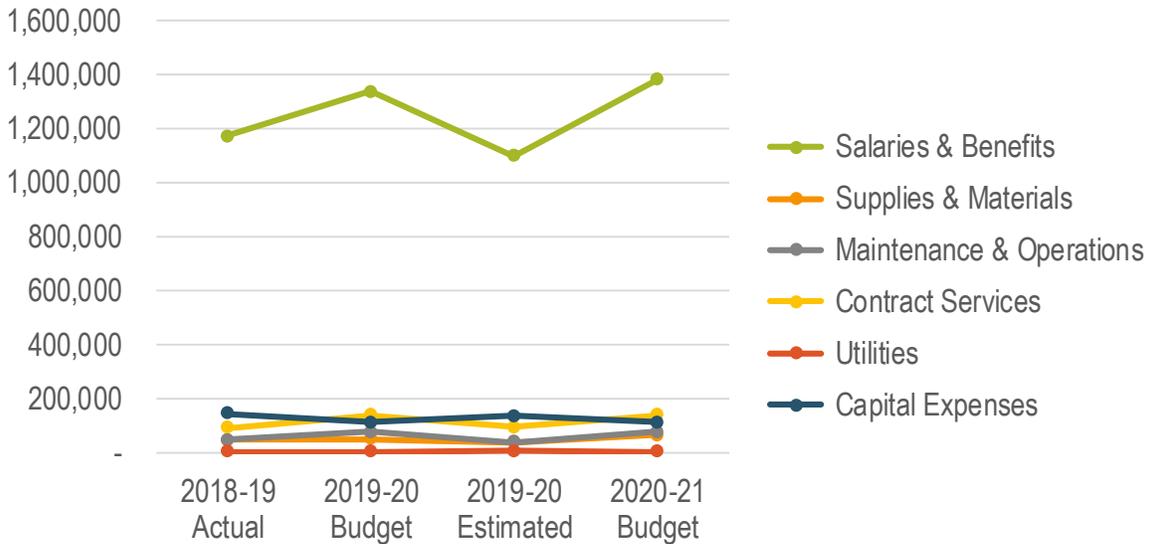
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Police Chief	1	1	1
Lieutenant	1	1	1
Sergeant	2	2	2
Detective	1	1	1
Police Officer	10	10	10
Administrative Assistant	1	1	1
Total Budgeted Positions	16	16	16

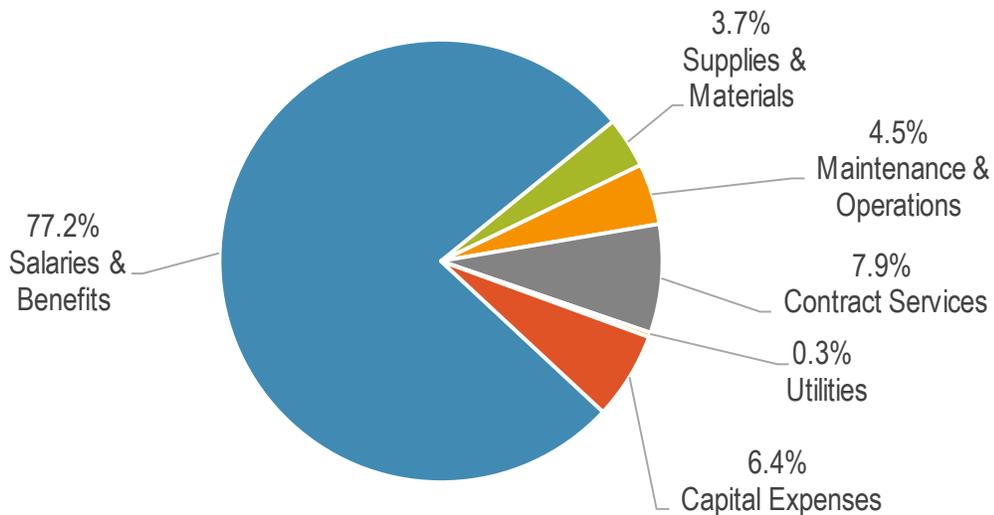
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	1,174,358	1,339,500	1,100,978	1,383,800	44,300	3.31%
Supplies & Materials	49,025	51,740	40,795	66,818	15,078	29.14%
Maintenance & Operations	50,911	80,000	41,683	80,000	-	0.00%
Contract Services	92,967	140,905	96,616	141,946	1,041	0.74%
Utilities	6,211	6,000	8,226	6,000	-	0.00%
Capital Expenses	147,669	114,000	137,702	114,000	-	0.00%
Total Department Budget	1,521,141	1,732,145	1,426,000	1,792,564	60,419	3.49%

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.

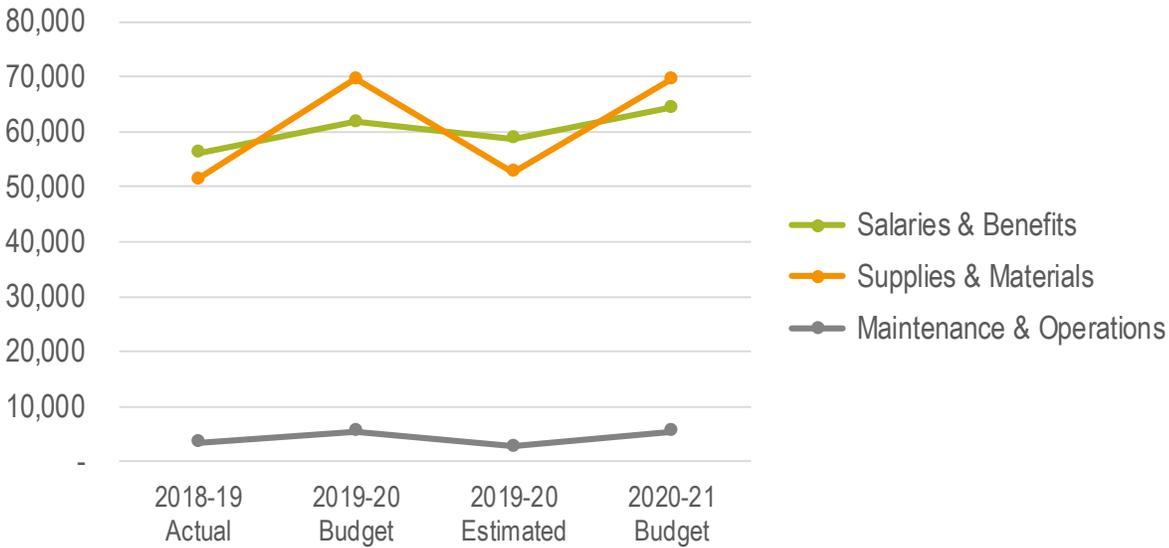
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Animal Control Officer	1	1	1
Total Budgeted Positions	1	1	1

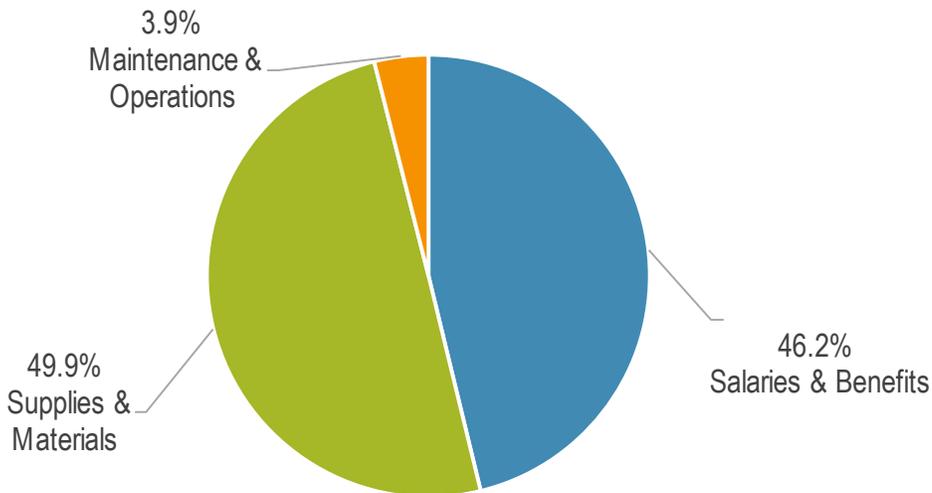
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	56,055	61,790	58,667	64,400	2,610	4.22%
Supplies & Materials	51,325	69,500	52,595	69,500	-	0.00%
Maintenance & Operations	3,480	5,500	2,804	5,500	-	0.00%
Total	110,860	136,790	114,066	139,400	2,610	1.91%

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.

ACTIVITY INDICATORS

Indicator	Activity
Emergency Incident Responses	1,769
Emergency Medical Incidents	1,041
Service Calls	366
Good Intent	132
Fire Alarms	22
Fires	44
False Alarms	54
Service Class	7

**More activity details are provided in the September 2020 Monthly Report on page 212 of this document.*

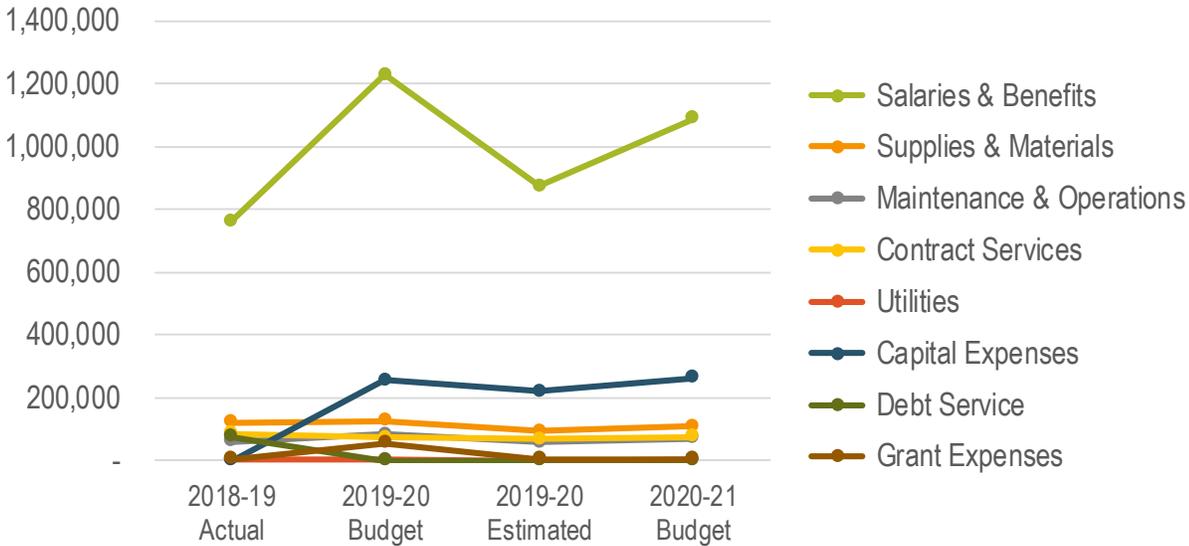
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Fire Chief (Part-time)	1	1	1
Assistant Fire Chief/Fire Marshall	0	0	1
Lieutenant	2	2	2
Firefighter/Paramedic	6	7	7
Firefighter/Paramedic (Part-time)	23	23	23
Total Budgeted Positions	32	33	34

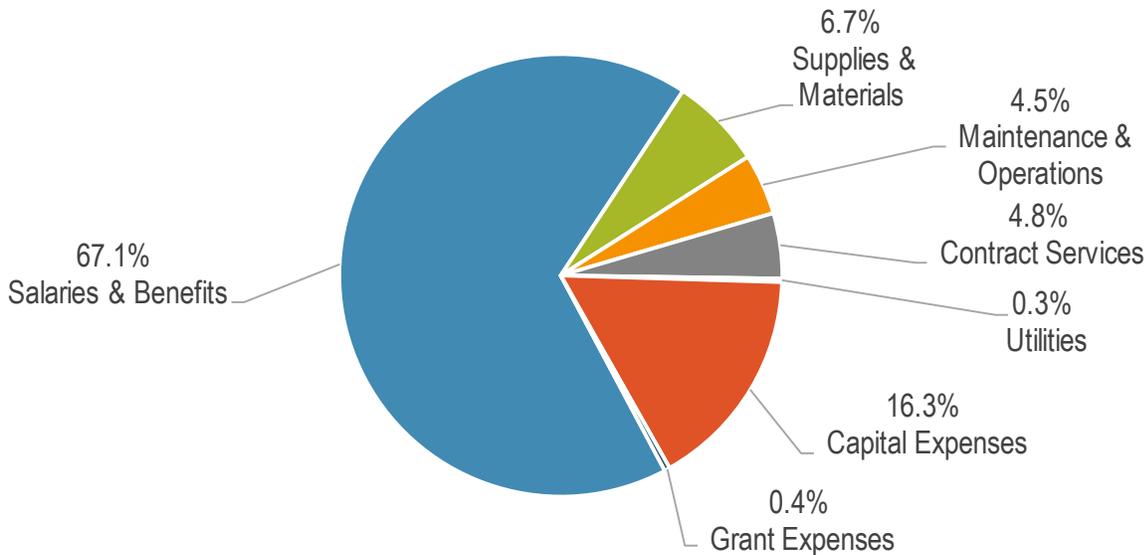
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	762,970	1,228,372	873,189	1,089,000	(139,372)	-11.35%
Supplies & Materials	121,468	127,500	93,157	108,900	(18,600)	-14.59%
Maintenance & Operations	61,232	84,000	58,030	72,400	(11,600)	-13.81%
Contract Services	86,415	72,784	68,694	77,363	4,579	6.29%
Utilities	3,462	4,200	1,456	4,200	-	0.00%
Capital Expenses	-	255,000	220,570	265,000	10,000	3.92%
Debt Service	77,817	-	-	-	-	-
Grant Expenses	5,843	57,500	5,376	6,500	(51,000)	-88.70%
Total	1,119,207	1,829,356	1,320,472	1,623,363	(205,993)	-118.23%

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.

Goals for 2020-2021

- The main goal is to become Court of Record. Becoming court of record gives the court more authority over city ordinances such as code violation; it keeps cases from easily being appealed to the county and; it would be a great asset for the police department as far as obtaining warrants.

Sanger Comprehensive Plan Goals Supported Through Operations

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

ACTIVITY INDICATORS

Indicator	Activity
Citations Filed	516
Deferred Disposition Requests	41
Driver Safety Course Requests	17
Deferred Dispositions	41
Cases Closed by Driver Safety Courses	17
Full Payment/Time Served	219

**More activity details are provided in the September 2020 Monthly Report on page 212 of this document.*

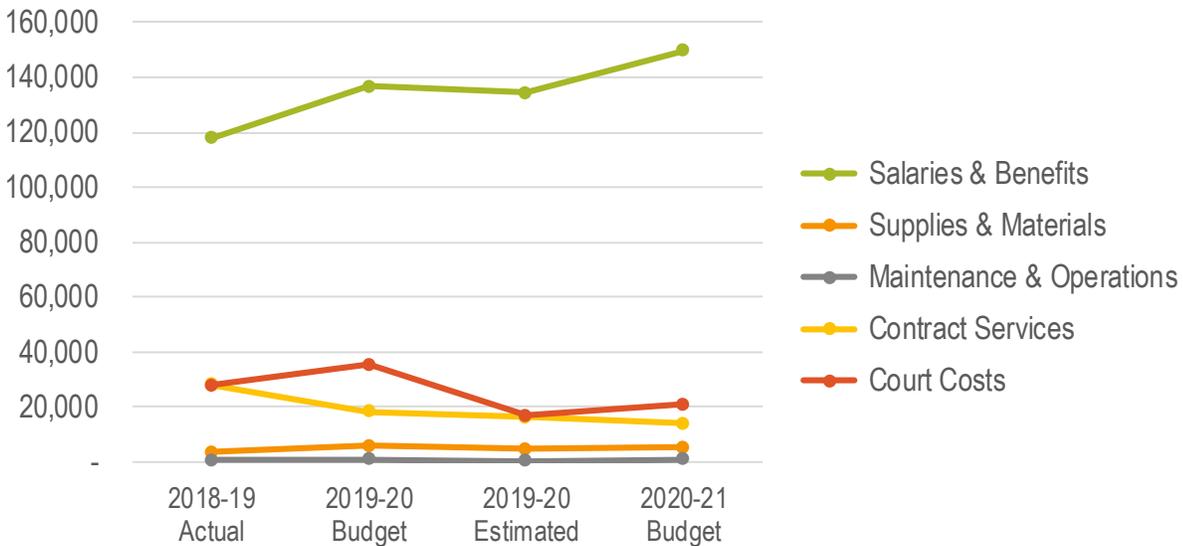
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Court Clerk	1	1	1
Deputy Court Clerk	1	1	1
Municipal Judge (Part-Time)	2	2	2
Total Budgeted Positions	4	4	4

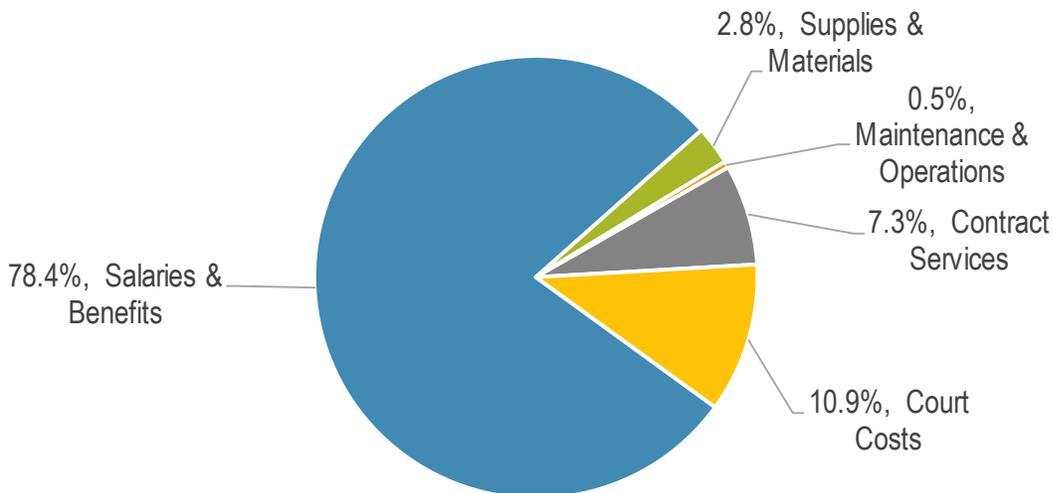
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	117,903	136,500	134,309	149,700	\$13,200	9.67%
Supplies & Materials	3,754	6,000	4,726	5,400	(\$600)	-10.00%
Maintenance & Operations	841	1,000	840	900	(\$100)	-10.00%
Contract Services	28,218	18,500	16,246	14,000	(\$4,500)	-24.32%
Court Costs	27,872	35,494	17,078	20,849	(\$14,645)	-41.26%
Total	178,588	197,494	173,199	190,849	(6,645)	-3.36%

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.

ACTIVITY INDICATORS

Indicator	Activity
Residential Permits Issued	235
Residential Inspections Performed	3,035
Commercial Permits Issued	23
Commercial Inspections Performed	467
Miscellaneous Permits Issued	389
Miscellaneous Inspections Performed	782

**More activity details are provided in the September 2020 Monthly Report on page 212 of this document.*

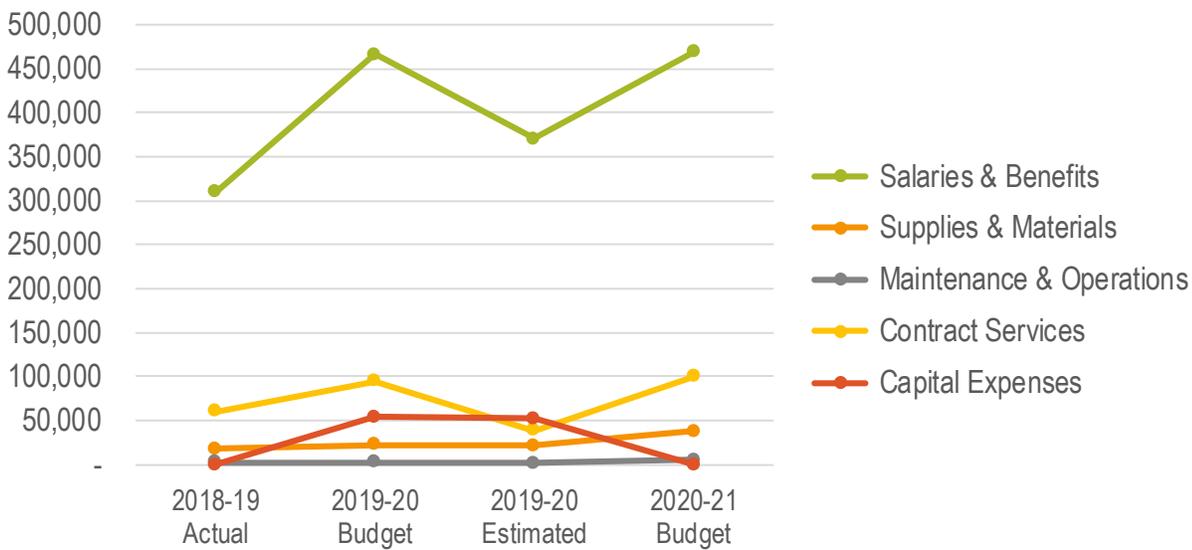
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Development Service Director	1	1	1
Building Inspector	1	1	1
Planner	1	1	1
Plans Examiner	0	1	1
Community Enhancement Officer	0	1	1
Permit Technician	1	1	1
Total Budgeted Positions	4	6	6

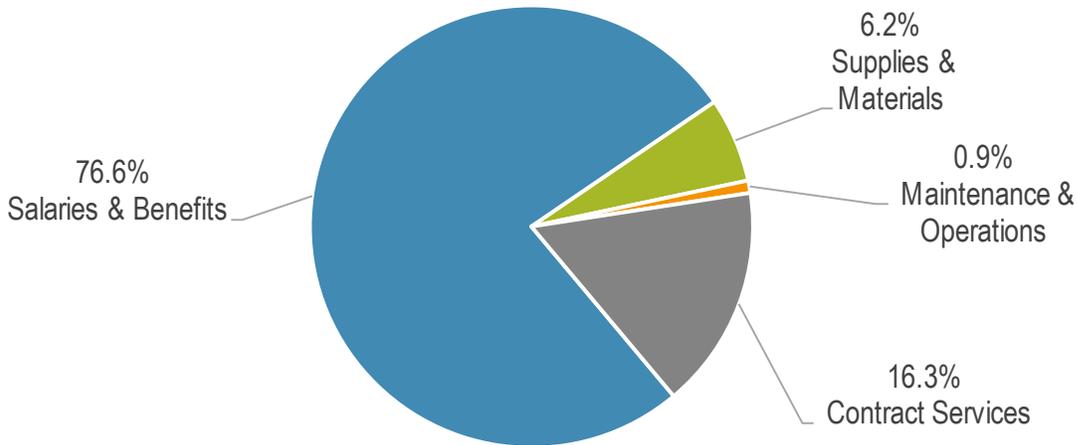
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	310,146	466,500	370,754	468,500	\$2,000	0.43%
Supplies & Materials	17,723	22,860	21,256	38,000	\$15,140	66.23%
Maintenance & Operations	2,353	2,875	1,809	5,450	\$2,575	89.57%
Contract Services	60,099	95,240	38,863	99,954	\$4,714	4.95%
Capital Expenses	-	54,000	52,755	-	(\$54,000)	-100.00%
Total	390,321	641,475	485,437	611,904	(29,571)	-4.61%

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.

ACTIVITY INDICATORS

Indicator	Activity
Road Hazards Assessed & Corrected	116
Traffic & Street Signs Installed or Repaired	108
Miscellaneous Items	31

**More activity details are provided in the September 2020 Monthly Report on page 212 of this document.*

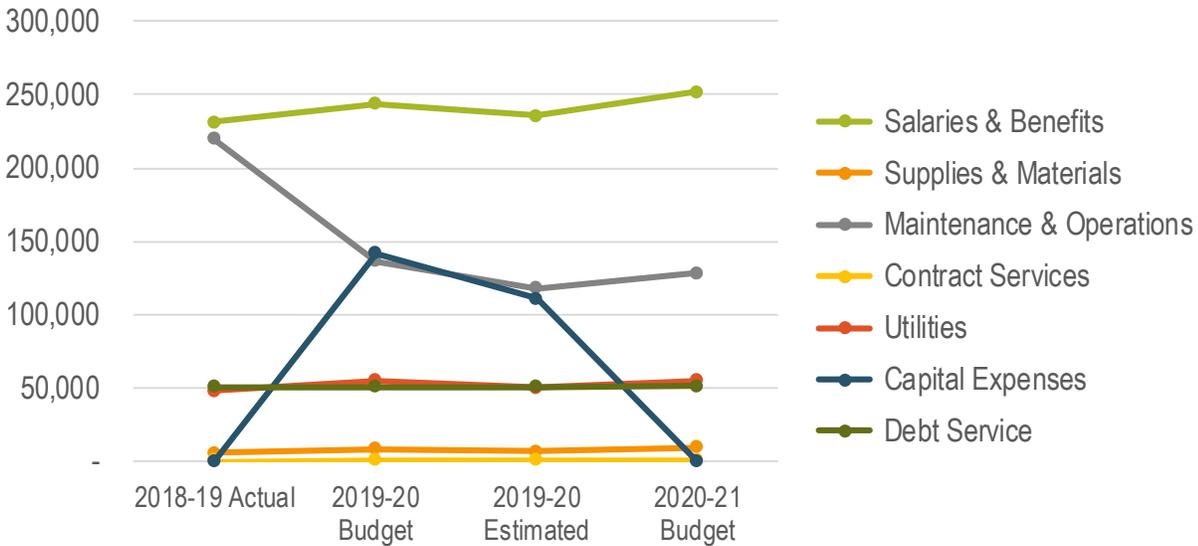
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Streets Superintendent	1	1	1
Utility Worker	3	3	3
Total Budgeted Positions	4	4	4

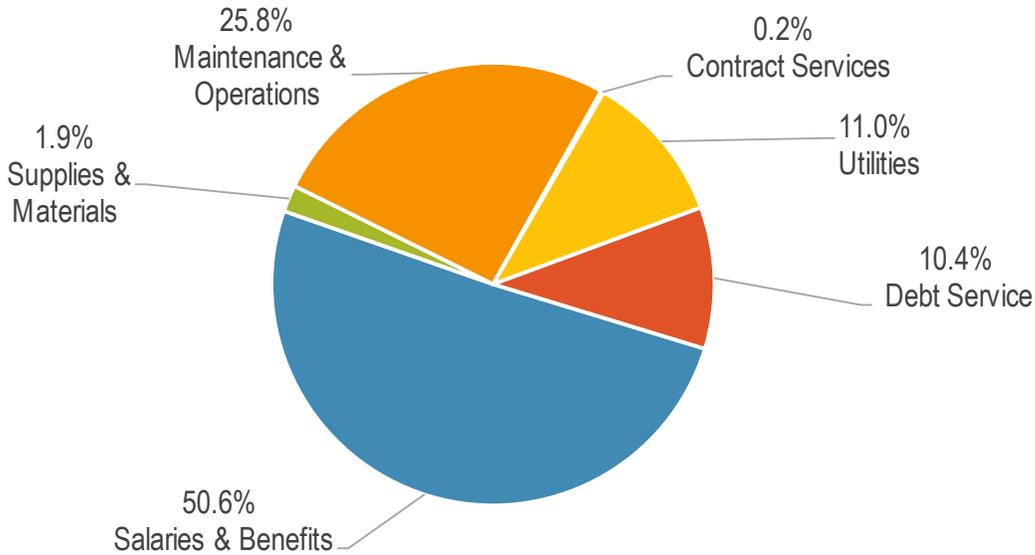
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	231,395	243,800	235,561	252,100	8,300	3.40%
Supplies & Materials	6,015	8,200	6,881	9,700	1,500	18.29%
Maintenance & Operations	219,595	136,500	118,203	128,500	(8,000)	-5.86%
Contract Services	626	1,000	777	1,000	-	0.00%
Utilities	47,938	55,000	50,215	55,000	-	0.00%
Capital Expenses	-	142,000	111,043	-	(142,000)	-100.00%
Debt Service	51,535	51,535	51,535	51,536	1	0.00%
Total	557,104	638,035	574,215	497,836	(140,199)	-21.97%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



Parks

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.

2019-2020 was a very successful year for the Parks and Recreation Department. Before COVID-19, we held the largest Christmas Parade we have ever hosted in both number of floats and attendees as well as the Mother-Son dance selling out. We installed Wi-Fi at Porter Park, the Community Center, and the Historic Presbyterian Church. In addition, we: painted the foul poles at Porter Park; made updates at several city-owned buildings; installed lighting detectors at both Porter Sports Park and Railroad Baseball Park; and completed . Lastly, and completed over 850 brush orders called in during the fiscal year.

Goals and objectives for the 2020-2021 year for Parks will be to continue to maintain our softball and baseball fields as well as keeping our parks safe and clean for all residents. The Parks Department, which also maintains all city facilities, has several building updates slated for this year including finishing required updates to the Sullivan Center, the Community Center, as well as the City owned properties located at 101 Bolivar and 311 N. 5th Street. On the Recreation side we are excited to begin hosting events again as soon as we can safely do so.

Porter Sports Park was awarded Best Athletic Complex by Texas Turf Grass Association.

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.

ACTIVITY INDICATORS

Indicator	Activity
Acres Mowed	2,030
Brush Orders Completed	760

**More activity details are provided in the September 2020 Monthly Report on page 212 of this document.*

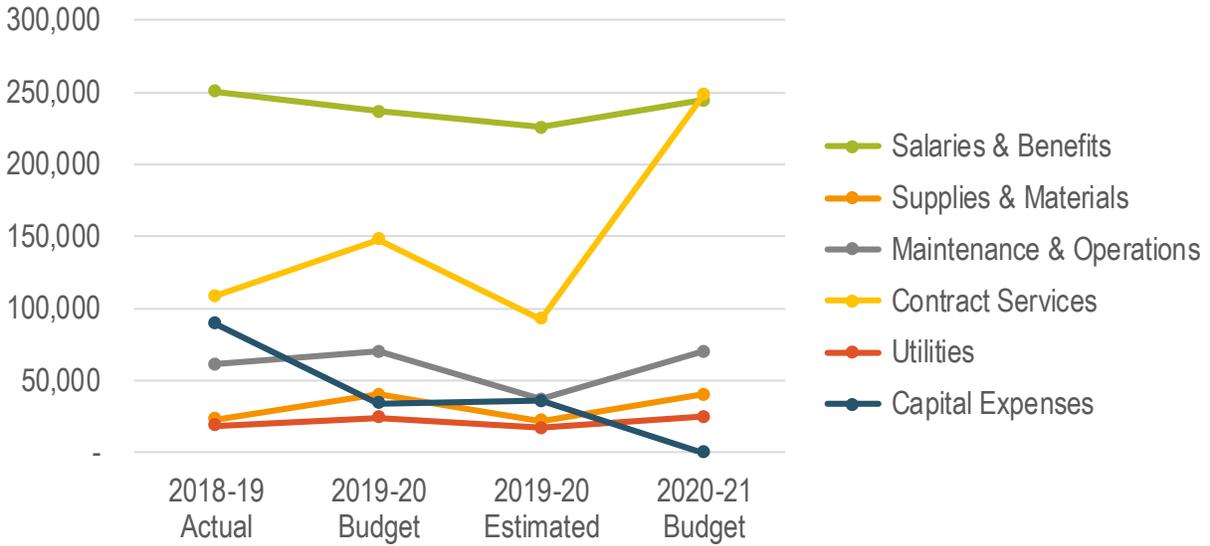
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Parks & Recreation Director	1	0	0
Public Works Director	0	0.5	0.5
Foreman	1	1	1
Grounds Maintenance Worker	2	2	2
Total Budgeted Positions	4	3.5	3.5

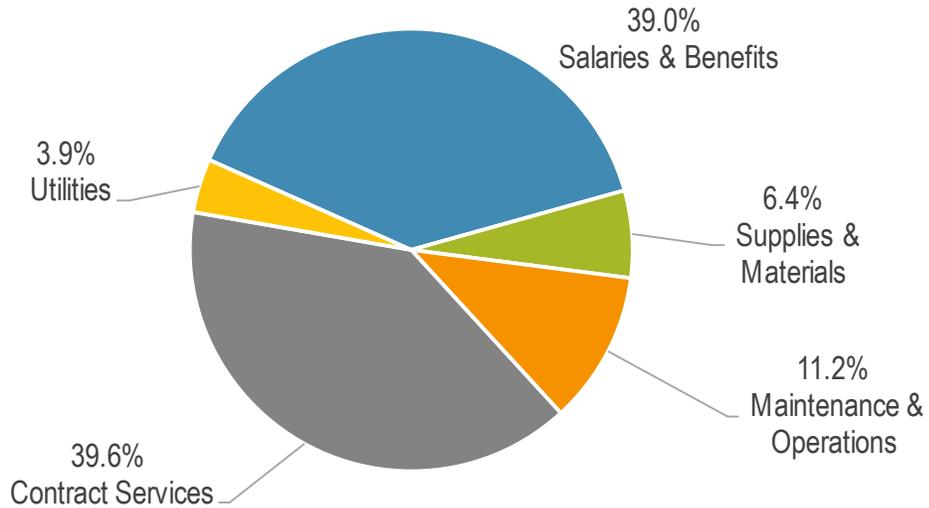
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	250,605	236,900	225,677	244,600	7,700	3.25%
Supplies & Materials	23,120	40,100	21,945	40,100	-	0.00%
Maintenance & Operations	61,380	69,992	36,971	69,992	-	0.00%
Contract Services	108,478	147,800	92,841	248,200	100,400	67.93%
Utilities	18,958	24,400	17,353	24,600	200	0.82%
Capital Expenses	89,515	34,000	36,068	-	(34,000)	-100.00%
Total	552,056	553,192	430,855	627,492	74,300	13.43%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



Recreation

The City of Sanger Recreation Department is responsible for organizing, planning and implementation of all Department Special Events. This Department also coordinates with all athletic leagues for facility scheduling and usage. This Department also serves the administration function for Parks, Fire as well as Recreation.

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.

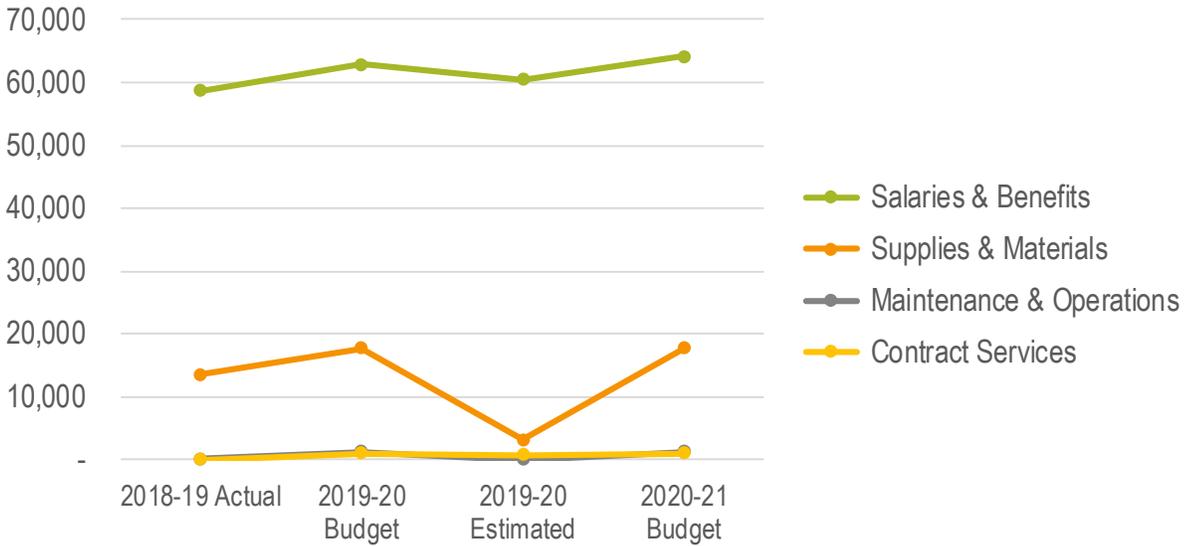
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Special Events Coordinator	1	1	1
Total Budgeted Positions	1	1	1

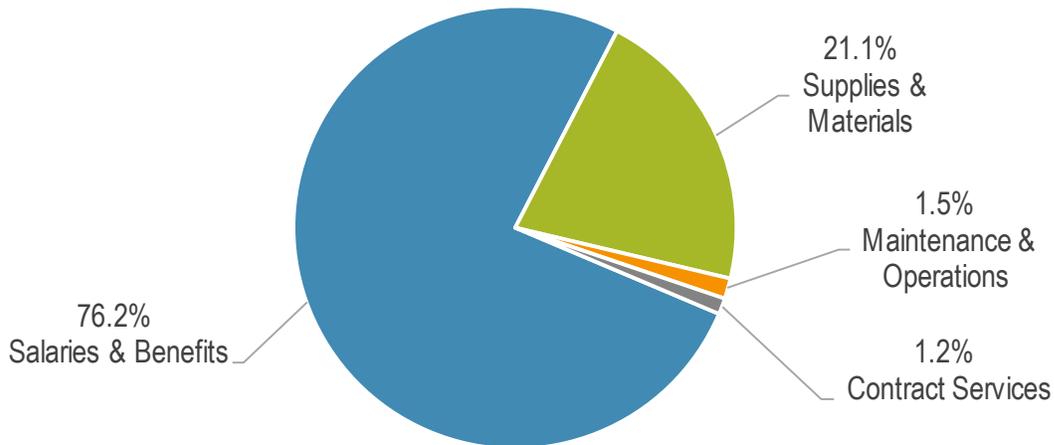
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	58,659	62,900	60,420	64,100	1,200	1.91%
Supplies & Materials	13,521	17,750	3,099	17,750	-	0.00%
Maintenance & Operations	160	1,250	-	1,250	-	0.00%
Contract Services	-	1,000	755	1,000	-	0.00%
Total	72,340	82,900	64,274	84,100	1,200	1.45%

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.

