





This budget will raise more revenue from property taxes than last year's budget by \$311,679 (7.10%), and of that amount \$212,104 is tax revenue to be raised from new property added to the tax roll this year.

CITY COUNCIL VOTE

The members of the governing body voted on the budget as follows:

FOR: Marissa Barrett, Councilmember Place 1
 Gary Bilyeu, Councilmember Place 2
 Dennis Dillon, Councilmember Place 3
 Allen Chick, Councilmember Place 4
 David Clark, Councilmember Place 5

AGAINST: None

ABSENT: Thomas Muir, Mayor (only votes in case of a tie)

PROPERTY TAX RATE COMPARISON	2018-2019	2019-2020
Adopted Property Tax Rate	\$0.679100 / \$100	\$0.679100/ \$100
Effective Tax Rate	\$0.639033 / \$100	\$0.668208 / \$100
Effective Maintenance & Operations Tax Rate	\$0.571004 / \$100	\$0.561842 / \$100
Rollback Tax Rate	\$0.680797 / \$100	\$0.694312 / \$100
Debt Rate	\$0.108096 / \$100	\$0.087523 / \$100

Total debt obligation for the City of Sanger, Texas secured by property taxes: \$3,267,004.
 Fiscal Year 2020 Principal and Interest Requirements for Debt Service: \$826,953.

DISTINGUISHED BUDGET PRESENTATION AWARD



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Sanger
Texas**

For the Fiscal Year Beginning

October 1, 2018

Christopher P. Morill

Executive Director

CITY OF SANGER, TEXAS

ANNUAL BUDGET

OCTOBER 1, 2019 – SEPTEMBER 30, 2020

SUBMITTED TO
THE MAYOR AND CITY COUNCIL
SEPTEMBER 16, 2019

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



TABLE OF CONTENTS

INTRODUCTION

Budget Message.....	13
Strategic Planning for Results.....	25
Comprehensive Plan	26
Organizational Values.....	27
Organization Chart.....	28
Authorized Personnel	29
Budget Calendar	30
The Budget Process	31
List of Funds	32
Fund Relationship with Functional Areas.....	33
About Sanger.....	34
Ordinance Adopting the Annual Budget.....	39
Ordinance Adopting the Property Tax Rate	41

BUDGET SUMMARY

2019-2020 Budget at a Glance.....	44
2019-2020 Budget by Fund	46
Revenues, Expenditures & Changes in Fund Balance	48
Combined Funds Budget Summary (Detailed)	52
Combined Funds Budget Summary.....	54

GENERAL FUND

Overview.....	56
Budget Summary	57
Revenues.....	59
Departmental Budgets	
Police	63
Animal Control	66
Fire.....	68
Municipal Court	71
Development Services	74
Streets.....	77
Parks	80
Recreation.....	83
Library	85
Solid Waste	88
Transfers to Other Funds	90

TABLE OF CONTENTS (continued)

DEBT SERVICE FUND

Overview 94
 Budget Summary 95
 Expenditures 97
 Debt Service Requirements 98

ENTERPRISE FUND

Overview 100
 Budget Summary 101
 Revenues 103
 Departmental Budgets
 Water 104
 Waste Water 107
 Electric 110
 Enterprise Fund Debt Service 113
 Transfers to Other Funds 115

INTERNAL SERVICE FUND

Introduction 118
 Budget Summary 119
 Departmental Budgets
 City Council 121
 Administration 123
 Public Works Administration 125
 Finance 127
 Engineering 129
 Fleet Services 131
 Facilities 133
 Non-Departmental 135

4A CORPORATION FUND

Overview 138
 Budget Summary 139
 Revenues 141
 Economic Development Expenditures 142

4B CORPORATION FUND

Overview 144
 Budget Summary 145
 Revenues 147
 4B Expenditures 148

TABLE OF CONTENTS (continued)

SPECIAL REVENUE FUNDS

Overview	150
Budget Summary	151
Combined Schedule of Special Revenue Funds	152
Hotel/Motel Tax Fund	153
Beautification Fund	154
Library Restricted Fund	155
Parkland Dedication Fund	156
Roadway Impact Fee Fund	157
Court Security Fund	158
Court Technology Fund	159
Child Safety Fund	160
Police Donations Fund	161
Fire Donations Fund	162
Park Donations Fund	163
Library Donations Fund	164

CAPITAL PROJECTS FUNDS AND CAPITAL IMPROVEMENT PLAN

Overview	166
Budget Summary	167
Capital Projects Fund	168
Enterprise Capital Projects Fund	169
Capital Improvement Plan	170
Capital Projects Summary 2017-2023	174

APPENDIX

General Fund Five Year Financial Projection	178
Approved Departmental Capital Equipment Requests	180
Financial Management Policy	190
Investment Policy	197
Debt Service Schedules	202
Standard & Poor's Rating Report	206
City of Sanger Monthly Report for September 2019	213
Glossary of Terms	240



INTRODUCTION



BUDGET MESSAGE

Introduction

We are pleased to present the FY 2019-2020 Budget for the City of Sanger. In the last three years, the city has experienced steady growth. In FY 2017 we processed a record number of residential building permits while in FY 2018 we have seen more proposed development projects going through the permitting process than ever before. In FY 2019 we continued to see steady growth in our development activities. 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.