Accomplishments:

- The library received a Tocker Foundation grant to digitize Sanger’s newspapers.
- In an official partnership with Sanger ISD, the library received technology equipment including ten iPads, a large screen smart television, and a variety of supplies for programs benefiting preschool age children. The MOU, which was part of the TEA grant that SISD received, was presented to the Sanger City Council in July of 2019, and the co-sponsored programs were held at the library in the fall and winter.
- Before the pandemic, both the number of programs offered for different age groups and materials checked out from the library had increased. New programs ranging from how to use a Cricut machine to story time for infants were introduced, and circulation statistics, particularly for juvenile materials, increased over the previous year.

Goals for 2020-2021:

- Our goal for the upcoming year is to continue to meet the needs of our community as much as we are able in the midst of the COVID-19 pandemic.

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.

ACTIVITY INDICATORS

<u>Indicator</u>	<u>Activity</u>
Physical Items Checked Out	15,356
eBooks Checked Out	1,244
Patron Library Visits	13,893

**More activity details are provided in the September 2020 Monthly Report on page 212 of this document.*

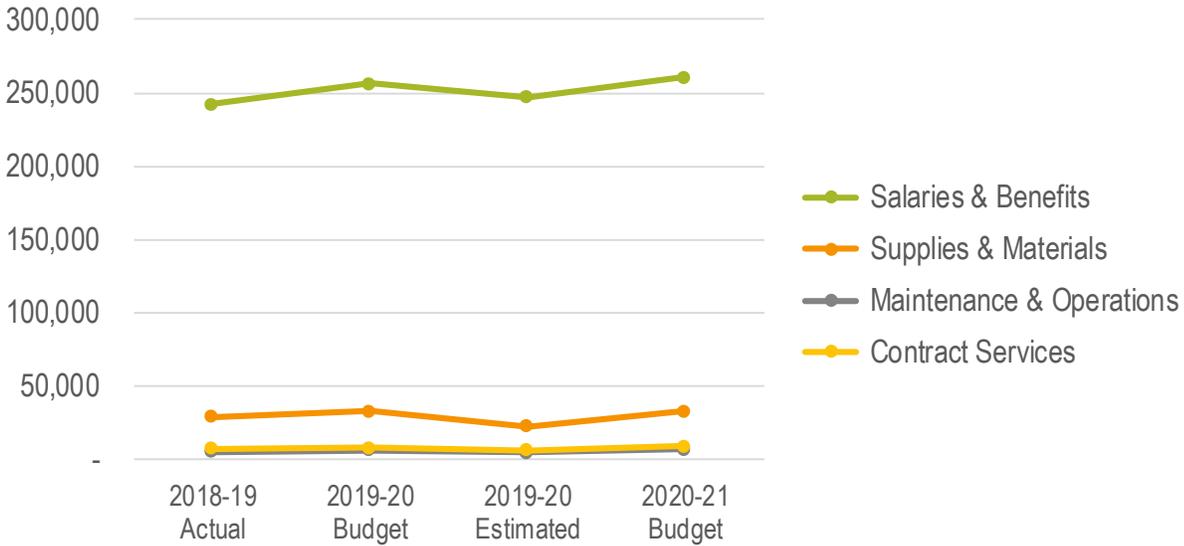
BUDGETED PERSONNEL SCHEDULE

<u>Position Title</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
Library Director	1	1	1
Librarian / Social Media	1	1	1
Library Aide	1	1	1
Library Aide (Part-Time)	3	3	3
Total Budgeted Positions	6	6	6

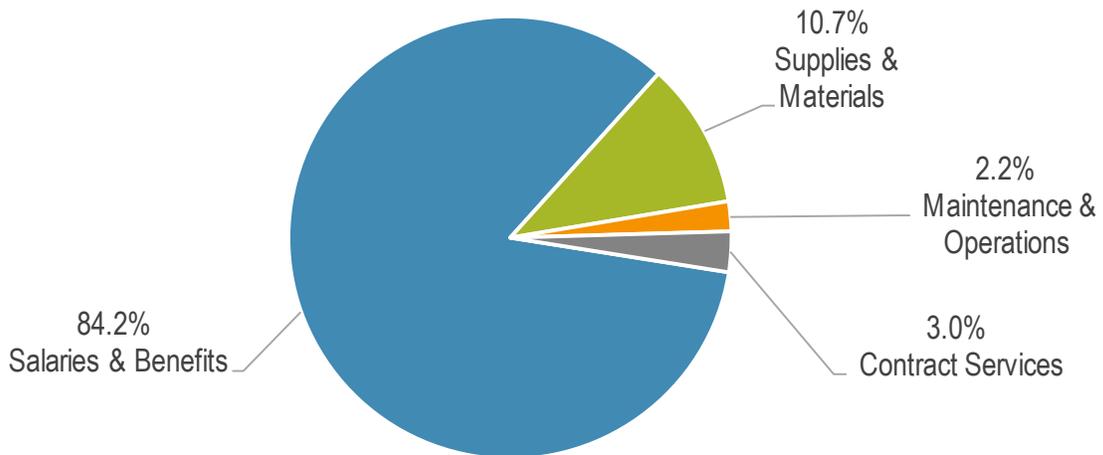
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	242,031	256,100	247,394	260,500	4,400	1.72%
Supplies & Materials	29,398	33,160	22,894	33,005	(155)	-0.47%
Maintenance & Operations	5,595	6,250	5,024	6,775	525	8.40%
Contract Services	7,380	7,960	6,279	9,150	1,190	14.95%
Total	284,404	303,470	281,591	309,430	5,960	1.96%

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.

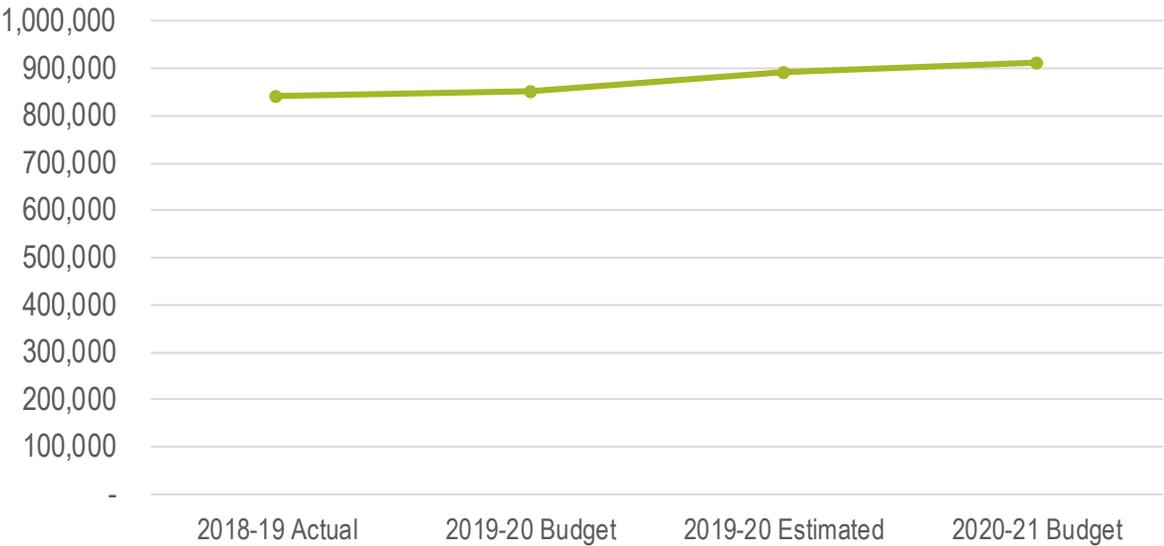
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Total Budgeted Positions	0	0	0

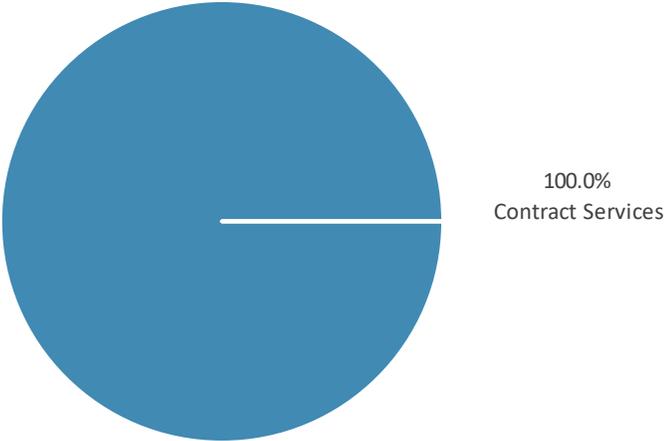
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Contract Services	841,394	850,000	890,634	912,000	62,000	7.29%
Total Solid Waste	841,394	850,000	890,634	912,000	62,000	7.29%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



Transfers

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

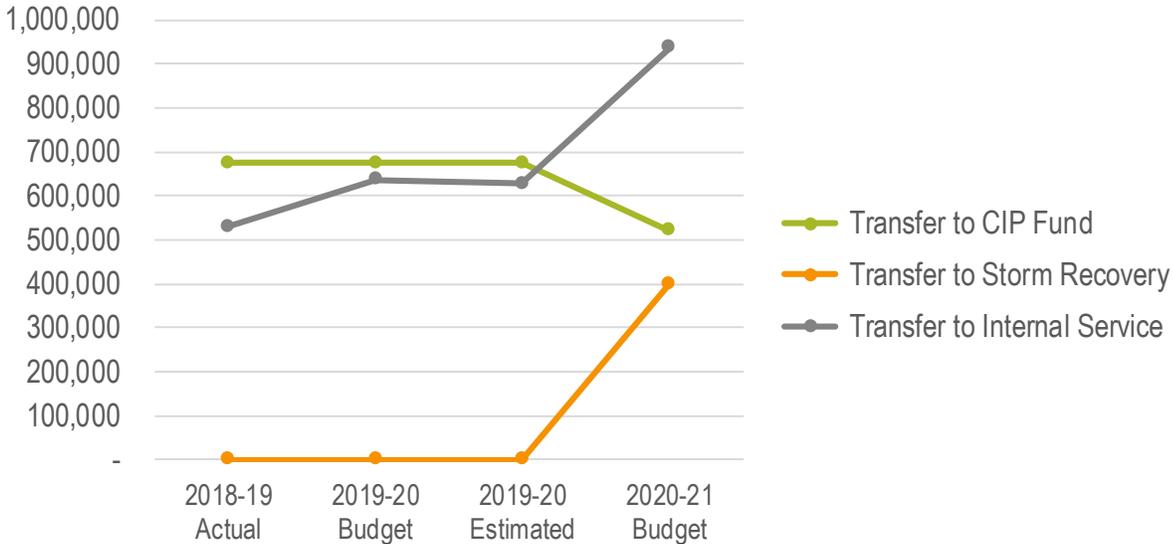
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Total Budgeted Positions	0	0	0

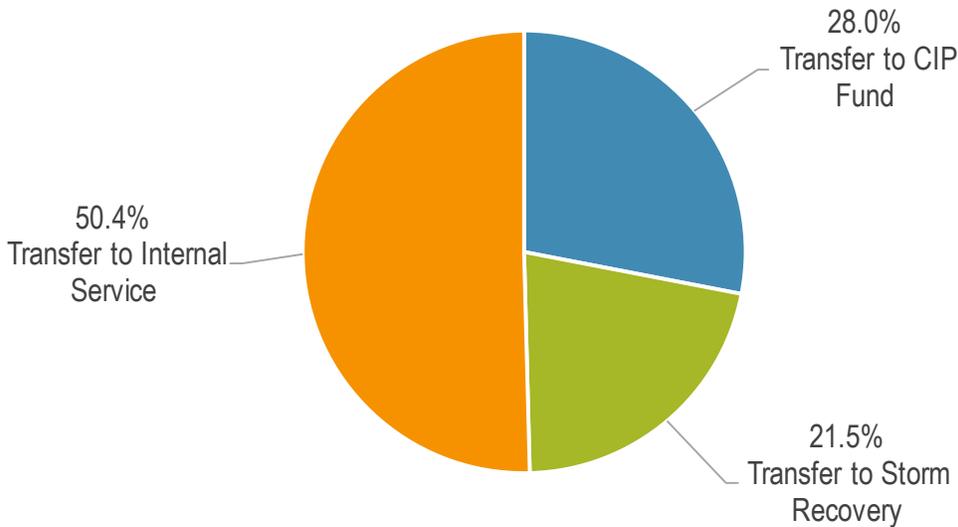
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Transfer to CIP Fund	675,000	675,000	675,000	520,725	(154,275)	-22.86%
Transfer to Storm Recovery	-	-	-	400,000	400,000	-
Transfer to Internal Service	530,619	636,507	626,773	935,908	299,401	47.04%
Total	1,205,619	1,311,507	1,301,773	1,856,633	545,126	41.56%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION





Debt Service Fund

OVERVIEW

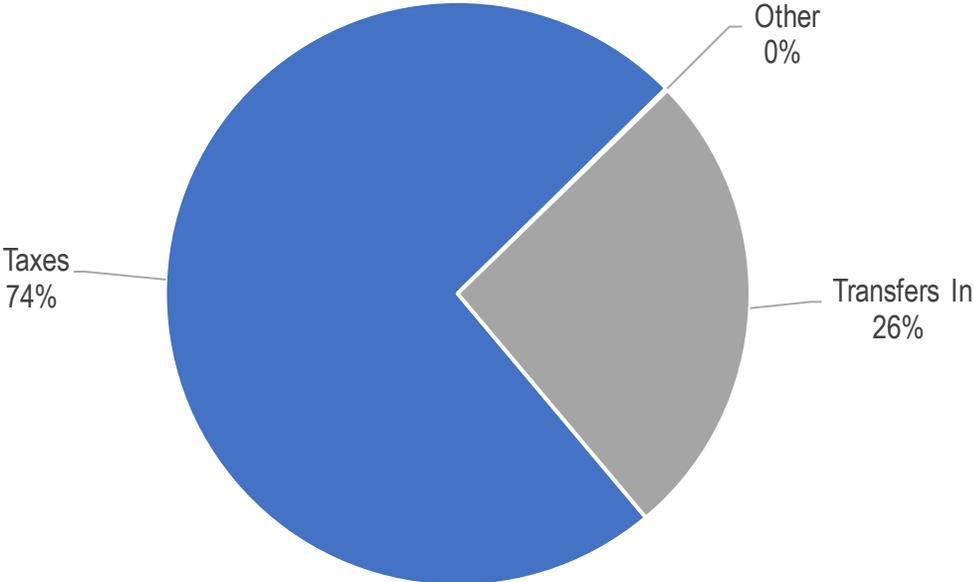
The Debt Service Fund accounts for the receipt of funds from a tax levy and other sources for the accumulation of funds to meet the principal and interest obligations on General Fund Obligations.

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. The City's adopted tax rate of \$0.605456 per \$100 assessed valuation for maintenance and operations plus \$0.073644 per \$100 assessed valuation for debt service equals the total tax rate of \$0.6791, which is well below the maximum rates allowed by law.

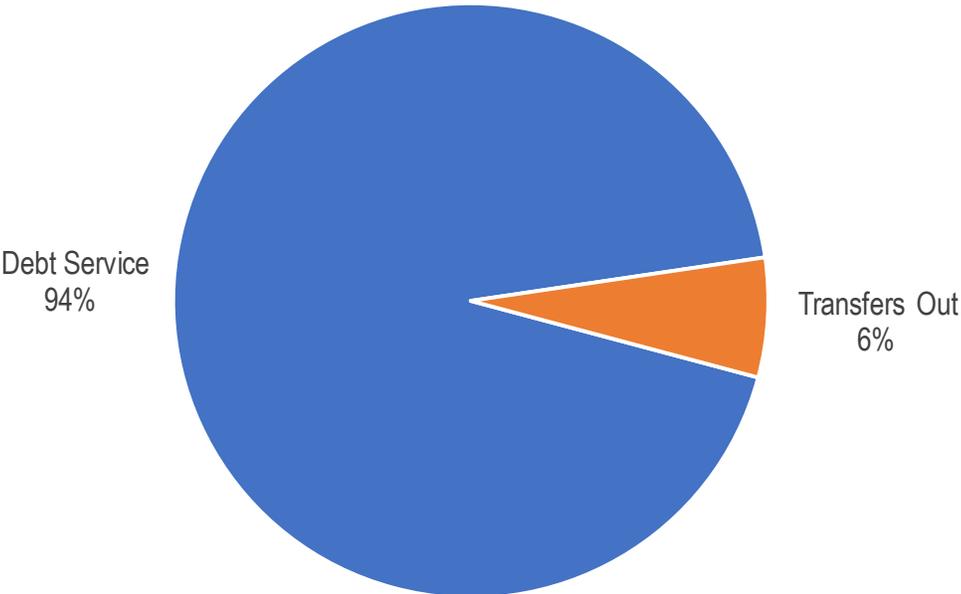
The basis of accounting for the Debt Service Fund for both financial reporting and budgeting is the modified accrual basis.

DEBT SERVICE FUND BUDGET SUMMARY

DEBT SERVICE FUND REVENUES



DEBT SERVICE FUND EXPENDITURES



DEBT SERVICE FUND BUDGET SUMMARY

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	455,935	532,641	532,641	532,746
Revenues				
Property Taxes	721,281	606,173	614,820	598,897
Interest Income	475	100	988	900
Bond Proceeds	1,635,000	-	-	-
Total General Fund Revenues	2,356,756	606,273	615,808	599,797
Other Sources				
Transfers In	212,500	212,500	212,500	212,500
Total Other Sources	212,500	212,500	212,500	212,500
Total Revenues/Sources	2,569,256	818,773	828,308	812,297
Expenditures				
Debt Service	2,363,198	776,918	776,668	741,956
Total Expenditures	2,363,198	776,918	776,668	741,956
Other Uses				
Transfers Out	129,352	51,535	51,535	51,535
Total Other Uses	129,352	51,535	51,535	51,535
Total Expenses/Uses	2,492,550	828,453	828,203	793,491
Excess of Revenues/Sources over Expenditures/Uses	76,706	(9,680)	105	18,806
Ending Fund Balance	532,641	522,961	532,746	551,552

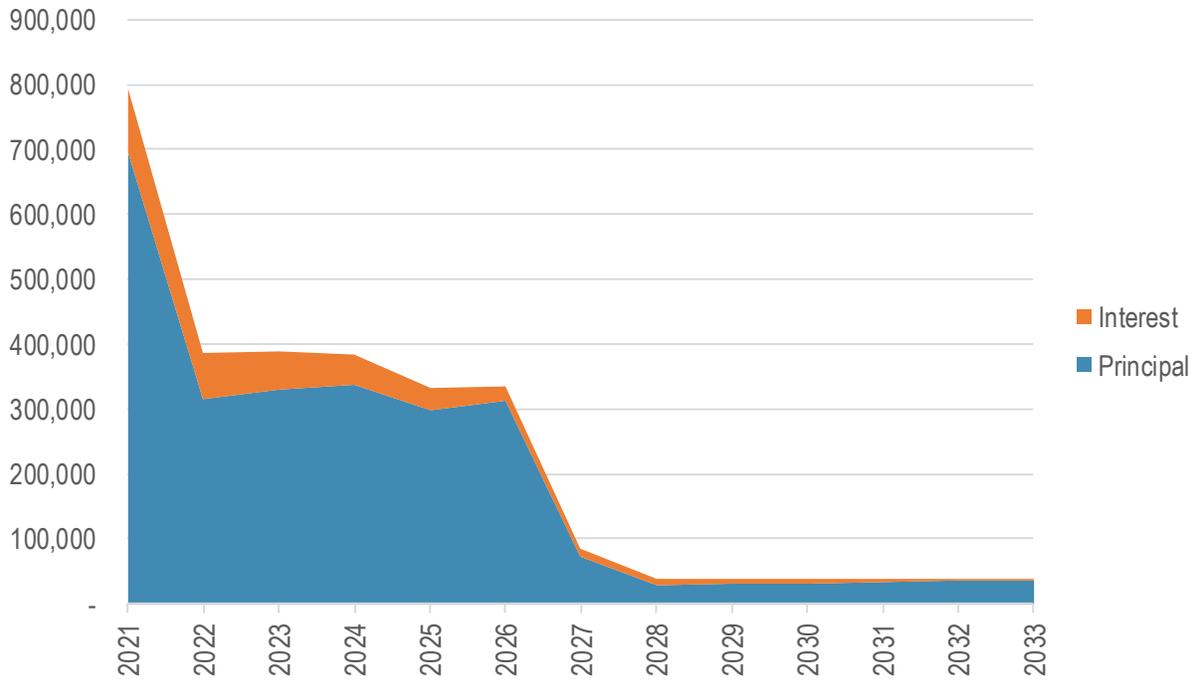
DEBT SERVICE FUND EXPENDITURES

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Co 2007 Principal	30,600	32,300	32,300	34,000
Co 2007 Interest	14,660	13,314	13,314	11,894
Co 2009 Principal	1,765,196	-	-	-
Co 2009 Interest	78,029	-	-	-
Refunding 2012 Principal	162,800	169,400	169,400	145,200
Refunding 2012 Interest	13,112	8,228	8,228	3,994
Co 2013 Principal	21,000	21,600	21,600	22,200
Co 2013 Interest	17,505	16,980	16,980	16,332
Refunding 2016 Principal	230,000	241,500	241,500	248,400
Refunding 2016 Interest	28,796	19,596	19,596	9,936
Refunding 2019 Principal	-	200,000	200,000	200,000
Refunding 2019 Interest	-	52,500	52,500	48,500
Bond Administration Fees	1,500	1,500	1,250	1,500
Total Debt Payments	\$ 2,363,198	\$ 776,918	\$ 776,668	\$ 741,956
74-Transfers				
Transfer To General Fund	129,352	51,535	51,535	51,535
Total 74-Transfers	129,352	51,535	51,535	51,535
Total Debt Service	2,492,550	828,453	828,203	793,491

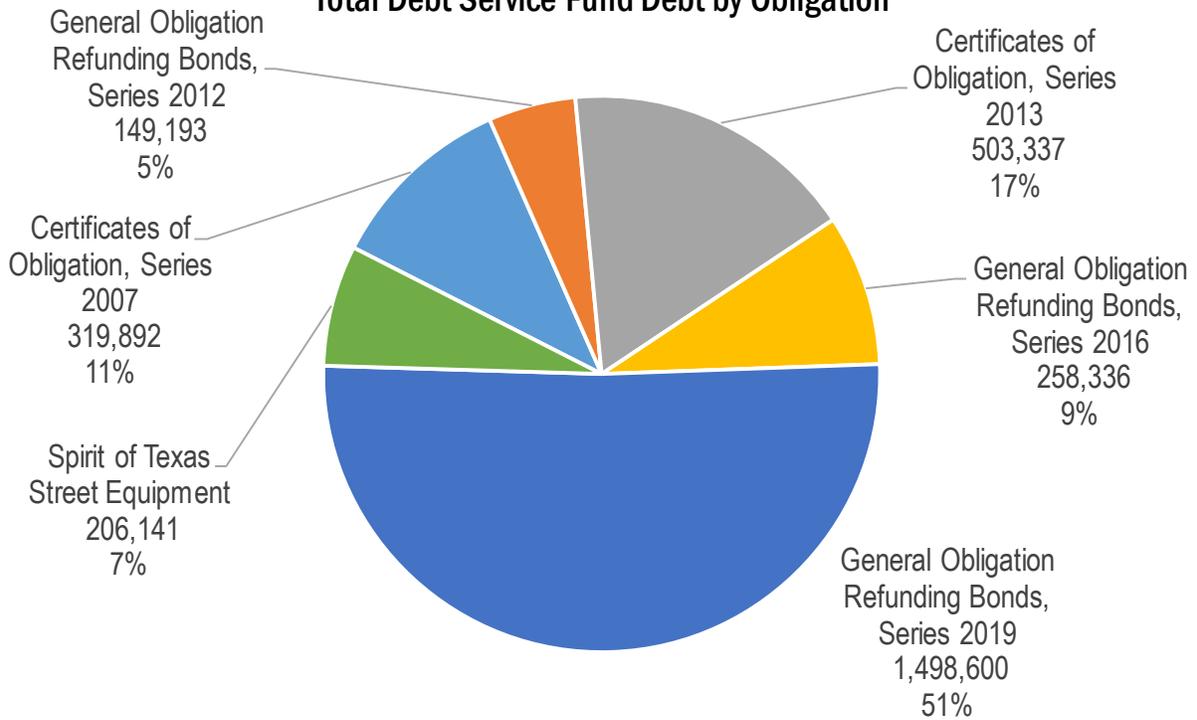
DEBT SERVICE FUND REQUIREMENTS BY YEAR

Fiscal Year	Principal	Interest	Total
2021	694,979	97,012	791,991
2022	315,190	71,409	386,599
2023	329,652	59,191	388,843
2024	336,867	46,410	383,277
2025	299,300	33,237	332,537
2026	313,900	20,981	334,881
2027	71,800	13,023	84,823
2028	28,800	9,768	38,568
2029	30,600	8,400	39,000
2030	31,800	6,870	38,670
2031	33,600	5,280	38,880
2032	35,400	3,600	39,000
2033	36,600	1,830	38,430
Total	2,558,488	377,011	2,935,499

Debt Service Fund Annual Debt Service Requirements



Total Debt Service Fund Debt by Obligation



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.

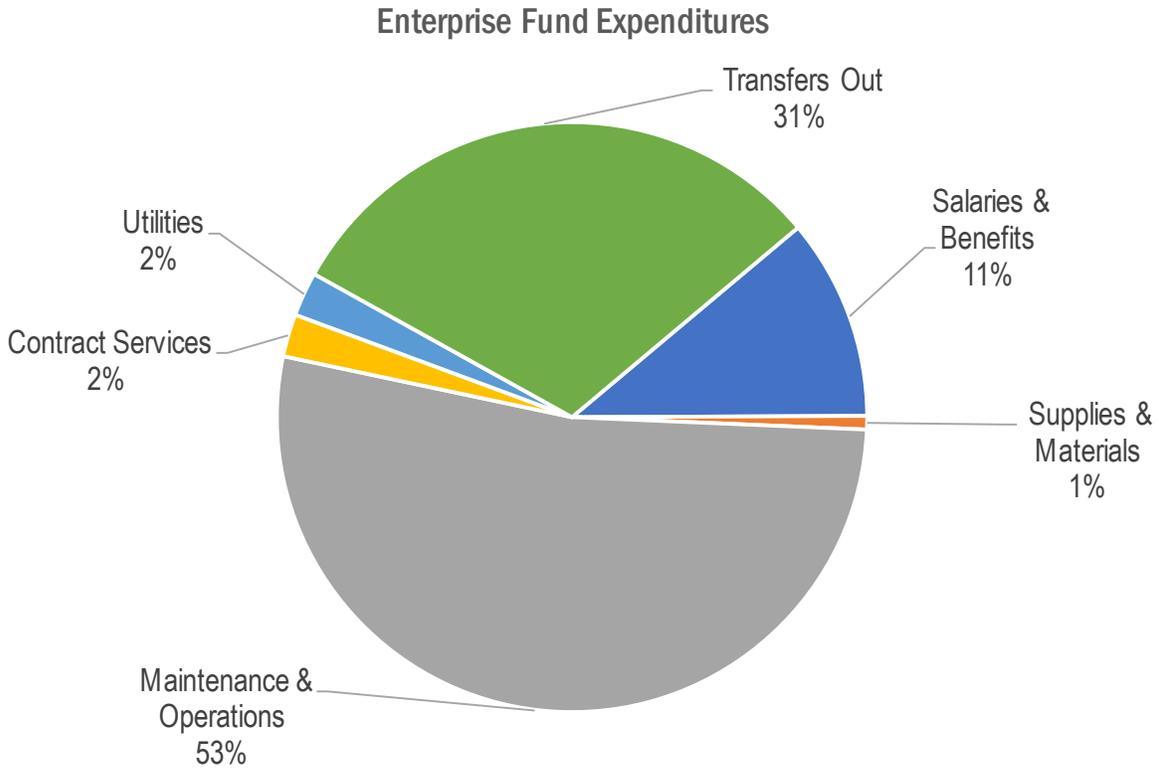
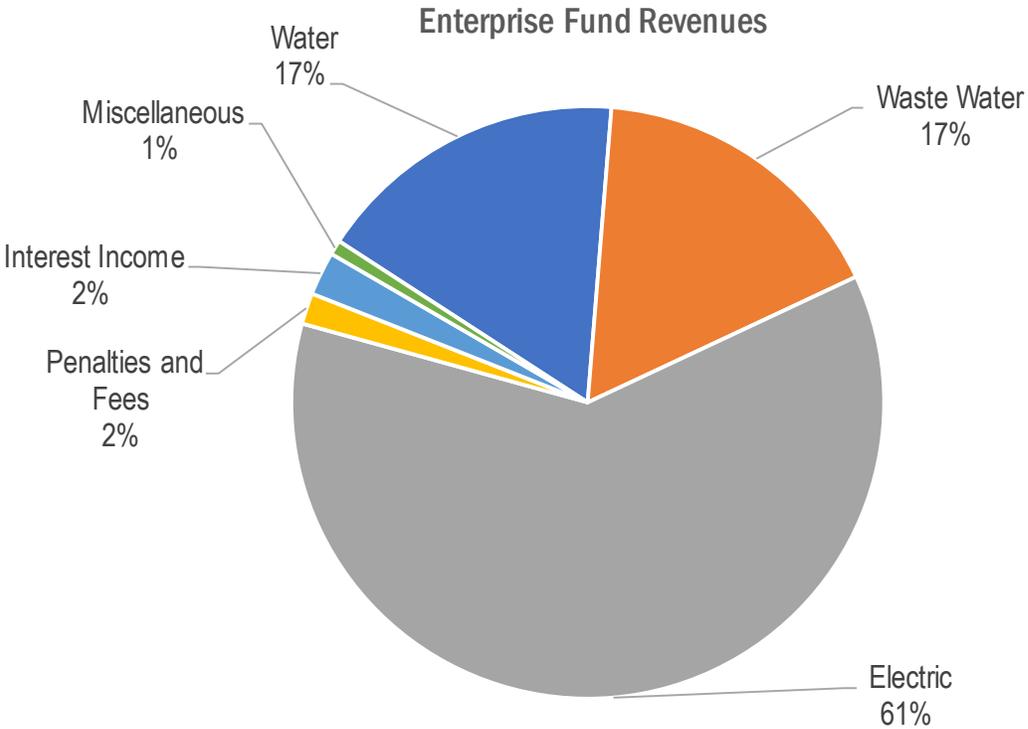
The Enterprise Fund receives revenues from the billing of water, waste water and electric, interest income and other miscellaneous revenue sources.

The Enterprise Fund includes these departments:

- Water
- Waste Water
- Electric
- Debt Service

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

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	16,433,162	18,084,053	18,084,053	18,342,078
Revenues				
Water	2,075,583	2,087,800	1,949,248	2,160,522
Waste Water	1,981,279	2,036,650	1,862,261	2,111,191
Electric	7,674,766	7,700,000	7,176,226	7,732,500
Penalties and Fees	202,032	211,000	178,619	212,500
Interest Income	126,962	15,000	321,178	300,000
Miscellaneous	212,551	68,250	141,035	101,500
Total Enterprise Fund Revenues	12,273,173	12,118,700	11,628,567	12,618,213
Other Sources				
Transfers In	62,295	118,647	118,647	-
Total Other Sources	62,295	118,647	118,647	-
Total Revenues/Sources	12,335,468	12,237,347	11,747,214	12,618,213
Expenditures				
Salaries & Benefits	1,246,258	1,348,035	1,211,833	1,393,000
Supplies & Materials	97,438	95,400	84,646	94,000
Maintenance & Operations	6,615,752	6,681,055	6,281,518	6,642,314
Contract Services	93,792	260,811	243,520	293,595
Utilities	235,087	305,700	284,577	307,300
Capital Expenses	-	131,500	-	-
Debt Service	738,123	1,571,942	1,562,904	-
Total Expenditures	9,026,450	10,394,443	9,668,998	8,730,209
Other Uses				
Transfers Out	1,658,127	1,842,904	1,820,191	3,888,004
Total Other Uses	1,658,127	1,842,904	1,820,191	3,888,004
Total Expenses/Uses	10,684,577	12,237,347	11,489,189	12,618,213
Excess of Revenues/Sources over Expenditures/Uses				
	1,650,891	-	258,025	-
Ending Fund Balance	18,084,053	18,084,053	18,342,078	18,342,078



ENTERPRISE FUND REVENUES

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Water				
Water Billing	2,051,190	2,057,800	1,890,636	2,130,522
Water Meter Revenue	24,393	30,000	58,612	30,000
Total Water	2,075,583	2,087,800	1,949,248	2,160,522
Total Sewer	1,981,279	2,036,650	1,862,261	2,111,191
Electric				
Electric Income	7,519,701	7,600,000	7,032,583	7,600,000
Security Lights	61,766	65,000	53,418	65,000
Construction Income	67,756	10,000	58,475	40,000
Pole Contact Fee	19,565	20,000	19,565	20,000
Saw Set Pole Fees	5,580	5,000	11,640	7,500
Meter Bases	398	-	545	-
Total Electric	7,674,766	7,700,000	7,176,226	7,732,500
Penalties & Fees				
Penalties	139,522	151,000	107,899	150,000
Service Fees	62,510	60,000	70,720	62,500
Total Penalties and Fees	202,032	211,000	178,619	212,500
Total Interest	126,962	15,000	321,178	300,000
Miscellaneous Income				
Miscellaneous Income	161,360	10,000	71,019	25,000
Credit Card Fees	49,546	56,250	58,405	65,000
Returned Check Fees	1,645	2,000	700	1,500
Sale of Capital Assets	-	-	17,137	10,000
Insurance Damage Reimburseme	-	-	(6,226)	-
Total Miscellaneous	212,551	68,250	141,035	101,500
Total Revenues	12,273,173	12,118,700	11,628,567	12,618,213
Transfers				
Transfer from Electric Storm Reco	62,295	118,647	118,647	-
Total Transfers	62,295	118,647	118,647	0
Total Enterprise Fund Revenues &	12,335,468	12,237,347	11,747,214	12,618,213

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.

ACTIVITY INDICATORS

<u>Indicator</u>	<u>Activity</u>
Water Meters Read Manually	12,174
Service Orders Completed	1,404

**More activity details are provided in the September 2020 Monthly Report on page 212 of this document.*

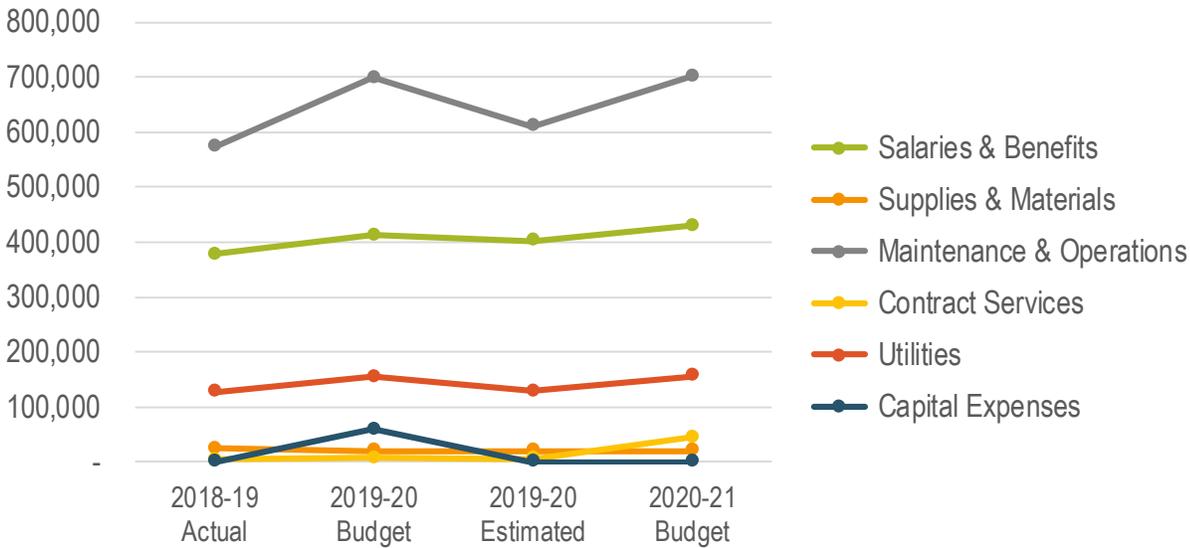
BUDGETED PERSONNEL SCHEDULE

<u>Position Title</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
Water Superintendent	1	1	1
Utility Worker	4	4	4
AMR Technician	1	1	1
Total Budgeted Positions	6	6	6

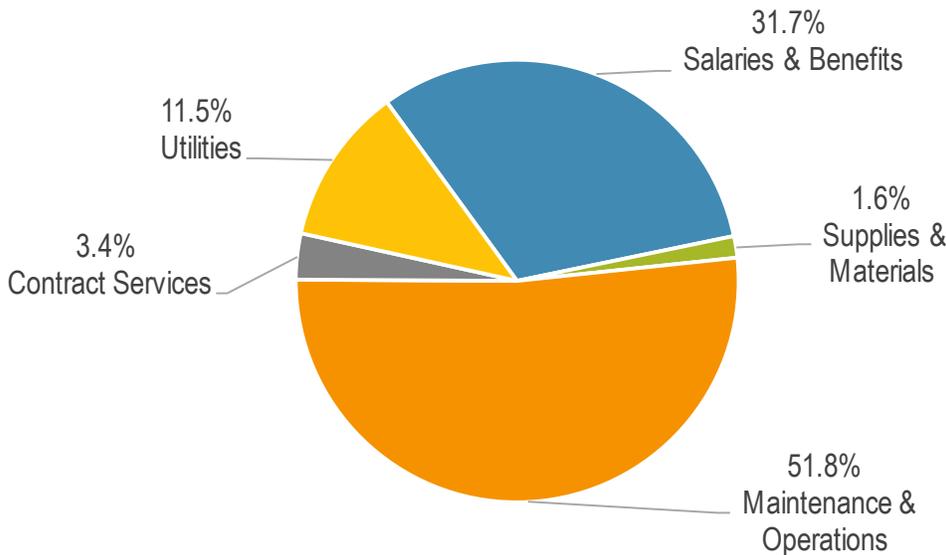
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	378,317	411,880	402,890	430,300	18,420	4.47%
Supplies & Materials	25,679	21,200	20,979	21,300	100	0.47%
Maintenance & Operations	573,474	698,243	610,349	702,123	3,880	0.56%
Contract Services	4,234	7,000	5,648	45,800	38,800	554.29%
Utilities	126,877	155,400	129,032	156,250	850	0.55%
Capital Expenses	-	60,000	-	-	(60,000)	-100.00%
Total	1,108,581	1,353,723	1,168,898	1,355,773	2,050	0.15%

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.

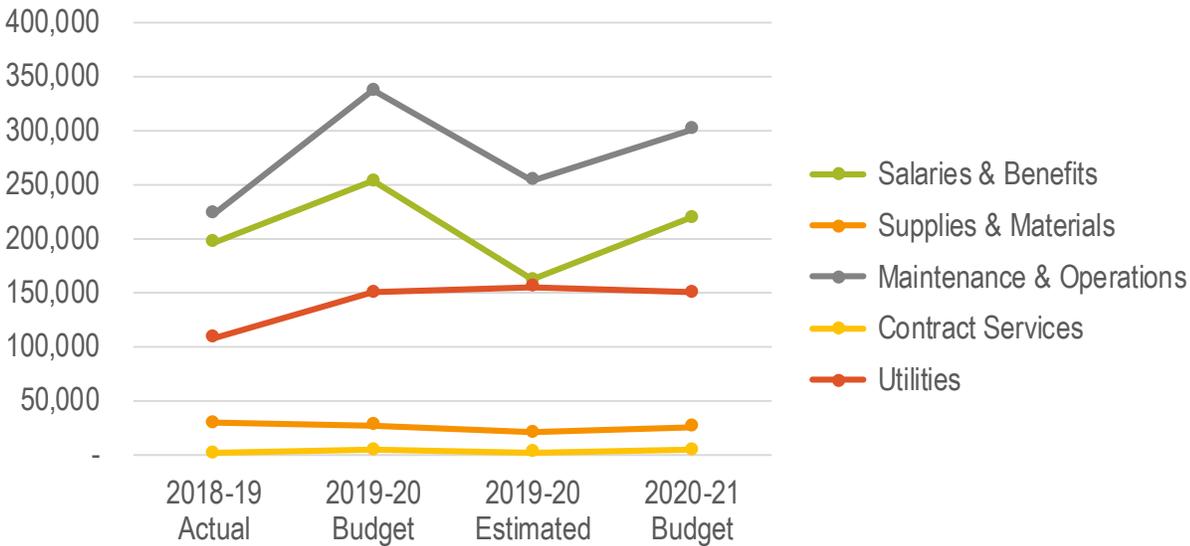
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
WWTP Superintendent	1	1	1
Plant Operator	2	2	2
Total Budgeted Positions	3	3	3

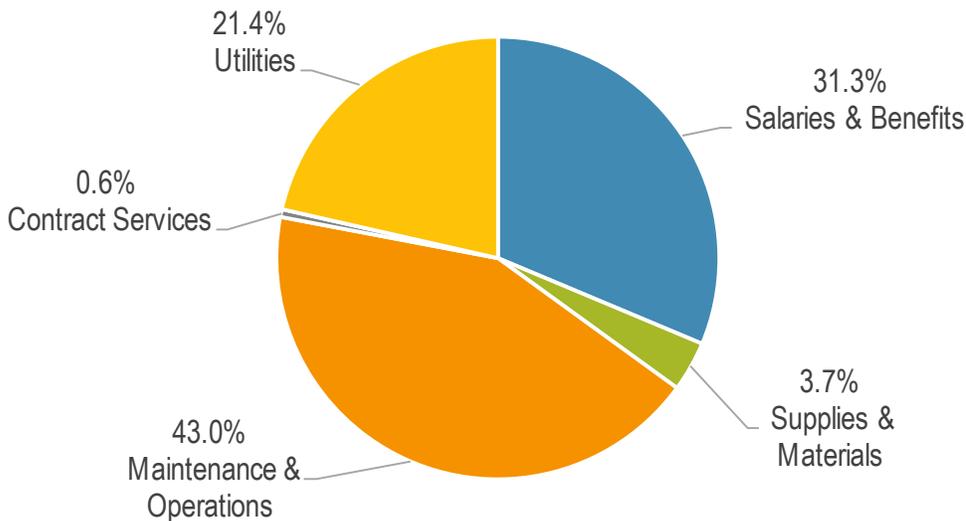
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	196,119	252,628	161,848	219,100	(33,528)	-13.27%
Supplies & Materials	28,914	27,200	20,626	25,700	(1,500)	-5.51%
Maintenance & Operations	222,619	336,479	253,175	300,504	(35,975)	-10.69%
Contract Services	889	4,000	1,621	4,000	-	0.00%
Utilities	107,958	150,000	154,645	150,000	-	0.00%
Total	556,499	770,307	591,915	699,304	(71,003)	-9.22%

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.

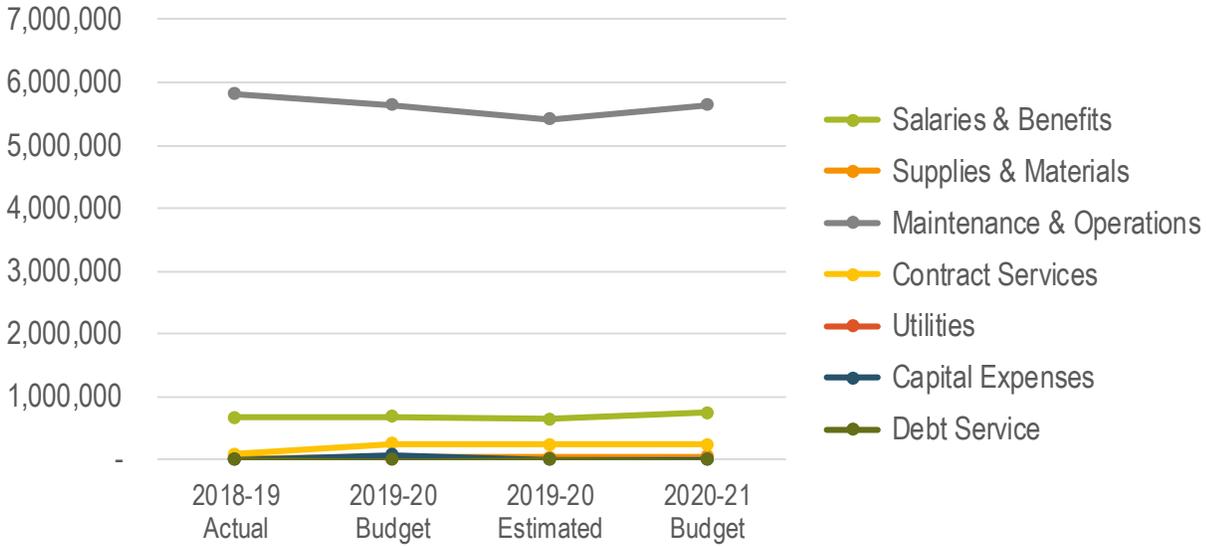
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Director of Electric Utilities	1	1	1
Foreman	1	1	1
Line Tech	3	3	3
Electric Tech/Groundman	0	0	1
Administrative Assistant	1	1	1
Total Budgeted Positions	6	6	7

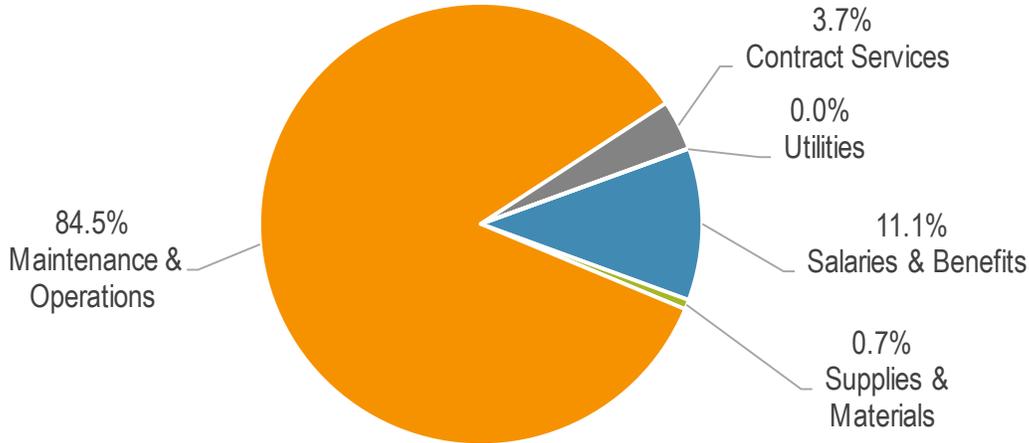
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	671,822	683,527	647,095	743,600	60,073	8.79%
Supplies & Materials	42,845	47,000	43,041	47,000	-	0.00%
Maintenance & Operations	5,819,659	5,646,333	5,417,994	5,639,687	(6,646)	-0.12%
Contract Services	88,669	249,811	236,251	243,795	(6,016)	-2.41%
Utilities	252	300	900	1,050	750	250.00%
Capital Expenses	-	71,500	-	-	(71,500)	-100.00%
Debt Service	1,615	-	2,937	-	-	-
Total	6,624,862	6,698,471	6,348,218	6,675,132	(23,339)	-0.35%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



Debt Service

Debt Service is used to pay principal, interest, and bond fees on the City's debt. Prior to the 2020-2021 fiscal year, debt service for the Enterprise Fund was accounted for in the Enterprise Fund. Beginning with the current budget, Enterprise debt service is accounted for in a separate fund. See page 105 for detail of the Enterprise Debt Service Fund. Prior year information is represented here for the sake of continuity.

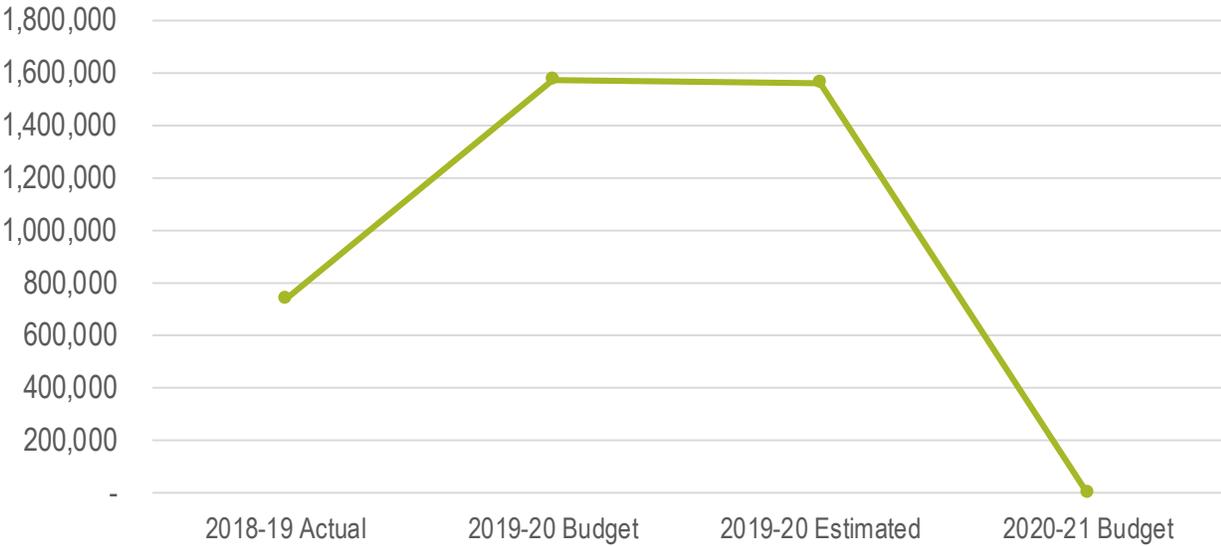
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Total Budgeted Positions	0	0	0

DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Debt Service	736,508	1,571,942	1,559,967	-	(1,571,942)	-100.00%
Total	736,508	1,571,942	1,559,967	-	(1,571,942)	-100.00%

EXPENDITURE BY CATEGORY



Transfers

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

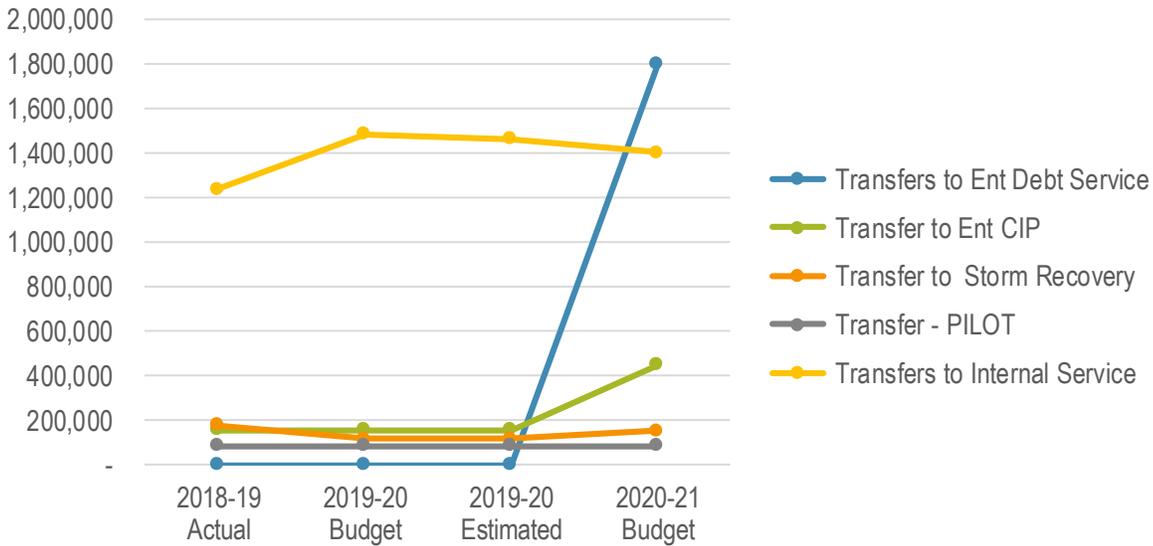
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Total Budgeted Positions	0	0	0

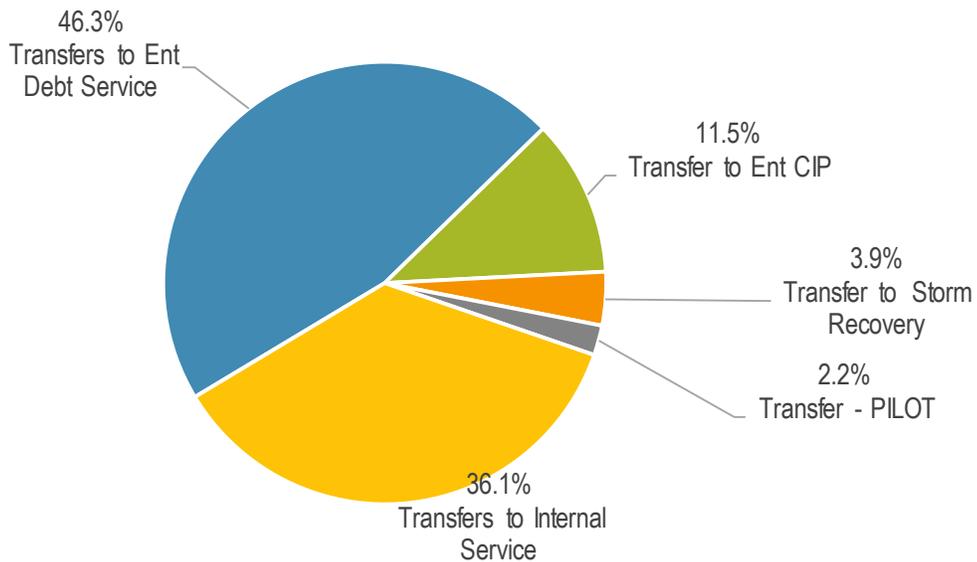
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Transfers to Ent Debt Servic	-	-	-	1,800,000	1,800,000	-
Transfer to Ent CIP	156,800	156,800	156,800	447,142	290,342	185.17%
Transfer to Storm Recovery	178,215	115,920	115,920	152,000	36,080	31.12%
Transfer - PILOT	85,000	85,000	85,000	85,000	-	0.00%
Transfers to Internal Service	1,238,112	1,485,184	1,462,471	1,403,862	(81,322)	-5.48%
Total	1,658,127	1,842,904	1,820,191	3,888,004	2,045,100	110.97%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION





Enterprise Debt Service Fund

OVERVIEW

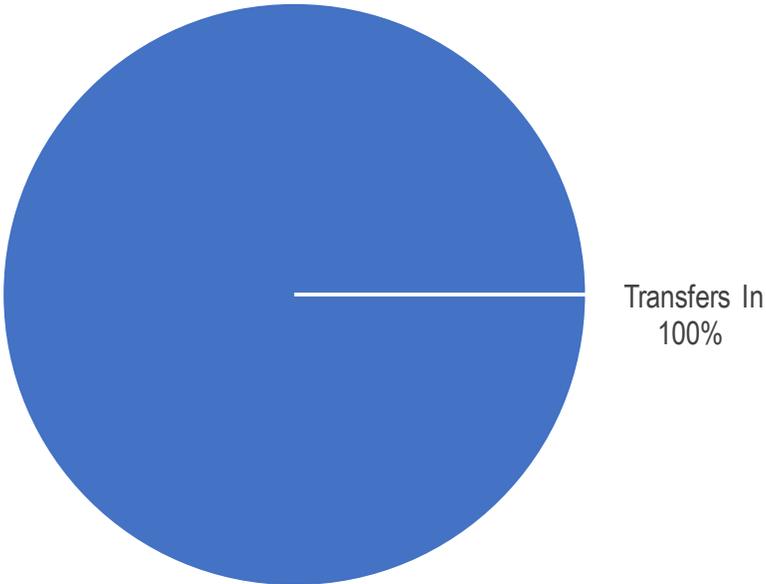
The Enterprise Debt Service Fund accounts for the accumulation of funds to meet the principal and interest obligations on Enterprise Fund Obligations.

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.

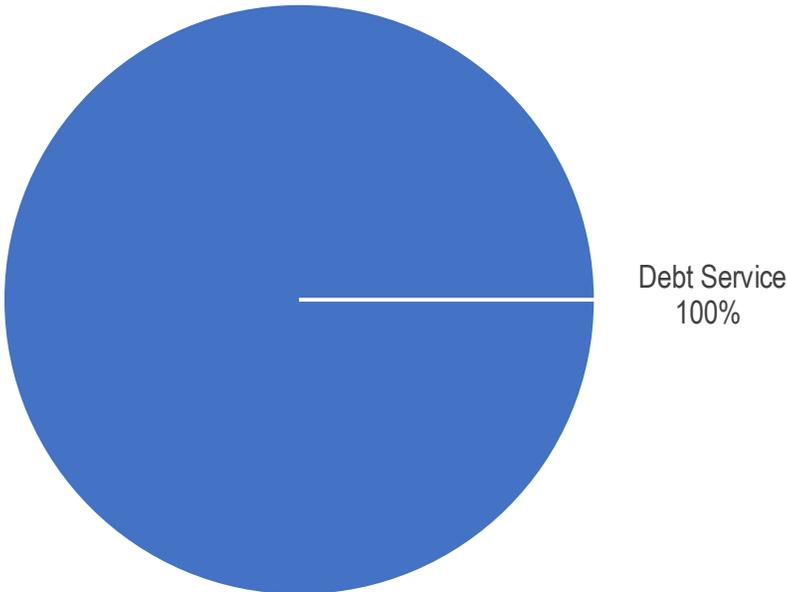
The basis of accounting for the Enterprise Debt Service Fund for both financial reporting and budgeting is the accrual basis.

ENTERPRISE DEBT SERVICE FUND BUDGET SUMMARY

ENTERPRISE DEBT SERVICE FUND REVENUES



ENTERPRISE DEBT SERVICE FUND EXPENDITURES



ENTERPRISE DEBT SERVICE FUND BUDGET SUMMARY

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	-	-	-	-
Other Sources				
Transfers In	-	-	-	1,800,000
Total Other Sources	-	-	-	1,800,000
Expenditures				
Debt Service	-	-	-	1,785,850
Total Expenditures	-	-	-	1,785,850
Excess of Revenues/Sources over Expenditures/Uses	-	-	-	14,150
Ending Fund Balance	-	-	-	14,150

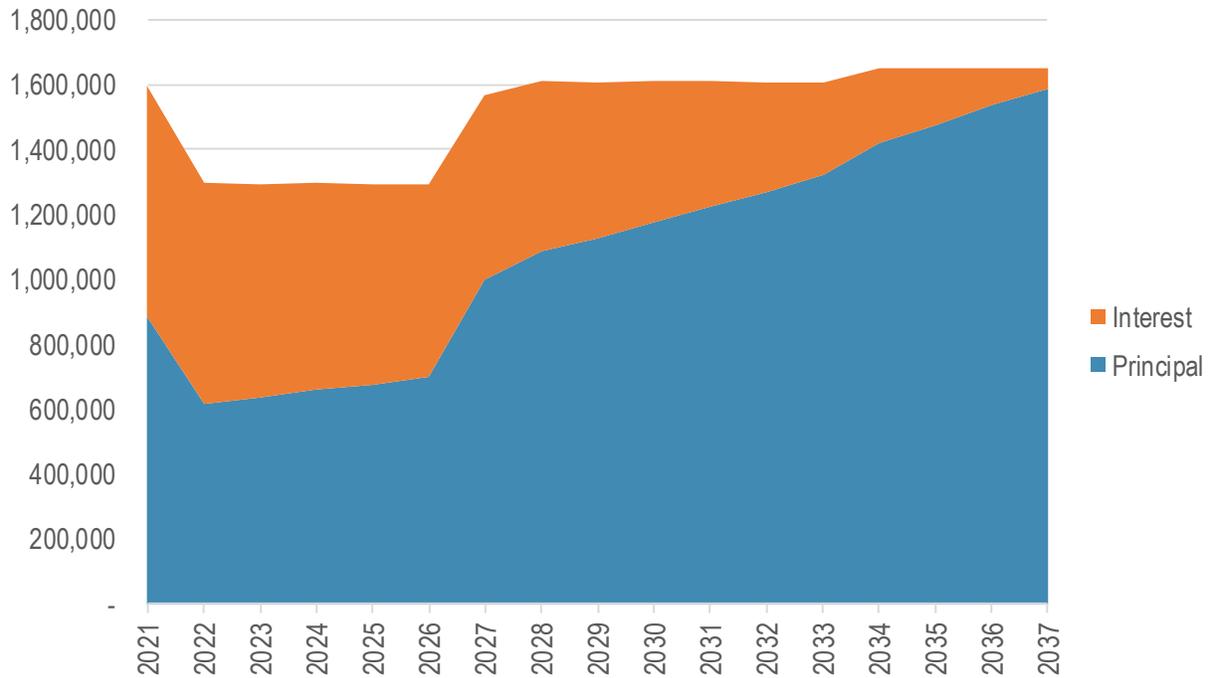
ENTERPRISE DEBT SERVICE FUND EXPENDITURES

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Co 2007 Principal	-	-	-	66,000
Co 2007 Interest	-	-	-	23,086
Refunding 2012 Principal	-	-	-	184,800
Refunding 2012 Interest	-	-	-	5,082
Co 2013 Principal	-	-	-	162,800
Co 2013 Interest	-	-	-	119,768
2015 CO Principal	-	-	-	180,000
2015 CO Interest	-	-	-	185,200
Refunding 2016 Principal	-	-	-	291,600
Refunding 2016 Interest	-	-	-	11,664
2017 GO Interest	-	-	-	366,600
Estimated 2020 CO Interest	-	-	-	187,500
Bond Administration Fees	-	-	-	1,750
Total Debt Service	-	-	-	1,785,850

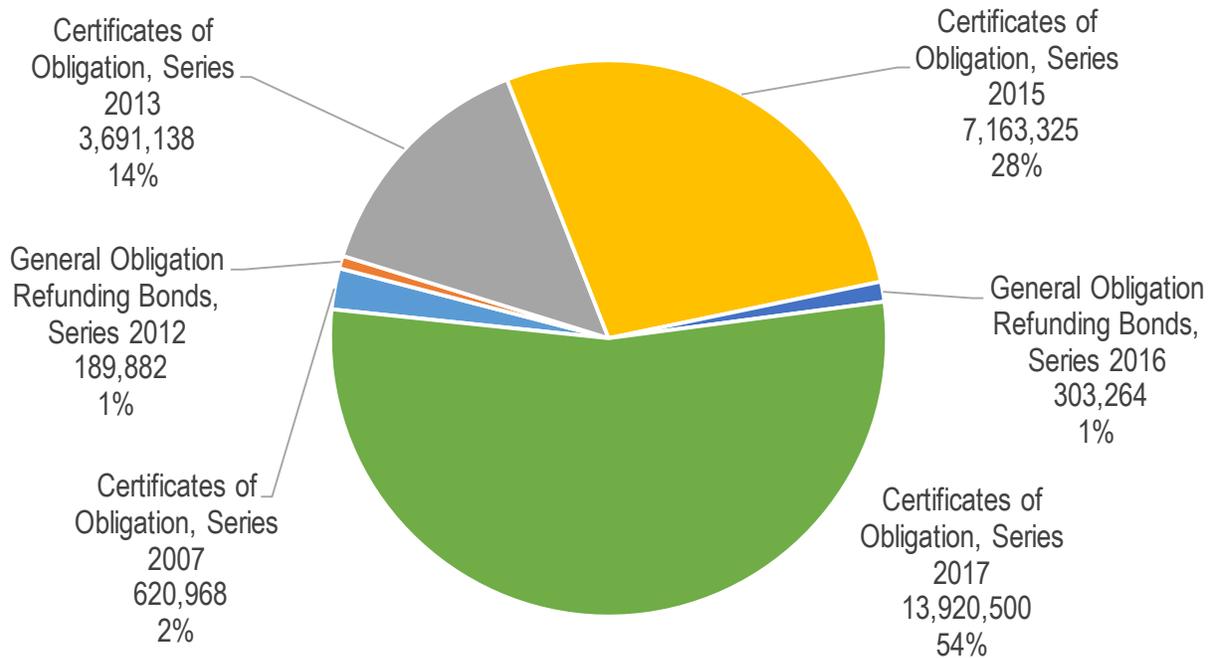
ENTERPRISE DEBT SERVICE FUND REQUIREMENTS BY YEAR

Fiscal Year	Principal	Interest	Total
2021	885,200	711,400	1,596,600
2022	616,500	679,741	1,296,241
2023	633,600	660,427	1,294,027
2024	658,000	640,328	1,298,328
2025	675,700	618,518	1,294,218
2026	701,100	593,114	1,294,214
2027	998,200	566,322	1,564,522
2028	1,086,200	526,357	1,612,557
2029	1,124,400	482,800	1,607,200
2030	1,173,200	436,574	1,609,774
2031	1,221,400	387,920	1,609,320
2032	1,269,600	337,337	1,606,937
2033	1,323,400	284,626	1,608,026
2034	1,420,000	229,713	1,649,713
2035	1,475,000	173,656	1,648,656
2036	1,535,000	115,344	1,650,344
2037	1,585,000	63,400	1,648,400
Total	18,381,500	7,507,577	25,889,077

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.

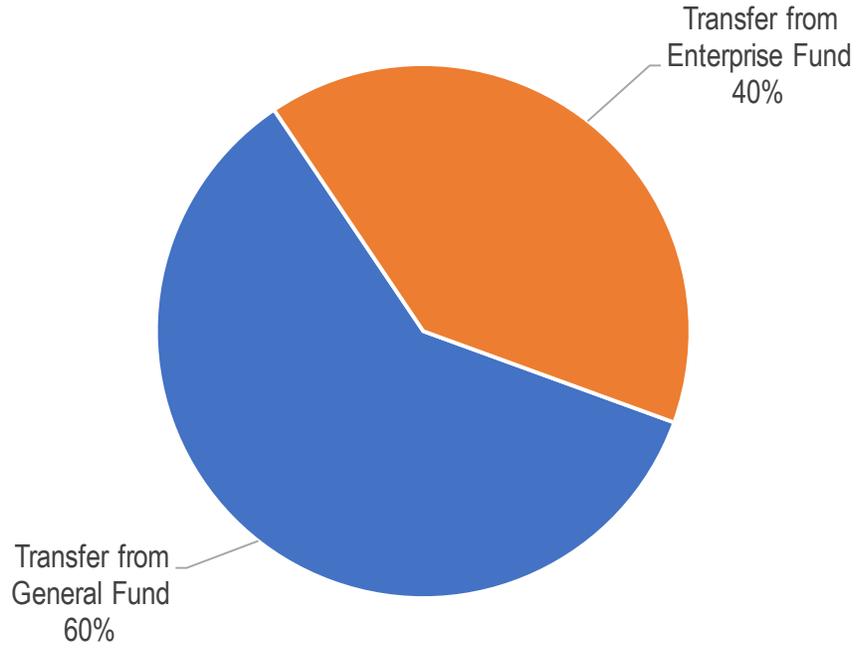
The Internal Service Fund includes these departments:

- Mayor and Council
- Administration
- Public Works Administration
- Finance
- Fleet Services
- Facilities
- Non-Departmental

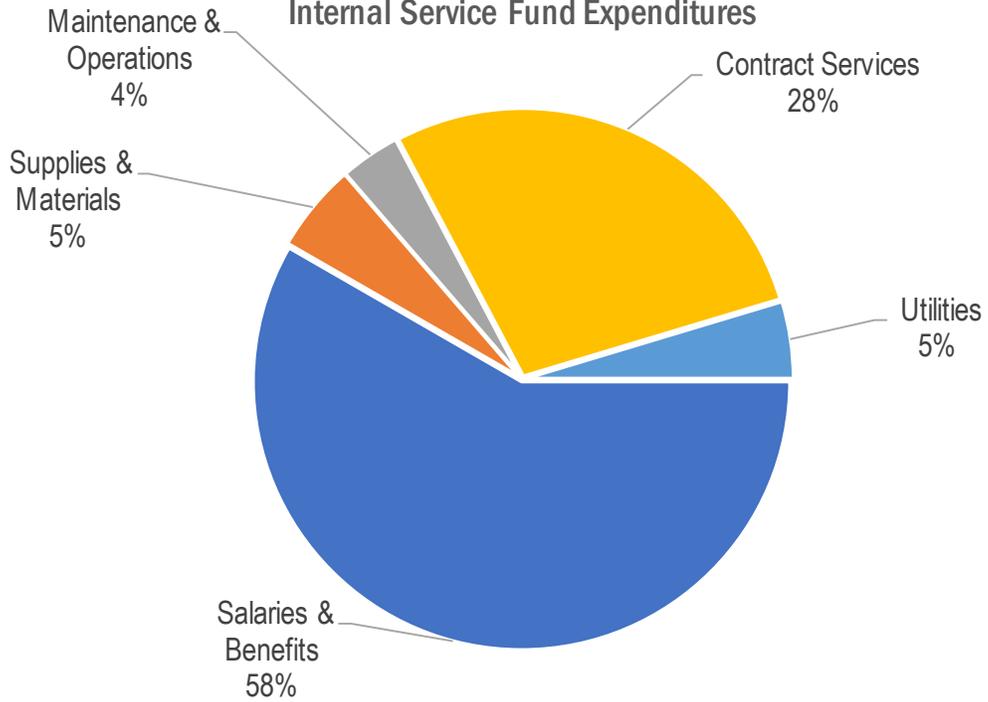
The basis of accounting for the Internal Service Fund for both financial reporting and budgeting is the modified accrual basis.

INTERNAL SERVICE FUND BUDGET SUMMARY

Internal Service Fund Revenues



Internal Service Fund Expenditures



INTERNAL SERVICE FUND BUDGET SUMMARY

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	(30,703)	(36,876)	(36,876)	41,466
Revenues				
Transfers from General Fund	1,238,112	1,485,184	1,462,471	1,403,862
Transfers from Enterprise Fund	530,619	636,507	626,773	935,908
Total Internal Service Fund Revenues	1,768,731	2,121,691	2,089,244	2,339,770
Expenditures				
Salaries & Benefits	1,079,998	1,169,866	1,153,122	1,364,500
Supplies & Materials	85,858	131,500	96,692	125,150
Maintenance & Operations	49,639	95,375	65,250	84,550
Contract Services	454,231	528,450	586,854	656,570
Utilities	99,023	116,000	96,545	109,000
Capital Expenses	6,155	80,500	12,439	-
Total Expenditures	1,774,904	2,121,691	2,010,902	2,339,770
Excess of Revenues over Expenditure	(6,173)	-	78,342	-
Ending Fund Balance	(36,876)	(36,876)	41,466	41,466

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.

ACTIVITY INDICATORS

Indicator	Activity
Ordinances Passed	37
Resolutions Approved	12
Proclamations Approved	5
Plats Approved	21

**More activity details are provided in the September 2020 Monthly Report on page 212 of this document.*

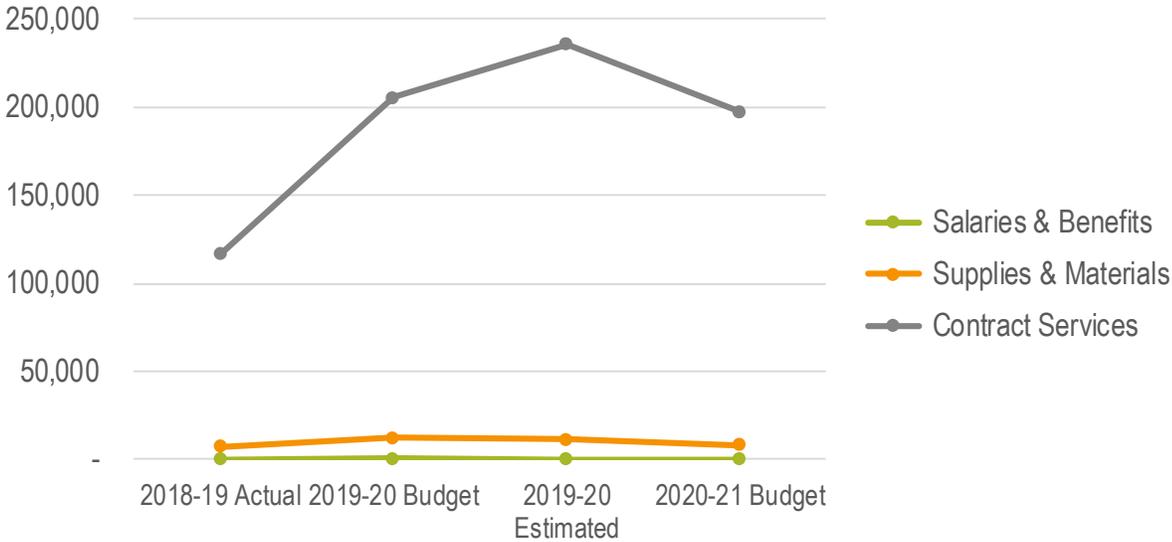
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Total Budgeted Positions	0	0	0

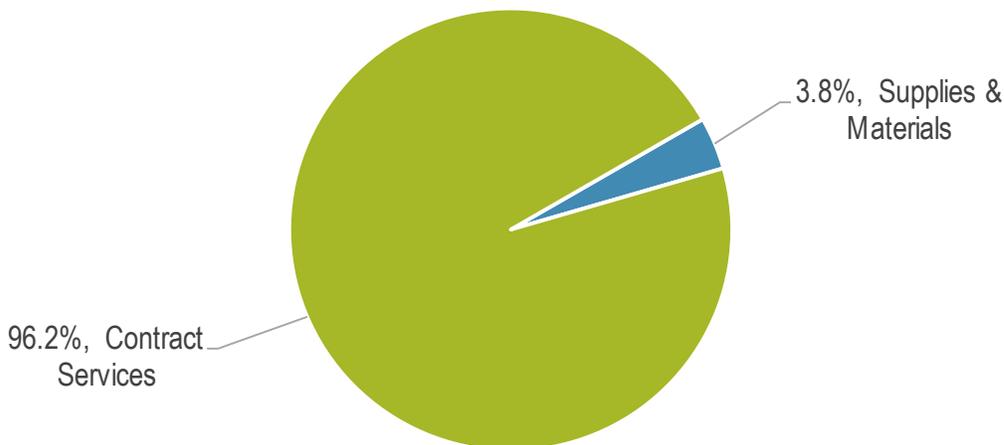
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	-	300	-	-	(300)	-100.00%
Supplies & Materials	7,244	12,100	11,044	7,900	(4,200)	-34.71%
Contract Services	116,309	205,300	235,803	197,500	(7,800)	-3.80%
Total	123,553	217,700	246,847	205,400	(12,300)	-5.65%

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, city secretary and human resources. Its responsibilities include human resources and payroll, record keeping, administration of contracts, oversight of other departments, economic development and long-range planning.

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.

ACTIVITY INDICATORS

<u>Indicator</u>	<u>Activity</u>
Open Records Requests	179

**More activity details are provided in the September 2020 Monthly Report on page 212 of this document.*

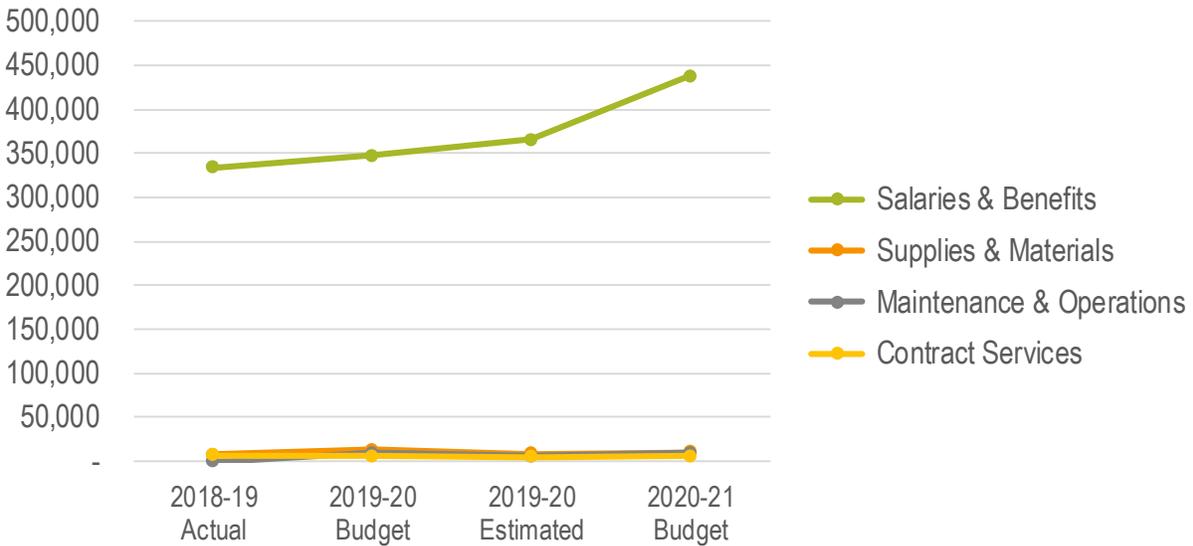
BUDGETED PERSONNEL SCHEDULE

<u>Position Title</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
City Manager	1	1	1
City Secretary	1	1	1
Human Resourc/Special Projects Director	0	0	1
Assistant to the City Manager	0	0	1
HR Coordinator	1	1	0
Total Budgeted Positions	3	3	4

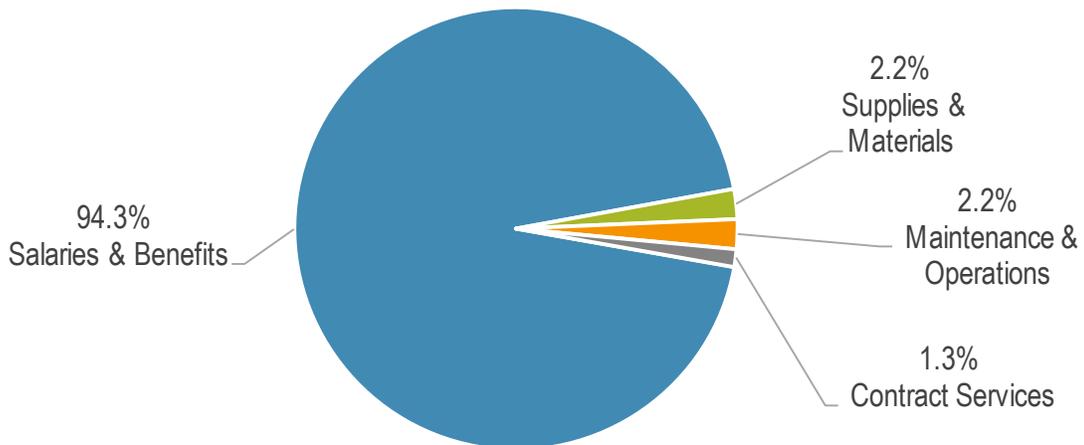
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	333,862	347,052	365,323	437,500	90,448	26.06%
Supplies & Materials	7,710	12,750	8,382	10,250	(2,500)	-19.61%
Maintenance & Operations	-	10,000	6,329	10,000	-	0.00%
Contract Services	6,543	6,000	5,676	6,000	-	0.00%
Total	348,115	375,802	385,710	463,750	87,948	23.40%

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.

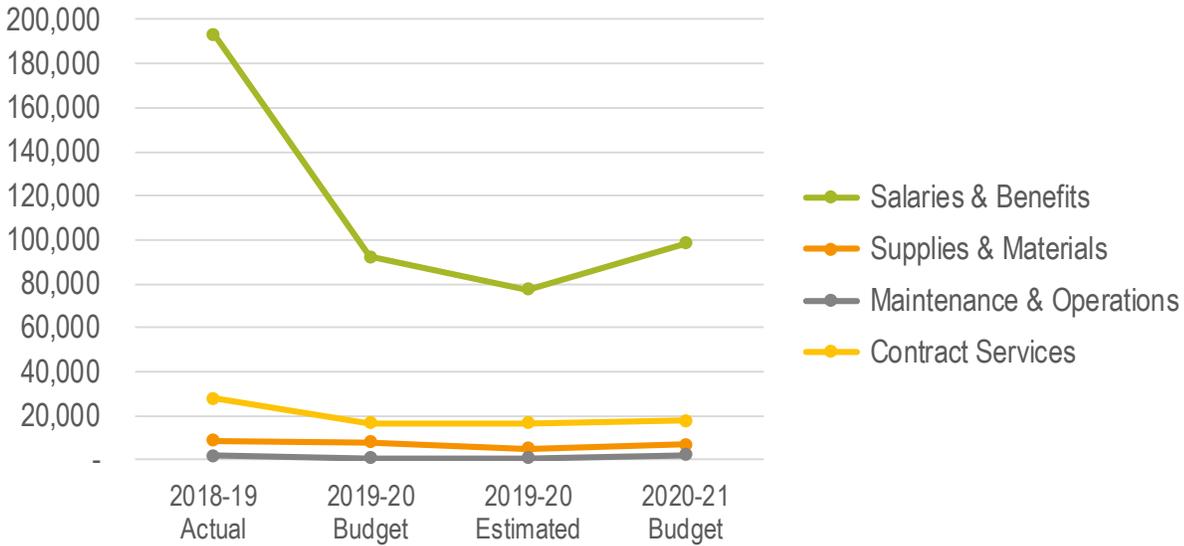
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Public Works Director	1	0.5	0.5
Administrative Assistant	1	0.5	0.5
Inspector	1	0	0
Total Budgeted Positions	3	1	1

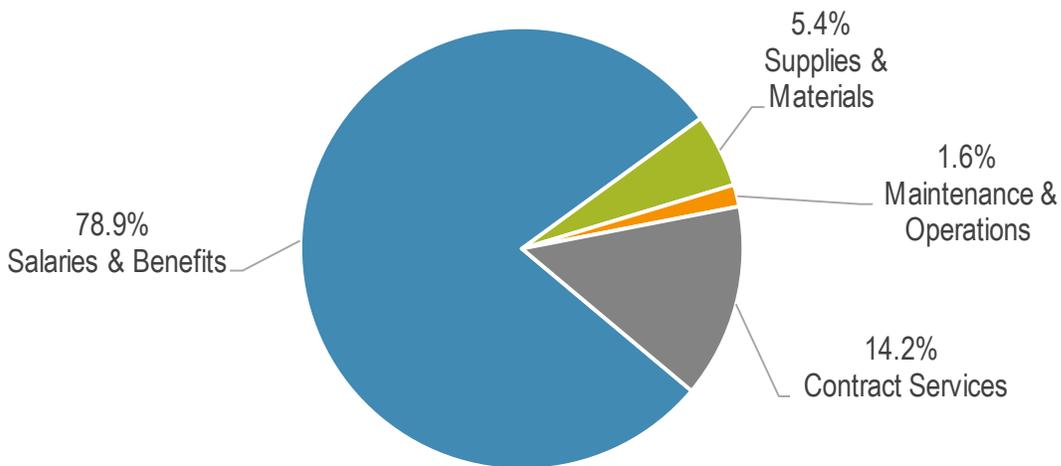
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	193,294	92,078	77,231	98,400	6,322	6.87%
Supplies & Materials	8,730	8,000	5,043	6,700	(1,300)	83.75%
Maintenance & Operations	1,846	825	860	2,000	1,175	242.42%
Contract Services	27,709	16,500	16,779	17,670	1,170	107.09%
Total	231,579	117,403	99,913	124,770	7,367	106.27%

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.

Accomplishments:

- The City's audit for FY 2019 resulted in an unmodified ("clean") opinion.
- Received a *Distinguished Budget Presentation Award* from the GFOA for the FY20 Annual Budget.
- Created a second utility billing cycle, moving approximately 20% of current accounts to this cycle.
- Introduced a new Interactive Voice Response (IVR) telephone payment system for utility payments.

Goals for 2020-2021:

- Receive an unmodified ("clean") opinion for the City's audit for FY 2020.
- Receive a *Distinguished Budget Presentation Award* from the GFOA for the FY21 Annual Budget
- Select a new automated meter reading system to meet the demands of the City's growing customer base.

Sanger Comprehensive Plan Goals Supported Through Operations

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

ACTIVITY INDICATORS

Indicator	Activity	Amount
Vendor Invoices Processed	6,560	\$ 20,025,263
Purchase Orders Issued	1,979	\$ 6,225,121
Employee Payroll Items Processed	2,342	\$ 3,221,366
Utility Bills Generated	45,385	\$ 12,948,464
Utility Payments Processed	429,442	\$ 12,858,831

*More activity details are provided in the September 2020 Monthly Report on page 212 of this document.

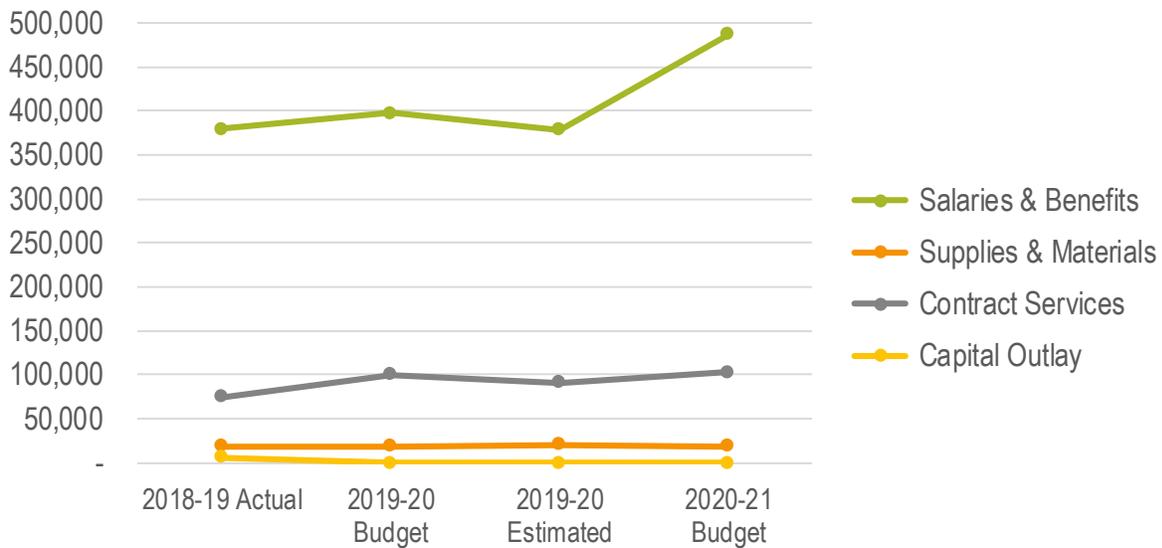
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Finance Director	1	1	1
Accountant	0	0	1
Customer Service Manager	0	0	1
Accounting Technician	3	3	2
Total Budgeted Positions	4	4	5

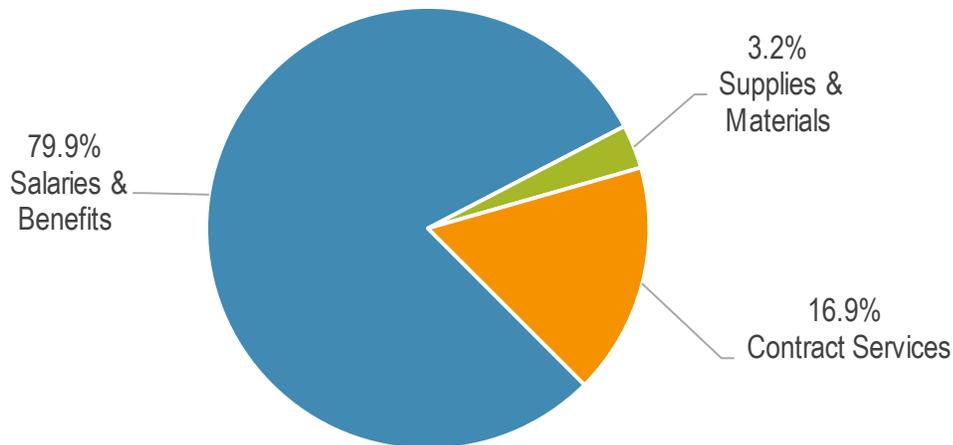
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	379,603	397,384	378,582	487,400	90,016	22.65%
Supplies & Materials	19,521	19,250	20,763	19,500	250	1.30%
Contract Services	74,918	100,250	91,245	103,300	3,050	3.04%
Capital Outlay	6,155	-	-	-	-	-
Total	480,197	516,884	490,590	610,200	93,316	18.05%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



Engineering

The City of Sanger Engineering Department is responsible for overseeing major capital infrastructure projects. This is accomplished through work with consultants, engineers, architects, contractors and others to see projects through from start to finish. Types of projects that fall under the purview of engineering include water, waste water, drainage, streets, and sidewalks

Sanger Comprehensive Plan Goals Supported Through Operations

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

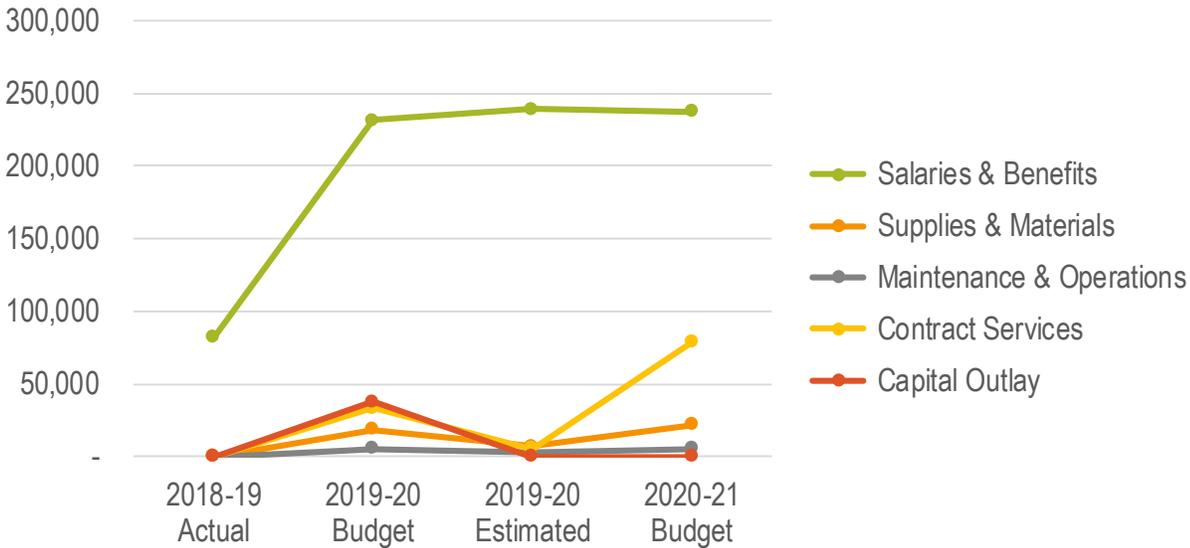
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Engineer	0	1	1
Inspector	0	1	1
Administrative Assistant	0	0.5	0.5
Total Budgeted Positions	0	2.5	2.5

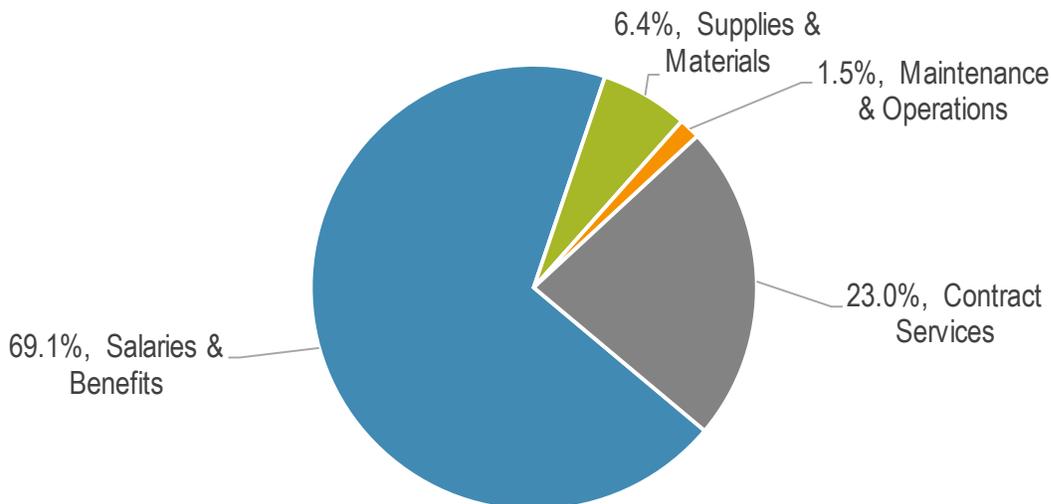
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	82,244	231,148	238,878	237,100	5,952	2.57%
Supplies & Materials	-	18,700	7,143	21,900	3,200	17.11%
Maintenance & Operations	-	5,250	2,459	5,250	-	0.00%
Contract Services	-	33,500	5,623	79,000	45,500	135.82%
Capital Outlay	-	38,000	-	-	(38,000)	-100.00%
Total	82,244	326,598	254,103	343,250	16,652	5.10%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



Fleet Services

The City of Sanger Fleet Services Department provides vehicle and equipment maintenance for all City departments. The Department's mission is to provide excellent customer service, maximize asset availability and provide safe and reliable vehicles and equipment for use in serving the community.

Sanger Comprehensive Plan Goals Supported Through Operations

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

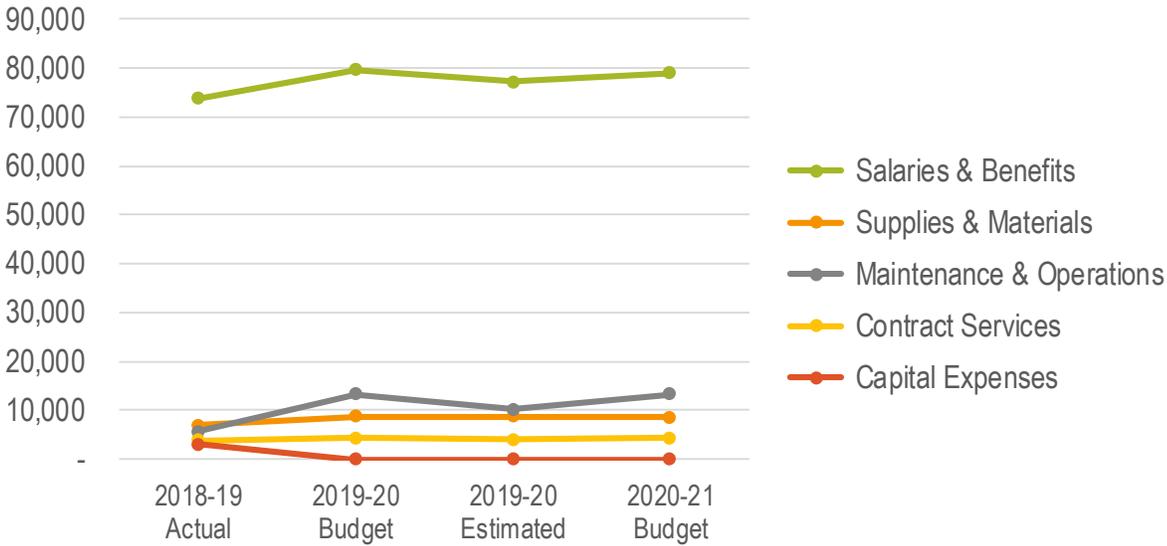
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Mechanic	1	1	1
Total Budgeted Positions	1	1	1

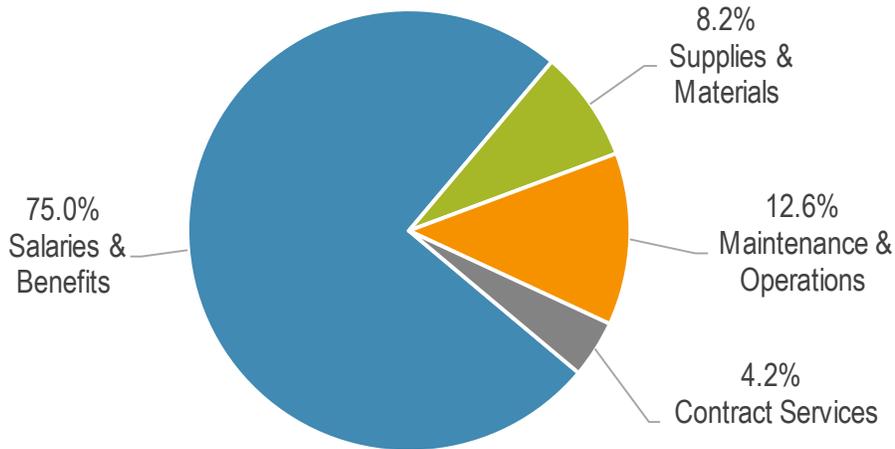
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	73,827	79,704	77,257	79,100	(604)	-0.76%
Supplies & Materials	6,980	8,700	8,727	8,600	(100)	-1.15%
Maintenance & Operations	5,738	13,300	10,176	13,300	-	0.00%
Contract Services	3,951	4,400	4,116	4,400	-	0.00%
Capital Expenses	3,150	-	-	-	-	-
Total	93,646	106,104	100,276	105,400	(704)	-0.66%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



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.

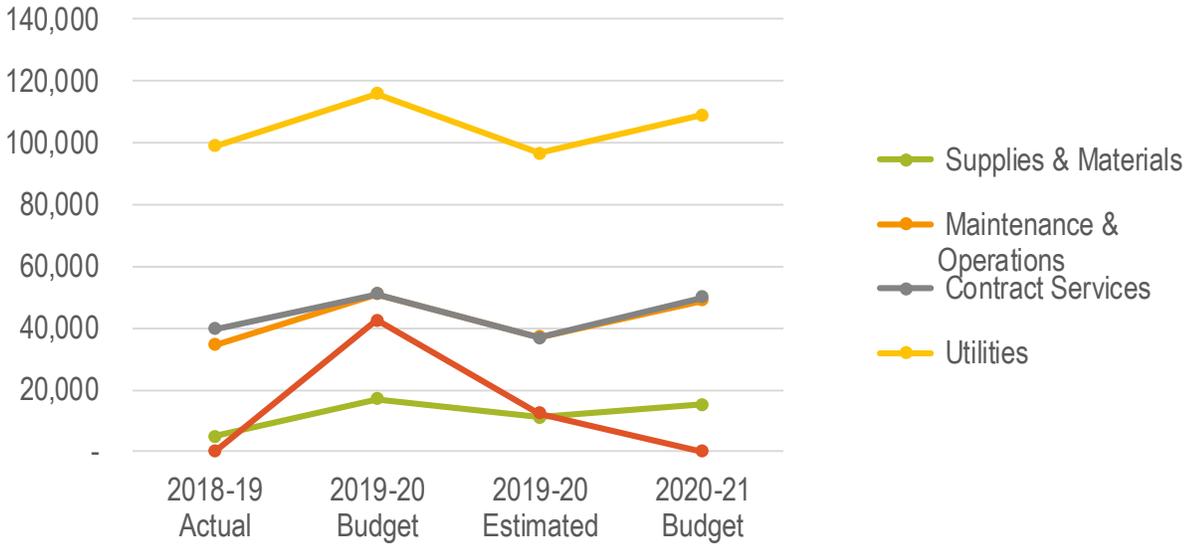
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Total Budgeted Positions	0	0	0

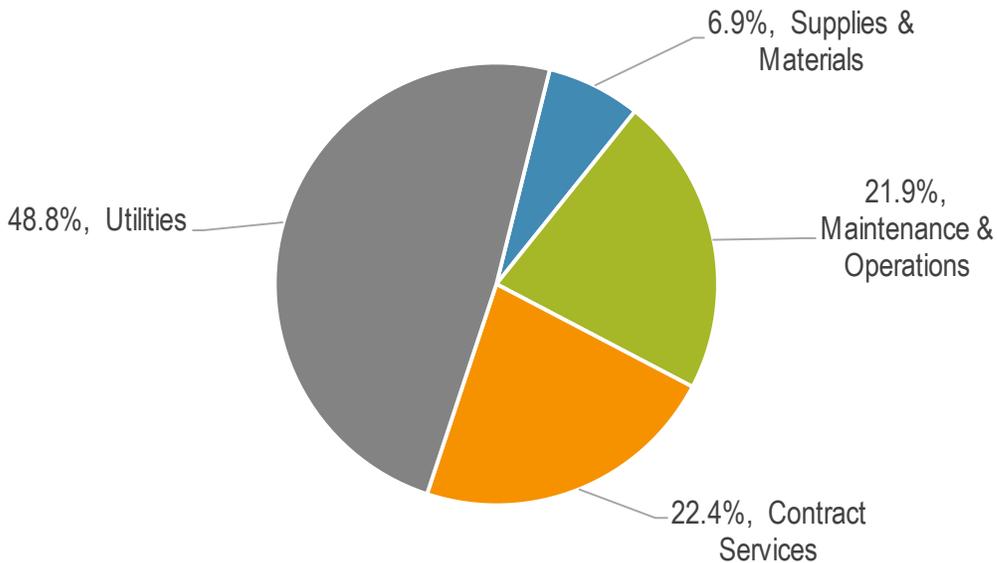
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Supplies & Materials	4,919	17,000	11,116	15,300	(1,700)	-10.00%
Maintenance & Operations	34,601	51,000	37,179	49,000	(2,000)	-3.92%
Contract Services	39,605	51,000	36,954	50,000	(1,000)	-1.96%
Utilities	99,023	116,000	96,545	109,000	(7,000)	-6.03%
Capital Outlay	-	42,500	12,439	-	(42,500)	-100.00%
Total	178,148	277,500	194,233	223,300	(54,200)	0.00%

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.

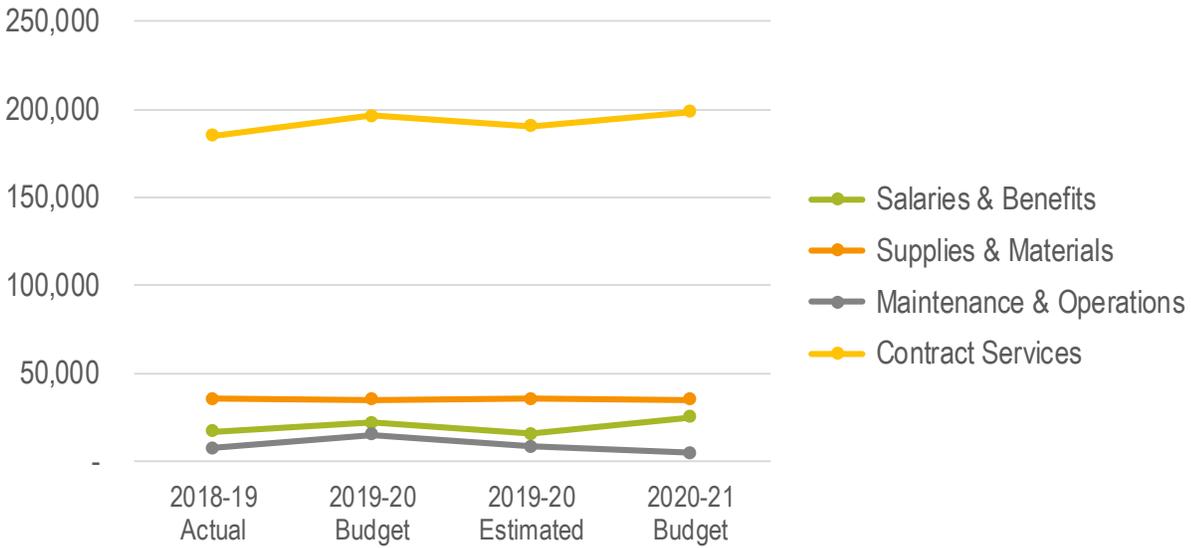
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Total Budgeted Positions	0	0	0

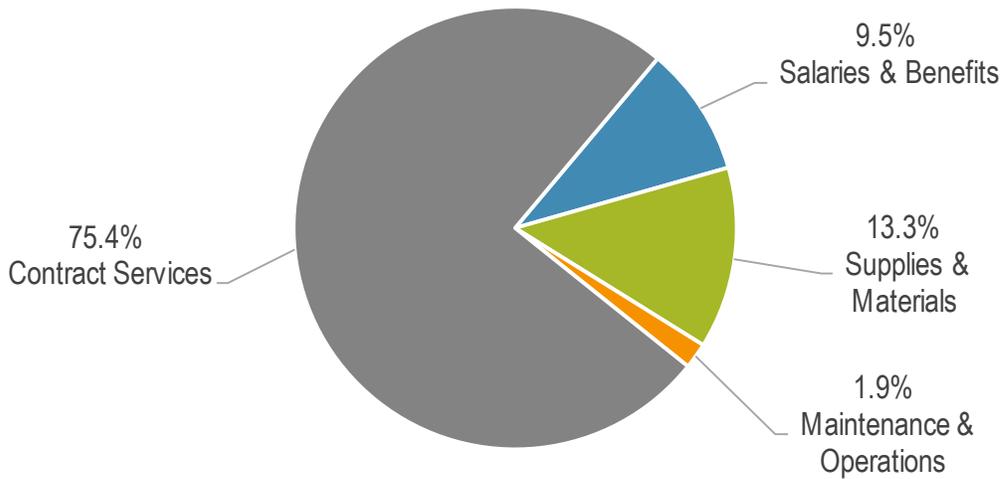
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	17,168	22,000	15,851	25,000	3,000	13.64%
Supplies & Materials	35,673	35,000	35,590	35,000	-	0.00%
Maintenance & Operations	7,454	15,000	8,247	5,000	(10,000)	-66.67%
Contract Services	185,196	196,500	190,658	198,700	2,200	1.12%
Total	245,491	268,500	250,346	263,700	(4,800)	-1.79%

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.

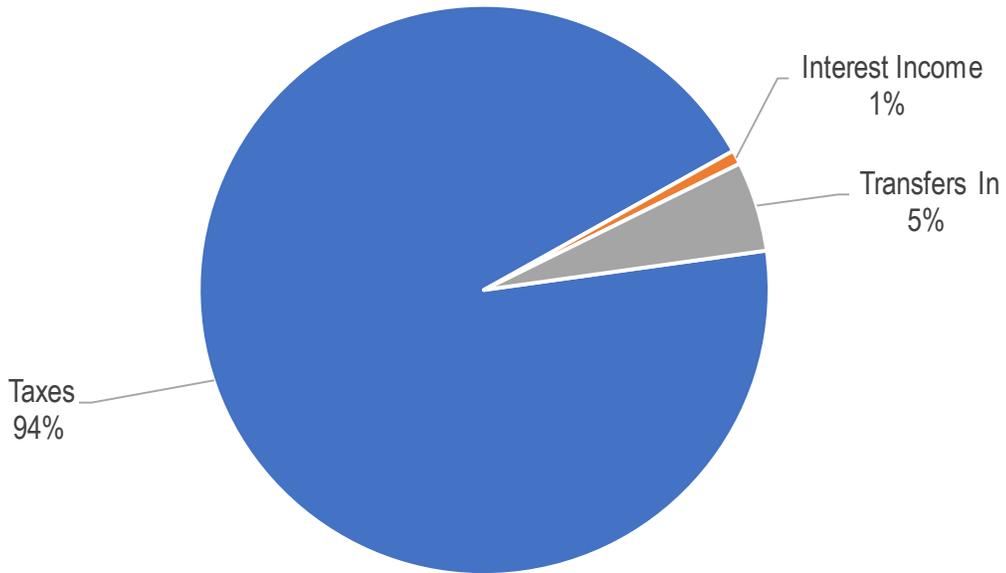
The basis of accounting for the 4A Corporation Fund for both financial reporting and budgeting is the modified accrual basis.

Sanger Comprehensive Plan Goals Supported Through Operations

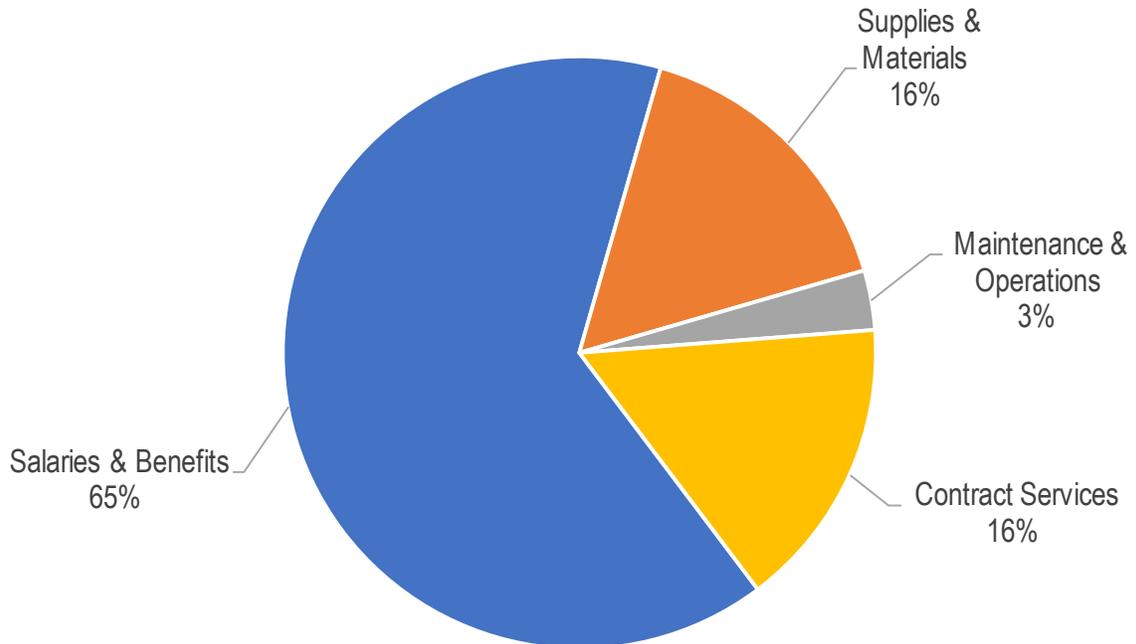
- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage the establishment of new commercial business and the expansion of existing businesses in Sanger.
- Encourage development and preservation of the Historic Sanger Downtown area.
- Improve the relationship of mixed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

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	1,606,574	1,972,969	1,972,969	2,482,136
Revenues				
Taxes	454,236	385,000	608,405	462,500
Interest Income	20,754	1,750	8,289	4,000
Total Revenues	474,990	386,750	616,694	466,500
Other Sources				
Transfers In	25,000	25,000	25,000	25,000
Total Other Sources	25,000	25,000	25,000	25,000
Total Revenues/Sources	499,990	411,750	641,694	491,500
Expenditures				
Salaries & Benefits	102,759	108,360	106,022	111,100
Supplies & Materials	12,640	20,600	12,266	27,650
Maintenance & Operatio	997	5,825	860	5,601
Contract Services	3,822	57,750	13,379	27,375
Utilities	1,639	-	-	-
Debt Service	11,738	-	-	-
Total Expenditures	133,595	192,535	132,527	171,726
Excess of Revenues/Sources over Expenditures/Uses	366,395	219,215	509,167	319,774
Ending Fund Balance	1,972,969	2,192,184	2,482,136	2,801,910



4A CORPORATION FUND REVENUES

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Taxes				
Sales Tax	454,236	385,000	608,405	462,500
Total Taxes	454,236	385,000	608,405	462,500
Miscellaneous Income				
Grant Revenue	15,000	-	5,000	-
Interest Income	5,754	1,750	3,289	4,000
Total Miscellaneous	20,754	1,750	8,289	4,000
Transfers				
Transfers from 4B Fund	25,000	25,000	25,000	25,000
Total Transfers	25,000	25,000	25,000	25,000
Total Revenues	499,990	411,750	641,694	491,500

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.

Accomplishments for 2019-2020:

- An Action Plan prioritizing goals and objectives for the Sanger Industrial Development Corporation
- Sites and Buildings Document that highlights all available land sites and/or buildings on an aerial map and providing contact information and brief facts for each property.
- Sanger Strong Business Relief Grant to assist small businesses located in Sanger that were impacted by the COVID-19 pandemic
- Property Enhancement Incentives Policy that provides matching-grant incentives for enhancements to commercial properties.

Goals/Objectives for 2020-2021:

- Identify and recruit businesses that contribute to Sanger’s economic well-being
- Pro-active business retention and expansion program that encourages existing businesses to grow and expand in Sanger
- City’s Comprehensive Plan and Downtown Master Plan, along with creating a new brand image for the City of Sanger
- Local and Regional Profile Document that identifies all aspects of working and living in our region with stats and graphics that will be used to generate professional RFP responses
- Create a new Economic Development Website that will provide tools necessary to market the City of Sanger

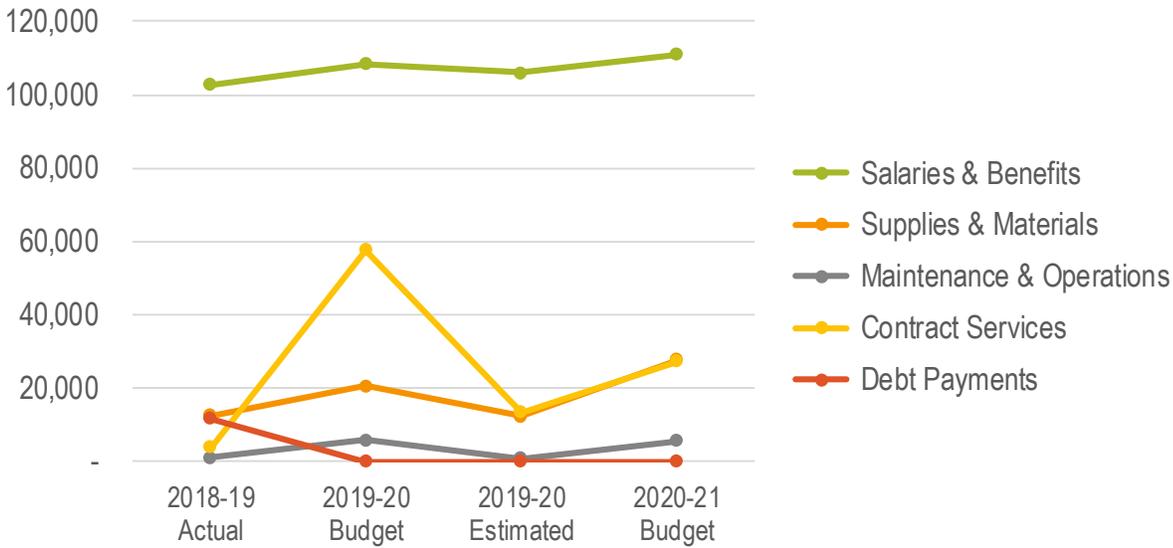
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Director of Economic Development	1	1	1
Total Budgeted Positions	1	1	1

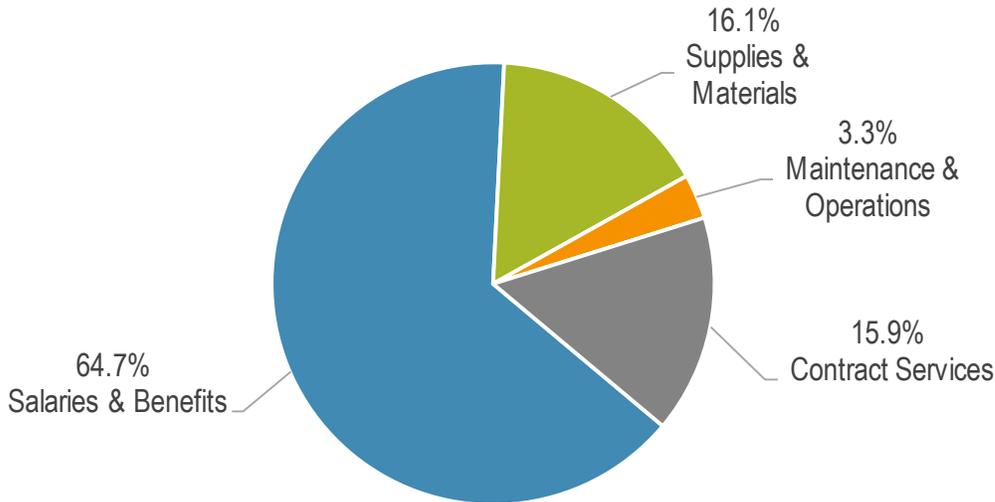
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Salaries & Benefits	102,759	108,360	106,022	111,100	2,740	2.53%
Supplies & Materials	12,640	20,600	12,266	27,650	7,050	34.22%
Maintenance & Operations	997	5,825	860	5,601	(224)	-3.85%
Contract Services	3,822	57,750	13,379	27,375	(30,375)	-52.60%
Utilities	1,639	-	-	-	-	-
Debt Payments	11,738	-	-	-	-	-
Total	133,595	192,535	132,527	171,726	(20,809)	-10.81%

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.

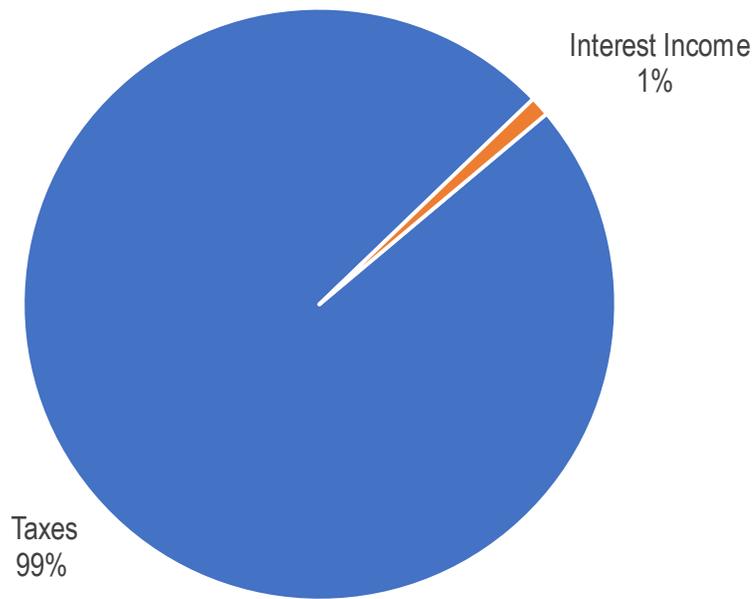
The basis of accounting for the 4B Corporation Fund for both financial reporting and budgeting is the modified accrual basis.

Sanger Comprehensive Plan Goals Supported Through Operations

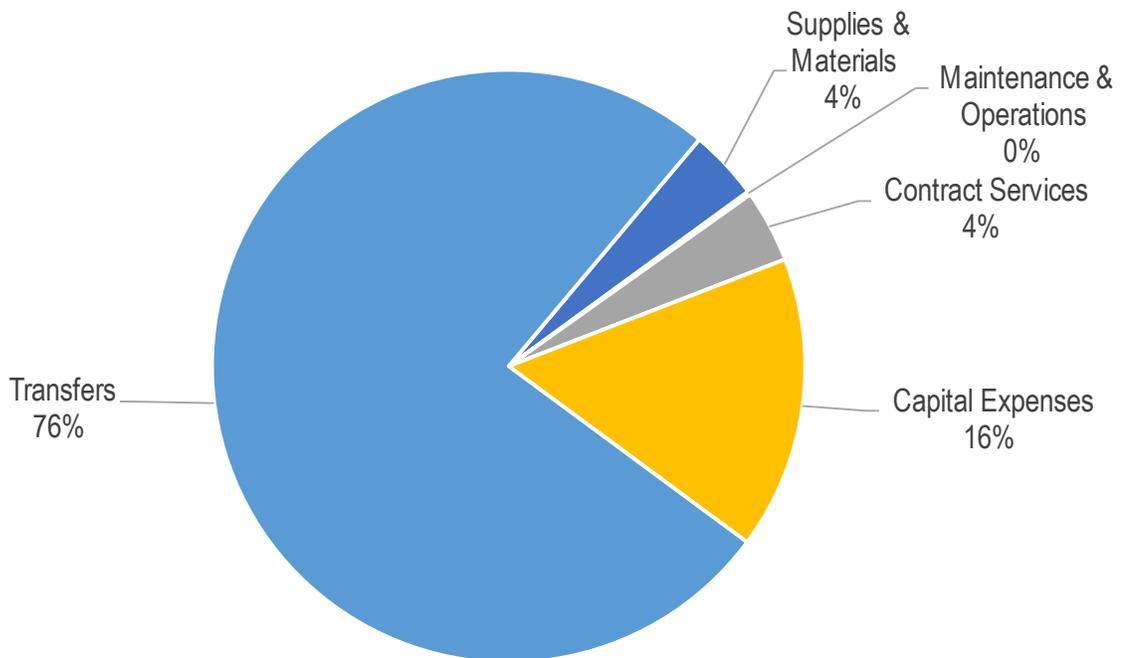
- Maintain and improve upon the existing country living atmosphere of Sanger.
- Develop, expand, and maintain the Sanger Park System with a variety of parks, open spaces and recreational facilities.

4B CORPORATION FUND BUDGET SUMMARY

4B Fund Revenues



4B Fund Expenditures



4B CORPORATION FUND BUDGET SUMMARY

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	1,028,949	1,230,488	1,230,488	1,563,022
Revenues				
Taxes	454,236	385,000	577,033	462,500
Interest Income	3,417	1,000	5,179	5,000
Total Revenues	457,653	386,000	582,212	467,500
Expenditures				
Supplies & Materials	-	-	-	12,050
Maintenance & Operatio	-	-	-	600
Contract Services	-	65,500	12,178	12,375
Capital Outlay	18,614	24,500	-	50,000
Total Expenditures	18,614	90,000	12,178	75,025
Other Uses				
Transfers Out	237,500	237,500	237,500	237,500
Total Other Uses	237,500	237,500	237,500	237,500
Total Expenses/Uses	256,114	327,500	249,678	312,525
Excess of Revenues/Sources over Expenditures/Uses	201,539	58,500	332,534	154,975
Ending Fund Balance	1,230,488	1,288,988	1,563,022	1,717,997



4B CORPORATION REVENUES

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Taxes				
Sales Tax	454,236	385,000	577,033	462,500
Total Taxes	454,236	385,000	577,033	462,500
Miscellaneous Income				
Interest Income	3,417	1,000	5,179	5,000
Total Miscellaneous	3,417	1,000	5,179	5,000
Total Revenues	457,653	386,000	582,212	467,500

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.

Accomplishments for 2019-2020:

- An Action Plan prioritizing goals and objectives for the Sanger Industrial Development Corporation
- Sites and Buildings Document that highlights all available land sites and/or buildings on an aerial map and providing contact information and brief facts for each property.
- Sanger Strong Business Relief Grant to assist small businesses located in Sanger that were impacted by the COVID-19 pandemic
- Property Enhancement Incentives Policy that provides matching-grant incentives for enhancements to commercial properties.

Goals/Objectives for 2020-2021:

- Identify and recruit businesses that contribute to Sanger’s economic well-being
- Pro-active business retention and expansion program that encourages existing businesses to grow and expand in Sanger
- City’s Comprehensive Plan and Downtown Master Plan, along with creating a new brand image for the City of Sanger
- Local and Regional Profile Document that identifies all aspects of working and living in our region with stats and graphics that will be used to generate professional RFP responses
- Create a new Economic Development Website that will provide tools necessary to market the City of Sanger

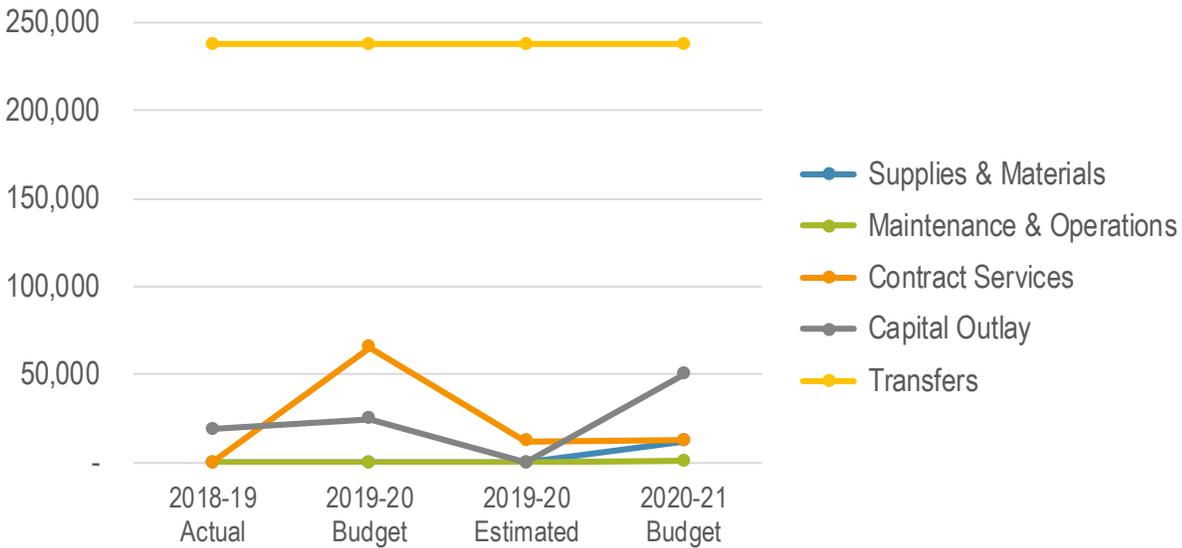
BUDGETED PERSONNEL SCHEDULE

Position Title	2018-19	2019-20	2020-21
Total Budgeted Positions	0	0	0

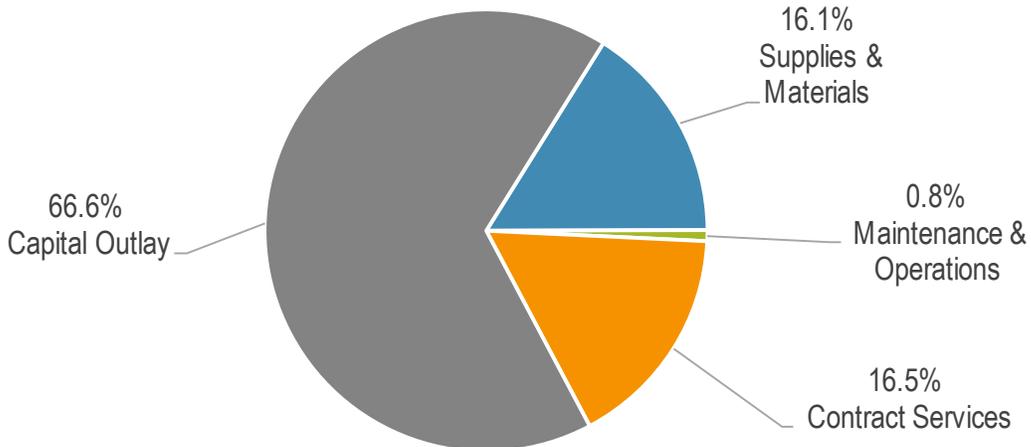
DEPARTMENTAL EXPENDITURES

Category	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget	Difference	Percent Change
Supplies & Materials	-	-	-	12,050	12,050	-
Maintenance & Operations	-	-	-	600	600	-
Contract Services	-	65,500	12,178	12,375	(53,125)	-81.11%
Capital Outlay	18,614	24,500	-	50,000	25,500	104.08%
Transfers	237,500	237,500	237,500	237,500	-	0.00%
Total	256,114	327,500	249,678	312,525	(14,975)	-4.57%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION





Special Revenue Funds

OVERVIEW

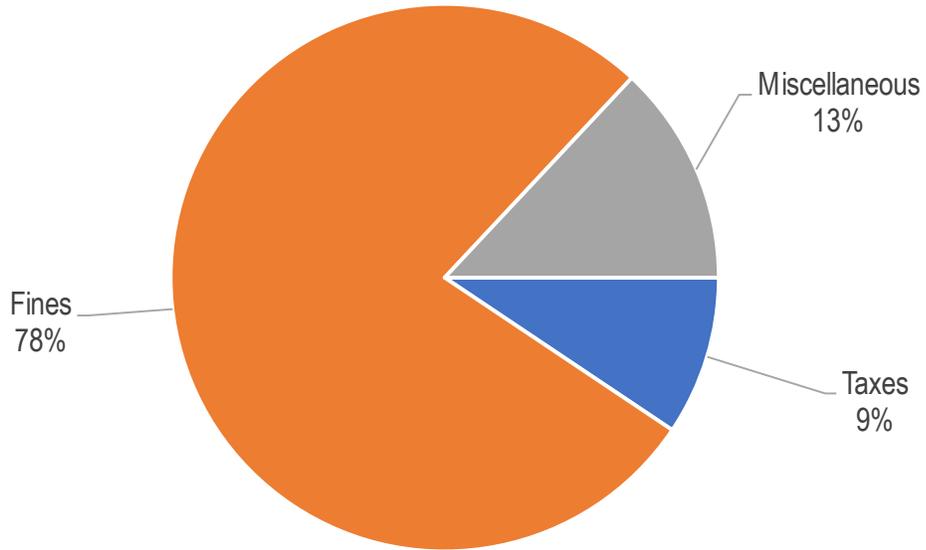
The City utilizes Special Revenue Funds to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes. The City utilizes the following Special Revenue Funds:

- 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

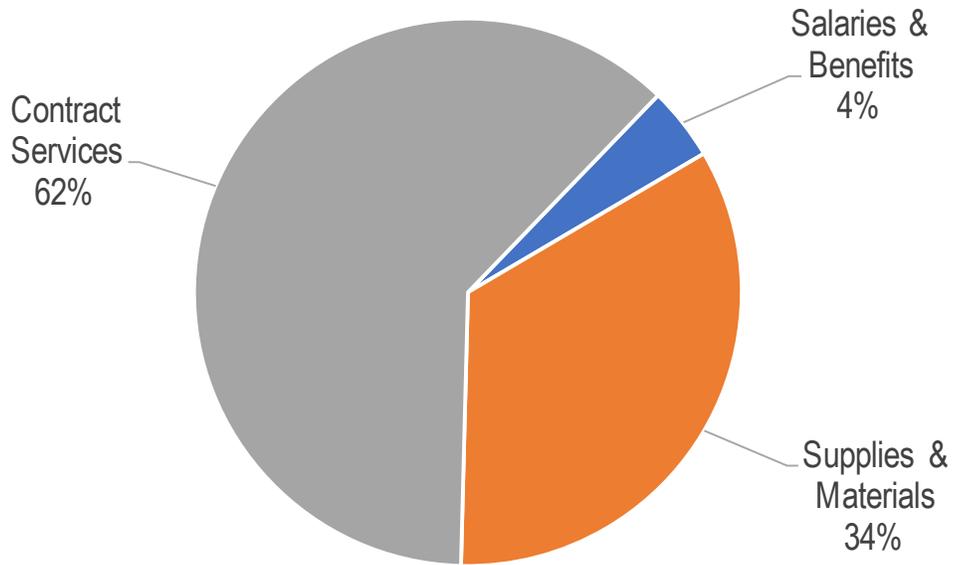
The basis of accounting for the Special Revenue Funds for both financial reporting and budgeting is the modified accrual basis.

SPECIAL REVENUE FUNDS BUDGET SUMMARY

Special Revenue Funds Revenues



Special Revenue Funds Expenditures



COMBINED SCHEDULE OF ALL SPECIAL REVENUE FUNDS

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	484,099	829,730	829,730	1,224,363
Revenues				
Taxes	24,600	20,000	19,452	20,000
Fees	320,906	165,000	371,458	300,000
Fines	12,023	12,000	11,661	10,600
Interest Income	369	200	390	350
Library Revenue	-	200	-	-
Miscellaneous	1,019	5,000	2,600	5,000
Total Special Revenue Fund Revenues	358,917	202,400	405,561	335,950
Other Sources				
Transfers	-	-	-	552,000
Total Other Sources	-	-	-	552,000
Total Revenues/Sources	358,917	202,400	405,561	887,950
Expenditures				
Salaries & Benefits	20	1,500	-	800
Supplies & Materials	-	10,775	-	10,000
Contract Services	13,266	22,500	10,928	21,800
Total Special Revenue Fund Expenditu	13,286	34,775	10,928	32,600
Excess of Revenues/Sources over Expenditures/Uses	345,631	167,625	394,633	855,350
Ending Fund Balance	829,730	997,355	1,224,363	2,079,713

HOTEL OCCUPANCY FUND

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

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	36,899	49,806	49,806	59,175
Revenues				
Taxes	24,600	20,000	19,452	20,000
Total Hotel Tax Fund Revenues	24,600	20,000	19,452	20,000
Expenditures				
Contract Services	11,693	12,000	10,083	12,000
Total Hotel Tax Fund Expenditures	11,693	12,000	10,083	12,000
Excess of Revenues/Sources over Expenditures/Uses	12,907	8,000	9,369	8,000
Ending Fund Balance	49,806	57,806	59,175	67,175

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

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	-	-	-	-
Revenues/Other Sources				
Transfer from General Fund	-	-	-	400,000
Total General Storm Recovery Fund Reven	-	-	-	400,000
Excess of Revenues/Sources over Expenditures/Uses	-	-	-	400,000
Ending Fund Balance	-	-	-	400,000

ENTERPRISE STORM RECOVERY FUND

The Enterprise 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.

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	-	-	-	-
Revenues/Other Sources				
Transfer from Enterprise Fund	-	-	-	152,000
Total General Storm Recovery Fund Reven	-	-	-	152,000
Excess of Revenues/Sources over Expenditures/Uses	-	-	-	152,000
Ending Fund Balance	-	-	-	152,000

BEAUTIFICATION FUND

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

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	5,526	5,526	5,526	5,526
Revenues				
Miscellaneous	-	500	-	500
Total Beautification Fund Revenues	-	500	-	500
Expenditures				
Supplies & Materials	-	6,000	-	6,000
Total Beautification Fund Expenditures	-	6,000	-	6,000
Excess of Revenues/Sources over Expenditures/Uses	-	(5,500)	-	(5,500)
Ending Fund Balance	5,526	26	5,526	26

LIBRARY RESTRICTED FUND

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

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	97,570	97,939	97,939	98,329
Revenues				
Library Revenue	-	200	-	-
Interest Income	369	200	390	350
Total Library Restricted Fund Revenues	369	400	390	350
Ending Fund Balance	97,939	98,339	98,329	98,679

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.

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	12,878	53,012	53,012	104,428
Revenues				
Parkland Dedication Fee	40,134	65,000	51,416	50,000
Total Parkland Dedication Fund Revenues	40,134	65,000	51,416	50,000
Ending Fund Balance	53,012	118,012	104,428	154,428

ROADWAY IMPACT FEE FUND

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

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	281,279	562,051	562,051	882,093
Revenues				
Roadway Impact Fee	280,772	100,000	320,042	250,000
Total Roadway Impact Fee Fund Revenues	280,772	100,000	320,042	250,000
Ending Fund Balance	562,051	662,051	882,093	1,132,093

COURT SECURITY FUND

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

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	8,696	9,852	9,852	11,034
Revenues				
Fines	1,176	1,500	1,182	800
Total Court Security Fund Revenues	1,176	1,500	1,182	800
Expenditures				
Salaries & Benefits	20	1,500	-	800
Total Court Security Fund Expenditure	20	1,500	-	800
Excess of Revenues/Sources over Expenditures/Uses	1,156	-	1,182	-
Ending Fund Balance	9,852	9,852	11,034	11,034

COURT TECHNOLOGY FUND

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

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	157	152	152	437
Revenues				
Fines	1,568	1,500	1,130	800
Total Court Technology Fund Revenue	1,568	1,500	1,130	800
Expenditures				
Contract Services	1,573	1,500	845	800
Total Court Technology Fund Expendit	1,573	1,500	845	800
Excess of Revenues/Sources over Expenditures/Uses	(5)	-	285	-
Ending Fund Balance	152	152	437	437

CHILD SAFETY FUND

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

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	26,665	35,944	35,944	45,293
Revenues				
Fines	9,279	9,000	9,349	9,000
Total Child Safety Fee Fund Revenues	9,279	9,000	9,349	9,000
Expenditures				
Contract Services	-	9,000	-	9,000
Total Child Safety Fee Fund Expenditures	-	9,000	-	9,000
Excess of Revenues/Sources over Expenditures/Uses	9,279	-	9,349	-
Ending Fund Balance	35,944	35,944	45,293	45,293

POLICE DONATIONS FUND

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

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	78	78	78	78
Revenues				
Miscellaneous	-	2,500	-	2,500
Total Police Donations Fund Revenues	-	2,500	-	2,500
Expenditures				
Supplies & Materials	-	2,500	-	2,500
Total Police Donations Fund Expenditu	-	2,500	-	2,500
Excess of Revenues/Sources over Expenditures/Uses	-	-	-	-
Ending Fund Balance	78	78	78	78

FIRE DONATIONS FUND

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

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	6,000	6,100	6,100	6,150
Revenues				
Miscellaneous	100	1,000	50	1,000
Total Fire Donations Fund Revenues	100	1,000	50	1,000
Expenditures				
Supplies & Materials	-	2,275	-	1,000
Total Fire Donations Fund Expenditure	-	2,275	-	1,000
Excess of Revenues/Sources over Expenditures/Uses	100	(1,275)	50	-
Ending Fund Balance	6,100	4,825	6,150	6,150

PARK DONATIONS FUND

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

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	2,536	3,061	3,061	5,561
Revenues				
Miscellaneous	525	500	2,500	500
Total Park Donations Fund Revenues	525	500	2,500	500
Ending Fund Balance	3,061	3,561	5,561	6,061

LIBRARY DONATIONS FUND

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

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	5,815	6,209	6,209	6,259
Revenues				
Miscellaneous	394	500	50	500
Total Library Donations Fund Revenue	394	500	50	500
Expenditures				
Supplies & Materials	-	-	-	500
Total Library Donations Fund Expendit	-	-	-	500
Excess of Revenues/Sources over Expenditures/Uses	394	500	50	-
Ending Fund Balance	6,209	6,709	6,259	6,259



CAPITAL PROJECTS FUNDS



Capital Projects Funds

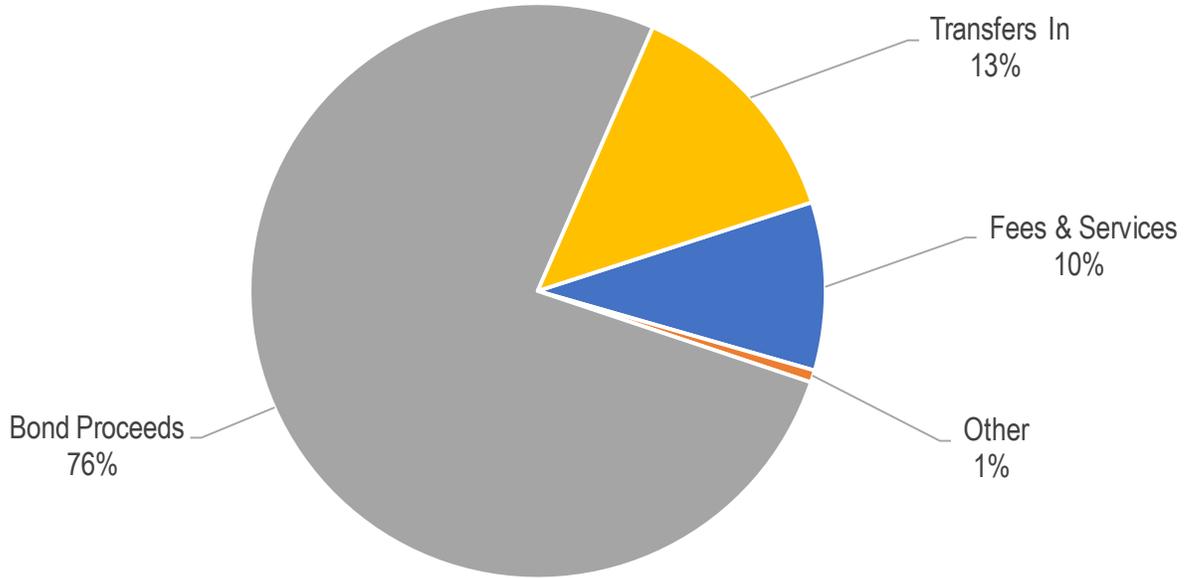
OVERVIEW

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.

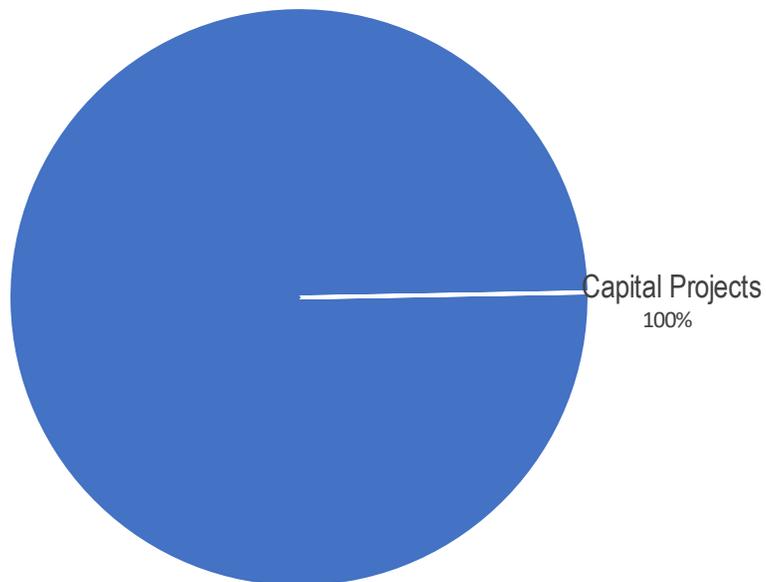
The basis of accounting for the Capital Projects Funds for both financial reporting and budgeting is the modified accrual basis.

COMBINED CAPITAL PROJECTS FUNDS BUDGET SUMMARY

Combined Capital Projects Funds Revenues



Combined Capital Projects Funds Expenditures



CAPITAL PROJECTS FUND

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	866,784	1,628,717	1,628,717	1,852,839
Revenues				
Intergovernmental Revenue	434,436	-	7,293	-
Total Capital Projects Fund Revenues	434,436	-	7,293	-
Other Sources				
Transfers From General Fund	675,000	675,000	675,000	520,725
Transfers From Enterprise CIP	-	423,682	423,682	-
Total Other Sources	675,000	1,098,682	1,098,682	520,725
Total Revenues/Sources	1,109,436	1,098,682	1,105,975	520,725
Expenditures				
Computer Network Upgrades	3,758	24,771	23,603	-
McReynolds Road Reconstruction	158,085	-	8,250	-
2018-19 Street Rehab Program	185,660	-	-	-
2019-2020 Street Rehab Program	-	837,682	850,000	-
2020-2020 Street Rehab Program	-	-	-	250,000
Total Expenditures	347,503	862,453	881,853	250,000
Excess of Revenues over Expenditures	761,933	236,229	224,122	270,725
Ending Fund Balance	1,628,717	1,864,946	1,852,839	2,123,564

ENTERPRISE CAPITAL PROJECTS FUND

	2018-19 Actual	2019-20 Budget	2019-20 Estimated	2020-21 Budget
Beginning Fund Balance	4,226,110	1,946,883	1,946,883	633,049
Revenues				
Water Tap Fees	210,050	260,000	370,050	300,000
Sewer Tap Fees	284,500	340,000	504,250	380,000
Interest Income	42,846	6,250	49,881	50,000
Bond Proceeds	-	-	-	5,500,000
Total Revenues	537,396	606,250	924,181	6,230,000
Other Sources				
Transfer from Enterprise Fund	156,800	156,800	130,667	447,142
Total Other Sources	156,800	156,800	130,667	447,142
Total Revenues/Sources	694,196	763,050	1,054,848	6,677,142
Expenditures				
Wastewater Treatment Plant	2,434,690	1,000,000	850,000	-
Railroad Lift Station	67,267	100,000	100,000	300,000
Outfall Pipeline/Stream Restoration	18,085	300,000	100,000	500,000
FM 455 Utility Relocation	78,691	2,500,000	500,000	5,700,000
Relocation of Utilities: I-35	-	250,000	-	500,000
Peach Street Wastewater Rehab	187,345	-	-	-
Bolivar Street Wastewater Rehab	-	405,625	395,000	-
Well #6 Rehab	-	-	-	-
Acker Groundwater Storage Rehab	-	-	-	-
Cowling Groundwater Storage Rehab	187,345	-	-	-
WWTP Bar Screen Repair	-	-	-	250,000
Total Expenditures	2,973,423	4,555,625	1,945,000	7,250,000
Other Uses				
Transfers Out	-	423,682	423,682	-
Total Other Uses	-	423,682	423,682	-
Total Expenses/Uses	2,973,423	4,979,307	2,368,682	7,250,000
Excess of Revenues over Expenditures	(2,279,227)	(4,216,257)	(1,313,834)	(572,858)
Ending Fund Balance	1,946,883	(2,269,374)	633,049	60,191

CAPITAL IMPROVEMENT PLAN

INTRODUCTION

This plan addresses capital improvement needs in the City of Sanger over the next ten years and funding sources for projects expected in FY 2021.

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. In FY 2019 we completed the reconstruction of McReynolds Road, a major thoroughfare that will help with traffic congestion once FM 455 expansion goes under construction. 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 of the program was completed in 2019 and Phase II was completed in 2020. Phase III is slated for 2021, and Phases IV and V scheduled for the following two years. We also replaced a major sewer line along Bolivar Street, replacing a clay tile line that required frequent maintenance at a cost of \$405,000. 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.

At the same time, we anticipate a continued need to expand our water and wastewater lines into areas that are prime for commercial and industrial development. We recently completed expansion of water and sewer service on the west side of I. In 2017, we began the first phase of expansion on the east side of I by upgrading the wastewater trunk line from FM 455 north to Lois Road to a 21" line. In 2018, we extended water and sewer lines on the east side of I-35 from Lois Road to View Road. While residential development is nice, commercial and industrial development produce far more revenue and are less of an impact on services. Commercial and Industrial development also create jobs for our citizens and improve the quality of life.

Over \$100,000,000 in water, wastewater, roads and drainage projects have been identified that should be completed in the next ten years. This includes the two big ticket items of expanding the wastewater treatment plant and expanding FM 455.

To spur economic growth, the Council issued \$4,500,000 in bonds in 2013 to fund extending water and wastewater lines into industrial and commercial areas. The objective is to attract new businesses to these areas that will help fund future improvements such as rehabbing and expanding the wastewater treatment plant. In addition, these bonds helped pay for two new water wells completed in 2017 and the splash park completed in 2014. The water wells will ensure we have sufficient water to meet peak demands while maintaining sufficient fire protection reserves. Addition of these wells has more than doubled our pumping capacity. The sale of these bonds represents a proactive step by the Council to facilitate commercial and industrial growth.

PROJECTS

FM 455 Expansion:

One issue looming on the horizon is the relocation of utilities for the expansion of FM 455. For us, that includes water, wastewater and electric utilities. We initiated the design engineering work in 2019 and this work still continues into this fiscal year.

Another issue with the expansion of FM 455 will be traffic congestion during construction. Reconstruction of McReynolds Road is now complete so it will assist with relieving some of the congestion. The City's continuing street rehabilitation program will help alleviate traffic congestion as well.

Enterprise Capital Projects

Development along the I-35 corridor has accelerated the need to extend wastewater lines to the area. Upgrading the line from FM 455 to Lois Road on the East side of I-35 was completed in the Fall of 2017. In 2018, extension of this line was completed from Lois to View Road.

To create more revenue for wastewater infrastructure improvements we started setting aside a portion of monthly water and wastewater revenues in 2014. We are using these funds to address inflow & infiltration (I&I) issues and replace older wastewater lines in conjunction with street improvements. In the past two years, the City replaced major sewer lines along Peach Street and Bolivar Street that serve both residential and commercial development.

We currently have over \$2,400,000 in combined water and waste water tap fees. These monies will be used to fund future Enterprise capital projects.

At the recommendation of Alan Plummer and Associates, Council decided to refurbish and expand the existing waste water treatment plant rather than build a new one in January 2014. Construction began in May of 2017 and is in the final stage of completion. With the assistance of Alan Plummer and Associates, the City Council also evaluated different options for discharging effluent from the Wastewater Treatment Plant. At that time Council decided to pursue the outfall pipeline approach and authorized moving forward with engineering services. Due to various factors, the Council is now revisiting the feasibility of stream restoration as an alternate option while not abandoning the outfall approach. Council engaged Alan Plummer to complete a preliminary planning phase which will determine if stream restoration is a viable option and confirm the path forward.

The Cowling Road lift station is reaching capacity and needs to be replaced. This will also require replacing the force main with a higher capacity main. The Lift Station will also be moved to Railroad and Rector Road. Design and engineering are now complete and this year we will begin obtaining the necessary easements.

Streets and Thoroughfares:

Many streets in Sanger are in dire need of rehabilitation. 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 not residential streets that are in as bad or worse condition. In 2019, we outlined a Five-Year Street Improvement Plan and already implemented Phases I and II. This year we are proposing to move forward with Phase III as outlined in the Project Status section of this report.

However, focusing on thoroughfares as our priority gives us the greatest positive impact for the most people. If funding can be secured in the future, Marion Rd., Bolivar from 5th to the Service road, Belz Road, and Duck Creek will also be candidates for improvement.

Parks and Facilities:

By far our greatest and most expensive facility need has been the rehabilitation and expansion of the wastewater treatment plant. The construction cost of this project has been financed through the 2017 bond issue. Financing this plant will significantly encumber our ability to do other projects for several years. However, this project was necessary to handle future growth.

Facility needs that are farther out on the horizon include: expansion of the library and a new fire station. A remodel of the community center also needs to be considered as it is becoming worn and dated. An expansion of the police department will also be necessary in the near future as the department continues to grow. Farther out will be a recreation center and building a second fire station. In addition, several parks projects have been identified in the Parks Master Plan, which will undergo a prioritization process. Once prioritized, these projects will be programmed in as funds are available.

PROJECT STATUS

Projects in progress continuing in FY 2020

Anticipated Funding Source

- | | |
|--|------------------------------------|
| ➤ Railroad Lift Station Easement Acquisition | Enterprise CIP/Possible Bond Issue |
| ➤ Ranger Creek Outfall Pipeline/Stream Restoration | Enterprise CIP/Possible Bond Issue |
| ➤ FM 455 Widening – Relocation of Utilities | Enterprise CIP/Possible Bond Issue |

New Projects in 2021

Anticipated Funding Source

- | | |
|---|------------------------------------|
| ➤ I-35 Expansion - Relocation of Utilities (engineering only) | Enterprise CIP/Reimbursed by TxDOT |
| ➤ WWTP Bar Screen Repair | Enterprise CIP |
| ➤ Rehabilitation of Several Streets (Phase III): | Capital Projects Fund |

Future Projects

Anticipated Funding Source

- | | |
|--|-----------------------|
| ➤ Phase IV and Phase V – Street Rehabilitation | Capital Projects Fund |
| ➤ Rebuild & Expand Marion Road | TBD |
| ➤ Rebuild Belz Road & Jennifer Circle | TBD |
| ➤ Rebuild Duck Creek Road | TBD |
| ➤ Utility Road Tie in Across Railroad | TBD |
| ➤ Rebuild Bolivar Street | 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 SUMMARY 2019-2025

	2018-2019 Actual	2019-2020 Estimate	2020-2021 Budget
Capital Projects Fund			
McReynolds Road Reconstruction	\$ 158,085	\$ 8,250	\$ -
Street Rehab - Phase I	185,660	-	-
Street Rehab - Phase II	-	850,000	-
Street Rehab - Phase III	-	-	250,000
Street Rehab - Phase IV	-	-	-
Street Rehab - Phase V	-	-	-
Marion Road - Arterial	-	-	-
Capital Projects Fund Totals	\$ 343,745	\$ 858,250	\$ 250,000
Enterprise Capital Projects Fund			
Wastewater Treatment Plant	\$ 2,434,690	\$ 850,000	\$ -
Peach Street Wastewater Rehab	187,345	-	-
Railroad Lift Station	49,182	100,000	300,000
Relocation of Utilities along FM 455	78,691	500,000	5,700,000
Bolivar Street Wastewater Rehab	-	395,000	-
Outfall Pipeline/Stream Restoration	-	100,000	500,000
WWTP Bar Screen Repair	-	-	250,000
Relocation of Utilities along I-35	-	-	500,000
Enterprise Capital Projects Fund	\$ 2,749,908	\$ 1,945,000	\$ 7,250,000
Total Capital Projects	\$ 3,093,653	\$ 2,803,250	\$ 7,500,000

	Projected 2021-2022	Projected 2022-2023	Projected 2023-2024	Projected 2024-2025
Capital Projects Fund				
McReynolds Road Reconstruction	\$ -	\$ -	\$ -	\$ -
Street Rehab - Phase I	-	-	-	\$ -
Street Rehab - Phase II	-	-	-	-
Street Rehab - Phase III	-	-	-	-
Street Rehab - Phase IV	218,000	-	-	-
Street Rehab - Phase V	-	201,000	-	-
Marion Road - Arterial	-	500,000	500,000	3,500,000
Capital Projects Fund Totals	\$ 218,000	\$ 701,000	\$ 500,000	\$ 3,500,000
Enterprise Capital Projects Fund				
Peach Street Wastewater Rehab	-	-	-	-
Railroad Lift Station	-	-	4,000,000	-
Relocation of Utilities along FM 455	-	-	-	-
Bolivar Street Wastewater Rehab	-	-	-	-
Outfall Pipeline/Stream Restoration	3,500,000	-	-	-
WWTP Bar Screen Repair	-	-	-	-
Relocation of Utilities along I-35	-	-	-	-
Enterprise Capital Projects Fund	\$ 3,500,000	\$ -	\$ 4,000,000	\$ -
Total Capital Projects	\$ 3,718,000	\$ 701,000	\$ 4,500,000	\$ 3,500,000



APPENDIX

GENERAL FUND FIVE 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 2018-19 year as well as projected results for the 2019-20 year. Also included (as Year 1) is the current 2020-21 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.

	Actual 2018-19	Estimate 2019-2020
Beginning Fund Balance	4,379,986	5,522,228
Revenues		
Taxes	4,667,374	5,035,909
Franchise Fees	856,317	853,159
Solid Waste	917,455	938,797
Licenses & Permits	308,480	453,879
Fines	74,486	68,267
Fire & EMS	751,180	649,106
Police & Animal Control	69,776	55,849
Parks & Recreation	24,639	10,489
Library	24,279	20,536
Interest Income	10,716	18,597
Miscellaneous	56,222	560,676
Total General Fund Revenues	7,760,924	8,665,264
Other Sources		
Transfers In	214,352	136,535
Total Other Sources	214,352	136,535
Total Revenues/Sources	7,975,276	8,801,799
Expenditures		
Salaries & Benefits	3,204,122	3,306,949
Supplies & Materials	315,349	267,348
Maintenance & Operations	405,547	265,364
Contract Services	1,225,577	1,211,705
Utilities	76,569	77,250
Capital Expenses	237,184	558,138
Debt Service	129,352	51,535
Court Costs	27,872	17,078
Other	5,843	5,376
Total Expenditures	5,627,415	5,760,743
Other Uses		
Transfers Out	1,205,619	1,301,773
Total Other Uses	1,205,619	1,301,773
Total Expenses/Uses	6,833,034	7,062,516
Ending Fund Balance	5,522,228	7,261,511

	Budget 2020-2021	Projection Percentage	Projected			
			Year 2 2021-2022	Year 3 2021-2022	Year 4 2022-2023	Year 5 2023-2024
Beginning Fund Balance	7,261,511		7,261,511	7,194,534	7,054,258	6,833,905
Revenues						
Taxes	5,382,118	4%	5,597,403	5,821,299	6,054,151	6,296,317
Franchise Fees	932,952	1%	942,282	951,705	961,222	970,834
Solid Waste	983,000	5%	1,032,150	1,083,758	1,137,946	1,194,843
Licenses & Permits	344,500	8%	372,060	401,825	433,971	468,689
Fines	74,466	8%	80,423	86,857	93,806	101,310
Fire & EMS	585,000	5%	614,250	644,963	677,211	711,072
Police & Animal Control	60,350	5%	63,368	66,536	69,863	73,356
Parks & Recreation	21,100	3%	21,733	22,385	23,057	23,749
Library	23,050	1%	23,281	23,514	23,749	23,986
Interest Income	18,000	2%	18,360	18,727	19,102	19,484
Miscellaneous	84,500	3%	87,035	89,646	92,335	95,105
Total General Fund Revenues	8,509,036		8,852,345	9,211,215	9,586,413	9,978,745
Other Sources						
Transfers In	136,535	2%	139,266	142,051	144,892	147,790
Total Other Sources	136,535		139,266	142,051	144,892	147,790
Total Revenues/Sources	8,645,571		8,991,611	9,353,266	9,731,305	10,126,535
Expenditures						
Salaries & Benefits	3,976,700	6%	4,215,302	4,468,220	4,736,313	5,020,492
Supplies & Materials	389,173	6%	412,523	437,274	463,510	491,321
Maintenance & Operations	370,767	4%	385,598	401,022	417,063	433,746
Contract Services	1,504,613	5%	1,579,844	1,658,836	1,741,778	1,828,867
Utilities	89,800	2%	91,596	93,428	95,297	97,203
Capital Expenses	379,000	5%	397,950	417,848	438,740	460,677
Debt Service	51,536	5%	54,113	56,819	59,660	62,643
Court Costs	20,849	2%	21,266	21,691	22,125	22,568
Other	6,500	2%	6,630	6,763	6,898	7,036
Total Expenditures	6,788,938		7,164,822	7,561,901	7,981,384	8,424,553
Other Uses						
Transfers Out	1,856,633	2%	1,893,766	1,931,641	1,970,274	2,009,679
Total Other Uses	1,856,633		1,893,766	1,931,641	1,970,274	2,009,679
Total Expenses/Uses	8,645,571		9,058,588	9,493,542	9,951,658	10,434,232
Ending Fund Balance	7,261,511		7,194,534	7,054,258	6,833,905	6,526,208

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.

CAPITAL EQUIPMENT REQUEST FORM 2

2020-2021 BUDGET

DEPARTMENT

Police Department

DESCRIPTION OF CAPITAL ITEM

20-6135 Replace 2 police patrol units

USE / PURPOSE OF CAPITAL ITEM

Police patrol vehicles

JUSTIFICATION FOR CAPITAL ITEM

Replace 2 older units

WILL ITEM BENEFIT OTHER DEPARTMENTS? IF "YES" PLEASE EXPLAIN

no

ALTERNATIVES TO THIS CAPITAL ITEM

COST OF ACQUISITION

PURCHASE PRICE	\$	114,000
DELIVERY/FREIGHT	\$	-
INSTALLATION	\$	-
OTHER COSTS*	\$	-
TOTAL COST	\$	114,000

ANNUAL OPERATING COSTS IMPACT

FUEL	\$	-
INSURANCE	\$	-
MAINTENANCE	\$	-
SUPPLIES	\$	-
OTHER COSTS*	\$	-
TOTAL ANNUAL COSTS	\$	-

*** EXPLANATION OF "OTHER" COSTS**

APPROVED FOR FUNDING YES NO

Alina Ciocan, City Manager

HOLIDAY AUTOGROUP.COM

Date	9/18/2020
Estimate By	Mike Hewitt
	Mike@defendersupply.com
	(903) 564-5641



Bill To
Sanger Police Department 301 Bolivar St. Sanger, Texas 76266 940-458-4721

Customer Contact	
Customer Phone	Finance 940-458-7930
Customer E-mail	accountspayable@sa...
Estimate #	28883

Description	Location
<p>The State of Texas Cooperative Contract 071-A1</p> <p>2021 Chevrolet Tahoe 9C1 RWD Police Pursuit Vehicle with EcoTec3 5.3-liter, 10-Speed Auto Trans with Heavy Duty Cooler, Heavy Duty Clutch Type Locking Differential, Dual Batteries with 760-amp Auxiliary Battery, High-output Alternator, 20-inch Steel Wheels, Brembo Front Calipers with 16-inch rotors, Keyless Entry & Push-to-Start Ignition, OnStar with Bluetooth Connectivity, Vinyl Rear Seat & Front Recovery Tow Hooks. (No Spotlight)</p> <p>WHITE Exterior</p> <p>2 Year Texas State Inspection Certificate</p> <p>Unity Driver Side Halogen Spotlight, Spotlight Shaft, Handle & Mounting Bracket for a 2015+ Tahoe (LED Replacement Bulb Sold Separately).</p> <p>Defender Supply TAHOE Marked Patrol Base Package</p> <ul style="list-style-type: none"> - Whelen 54" Legacy WeCanX DUO Lightbar with Integrated Traffic Advisor and Full Across Take Down/Alley Lighting, Progressing Flash Patterns with Slide Switch, Cruise, Photo Cell Daylight Sensing, Low Power (R/W, B/W Font And Side, R/A, B/A Rear) with Strap Kit. - Core Controller, SSync Module, OBDII Canport Harness, Output Expansion Module, 100 Watt Speaker and Bracket. - Steel Push Bumper with Textured Coating and 6 Tri Color Super LED Light Heads (R/B/W), 4 in the Top Channel Cutouts and 2, on Each Side with 45° Brackets. Take Down, Alley Lighting, Progressing Flash Patterns with Slide Switch, Cruise and Low Power Capabilities. - 2 Tri Color Super LED Light Heads (R/B/W) Mounted on Rear License Plate Bracket. Reverse / Brake Lighting, Progressing Flash Patterns with Slide Switch, Cruise and Low Power Capabilities. - Headlight / Tail light Flasher Module. - 1 Front Cabin and 1 Cargo Area Dome Light. - Contoured Police Console With Dual Cup Holder, Arm Rest and 2 Mic Clips. - Defender Supply Wiring Harnesses, Power Distribution Block and Battery Management System. - Includes Installation. <p>Defender Supply Electronic Equipment Secure Mounting System. Includes Installation.</p> <p>Defender Supply TAHOE Prisoner Partition with Full Across Poly Window with Center Slider, Recessed Center and Lower Kick Panels. Includes Shipping and Installation.</p>	

Vehicle and Emergency Equipment Total	
Quantity Ordered	2

Total Vehicle Order Cost	\$113,753.78
---------------------------------	---------------------

Final sale amount may be subject to state and local sales tax.
PLEASE NOTE: Once this estimate has been approved, either by signature on this form, written approval referencing the estimate number or the issuance of purchase order, any changes or cancellations of parts made by the customer are subject to a 25% restocking fee. Any additional customer-requested parts/services will be added to the total amount of the sale.

Page 1
SIGNATURE

HOLIDAY AUTOGROUP.COM

Date	9/18/2020
Estimate By	Mike Hewitt
	Mike@defendersupply.com
	(903) 564-5641



Bill To
Sanger Police Department 301 Bolivar St. Sanger, Texas 76266 940-458-4721

Customer Contact	Customer Phone
Finance 940-458-7930	accounts payable@sa...
Estimate #	28883

Description	Location
Defender Supply TAHOE Cargo Barrier with Mesh Window, Plastic Prisoner Seat with Center Pull Seat Belt System. Includes Shipping and Installation.	
Defender Supply Surface Mount Dual Weapon Universal Cuff Lock with 8 Second Timer, Switch, Defender Supply Gunlock Wire Harness. Includes Installation.	
Defender Supply TAHOE Traffic Advisor	
- 1 Eight Dual Color Module Super LED Full Function Light Stick (R/A, B/A) with Progressing Flash Patterns with Slide Switch, Cruise, Low Power Functions Mounted on Rear Hatch Behind Glass with Vehicle Specific Shroud and Brackets. ...	
- 2, Dual Color Super LED Light Heads (R/B), Mounted Horizontally Under The Hatch on Each Corner, Rear Facing When Open. Includes Installation.	
Troy Computer Mount, CF30 Gamber Johnson LIND 120W Automobile Power Adapter. (CF31 cradle and CF31 docking station)	
WatchGuard VISTA HD, Extended Version, Wearable Camera w/ Vista Extended kit (VIS-EXT-KIT-001) and 1 year warranty included (WAR-VIS-CAM-1ST) - 9 hour battery	
WatchGuard Warranty, VISTA WIFI, 1st Year (Months 1-12) included	
WatchGuard Evidence Library for Vista License	
Watch Guard Evidence Library 4 Web 4RE In-Car Device, License Includes 1st Year of Software Maintenance	
WatchGuard 4RE Standard DVR Camera System with Intuitive Controls, Integrated 200GB Automotive Grade Hard Drive, Integrated GPS for Speed & Location and Integrated Crash Detection. Includes 16GB USB Removable Thumb Drive, Standard Front HD Mini Zoom Camera, Rear Seat Cabin Camera, WatchGuard Body Mic & Charger, Body Mic Belt Clips, Hardware, Cabling, Owner's Manual, Vehicle Mounting Bracket and 1-Year Warranty. PLEASE SPECIFY MOUNTING LOCATIONS. (wireless system not included)	
WatchGuard Front Camera, 4RE, HD Zero Sightline (ZSL)	
WatchGuard 4RE In-Car 802.11n Wireless In-Car Kit, 5GHz (2.4 GHz is available by request) ***MUST INCLUDE WG-KEY-EL4-DEV-001 ***	
WatchGuard Warranty, 4RE, In-Car, 1st Year (Months 1-12)	

Vehicle and Emergency Equipment Total	Quantity Ordered	2
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Total Vehicle Order Cost	\$113,753.78
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Final sale amount may be subject to state and local sales tax. PLEASE NOTE: Once this estimate has been approved, either by signature on this form, written approval referencing the estimate number or the issuance of purchase order, any changes or cancellations of parts made by the customer are subject to a 25% restocking fee. Any additional customer-requested parts/services will be added to the total amount of the sale.

Page 2

SIGNATURE

HOLIDAY AUTOGROUP.COM

Date	9/18/2020
Estimate By	Mike Hewitt
	Mike@defendersupply.com
	(903) 564-5641



Bill To
Sanger Police Department 301 Bolivar St. Sanger, Texas 76266 940-458-4721

Customer Contact	
Customer Phone	Finance 940-458-7930
Customer E-mail	accountspayable@sa...
Estimate #	28883

Description	Location
<p>Kustom Signal Raptor RP-1 w/Dual Ka-Band Antennas, Stationary Directional & Same Lane Moving Modes - Packages includes:</p> <ul style="list-style-type: none"> •Kustom Signal Raptor RP-1 Counter Unit •Front & Rear Antennas •Mounting Brackets •Connection Cables •Tuning Forks •Operators Manual <p>Radar / Video Interface Cable is Additional.</p> <p>Installation of Radar, Computer Mount, Video System, and Customer Supplied Radio</p> <p>Professional Design & Installation of Graphics for Customer's Department by Defender Supply</p> <p>CUSTOMER SUPPLIED:</p> <p>EF Johnson VM600 1 Piece Radio</p>	

Vehicle and Emergency Equipment Total	\$56,876.89
Quantity Ordered	2

Total Vehicle Order Cost	\$113,753.78
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Final sale amount may be subject to state and local sales tax. PLEASE NOTE: Once this estimate has been approved, either by signature on this form, written approval referencing the estimate number or the issuance of purchase order, any changes or cancellations of parts made by the customer are subject to a 25% restocking fee. Any additional customer-requested parts/services will be added to the total amount of the sale.

Page 3

SIGNATURE _____

CAPITAL EQUIPMENT REQUEST FORM 1

2020-2021 BUDGET

DEPARTMENT

Fire

DESCRIPTION OF CAPITAL ITEM

assist Chief/Fire Marshal Truck

USE / PURPOSE OF CAPITAL ITEM

Daily vehicle for our Fire Marshal to use for inspections and emergency calls.

JUSTIFICATION FOR CAPITAL ITEM

Replacemnet of the 11 year old command truck

WILL ITEM BENEFIT OTHER DEPARTMENTS? IF "YES" PLEASE EXPLAIN

It will provide a vehicel for a command member to respond to emergent calls and not take away from our station fleet.

ALTERNATIVES TO THIS CAPITAL ITEM

COST OF ACQUISITION

PURCHASE PRICE	\$	35,500
DELIVERY/FREIGHT		
INSTALLATION		
OTHER COSTS*	\$	19,500
TOTAL COST	\$	55,000

ANNUAL OPERATING COSTS IMPACT

FUEL	\$	750
INSURANCE	\$	750
MAINTENANCE		
SUPPLIES		
OTHER COSTS*		
TOTAL ANNUAL COSTS	\$	1,500

*** EXPLANATION OF "OTHER" COSTS**

APPROVED FOR FUNDING YES NO

Alina Ciocan, City Manager



DEFENDER SUPPLY

Date	6/12/2020
Estimate By	Mike Hewitt mike@defendersupply.com (903) 564-5641



Bill To
Sanger Fire Department 201 Elm St, Sanger, TX 76266

Customer Contact	
Customer Phone	940-458-7595
Customer E-mail	dpennington@sang...
Estimate #	28214

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Description	Location	Qty.	Cost	Vehicle and Em...
2020 Dodge Ram Lonestar, 2500 Crew Cab 3/4 Ton, 40/20/40 Front Bench Seat, 4WD, 6' 4" Bed, 6.7L Cummins Diesel Turbo Engine, BLACK Exterior		1	52,289.00	52,289.00
Inner Edge Front Visor Light	Front Visor	1	612.00	612.00
Whelen Cencom Carbide Siren & PA Amplifier with Light Control Module with CANport™ OBDII Interface with Traffic Advisor™ Module.		1	738.00	738.00
Installation Kit for CCSRN5 Series for 2018-2020 Ram Classic 1500 and 2018-2020 Dodge Charger and Durango, No Charge when Purchased with Amplifier Control Module		1	0.00	0.00
Whelen Cencom Carbide Siren & PA Amplifier & Light Control Head - Includes 3 Section Control Head and 21 Push-Buttons, 4-Position Slide Switch, Microphone with Extension Cable, No Charge When Purchased with Amplifier Control Module.		1	0.00	0.00
Whelen 100 Watt All Weather Heavy Duty Composite Siren Speaker	Grill Guard	1	149.00	149.00
Whelen Universal "L" Shape Siren Speaker Bracket		1	23.00	23.00
Havis Shield Center Console - 24"		1	317.00	317.00
Equipment Brackets:				
Whelen Cencom CCSRN5				
Motorola APX 4500 2 Piece Remote				
Havis Trak Mount, Dodge Ram		1	100.00	100.00
Havis Console Mount Dual Cup Holders - Flush Mount		1	29.00	29.00
HAVIS Arm Rest - Hinged, Trak-Mount		1	88.00	88.00
2 Lighter Plug Outlet W/ 1 USB Cut Outs		1	69.00	69.00
Jotto Desk Magnetic Mic Clip		2	28.00	56.00
RHFBD191BLR Front Replacement Bumper and Grill Guard		1	989.00	989.00
RNHSBD09HBLSL Rear Replacement Bumper		1	502.00	502.00
Whelen Traffic Advisor, Red/Amber/Red less control head	Rear Glass-Rear Facing	1	521.00	521.00
Whelen Dominator 4" Brackets		1	19.00	19.00

Vehicle and Emergency Equipment Total

Quantity Ordered

Final sale amount may be subject to state and local sales tax. PLEASE NOTE: Once this estimate has been approved, either by signature on this form, written approval referencing the estimate number or the issuance of purchase order, any changes or cancellations of parts made by the customer are subject to a 25% restocking fee. Any additional customer-requested parts/services will be added to the total amount of

Total Vehicle Order Cost

Page 1

SIGNATURE



DEFENDER SUPPLY

Date	6/12/2020
Estimate By	Mike Hewitt mike@defendersupply.com (903) 564-5641



Bill To
Sanger Fire Department 201 Elm St, Sanger, TX 76266

Customer Contact	
Customer Phone	940-458-7595
Customer E-mail	dpennington@sang...
Estimate #	28214

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Description	Location	Qty.	Cost	Vehicle and Em...
Whelen Trio Color Linear ION Red/Blue/White Activate only Red & White. White Steady for Take-Down	Grill Guard Front Facing	4	98.00	392.00
Whelen Trio Color Linear ION Red/Blue/White 2 Per Side of Grill Guard. Activate onl Red & White. White Steady for Alley	Grill Guard-Side Facing	4	98.00	392.00
Whelen Trio Color Linear ION Red/Blue/White Activate onl Red & White. White Steady for Alley	Rear Side Glass-Side Facing	2	98.00	196.00
Whelen Tracer SOLO 5-LAMP Housing TRACER "L" BRACKET MTG KIT	Running Board Area	2 12	529.00 6.00	1,058.00 72.00
DMBDRD09-SX DiamondBack HD Tonneau Cover		1	1,818.00	1,818.00
DECDR4 Decked tool box (black)		1	1,092.00	1,092.00
Professional Design & Installation of Graphics for Customer's Department by Defender Supply - Ghost Graphics - MIKE GLASS		1	712.00	712.00
Shipping of Above Emergency Parts for Upfit		1	129.00	129.00
Misc. Shop Supplies		1	77.00	77.00
Defender Supply Wiring Harness, Power Distribution Block and Battery Management System		1	445.00	445.00
Installation of Above Emergency Equipment		29	114.65517	3,325.00
Vehicle Dealer Prep & Wash		1	137.00	137.00
Customer Supplied: Motorola APX 4500 2 Piece Remote				
Vehicle and Emergency Equipment Total				\$66,346.00

Final sale amount may be subject to state and local sales tax. PLEASE NOTE: Once this estimate has been approved, either by signature on this form, written approval referencing the estimate number or the issuance of purchase order, any changes or cancellations of parts made by the customer are subject to a 25% restocking fee. Any additional customer-requested parts/services will be added to the total amount of

Quantity Ordered

Total Vehicle Order Cost

Page 2

SIGNATURE _____

CAPITAL EQUIPMENT REQUEST FORM 2

2020-2021 BUDGET

DEPARTMENT

Fire

DESCRIPTION OF CAPITAL ITEM

MSA SCBA

USE / PURPOSE OF CAPITAL ITEM

To replace our out dated Self Contained Breathing Apparatus. We have 20 units that will not be able to be certified for use anymore.

JUSTIFICATION FOR CAPITAL ITEM

Our current units will be out of operating guidelines in the next year.

WILL ITEM BENEFIT OTHER DEPARTMENTS? IF "YES" PLEASE EXPLAIN

They provide safety measures for fire fighter while we provide fire suppression to everyone in the community.

ALTERNATIVES TO THIS CAPITAL ITEM

COST OF ACQUISITION

PURCHASE PRICE	\$	210,000
DELIVERY/FREIGHT	\$	-
INSTALLATION	\$	-
OTHER COSTS*	\$	-
TOTAL COST	\$	210,000

ANNUAL OPERATING COSTS IMPACT

FUEL	\$	-
INSURANCE	\$	-
MAINTENANCE	\$	-
SUPPLIES	\$	-
OTHER COSTS*	\$	-
TOTAL ANNUAL COSTS	\$	-

*** EXPLANATION OF "OTHER" COSTS**

APPROVED FOR FUNDING YES NO

Alina Ciocan, City Manager

FINANCIAL MANAGEMENT POLICY

**The Sanger City Council approved the City's Financial Management Policy on September 21, 2020*

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 21, 2020*

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

Total Debt

Fiscal Year	General Fund			Enterprise Fund			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	694,979	97,012	791,991	885,200	711,400	1,596,600	1,580,179	808,412	2,388,591
2022	315,190	71,409	386,599	616,500	679,741	1,296,241	931,690	751,150	1,682,840
2023	329,652	59,191	388,843	633,600	660,427	1,294,027	963,252	719,618	1,682,870
2024	336,867	46,410	383,277	658,000	640,328	1,298,328	994,867	686,738	1,681,605
2025	299,300	33,237	332,537	675,700	618,518	1,294,218	975,000	651,755	1,626,755
2026	313,900	20,981	334,881	701,100	593,114	1,294,214	1,015,000	614,095	1,629,095
2027	71,800	13,023	84,823	998,200	566,322	1,564,522	1,070,000	579,345	1,649,345
2028	28,800	9,768	38,568	1,086,200	526,357	1,612,557	1,115,000	536,125	1,651,125
2029	30,600	8,400	39,000	1,124,400	482,800	1,607,200	1,155,000	491,200	1,646,200
2030	31,800	6,870	38,670	1,173,200	436,574	1,609,774	1,205,000	443,444	1,648,444
2031	33,600	5,280	38,880	1,221,400	387,920	1,609,320	1,255,000	393,200	1,648,200
2032	35,400	3,600	39,000	1,269,600	337,337	1,606,937	1,305,000	340,937	1,645,937
2033	36,600	1,830	38,430	1,323,400	284,626	1,608,026	1,360,000	286,456	1,646,456
2034	-	-	-	1,420,000	229,713	1,649,713	1,420,000	229,713	1,649,713
2035	-	-	-	1,475,000	173,656	1,648,656	1,475,000	173,656	1,648,656
2036	-	-	-	1,535,000	115,344	1,650,344	1,535,000	115,344	1,650,344
2037	-	-	-	1,585,000	63,400	1,648,400	1,585,000	63,400	1,648,400
Total	2,558,488	377,011	2,935,499	18,381,500	7,507,577	25,889,077	20,939,988	7,884,588	28,824,576

Certificates of Obligation, Series 2007

Fiscal Year	General Fund 34%			Enterprise Fund: 66%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	34,000	11,894	45,894	66,000	23,086	89,086	100,000	34,980	134,980
2022	35,700	10,398	46,098	69,300	20,182	89,482	105,000	30,580	135,580
2023	37,400	8,826	46,226	72,600	17,134	89,734	110,000	25,960	135,960
2024	37,400	7,180	44,580	72,600	13,940	86,540	110,000	21,120	131,120
2025	39,100	5,536	44,636	75,900	10,744	86,644	115,000	16,280	131,280
2026	42,500	3,814	46,314	82,500	7,406	89,906	125,000	11,220	136,220
2027	44,200	1,944	46,144	85,800	3,776	89,576	130,000	5,720	135,720
Total	270,300	49,592	319,892	524,700	96,268	620,968	795,000	145,860	940,860

General Obligation Refunding Bonds, Series 2012

Fiscal Year	General Fund 44%			Enterprise Fund: 56%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	145,200	3,993	149,193	184,800	5,082	189,882	330,000	9,075	339,075
Total	145,200	3,993	149,193	184,800	5,082	189,882	330,000	9,075	339,075

Certificates of Obligation, Series 2013

Fiscal Year	General Fund 12%			Enterprise Fund: 88%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	22,200	16,332	38,532	162,800	119,768	282,568	185,000	136,100	321,100
2022	22,800	15,666	38,466	167,200	114,884	282,084	190,000	130,550	320,550
2023	24,000	14,982	38,982	176,000	109,868	285,868	200,000	124,850	324,850
2024	24,600	14,262	38,862	180,400	104,588	284,988	205,000	118,850	323,850
2025	25,200	13,401	38,601	184,800	98,274	283,074	210,000	111,675	321,675
2026	26,400	12,267	38,667	193,600	89,958	283,558	220,000	102,225	322,225
2027	27,600	11,079	38,679	202,400	81,246	283,646	230,000	92,325	322,325
2028	28,800	9,768	38,568	211,200	71,632	282,832	240,000	81,400	321,400
2029	30,600	8,400	39,000	224,400	61,600	286,000	255,000	70,000	325,000
2030	31,800	6,870	38,670	233,200	50,380	283,580	265,000	57,250	322,250
2031	33,600	5,280	38,880	246,400	38,720	285,120	280,000	44,000	324,000
2032	35,400	3,600	39,000	259,600	26,400	286,000	295,000	30,000	325,000
2033	36,600	1,830	38,430	268,400	13,420	281,820	305,000	15,250	320,250
Total	369,600	133,737	503,337	2,710,400	980,738	3,691,138	3,080,000	1,114,475	4,194,475

Certificates of Obligation, Series 2015

Fiscal Year	General Fund: 0%			Enterprise Fund: 100%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	-	-	-	180,000	185,200	365,200	180,000	185,200	365,200
2022	-	-	-	295,000	178,075	473,075	295,000	178,075	473,075
2023	-	-	-	285,000	169,375	454,375	285,000	169,375	454,375
2024	-	-	-	290,000	160,750	450,750	290,000	160,750	450,750
2025	-	-	-	300,000	151,900	451,900	300,000	151,900	451,900
2026	-	-	-	310,000	142,750	452,750	310,000	142,750	452,750
2027	-	-	-	320,000	132,900	452,900	320,000	132,900	452,900
2028	-	-	-	330,000	121,925	451,925	330,000	121,925	451,925
2029	-	-	-	340,000	110,200	450,200	340,000	110,200	450,200
2030	-	-	-	355,000	97,594	452,594	355,000	97,594	452,594
2031	-	-	-	370,000	84,000	454,000	370,000	84,000	454,000
2032	-	-	-	380,000	69,937	449,937	380,000	69,937	449,937
2033	-	-	-	395,000	55,406	450,406	395,000	55,406	450,406
2034	-	-	-	410,000	40,313	450,313	410,000	40,313	450,313
2035	-	-	-	425,000	24,656	449,656	425,000	24,656	449,656
2036	-	-	-	445,000	8,344	453,344	445,000	8,344	453,344
Total	-	-	-	5,430,000	1,733,325	7,163,325	5,430,000	1,733,325	7,163,325

General Obligation Refunding Bonds, Series 2016

Fiscal Year	General Fund 46%			Enterprise Fund: 54%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	248,400	9,936	258,336	291,600	11,664	303,264	540,000	21,600	561,600
Total	248,400	9,936	258,336	291,600	11,664	303,264	540,000	21,600	561,600

Certificates of Obligation, Series 2017

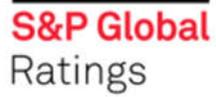
Fiscal Year	General Fund: 0%			Enterprise Fund: 100%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	-	-	-	-	366,600	366,600	-	366,600	366,600
2022	-	-	-	85,000	366,600	451,600	85,000	366,600	451,600
2023	-	-	-	100,000	364,050	464,050	100,000	364,050	464,050
2024	-	-	-	115,000	361,050	476,050	115,000	361,050	476,050
2025	-	-	-	115,000	357,600	472,600	115,000	357,600	472,600
2026	-	-	-	115,000	353,000	468,000	115,000	353,000	468,000
2027	-	-	-	390,000	348,400	738,400	390,000	348,400	738,400
2028	-	-	-	545,000	332,800	877,800	545,000	332,800	877,800
2029	-	-	-	560,000	311,000	871,000	560,000	311,000	871,000
2030	-	-	-	585,000	288,600	873,600	585,000	288,600	873,600
2031	-	-	-	605,000	265,200	870,200	605,000	265,200	870,200
2032	-	-	-	630,000	241,000	871,000	630,000	241,000	871,000
2033	-	-	-	660,000	215,800	875,800	660,000	215,800	875,800
2034	-	-	-	1,010,000	189,400	1,199,400	1,010,000	189,400	1,199,400
2035	-	-	-	1,050,000	149,000	1,199,000	1,050,000	149,000	1,199,000
2036	-	-	-	1,090,000	107,000	1,197,000	1,090,000	107,000	1,197,000
2037	-	-	-	1,585,000	63,400	1,648,400	1,585,000	63,400	1,648,400
Total	-	-	-	9,240,000	4,680,500	13,920,500	9,240,000	4,680,500	13,920,500

General Obligation Refunding Bonds, Series 2019

Fiscal Year	General Fund 100%			Enterprise Fund: 0%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	200,000	48,500	248,500	-	-	-	200,000	48,500	248,500
2022	210,000	40,500	250,500	-	-	-	210,000	40,500	250,500
2023	220,000	32,100	252,100	-	-	-	220,000	32,100	252,100
2024	225,000	23,300	248,300	-	-	-	225,000	23,300	248,300
2025	235,000	14,300	249,300	-	-	-	235,000	14,300	249,300
2026	245,000	4,900	249,900	-	-	-	245,000	4,900	249,900
Total	1,335,000	163,600	1,498,600	-	-	-	1,335,000	163,600	1,498,600

Spirit of Texas Street Equipment

Fiscal Year	General Fund: 100%			Enterprise Fund: 0%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	45,179	6,357	51,536	-	-	-	45,179	6,357	51,536
2022	46,690	4,845	51,535	-	-	-	46,690	4,845	51,535
2023	48,252	3,283	51,535	-	-	-	48,252	3,283	51,535
2024	49,867	1,668	51,535	-	-	-	49,867	1,668	51,535
Total	189,988	16,153	206,141	-	-	-	189,988	16,153	206,141



Summary:

Sanger, Texas; General Obligation

Primary Credit Analyst:

Chase C Ashworth, Centennial + 1 (303) 721 4289; chase.ashworth@spglobal.com

Secondary Contact:

Jennifer K Garza (Mann), Dallas (1) 214-871-1422; jennifer.garza@spglobal.com

Table Of Contents

Rationale

Outlook

The City of Sanger was assigned an “AA” long-term rating upon the issuance of the series 2019 general obligation bonds.

Summary:

Sanger, Texas; General Obligation

Credit Profile

US\$1.53 mil GO Rfdg Bnds ser 2019 due 08/01/2026

Long Term Rating

AA/Stable

New

Rationale

S&P Global Ratings assigned its 'AA' long-term rating to Sanger, Texas' series 2019 general obligation (GO) refunding bonds. The outlook is stable.

The bonds are the city's direct obligations, payable from a combination of the levy and collection of a continuing annual ad valorem tax, within the limits prescribed by law, on all taxable property in the city. The ad valorem taxes are not levied on a narrower or distinctly different tax base, and there are no limitations on the fungibility of resources available for the payment of debt service. Based on the application of our criteria, titled "Issue Credit Ratings Linked To U.S. Public Finance Obligors' Creditworthiness" (published Jan. 22, 2018, on RatingsDirect), we view the limited-tax GO debt pledge on par with the issuer credit rating, which is based on the city's general creditworthiness. State statutes limit the ad valorem tax rate for home rule cities to \$2.50 per \$100 of taxable assessed valuation (AV) for all city purposes. Administratively, the Texas attorney general will permit the allocation of \$1.50 of the \$2.50 maximum tax rate for ad valorem tax debt service. In fiscal 2019, the city's levy is well below the maximum at 67.9 cents per \$100 of AV, 10.8 cents of which is dedicated to debt service.

The series 2019 bond proceeds will be used to refund a portion of the city's GO debt outstanding to achieve debt service savings.

Due to ongoing economic development and its participation in the growing Dallas MSA, Sanger has experienced significant economic expansion, which is anticipated to continue. This growth has produced consistently strong revenue growth, assisting in the growth and maintenance of the city's reserve position. Given the city's rapid economic growth, we believe there is potential for associated capital needs, which could cause a need for additional debt issuance in the coming years. However, we currently do not foresee the city's debt burden deteriorating over the two-year outlook horizon.

The 'AA' rating reflects our view of the city's following factors:

- Adequate economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Strong management, with good financial policies and practices under our Financial Management Assessment methodology;
- Strong budgetary performance, with operating surpluses in the general fund and at the total governmental fund level

Summary: Sanger, Texas; General Obligation

in fiscal 2018;

- Very strong budgetary flexibility, with an available fund balance in fiscal 2018 of 71% of operating expenditures;
- Very strong liquidity, with total government available cash at 1.7x total governmental fund expenditures and 12.4x governmental debt service, and access to external liquidity we consider strong;
- Strong debt and contingent liability position, with debt service carrying charges at 13.8% of expenditures and net direct debt that is 28.0% of total governmental fund revenue, as well as low overall net debt at less than 3% of market value, but significant medium-term debt plans; and
- Strong institutional framework score.

Adequate economy

We consider Sanger's economy adequate. The city, with an estimated population of 9,008, is located in Denton County in the Dallas-Fort Worth-Arlington MSA, which we consider to be broad and diverse. The city has a projected per capita effective buying income of 95% of the national level and per capita market value of \$71,381. Overall, the city's market value grew by 11.1% over the past year to \$643 million in 2019. The county unemployment rate was 3.2% in 2018.

Sanger, spanning over 10 square miles just west of Lake Ray Roberts, is located less than 50 miles north of Fort Worth and directly north of Denton. Interstate 35 runs through the heart of the city, and provides residents with access to employment opportunities throughout the Dallas metroplex.

The city is primarily residential but has experienced strong retail and commercial growth in recent years, with more land available for future development. Due to both commercial and residential expansion, the city's property values have increased at elevated rates, in line with much of the Dallas metropolitan area. The city's assessed value (AV) has increased 77% over the past decade, while the population has grown 58% over the same period. Ongoing economic development includes numerous residential developments in various stages of construction, which are expected to add nearly 1,000 units to the city's tax roll. Furthermore, there are several commercial and retail developments underway in the city, including the construction of a hotel, expected to further bolster AV. Overall, we continued expansion in the local economy, likely benefiting from ongoing economic development and growth in the Dallas metro area as a whole.

Strong management

We view the city's management as strong, with good financial policies and practices under our Financial Management Assessment methodology, indicating financial practices exist in most areas, but that governance officials might not formalize or monitor all of them on a regular basis. Management utilizes three years of historical financials to formulate budget assumptions, and provides monthly budget-to-actual financial updates to city council. Budget assumptions are conservative, overall, but amendments can be made throughout the fiscal year, as needed. The city maintains a five-year capital improvement plan that is updated annually, inclusive of potential project costs and associated funding sources. The city does not currently conduct long-term financial planning.

The city has a formalized investment management policy, and provides monthly investment holdings and performance

reports to city council. Additionally, the city has a formal qualitative debt management policy, in addition to a formalized reserve policy that requires reserve levels to be in excess of 25% of operating expenditures.

Strong budgetary performance

Sanger's budgetary performance is strong in our opinion. The city had operating surpluses of 24% of expenditures in the general fund and of 30.1% across all governmental funds in fiscal 2018. In assessing the city's budgetary performance, we have adjusted for recurring interfund transfers and large one-time capital expenditures funded with intergovernmental revenues.

Sanger has historically maintained strong budgetary performance, evidenced by consistent operating surpluses since fiscal 2013. The strong performance has been driven by conservative budgeting and revenue growth tied to an expanding economy. The city's strong operating surplus in fiscal 2018 was largely driven by increased property tax revenues, coupled with increases in other operating revenues across the board (excluding sales taxes) and conservative spending. We consider the city's revenue streams as diverse with property taxes accounting for 47.6% in fiscal 2018, while sales tax revenues were the next largest at 12.7%.

The city budgeted for an operating surplus for the first time in recent history, inclusive of strong revenue growth, aside from sales tax revenue assumptions, which remained stable from the prior budget. Management notes there are no material changes from prior budgetary assumptions and that current financial results are tracking well with the budget. Given management's conservative budgeting and expectations for another operating surplus, we believe the city will continue to have strong budgetary performance over the next two fiscal years.

Very strong budgetary flexibility

Sanger's budgetary flexibility is very strong, in our view, with an available fund balance in fiscal 2018 of 71% of operating expenditures, or \$4.4 million. We expect the available fund balance to remain above 30% of expenditures for the current and next fiscal years, which we view as a positive credit factor.

While the city's reserve position has remained very strong in our view (as a percentage of operations), the city's nominal fund balance has increased substantially, with unassigned reserves increasing by more than \$3.6 million, dating back to fiscal 2013. Management notes there are no plans to materially draw on reserves at this time, and the city expects reserves to continue to expand. Therefore, we do not anticipate the city's budgetary flexibility will deteriorate over the next few years.

Very strong liquidity

In our opinion, Sanger's liquidity is very strong, with total government available cash at 1.7x total governmental fund expenditures and 12.4x governmental debt service in 2018. In our view, the city has strong access to external liquidity if necessary. In our opinion, the city's strong access to external liquidity is demonstrated by its issuance of general obligation debt over the past 20 years. The city's current investments are not considered risky, in our view, as the city's investments are held certificates of deposit, as of fiscal 2018.

The city's series 2007 certificates are privately placed, but have only approximately \$980,000 outstanding. The privately placed documents are standard and do not present liquidity risk, in our view. Given this debt's relatively small size and standard legal provisions, we do not consider the certificates to be a contingent liability risk. Therefore, we

expect the city's liquidity profile to remain very strong throughout the outlook horizon.

Strong debt and contingent liability profile

In our view, Sanger's debt and contingent liability profile is strong. Total governmental fund debt service is 13.8% of total governmental fund expenditures, and net direct debt is 28.0% of total governmental fund revenue. Overall net debt is low at 2.7% of market value, which is in our view a positive credit factor. Negatively affecting our view of the city's debt profile is its significant medium-term debt plans, which would be approximately 34.5% of current general obligation debt outstanding. However, we note the debt is expected to be self-supporting.

Upon the issuance of the 2019 bonds, the city will have approximately \$23.3 million in general obligation debt outstanding, most of which is considered self-supporting. The city plans to issue approximately \$8 million in additional debt in the medium term, which is also expected to be self-supporting. Therefore, we believe the city's debt burden will continue to remain low. We note, however, if the city's overall net debt were to rise above 3% of its market value, we would have a deteriorated view of its debt profile.

Sanger's pension contributions totaled 4.4% of total governmental fund expenditures in 2018. The city made its full annual required pension contribution in 2018. Sanger participates in the Texas Municipal Retirement System (TMRS), which is an agent multiple-employer hybrid pension plan administered by the State of Texas and is the city's largest plan. The required pension contribution is the city's actuarially determined contribution (ADC), which is calculated at the state level. Using reporting standards in accordance with Governmental Accounting Standards Board (GASB), the city's net pension liability (measured as of Dec. 31, 2017) was \$674,878 (improved from \$1.1 million in the prior year due to strong investment earnings), and its GASB funded ratio was 92.2%. TMRS calculates the ADC using a level percent of payroll amortization, assuming 3% annual growth, which adds risk, given that contributions are deferred with the idea that growth will enhance affordability. TMRS also amortizes using a layered 25-year offsetting approach. This means that each year there is a loss, a new base is created to be amortized over 25 years, which we consider long. However, each year there is a gain, the largest loss is essentially reduced, decreasing overall contribution volatility. TMRS lists an equivalent single amortization period for the city of 28 years for fiscal 2018.

Group-term life insurance is also provided through the Supplemental Death Benefits Fund operated by TMRS; the city paid its annual required contribution in fiscal 2018, equal to \$371.

Strong institutional framework

The institutional framework score for Texas municipalities is strong.

Outlook

The stable outlook reflects our view that the city will likely continue to experience economic growth, benefitting from its participation in the Dallas MSA, leading to associated increases in revenues and its overall tax base. Furthermore, we believe the city will continue to display strong budgetary performance, aided by its conservative budgeting practices, while maintaining its very strong reserve position. Therefore, we do not expect to change the rating over the two-year outlook period.

Summary: Sanger, Texas; General Obligation

Upside scenario

We could raise the rating if ongoing economic expansion were to improve the city's income indicators and property values to levels we consider in line with those of higher-rated peers. Additionally, if reserve levels continue to improve and are maintained at higher levels over a sustained period, we could take a positive rating action.

Downside scenario

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

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 for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

Summary: Sanger, Texas; General Obligation

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SANGER
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MONTHLY REPORT

SEPTEMBER 2020



Each month, the City of Sanger publishes a Monthly Report that provides in-depth details of operations and results to provide citizens with the most recent information, statistics and activities of City operations. The City's Monthly Reports are posted on the City's website at http://www.sangertexas.org/page/residents_performance_measures





ADMINISTRATION

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Monthly Report – September 2020

CITY COUNCIL

Agenda Summary

The following items were approved by the Mayor and City Council in September 2020.

Proclamations and Resolutions:

- Proclamation No. 09-01-20 For United Way of Denton County, Proclaiming September 2020 LIVE UNITED Month
- Resolution No. 08-11-20 – 09-12-20 Authorizing a Change of Authorized Bank Signatories.

Ordinances Passed

- Ordinance No. 08-21-20 Revising Ordinance No. 07-20-20 Ordering a General Election To Be Held Jointly With Other Denton County Political Subdivisions For The Purpose of Electing A Mayor and Two (2) City Council Members: City Council Member Place 2 and City Council Member Place 4; Designating Locations Of Polling Places; Providing For Dates, Times, and Places for Voting and Early Voting By Personal Appearance; Providing Deadline For Application for Ballot By Mail; Ordering Notices of Election To be Posted and Published; And, Providing For An Effective Date.
- Ordinance No. 09-27-20 Amending Ordinance #09-25-19, Which Will Amend the Budget for The Fiscal Year 2019-2020 And Authorizing Amended Expenditures as Provided.
- Ordinance No. 09-23-20 Approving the 2020 Tax Rolls and Providing for An Effective Date.
- Ordinance No. 09-24-20 Adopting the Budget Providing for the Appropriation of Funds for Operating and Capital Expenditures for the Fiscal Year Beginning October 1, 2020 and Ending September 30, 2021, 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.
- Ordinance No. 09-25-20 Ratifying the Property Tax Increase Reflected in the Fiscal Year 2020-2021 Budget and Providing for an Effective Date.
- Ordinance No. 09-26-20 Levying a Tax Rate for the General Government for the Fiscal Year 2020-2021 and Providing for an Effective Date.

Plats Approved:

- Final Plat of Lots 15-49 Block A, and Lots 3-24 Block B, of Country Road Estates, Being 81.45 Acres of the Ed Bradley Survey, Abstract Number 34, Cooke County, Texas, the Ed Bradley Survey, Abstract Number 1705, and the B.B.B. C.R.R Co Survey, Abstract number 199 in the City of Sanger's ETJ, and Generally Located South of County Road 200 and Approximately 4950 Feet West of I-35.

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ADMINISTRATION

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Monthly Report – September 2020

- Final Plat of Lot 1-6 Block A, of Meadow Green Farm Estates Addition Phase1, being 6.874 Acres, in the City of Sanger's ETJ, and Generally Located on the West Side of Metz Road and Approximately 2463 Feet South of Lois Rd.

Other Items:

- Approve Interlocal Cooperation Agreement with Denton County for Governance Communications and Dispatch Services System for The City of Sanger Fire and Police Departments and Authorize the Fire Chief and Police Chief to Execute Agreement.

CITY SECRETARY

Agenda

- City Council Meeting Agenda Summary Items were, where required; prepared, certified, published and processed. Meeting Minutes prepared, approved and filed by the City Secretary.

Open Records

- Processed eight (8) Open Record Requests and completed them in ten days or less.

Solicitor Permits

- Solicitor Permits were allowed to begin soliciting again on July 28, 2020. There are only two companies currently registered to solicit in the City. Permits which were on hold during COVID-19 will be extended by six months.

Summary of Miscellaneous Items:

- Quarterly Hotel Motel Taxes.
- Alcohol Permits.
- Release Liens.
- In process of updating Code of Ordinances online.
- Updating Website, posting Agendas, Election Information, Solicitor Information, Minutes and Ordinances.
- Risk Management.
- Ethics Commission – 1295 Forms.
- Pulling titles, updating insurance information as a result of upcoming auction.

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ADMINISTRATION

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Monthly Report – September 2020

DID YOU KNOW...

Every person owning, operating, managing or controlling any hotel or collecting payment for occupancy in any hotel is required to collect Hotel Occupancy Tax from their guests and remit it to the City of Sanger. Definition for "Hotel" is any building or buildings in which the public may obtain sleeping accommodations for a cost of \$2.00 or more each day for a consecutive duration of 30 days or less. This includes without limitation: hotels, motels, tourist homes, vacation rentals by owner, houses or courts, lodging houses, inns, hostels, rooming houses, bed and breakfasts, short-term vacation rentals or other buildings where rooms are furnished for consideration. The revenue from the Hotel Occupancy Tax is used to promote tourism; provide support for the Sanger Chamber of Commerce, and the convention and hotel industry in Sanger. If you have any questions please contact the City Secretary at 940-458-7930.

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ECONOMIC DEVELOPMENT

SANGER
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Monthly Report – September 2020

ECONOMIC DEVELOPMENT

About your Sanger EDC

The City of Sanger has established both a Type A and Type B economic development board to stimulate economic growth. These boards utilize sales tax revenues to stimulate the creation of new primary jobs in the community and to address quality of life issues. Sanger is pro-business and aggressively seeks new and expanded businesses that offer quality jobs for the community.

Staff Updates

The Sanger Strong Business Relief Grant Committee awarded grants of \$1,000 to \$2,000 to 8 Sanger businesses, totaling \$8,500. Congratulations to the following Sanger businesses: Gypsy Cowgirl, Victor Gann, Bolivar Street BBQ, Exhibition Nutrition, Stitchin' and More Custom Graphics LLC, Doll House Salon and Buzy Body.

The 4B Development Corporation has authorized the EDC Director to engage with a consultant to create a Façade and Sign Grant Program.

Staff has submitted a response to a prospect through the Governor's Office for a manufacturing facility along the I-35 corridor. Staff has also received an inquiry about a prospect seeking a location near the Walmart Distribution Center for a Cold Storage facility.

Sales tax revenue collected in August for sales in June were \$47,386. Sales tax totals for FY 19-20 are \$491,222 as compared to \$403,646 for the same period last FY.

DID YOU KNOW...

The Governor's Office has compiled a list of resources to support economic retention and recovery related to COVID-19. Visit www.gov.texas.gov for available resources.

Keep it Local!
Play. Shop. Dine.
#sangerstrong

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DEVELOPMENT SERVICES

SANGER
★ TEXAS

Monthly Report – September 2020

BUILDING PERMITS

Residential	New	Alteration	Total
# Permits	5	4	9
# Inspections	417	5	422
Fees	\$39,129.00	\$312.90	\$39,441.90

Commercial	New	Alteration	Total
# Permits	0	13	13
# Inspections	53	2	55
Fees	\$0	\$0	\$0

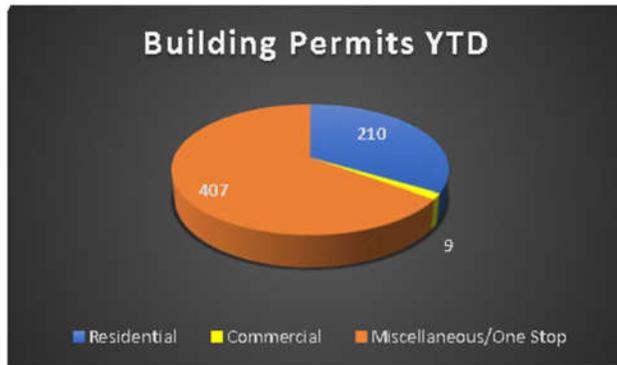
Miscellaneous /One Stop	
# Permits	33
# Inspections	94
Fees	\$4,260.00

DID YOU KNOW...

A permit is required when you replace your heating or air conditioning system.

Be sure to check with your contractor to make sure they have obtained the proper permit and inspections. This will ensure that your system is installed to code.

For further questions please contact our department at 940-458-2059.



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DEVELOPMENT SERVICES

SANGER
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Monthly Report – September 2020

PLANNING & ZONING

Case # SANZON-0026

Consider, Discuss and Act on the Final Plat of Lots 15-49 Block A, and Lots 3-24 Block B, of Country Road Estates, Being 81.45 Acres of the Ed Bradley Survey, Abstract Number 34, Cooke County, Texas, the Ed Bradley Survey, Abstract Number 1705, and the B.B.B. C.R.R Co Survey, Abstract number 199 in the City of Sanger’s ETJ, and Generally Located South of County Road 200 and Approximately 4950 Feet West of I-35.

Planning and Zoning Commission
APPROVED

City Council
APPROVED



Case # SANZON-0027

Consider, Discuss and Act on the Final Plat of Lot 1-6 Block A, of Meadow Green Farm Estates Addition Phase1, Being 6.874 Acres, in the City of Sanger’s ETJ, and Generally Located on the West Side of Metz Road and Approximately 2463 Feet South of Lois Rd.

Board of Adjustments
APPROVED



DID YOU KNOW...

The City of Sanger will have a lot of opportunity for development/redevelopment with the I-35 and FM 455 Expansion. The new Comprehensive Plan that is underway will help define some of the City’s development needs.

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POLICE & ANIMAL CONTROL

SANGER
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Monthly Report – September 2020

POLICE & ANIMAL CONTROL

During the month of September 2020 Officers of the Sanger Police Department responded to a total of 908 calls for service having an average response time of eight minutes per call. The department issued a total of 86 citations and 75 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 12
- Burglary 3
- Larceny/Theft 8
- Motor Vehicle Theft 2
- Officer Assault 1

In 2017, the Texas Legislature passed a statewide ban on using a wireless communications device for electronic messaging while operating a motor vehicle. Texting, as well as reading or writing email, is prohibited while driving in Texas.

Many local areas have passed stricter ordinances which completely limit any cell phone use while driving, so it is the responsibility of drivers to learn the laws in their local areas.

The safest policy is to drive now and use your cell phone later. If you must make a phone call or send a text, pull over. Otherwise, wait until you reach your destination to use the phone.

DID YOU KNOW...

One in five crashes involves driver distraction. Drivers who use cell phones in their vehicles have a higher risk of collision than drivers who don't, whether holding the phone or using a hands-free device.

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POLICE & ANIMAL CONTROL

SANGER
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Monthly Report – September 2020

Cell Phone Prohibitions

- Drivers cannot send or receive electronic messages in Texas.
- Drivers with learner's permits are prohibited from using handheld cell phones in the first six months of driving.
- Drivers under the age of 18 are prohibited from using wireless communications devices.
- School bus operators are prohibited from using cell phones while driving if children are present.
- In school zones, all drivers are prohibited from texting and using handheld devices while driving.
- Local restrictions: Drivers should become familiar with any ordinances in effect in their local areas. Drivers should contact their local municipality to determine if there are additional laws governing the use of cell phones.

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FIRE DEPARTMENT

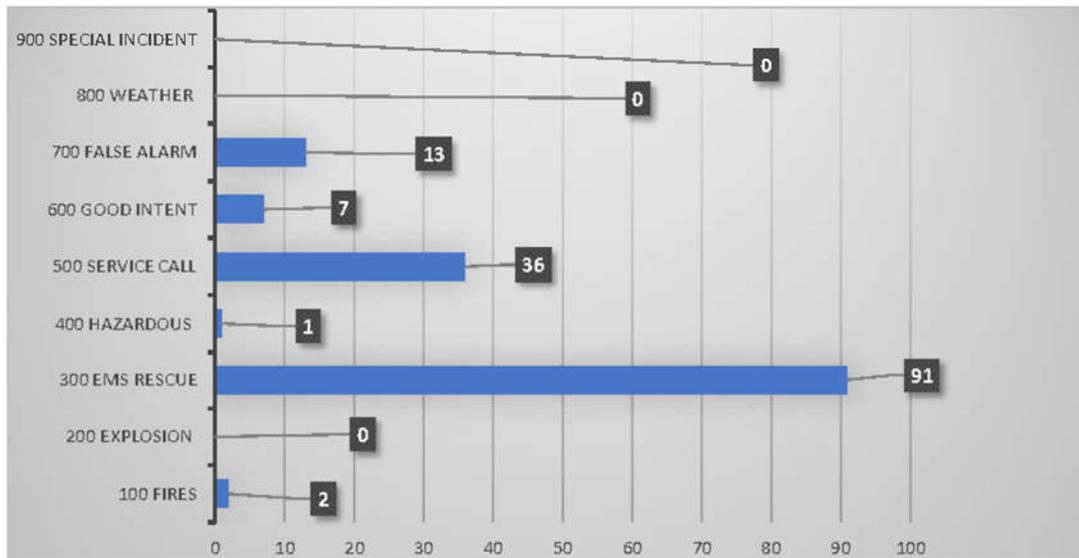
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Monthly Report – September 2020

FIRE DEPARTMENT

The Sanger Fire Department responded to 151 emergency incidents during the month of September. The top four busiest incident types:

- 91 Emergency Medical Incident
- 36 Service calls
- 13 False Alarms
- Seven (7) Service Class
- The busiest time of the day was at 17:00 – 17:59 & 18:00-18:59 for the month of September
- The busiest days of the week for EMS transports was both Tuesday and Friday with 14 transports each during the month.
- Emergency Medical calls accounted for 60.26 % of the total call volume.



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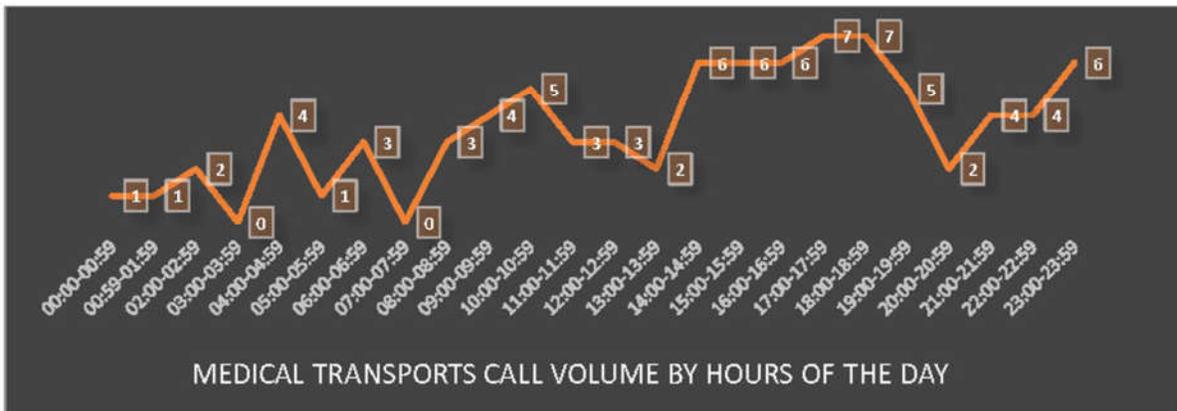
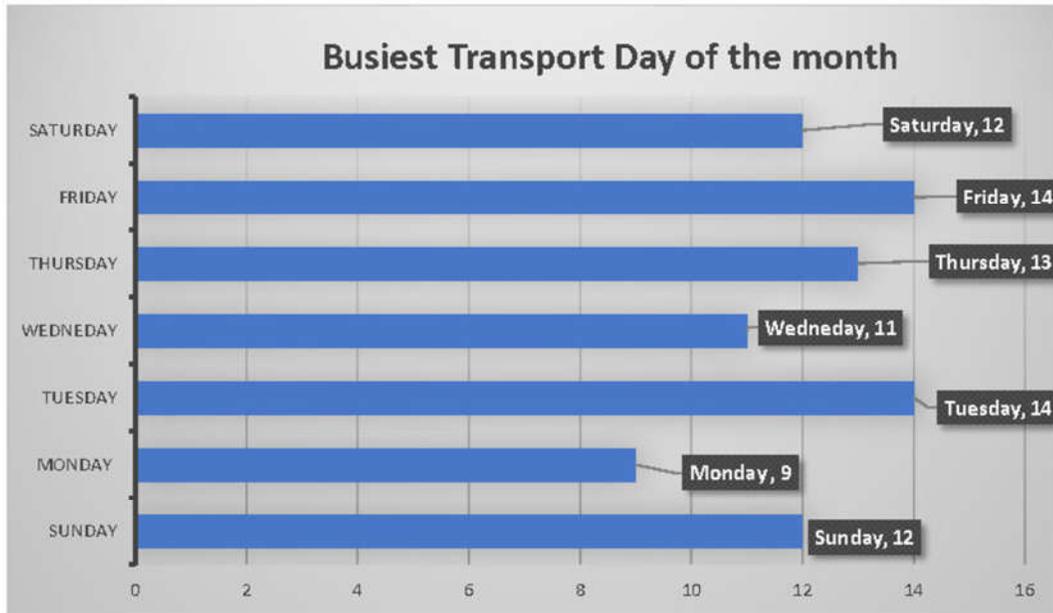


FIRE DEPARTMENT

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Busiest Transport Day of the month



MEDICAL TRANSPORTS CALL VOLUME BY HOURS OF THE DAY

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FIRE DEPARTMENT

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MOBILE APPS WITH LOCAL ALERT FUNCTIONS

FEMA APP: Stay updated with severe weather alerts from the National Weather Service for up to five locations across the U.S.; learn how to stay safe before, during, and after over 20 types of hazards; save a custom list of the items in your family’s emergency kit; and locate and receive driving directions to open shelters and disaster recovery centers. You can also submit disaster-related photos to a public map using the Disaster Reporter feature. The FEMA App is also available in Spanish. Download the app to your mobile device or smartphone free on iTunes or Google Play. Learn more at www.fema.gov/mobile-app.

AMERICAN RED CROSS APP: The Red Cross Emergency app combines more than 35 different types of severe weather and emergency alerts. You can choose the alerts that are important to your location or the location of loved ones. The “Family Safe” feature allows you to notify loved ones that an alert has been issued in their area and check to see if they are safe. The app also offers information on what to do before, during, and after severe weather hits and how to find open Red Cross Shelters. All content is also available in Spanish. You can download the app to your mobile device or smartphone free on iTunes (Apple-iOS 6.0 or later) and Google Play (Android). Learn more at www.redcross.org/prepare/mobile-apps.

THE WEATHER CHANNEL APP: Tracks weather and provides local forecasts and push alerts of severe weather to your mobile device. Download the app to your mobile device or smartphone free on iTunes (Apple-iOS 6.0 or later), Google Play (Android), App World (BlackBerry), and Windows Phone at www.weather.com/apps.

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MUNICIPAL COURT

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Monthly Report – September 2020

MUNICIPAL COURT

Case Activity:

- For the month of September, 2020, the Municipal Court filed 111 citations.
- There were 13 requests for deferred disposition.
- There were seven requests for a driver safety course
- There were three cases successfully closed by deferred disposition and one case successfully closed by a driver safety course.
- The court closed 43 cases by payment in full or time served.
- The total fines, court costs and other fees collected were \$15,363.20 with \$5,614.68 of that being remitted to the State.

DID YOU KNOW...

Driver License Services

If your Texas DL, ID, CLP, CDL or EIC card expired on or after March 13, 2020, your card is still valid and you are not required to renew at this time.

A waiver has been granted for the expiration date of your card that remains valid for 60 days after the Department provides further public notice that normal operations have resumed. You may download a copy of the [Verification of Driver License Expiration Extension \(PDF\)](#) notice. All local and state law enforcement officials have been notified of this expiration waiver. When the Department resumes normal operations, you will be able to renew without any penalty.

The Department encourages all eligible customers to conduct their driver license services online. For more information, please visit our webpage on [Driver License Services, Extensions, Waivers, and Covid-19 Information](#).

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FINANCE

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Monthly Report – September 2020

FINANCE

Overview

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 annual budget document.

During the month of September 2020, Finance Department staff:

- Finalized and Presented the 2020-2021 annual budget
- Worked with the City's auditors during their interim onsite visit during September
- Performed all of the following normal departmental functions for the City:
 - Accounts Payable
 - Financial Reporting
 - Payroll
 - Purchase Orders
 - Utility Customer Service

DID YOU KNOW...

The City of Sanger has had 3 different names. The city was originally named "Huling" in honor of Mrs. Elizabeth Huling, who owned the land which would become Sanger. Shortly after, the name was changed to "New Bolivar" for a brief period of time. The Gulf, Colorado & Santa Fe Railroad officially named the city "Sanger" after railroad customers the Sanger Brothers (owners of the Sanger Brothers Department Stores) in 1887.

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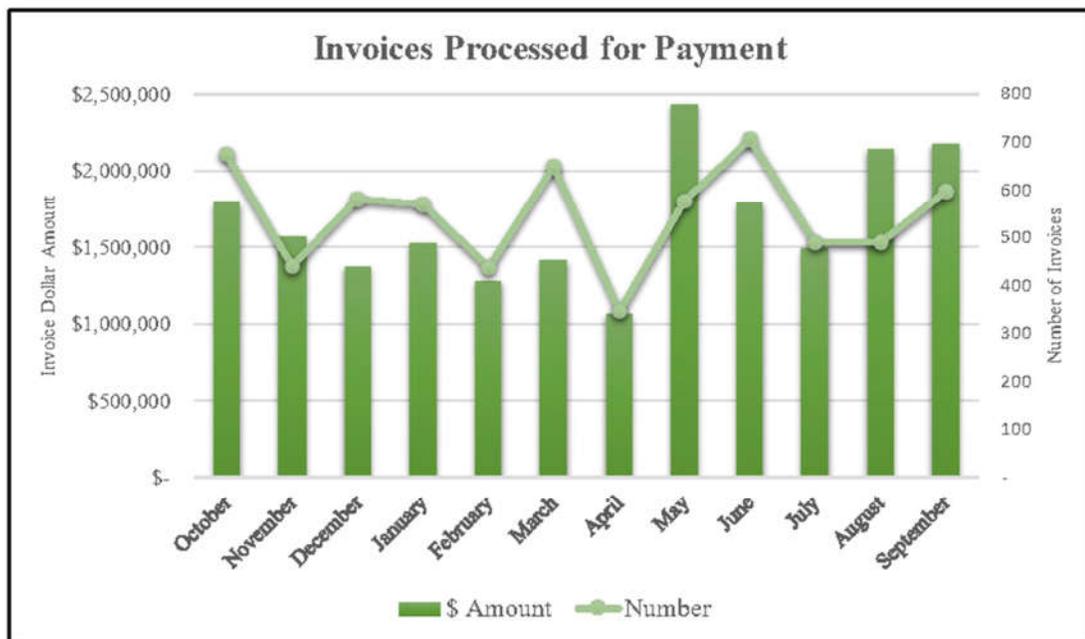
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Monthly Report – September 2020

Accounts Payable Function

The purpose of the Accounts Payable function is to provide payment processing services for City departments to ensure timely vendor payments for goods and services.

	Invoices Processed	
	Year	Number
2019-2020 YTD	6,560	\$ 20,025,263
2018-2019 YTD	6,672	20,189,174
2017-2018 YTD	5,386	23,299,357



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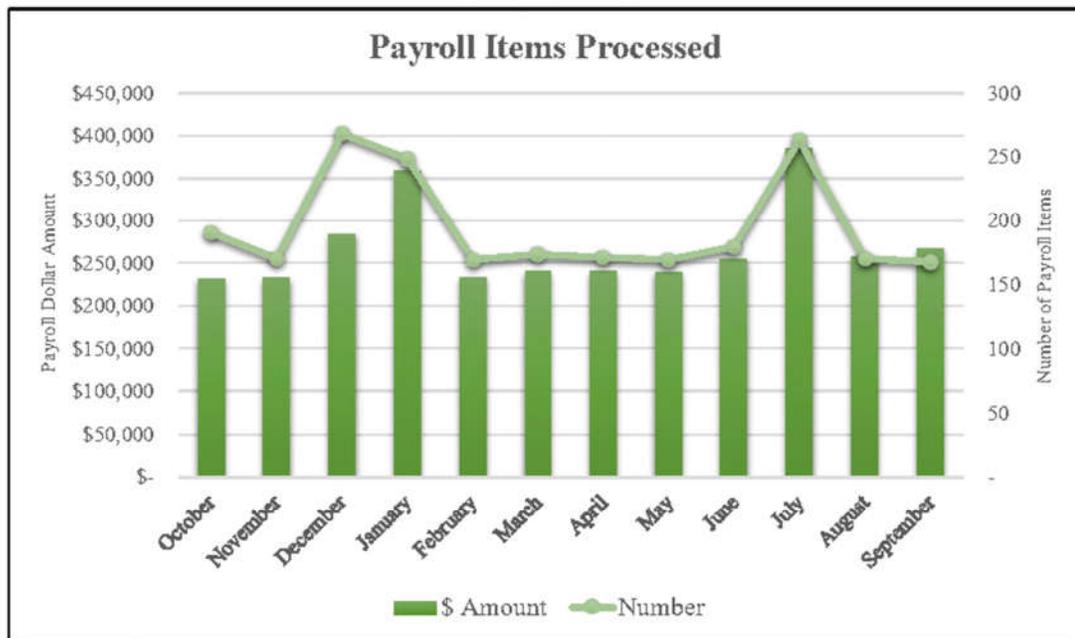
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Monthly Report – September 2020

Payroll Function

The purpose of the Payroll function is to provide timely payroll services for City departments to ensure that employees are paid timely and accurately.

Payments to Employees		
Year	Number	Amount
2019-2020 YTD	2,342	\$ 3,221,366
2018-2019 YTD	2,400	3,118,675
2017-2018 YTD	2,437	3,005,167



NOTE: There are three biweekly payroll periods in the months of January and July 2020

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Purchase Order Function

The purpose of the Purchase Order function is to provide purchasing management and support to departments and suppliers so that the City has the resources available to accomplish its mission in a timely and efficient manner.

Purchase Orders Issued		
Year	Number	Amount
2019-2020 YTD	197	\$ 6,225,121
2018-2019 YTD	277	3,375,961
2017-2018 YTD	361	8,620,760



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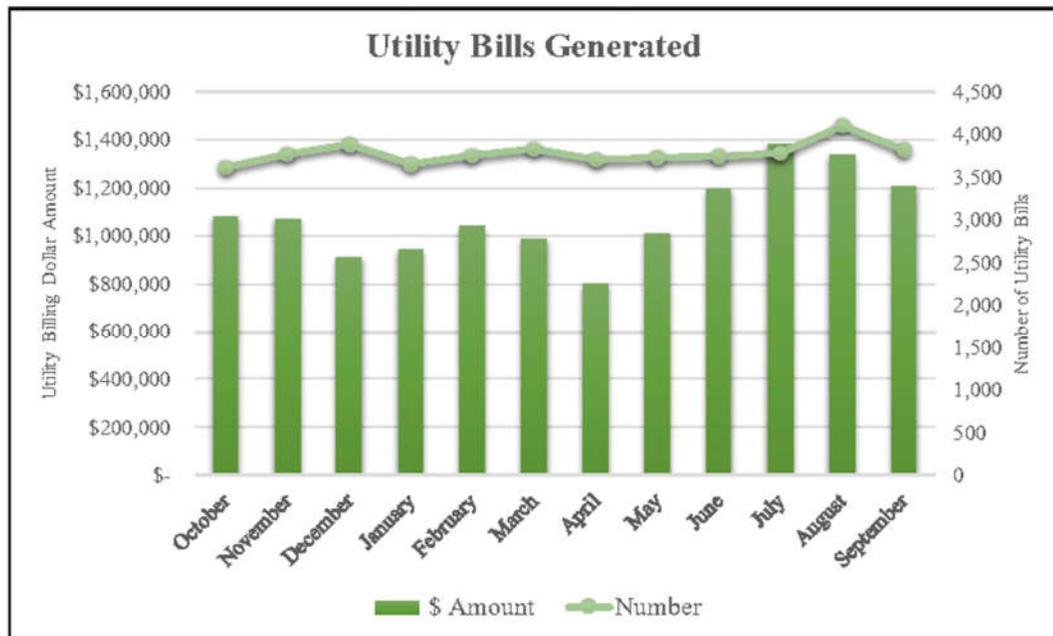
Monthly Report – September 2020

Utility Customer Service Function

The purpose of the Utility Customer Service function is to provide billing and revenue collection services for all City of Sanger utilities and to provide excellent customer service and information to all City of Sanger utility customers.

Billing Activity

Utility Bills Generated		
Year	Number	Amount
2019-2020 YTD	45,385	\$ 12,948,464
2018-2019 YTD	43,086	\$ 12,903,975
2017-2018 YTD	42,136	\$ 13,290,188



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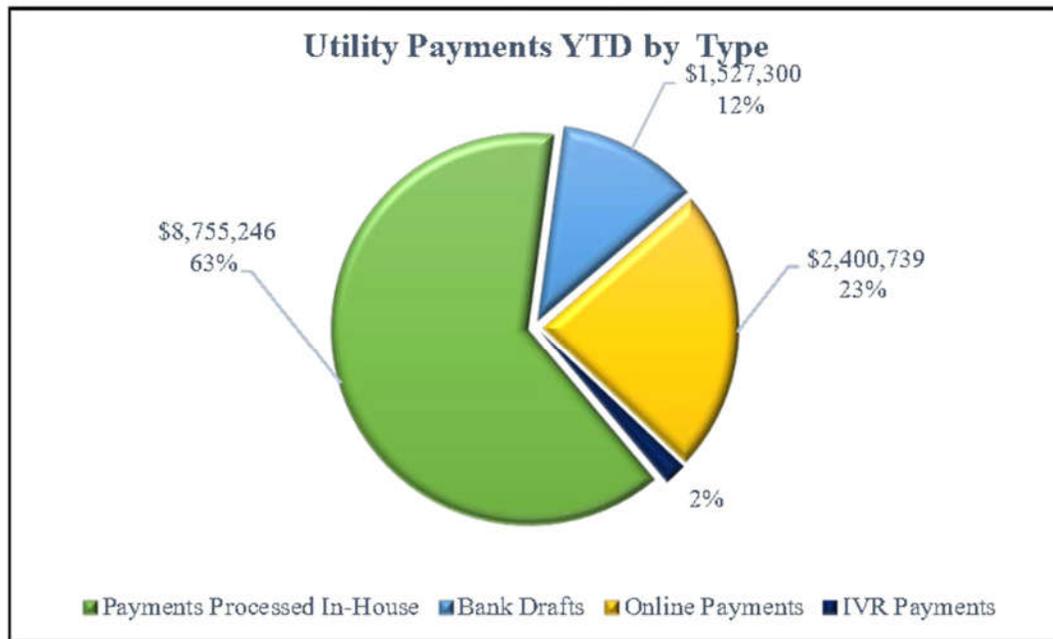
Monthly Report – September 2020

Utility Customer Service Function

The purpose of the Utility Customer Service function is to provide billing and revenue collection services for all City of Sanger utilities and to provide excellent customer service and information to all City of Sanger utility customers.

Payment Processing Activity

Utility Payments Processed		
Year	Number	Amount
2019-2020 YTD	42,942	\$ 12,858,831
2018-2019 YTD	42,185	\$ 12,939,452
2017-2018 YTD	40,990	\$ 13,172,325



Financial Reporting Function

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FINANCE

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Monthly Report – September 2020

The purpose of the Financial Reporting function is to provide internal controls and financial information to City Council and City departments so that they may manage operations and meet financial reporting needs.

Financial Reports Prepared			
Type	City Council Reports	Departmental Budget Reports	
2019-2020 YTD	12	26	
2018-2019 YTD	12	26	
2017-2018 YTD	12	26	

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ELECTRIC

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ELECTRIC

Daily Operations

- Collect daily capacitor readings at substation
- Prepare lighting for Christmas
- Survey street/security lights
- Tree trimming maintenance
- Connect temp poles in the Willowood Subdivision
- Physical inventory for fiscal year 2020
- Disconnects

Construction

- Temp to perms in Lake Ridge Subdivision
- Install secondary services in the Willowood Subdivision
- Installed new secondary services in the Ranger Creek Subdivision
- Replace primary feed to Green Tree Farms
- Install secondaries in Arrowhead Subdivision

DID YOU KNOW?

Electric fields work in a similar way to gravity. Whereas gravity always attracts, electric fields can either attract or repulse.

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Monthly Report – September 2020

ENGINEERING

Engineering Department Responsibilities

- Engineering Administration
- Engineering review and coordination of Residential, Commercial & Capital Improvement Construction Projects from design through the construction completion: Plat review, Construction Plan review, Building permit reviews, Construction Management Coordination, Inspections
- Management of Water, Wastewater, Drainage & Paving Capital Improvement Projects
- Stormwater Pollution Prevention Management & Inspection
- Coordinate utility relocation, easement and ROW acquisitions
- Floodplain Management
- Coordination of TXDOT Projects
- Traffic/Transportation Engineering
- Identify infrastructure improvements necessary to accommodate projected growth and development.
- Respond to public inquiries, investigate and resolve complaints, or refer to appropriate individual or department for resolution.
- Street Cut/Bore (Right-of-way), TXDOT & Environmental Permitting
- Review and update as needed the Subdivision Ordinance and other related standards.

Capital Improvement Projects

- Water & Wastewater Master Plan update PSA awarded
- Railroad Avenue Lift Station and Wastewater Pipeline Improvements – 100% Plans & Specs received & under review, anticipate easement acquisition 2021
- Outfall Pipeline – 8500+/- linear foot wastewater treatment plant outfall pipe project design completed; on hold, evaluating stream restoration option
- Stream Restoration
 - Plummer preparing estimate for project and preparing scope of work needed.
- Wastewater Treatment Plant: Continuing with repairs, improvements, and site work. Contractor addressing punch-list items & start up.
- McReynolds Rd - Pond outfall/Channel stabilization work performed by Public Works personnel.

Development

Construction

- Estates at Wind Song Hill: ETJ 57 Lot Single Family Residential Development – completed
- Sanger Circle Phase 3: Drainage end walls remain to be completed
- Sanger Circle Phase 6: 250 Lot Single Family & Townhome Residential Development
- Public utilities completed. Lot grading and roadway preparation to begin.
- Berkshire 2 Townhomes (Apartments): Under Construction

Review

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ENGINEERING

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- Sportsman 2 – Fuel Station: Awaiting developer financing
- Sanger Meadow Addn. Phases 2 & 3: ETJ 134 Single Family Residential Lot development -civil plans approved. Ready to start construction. Awaiting developer financing
- Lake County Estates: 78 Single Family Residential Lot Development – resubmittal comments provided. Final Plat submitted.
- Meadow Green Farms Phases 1 & 2: 23 Single Family Residential Lot development – Final Plats approved. Phase 1 Final Plat to be filed.
- Sable Creek Phase 4: 50 Lot Single Family Residential lot development – Ready to start construction. Awaiting developer financing.
- Sable Creek Phase 5: 26 Lot Single Family Residential lot development – Ready to start construction. Awaiting developer financing.
- Building Permit – Engineering Review

Flood Study under review

- Wright Industrial Park – Review background and developer Public Information Requests
 - Regulatory action anticipated.
- McReynolds Rd Improvements – Ranger Branch LOMR received 10/01/2020.

TXDOT

TXDOT I-35 Project

- Design underway by Stantec – 30% plans not yet received

FM 455 Highway Project

- Project let date 01/2022
- Utility Clear Date 11/2021
- TXDOT ~ 95% Check Set received for review

FM 455 Utility Relocation Project

- Utility relocation plans under design – 60% plans under staff review
- Bond Package remains to be prepared
- Winter 2020/2021 award anticipated & 12-15-month relocation

**DID YOU
KNOW...**

NASA engineers had issues with the honeycomb insulation of the Saturn V rocket, so they ended up hiring local surfers, who had experience in working with the material, to apply it to the rocket.

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STREETS

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STREETS

Road Hazard:

- Cleared storm drainage – 610 FM455
- Trimmed low hanging trees from roadway – Duck Creek Road
- Mow and weed eat drainage – North Highland Drive
- Mowing right of way – North Berry Street
- Trimmed low hanging trees from roadway – Keaton Road South
- Trimmed low hanging trees from roadway – South First Street
- Trimmed low hanging trees from roadway – Keaton Road South
- Remove debris from blocked covert – Railroad Avenue
- Remove debris from blocked covert – East Willow Street

Traffic and Street Signs:

- Install new post and signs – East Willow Street/Railroad Avenue
- Install No Outlet signs – South Meadow Drive
- Install No Outlet signs – South Manor Court
- Install No Outlet signs – Southpark Court
- Install new stop sign – David Drive
- Replace missing stop sign – Keaton Road
- Attached arrows at crosswalk – Elm Street
- Attached arrows at crosswalk – North Seventh Street
- Attached arrows at crosswalk – Keaton Road South
- Maintenance on street sign post – North Third Street
- Replace School Speed Limit sign – South Tenth Street
- Maintenance on street sign post – Bolivar Street
- Replace School Speed Limit sign – Keaton Road North
- Replace stop sign – Keaton Road South and Pecan Street

Miscellaneous:

- Place sandbags for flooding – East Willow Street

Department Staff:

Street Superintendent – John Henderson

Felipe Ibarra – Utility II

Adrian Tostado – Utility I

Levi Perkins – Utility I

DID YOU KNOW...

Potholes are created when the top layer of pavement and the material beneath—called the base or sub-base—cannot support the weight of the traffic. Two factors are always present in such a failure: TRAFFIC and WATER.

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WATER

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Monthly Report – September 2020

WATER

During September the Water Department was able to:

- Pull both pumps and clean debris from impellers at Holt lift station.
- Have two employees attend virtual classes in order to renew their occupational licenses.
- Have RLC Controls change out a starter relay at Holt lift station, install a new level indicator at Quail Run lift station and install new electrical line between the power pole and the main disconnect at South Bottom lift station that was damaged during a storm.
- Have Precision Pump pull and inspect the #1 pump at Quail Run lift station.
- Make repairs to three water service lines.
- Make a repair to one water main.
- Make a repair to one sewer service line.
- Install three new water meters.
- Change out two water meters.
- Visually read 1,208 water meters that were not read by the mobile collector.
- Completed 286 water and sewer service orders.
- There were 3,216 active water connections and 3,018 active sewer connections during the month of September.

DID YOU KNOW...

The Water department is responsible for changing the light bulbs on top of the water towers? Our tallest water tower tops out around 170 feet high.

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PARKS AND RECREATION

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Monthly Report – September 2020

Parks and Recreation

Operations:

The parks crew has continued the pesticide, fertilization, aerification, and irrigation schedule for the season. 355 acres were mowed. We continue to have our brush list picked up at 100% with all orders picked up within 7 days. In October we had 43 brush orders called in and all complete within the month.

Some other projects completed by the Parks and Recreation Department Crew include:

- Disinfecting all city buildings and facilities every Friday.
- Several building repairs including obtaining quotes to make necessary repairs to both our Sullivan Center and Community Center, building of some furniture, repairing some lights, and mounting cabinets.
- Porter Fields were prepped for some fall ball practices including base repair and painting of all foul poles.
- Powerwashing at our City Hall Office.
- Overall field maintenance

Facilities:

Our facilities were closed due to COVID-19 restrictions for the month of September. Facilities include our Community Center and Historical Presbyterian Church as well as park pavilions. Our ball fields are open for teams to practice and we had 34 reservations for the month.

Even though the Community Center is closed for reservations it was used for the month to hold the elections.

Recreation:

All programming was canceled for the month of September, however, a lot of research was done on what other cities and towns are doing for reopening and when. Planning for the bi-annual Trash Off to be held on October 10, 2020 began as well as the city coordination for the moved Sanger Sellabration and Safe Spook that are hosted by the Sanger Area Chamber of Commerce.

Our Facebook page is still experiencing a steady growth up to 3,093 likes at the end of April with 3,195 followers. If you have not, please go and like our page at Sanger, TX Parks, and Recreation to follow all of the fun events coming up.

Department Staff:

Intrim Director – Jim Bolz

Recreation & Event Coordinator – Jennifer Shumate

Crew Leader – James Hunter

Maintenance Worker II – Dean Mason

Maintenance Worker II – Brandon Metcalf

**DID YOU
KNOW...**

It is best to avoid too much lawn traffic in the winter months? When your lawn is frosted or dormant you should try and avoid walking on it too much.

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LIBRARY

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Monthly Report – September 2020

LIBRARY

Highlights:

- The number of people visiting the library through a combination of appointments, curbside pickup, and walk-ups increased significantly in September, as well as the books and other physical materials checked out, with patrons being able to browse the shelves for the first full month since March. *For a statistical comparison, see the last section of this report.*
- More books were ordered in September than any other month this year: A total of 124, not including those received as part of standing orders with Junior Library Guild and Centerpoint Large Print Books.

Pictured on the right, some of the new books ordered at the end of September.



- To make room for the new books, and as part of the library's ongoing collection maintenance, many older volumes that had not been checked out in several years were withdrawn.

Pictured on the left, some of the old books withdrawn from the collection.

- The library received special STEM take-home craft kits from the NASA @the library program. All 25 "Stained Glass Earth" kits were distributed to children.



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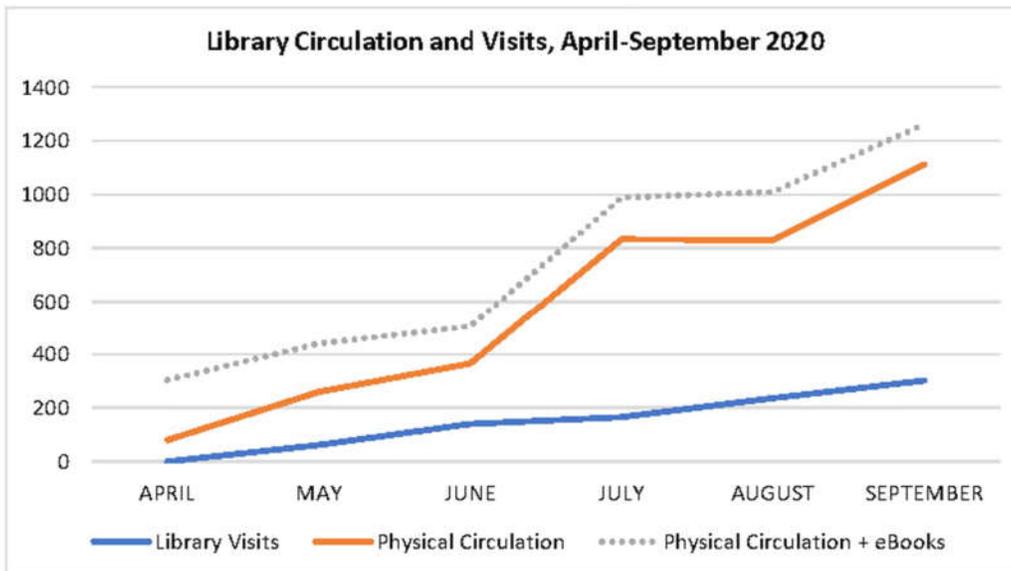
LIBRARY

SANGER
★ TEXAS

Monthly Report – September 2020

Statistics at a Glance:

- 1,112 physical items and 150 eBooks were checked out, for a total of 1,262.
- 16 new cardholders and a total of 4,053.
- 302 visits to the library.



	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER
Library Visits	--	61	141	166	237	302
Physical Circulation	80	260	366	832	829	1112
Physical Circulation + eBooks	304	441	506	988	1009	1262

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LIBRARY

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Monthly Report – September 2020



DID YOU KNOW...

The library provides voter registration cards, in addition to information on the upcoming elections!

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2020 TAX RATE CALCULATION WORKSHEET

TNT-856 06-20/6

2020 Tax Rate Calculation Worksheet

CITY OF SANGER

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.

1.	2019 total taxable value. Enter the amount of 2019 taxable value on the 2019 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 (will deduct taxes in Line 17). ¹	\$699,251,976
2.	2019 tax ceilings. Counties, Cities and Junior College Districts. Enter 2019 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other units enter "0" if your taxing units adopted the tax ceiling provision in 2019 or prior year for homeowners age 65 or older or disabled, use this step. ²	\$0
3.	Preliminary 2019 adjusted taxable value. Subtract line 2 from line 1.	\$699,251,976
4.	2019 total adopted tax rate.	\$0.679100/\$100
5.	2019 taxable value lost because court appeals of ARB decisions reduced 2019 appraised value. A. Original 2019 ARB values: \$126,742,467 B. 2019 values resulting from final court decisions: -\$118,436,850 C. 2019 value loss. Subtract B from A. ³	\$8,305,617
6.	2019 taxable value subject to an appeal under Chapter 42, as of July 25. A. 2019 ARB certified value: \$0 B. 2019 disputed value: -\$0 C. 2019 undisputed value. Subtract B from A. ⁴	\$0
7.	2019 Chapter 42 related adjusted values. Add line 5 and line 6.	\$8,305,617
8.	2019 taxable value, adjusted for actual and potential court-ordered adjustments. Add line 3 and line 7.	\$707,557,593

1 Tex. Tax Code § 26.012(14)

2 Tex. Tax Code § 26.012(14)

3 Tex. Tax Code § 26.012(13)

Texas Tax Code Section 26.04(c) requires a 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.

4 Tex. Tax Code § 26.012(13)

**2020 Tax Rate Calculation Worksheet
CITY OF SANGER**

No-New-Revenue Tax Rate (continued)

9.	2019 taxable value of property in territory the taxing unit deannexed after January 1, 2019. Enter the 2019 value of property in deannexed territory. ⁵	\$0
10.	2019 taxable value lost because property first qualified for an exemption in 2020. 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 2020 does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use 2019 market value: \$591,649 B. Partial exemptions. 2020 exemption amount or 2020 percentage exemption times 2019 value: + \$2,445,504 C. Value loss. Add A and B. ⁶	\$3,037,153
11.	2019 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2020. Use only those properties that first qualified in 2020; do not use properties that qualified in 2019. A. 2019 market value: \$0 B. 2020 productivity or special appraised value: - \$0 C. Value loss. Subtract B from A. ⁷	\$0
12.	Total adjustments for lost value. Add lines 9, 10C and 11C.	\$3,037,153
13.	Adjusted 2019 taxable value. Subtract line 12 from line 8.	\$704,520,440
14.	Adjusted 2019 total levy. Multiply line 4 by line 13 and divide by \$100.	\$4,784,398
15.	Taxes refunded for years preceding tax year 2019. Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2019. Types of refunds include court decisions, Tax Code § 25.25(b) and (c) corrections and Tax Code § 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019. ⁸	\$39,393
16.	Taxes in tax increment financing (TIF) for tax year 2019. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the unit has no 2020 captured appraised value in Line 18D, enter "0". ⁹	\$0
17.	Adjusted 2019 levy with refunds and TIF adjustment. Add lines 14 and 15, subtract line 16. ¹⁰	\$4,823,791

5 Tex. Tax Code § 26.012(15)

6 Tex. Tax Code § 26.012(15)

7 Tex. Tax Code § 26.012(15)

8 Tex. Tax Code § 26.012(13)

9 Tex. Tax Code § 26.03(c)

10 Tex. Tax Code § 26.012(13)

**2020 Tax Rate Calculation Worksheet
CITY OF SANGER**

No-New-Revenue Tax Rate (continued)

18.	<p>Total 2020 taxable value on the 2020 certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in line 20). These homesteads includes homeowners age 65 or older or disabled.¹¹</p> <p>A. Certified values: \$618,723,649</p> <p>B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$0</p> <p>C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - \$0</p> <p>D. Tax increment financing: Deduct the 2020 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2020 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in line 23 below.¹² - \$0</p> <p>E. Total 2020 value. Add A and B, then subtract C and D. \$618,723,649</p>	
19.	<p>Total value of properties under protest or not included on certified appraisal roll.¹³</p> <p>A. 2020 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value.¹⁴ \$146,357,380</p> <p>B. 2020 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included at appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll.¹⁵ + \$0</p>	

11 Tex. Tax Code § 26.12, 26.04(c-2)

12 Tex. Tax Code § 26.03(c)

13 Tex. Tax Code § 26.01(c) and (d)

14 Tex. Tax Code § 26.01(c)

15 Tex. Tax Code § 26.01(d)

**2020 Tax Rate Calculation Worksheet
CITY OF SANGER**

No-New-Revenue Tax Rate (concluded)

19. (cont.)	C. Total value under protest or not certified. Add A and B.	\$146,357,380
20.	2020 tax ceilings. Counties, cities and junior colleges enter 2020 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 units adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$0
21.	2020 total taxable value. Add lines 18E and 19C. Subtract line 20. ¹⁷	\$765,081,029
22.	Total 2020 taxable value of properties in territory annexed after January 1, 2019. Include both real and personal property. Enter the 2020 value of property in territory annexed. ¹⁸	\$0
23.	Total 2020 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2019. 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 January 1, 2019 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2020. ¹⁹	\$36,593,082
24.	Total adjustments to the 2020 taxable value. Add lines 22 and 23.	\$36,593,082
25.	Adjusted 2020 taxable value. Subtract line 24 from line 21.	\$728,487,947
26.	2020 NNR tax rate. Divide line 17 by line 25 and multiply by \$100. ²⁰	\$0.662164/\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2020 county NNR tax rate. ²¹	\$/\$100

16 Tex. Tax Code § 26.012(6)(B)

17 Tex. Tax Code § 26.012(6)

18 Tex. Tax Code § 26.012(17)

19 Tex. Tax Code § 26.012(17)

20 Tex. Tax Code § 26.04(c)

21 Tex. Tax Code § 26.04(d)

2020 Tax Rate Calculation Worksheet
CITY OF SANGER

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:

1. **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.
2. **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.

28.	2019 M&O tax rate. Enter the 2019 M&O tax rate.	\$0.591577/\$100
29.	2019 taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$707,557,593
30.	Total 2019 M&O levy. Multiply line 28 by line 29 and divide by \$100.	\$4,185,747
31.	Adjusted 2019 levy for calculating NNR M&O taxes. Add line 31E to line 30.	
	A. 2019 sales tax specifically to reduce property taxes. For cities, counties and hospital districts, enter the amount of additional sales tax collected and spent on M&O expenses in 2019, if any. Other taxing units, enter 0. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent.	\$0
	B. M&O taxes refunded for years preceding tax year 2019: 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 2019. This line applies only to tax years preceding tax year 2019.	+ \$33,123
	C. 2019 taxes in TIF.: Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2019 captured appraised value in Line 18D, enter 0.	- \$0

**2020 Tax Rate Calculation Worksheet
CITY OF SANGER**

Voter-Approval Tax Rate (continued)

31. (cont.)	<p>D. 2019 transferred function.: If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in E below. The taxing unit receiving the function will add this amount in E below. Other taxing units enter 0.</p> <p style="text-align: right;">+/- \$0</p> <p>E. 2019 M&O levy adjustments.: Add A and B, then subtract C. For taxing unit with D, subtract if discontinuing function and add if receiving function.</p> <p style="text-align: right;">\$33,123</p>	
32.	Adjusted 2020 taxable value. Enter the amount in line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$728,487,947
33.	2020 NNR M&O rate. (unadjusted) Divide line 31 by line 32 and multiply by \$100.	\$0.579126/\$100
34.	<p>Rate adjustment for state criminal justice mandate.²³ Enter the rate calculated in C. If not applicable, enter 0.</p> <p>A. 2020 state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.</p> <p style="text-align: right;">\$0</p> <p>B. 2019 criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies.</p> <p style="text-align: right;">\$0</p> <p>C. Subtract B from A and divide by line 32 and multiply by \$100.</p> <p style="text-align: right;">\$0/\$100</p>	\$0/\$100

22 [Reserved for expansion]

23 Tex. Tax Code § 26.044

**2020 Tax Rate Calculation Worksheet
CITY OF SANGER**

Voter-Approval Tax Rate (continued)

35.	<p>Rate adjustment for indigent health care expenditures.²⁴ Enter the rate calculated in C. If not applicable, enter 0.</p> <p>A. 2020 indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state assistance received for the same purpose.</p> <p style="text-align: right;">\$0</p> <p>B. 2019 indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state assistance received for the same purpose.</p> <p style="text-align: right;">\$0</p> <p>C. Subtract B from A and divide by line 32 and multiply by \$100.</p> <p style="text-align: right;">\$0/\$100</p>		\$0/\$100
36.	<p>Rate adjustment for county indigent defense compensation.²⁵ Enter the lessor of C and D. If not applicable, enter 0.</p> <p>A. 2020 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state grants received by the county for the same purpose.</p> <p style="text-align: right;">\$0</p> <p>B. 2019 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state grants received by the county for the same purpose.</p> <p style="text-align: right;">\$0</p> <p>C. Subtract B from A and divide by line 32 and multiply by \$100.</p> <p style="text-align: right;">\$0/\$100</p> <p>D. Multiply B by 0.05 and divide by line 32 and multiply by \$100.</p> <p style="text-align: right;">\$0/\$100</p>		\$0/\$100

24 Tex. Tax Code § 26.0442

25 Tex. Tax Code § 26.0442

**2020 Tax Rate Calculation Worksheet
CITY OF SANGER**

Voter-Approval Tax Rate (continued)

37.	<p>Rate adjustment for county hospital expenditures.²⁶ Enter the lessor of C and D, if applicable. If not applicable, enter 0.</p> <p>A. 2020 eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2019 and ending on June 30, 2020</p> <p>B. 2019 eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2018 and ending on June 30, 2019.</p> <p>C. Subtract B from A and divide by line 32 and multiply by \$100.</p> <p>D. Multiply B by 0.08 and divide by line 32 and multiply by \$100.</p>	<p align="right">\$0</p> <p align="right">\$0</p> <p align="right">\$0/\$100</p> <p align="right">\$0/\$100</p> <p align="right">\$0/\$100</p>
38.	<p>Adjusted 2020 NNR M&O rate. Add lines 33, 34, 35, 36, and 37.</p>	<p align="right">\$0.579126/\$100</p>
39.	<p>2020 voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below.</p> <p>Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply line 38 by 1.08.</p> <p>Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 38 by 1.035</p> <p>Taxing unit affected by disaster declaration. If the taxing unit is located in an area declared as disaster area, the governing body may direct the person calculating the voter-approval rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval rate in this manner until the earlier of 1) the second 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, and 2) the third tax year after the tax year in which the disaster occurred. If the taxing unit qualifies under this scenario, multiply line 38 by 1.08.²⁷</p>	<p align="right">\$0.599395/\$100</p>

26 Tex. Tax Code § 26.0443

27 Tex. Tax Code § 26.04(c-1)

**2020 Tax Rate Calculation Worksheet
CITY OF SANGER**

Voter-Approval Tax Rate (concluded)

40.	<p>Total 2020 debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that:</p> <p>(1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year, and (4) are not classified in the taxing unit's budget as M&O expenses.</p> <p>A: Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. Enter debt amount. \$793,491</p> <p>B: Subtract unencumbered fund amount used to reduce total debt. -\$10,000</p> <p>C: Subtract certified amount spent from sales tax to reduce debt (enter zero if none). -\$0</p> <p>D: Subtract amount paid from other resources. -\$212,500</p> <p>E: Adjusted debt. Subtract B, C and D from A. \$570,991</p>	
41.	Certified 2019 excess debt collections. Enter the amount certified by the collector. ²⁸	\$7,550
42.	Adjusted 2020 debt. Subtract line 41 from line 40E.	\$563,441
43.	<p>2020 anticipated collection rate. If the anticipated rate in A is lower than actual rates in B, C or D, enter the lowest rate from B, C or 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%.²⁹</p> <p>A. Enter the 2020 anticipated collection rate certified by the collector.³⁰ 100.000000%</p> <p>B. Enter the 2019 actual collection rate. 99.000000%</p> <p>C. Enter the 2018 actual collection rate. 101.000000%</p> <p>D. Enter the 2017 actual collection rate. 100.000000%</p>	100.000000%
44.	2020 debt adjusted for collections. Divide line 42 by line 43.	\$563,441
45.	2020 total taxable value. Enter the amount on line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$765,081,029
46.	2020 debt rate. Divide line 44 by line 45 and multiply by \$100.	\$0.073644/\$100
47.	2020 voter-approval tax rate. Add lines 39 and 46.	\$0.673039/\$100
48.	COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the 2020 county voter-approval tax rate.	\$/\$100

28 Tex. Tax Code § 26.012(10) and 16.04(b)

29 Tex. Tax Code § 26.04(h),(h-1) and (h-2)

30 Tex. Tax Code § 26.04(b)

**2020 Tax Rate Calculation Worksheet
CITY OF SANGER**

Voter-Approval Tax Rate Adjustment for Unused Increment Rate

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

For each tax year before 2020, the difference between the adopted tax rate and voter-approval rate is considered zero, therefore the unused increment rate for 2020 is zero.⁴⁰

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴¹

61.	2019 unused increment rate. Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	\$0/\$100
62.	2018 unused increment rate. Subtract the 2018 actual tax rate and the 2018 unused increment rate from the 2018 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	\$0/\$100
63.	2017 unused increment rate. Subtract the 2017 actual tax rate and the 2017 unused increment rate from the 2017 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	\$0/\$100
64.	2020 unused increment rate. Add lines 61, 62, and 63.	\$0/\$100
65.	2020 voter-approval tax rate, adjusted for unused increment rate. Add line 64 to one of the following lines (as applicable): line 47, line 48 (counties), line 56 (taxing units with the additional sales tax) or line 60 (taxing units with pollution control).	\$0.673039/\$100

39 Tex. Tax Code § 26.013(a)

40 Tex. Tax Code § 26.013(c)

41 Tex. Tax Code § 26.063(a)(1)

2020 Tax Rate Calculation Worksheet
CITY OF SANGER

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. ⁴²

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. ⁴³

66.	Adjusted 2020 NNR M&O tax rate. Enter the rate from line 38 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$0.579126/\$100
67.	2020 total taxable value. Enter the amount from line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$765,081,029
68.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by line 67 and multiply by \$100.	\$0.065352/\$100
69.	2020 debt rate. Enter the rate from line 46 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$0.073644/\$100
70.	De minimis rate. Add lines 66,68, and 69.	\$0.718122/\$100

42 Tex. Tax Code § 26.012(8-a)

43 Tex. Tax Code § 26.063(a)(1)

Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-New-Revenue tax rate. As applicable, enter the 2020 NNR tax rate from: line 26, line 27 (counties), or line 54 (adjusted for sales tax).	\$0.662164/\$100
Voter-approval tax rate. As applicable, enter the 2020 voter-approval tax rate from: line 47, line 48 (counties), line 56 (adjusted for sales tax), line 60 (adjusted for pollution control), or line 65 (adjusted for unused increment).	\$0.673039/\$100
De minimis rate. If applicable, enter the de minimis rate from line 70.	\$0.718122/\$100

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 calculated the tax rates in accordance with requirements in Tax Code.⁴⁴

Print Here

Printed Name of Taxing Unit Representative

Sign Here

Taxing Unit Representative

Date

⁴⁴ Tex. Tax Code § 26.04(c)

**2020 Notice of No-New-Revenue Tax Rate
Worksheet for Calculation of Tax Increase/Decrease**

Entity Name: CITY OF SANGER

Date: 08/01/2020

1. 2019 taxable value, adjusted for court-ordered reductions. Enter line 8 of the No-New-Revenue Tax Rate Worksheet.	\$707,557,593
2. 2019 total tax rate. Enter line 4 of the No-New-Revenue Tax Rate Worksheet.	0.679100
3. Taxes refunded for years preceding tax year 2019. Enter line 15 of the No-New-Revenue Tax Rate Worksheet.	\$39,393
4. Last year's levy. Multiply Line 1 times Line 2 and divide by 100. To the result, add Line 3.	\$4,844,417
5. 2020 total taxable value. Enter Line 21 of the No-New-Revenue Tax Rate Worksheet.	\$765,081,029
6. 2020 no-new tax rate. Enter line 26 of the No-New-Revenue Tax Rate Worksheet or Line 54 of the Additional Sales Tax Rate Worksheet.	0.662164
7. 2020 taxes if a tax rate equal to the no-new-revenue tax rate is adopted. Multiply Line 5 times Line 6 and divide by 100.	\$5,066,091
8. Last year's total levy. Sum of line 4 for all funds.	\$4,844,417
9. 2020 total taxes if a tax rate equal to the no-new-revenue tax rate is adopted. Sum of line 7 for all funds.	\$5,066,091
10. Tax Increase (Decrease). Subtract Line 8 from Line 9.	\$221,674

CITY OF SANGER
Tax Rate Recap for 2020 Tax Rates

Description of Rate	Tax Rate Per \$100	Tax Levy This is calculated using the Total Adjusted Taxable Value (line 25) of the No-New-Revenue Tax Rate Worksheet	Additional Tax Levy Compared to last year's tax levy of 4,748,620	Additional Tax Levy Compared to no-new-revenue tax rate levy of 4,823,785
Last Year's Tax Rate	0.679100	\$4,947,162	\$198,541	\$123,377
No-New-Revenue Tax Rate	0.662164	\$4,823,785	\$75,165	\$0
Notice & Hearing Limit*	0.662164	\$4,823,785	\$75,165	\$0
Voter-Approval Tax Rate	0.673039	\$4,903,008	\$154,388	\$79,223
Proposed Tax Rate	0.000000	\$0	\$-4,748,620	\$-4,823,785

No-New-Revenue Tax Rate Increase in Cents per \$100

0.00	0.662164	4,823,785	75,165	0
0.50	0.667164	4,860,209	111,589	36,424
1.00	0.672164	4,896,634	148,014	72,849
1.50	0.677164	4,933,058	184,438	109,273
2.00	0.682164	4,969,483	220,862	145,698
2.50	0.687164	5,005,907	257,287	182,122
3.00	0.692164	5,042,331	293,711	218,546
3.50	0.697164	5,078,756	330,136	254,971
4.00	0.702164	5,115,180	366,560	291,395
4.50	0.707164	5,151,605	402,984	327,820
5.00	0.712164	5,188,029	439,409	364,244
5.50	0.717164	5,224,453	475,833	400,668
6.00	0.722164	5,260,878	512,258	437,093
6.50	0.727164	5,297,302	548,682	473,517
7.00	0.732164	5,333,726	585,106	509,942
7.50	0.737164	5,370,151	621,531	546,366
8.00	0.742164	5,406,575	657,955	582,790
8.50	0.747164	5,443,000	694,380	619,215
9.00	0.752164	5,479,424	730,804	655,639
9.50	0.757164	5,515,848	767,228	692,064
10.00	0.762164	5,552,273	803,653	728,488
10.50	0.767164	5,588,697	840,077	764,912
11.00	0.772164	5,625,122	876,502	801,337
11.50	0.777164	5,661,546	912,926	837,761
12.00	0.782164	5,697,970	949,350	874,186
12.50	0.787164	5,734,395	985,775	910,610
13.00	0.792164	5,770,819	1,022,199	947,034
13.50	0.797164	5,807,244	1,058,623	983,459
14.00	0.802164	5,843,668	1,095,048	1,019,883
14.50	0.807164	5,880,092	1,131,472	1,056,308

- *Notice & Hearing Limit Rate: This is the highest tax rate that may be adopted without notices and a public hearing. It is the lower of the voter-approval tax rate or the no-new-revenue tax rate.

Tax Levy: This is calculated by taking the adjusted taxable value (line 25 of No-New-Revenue Tax Rate Worksheet), multiplying by the appropriate rate, such as the No-New-Revenue Tax Rate and dividing by 100.

For School Districts: This is calculated by taking the adjusted taxable value (line 34 of the Voter-Approval Tax Rate Worksheet), multiplying by the appropriate rate, dividing by 100 and then adding this year's frozen tax levy on homesteads of the elderly.

Additional Levy Last Year: This is calculated by taking Last Year's taxable value (line 3 of No-New-Revenue Tax Rate Worksheet), multiplying by Last Year's tax rate (line 4 of No-New-Revenue Tax Rate Worksheet) and dividing by 100.

For School Districts: This is calculated by taking Last Year's taxable value, subtracting Last Year's taxable value for the elderly, multiplying by Last Year's tax rate, dividing by 100 and adding Last Year's tax ceiling.

Additional Levy This Year: This is calculated by taking the current adjusted taxable value, multiplying by the No-New-Revenue Tax Rate and dividing by 100.

For School Districts: This is calculated by taking the adjusted taxable value (line 34 of the Voter-Approval Tax Rate Worksheet), multiplying by the No-New-Revenue Tax Rate, dividing by 100 and adding This Year's tax ceiling.

COUNTIES ONLY: All figures in this worksheet include ALL County Funds. Tax Levy amounts are the sum of each Fund's Taxable Value X each Fund's Tax Rate.

2020 Notice of Tax Rates in CITY OF SANGER

Property Tax Rates in CITY OF SANGER . This notice concerns the 2020 property tax rates for CITY OF SANGER . This notice provides information about two tax rates. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. The voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per \$100 of property value.

This year's no-new-revenue tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$4,823,791
This year's adjusted taxable value (after subtracting value of new property)	\$728,487,947
=This year's no-new-revenue tax rate	0.662164/\$100
+This year's adjustments to the no-new-revenue tax rate	\$0 /\$100
=This year's adjusted no-new-revenue tax rate	0.662164/\$100

This is the maximum rate the taxing unit can propose unless it publishes a notice and holds a hearing.

This year's voter-approval tax rate:

Last year's adjusted operating taxes (after adjusting as required by law)	\$4,218,870
This year's adjusted taxable value (after subtracting value of new property)	\$728,487,947
=This year's voter-approval operating tax rate	0.579126/\$100
× (1.035 or 1.08, as applicable) = this year's maximum operating rate	0.599395/\$100
+This year's debt rate	0.073644/\$100
+The unused increment rate, if applicable	0.000000/\$100
=This year's total voter-approval tax rate	0.673039/\$100

This is the maximum rate the taxing unit can adopt without an election for voter approval.

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 a corresponding debt obligation.

Type of Fund	Balance
GENERAL FUND	\$5,221,709
DEBT SERVICE FUND	\$476,180

2020 Debt Service:

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

Description of Debt	Principal or Contract Payment to be Paid from	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
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	Property Taxes			
2007 CERTIFICATES OF OBLIGATION	\$34,000	\$11,894	\$0	\$45,894
2012 CERTIFICATES OF OBLIGATION	\$145,200	\$3,994	\$0	\$149,194
2013 CERTIFICATES OF OBLIGATION	\$22,200	\$16,332	\$0	\$38,532
2016 G O REFUNDING BONDS	\$248,400	\$9,936	\$0	\$258,336
2019 G O REFUNDING BONDS	\$200,000	\$48,500	\$0	\$248,500
GOVERNMENT CAPITAL: STREET EQUIPMENT	\$45,179	\$6,356	\$0	\$51,535
BOND ADMINISTRATION FEES	\$0	\$0	\$1,500	\$1,500
Total required for 2020 debt service				\$793,491
- 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				\$7,550
= Total to be paid from taxes in 2020				\$563,441
+ Amount added in anticipation that the unit will collect only 100.000000% of its taxes in 2020				\$0
= Total Debt Levy				\$563,441

This notice contains a summary of the no-new-revenue and voter-approval calculations as certified by

Name of person preparing this notice: Michelle French

Position: Tax Assessor Collector

Date prepared: July 25, 2020

You can inspect a copy of the full calculations on the taxing unit's website at:
www.tax.dentoncounty.com.

GLOSSARY OF TERMS

Accrual Basis of Accounting

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

Ad Valorem

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

Appropriation

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

Assessed Valuation

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

Assets

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

Audit

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

Balanced Budget

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

Basis of Accounting

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

Bond

A written promise to pay a specified sum of money at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

Budget

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

Capital Expenditures/ Outlays

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

Capital Projects Funds

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

Cash Basis of Accounting

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

CIP

Acronym for Capital Improvement Plan.

CCN

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

DATCU

Acronym for Denton Area Teachers Credit Union.

Debt Service

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

Debt Service Fund

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

DFW

Acronym for The Dallas - Fort Worth area.

EMS

Acronym for Emergency Medical Services.

Encumbrances

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

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.

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

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 (NRR) 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.

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.

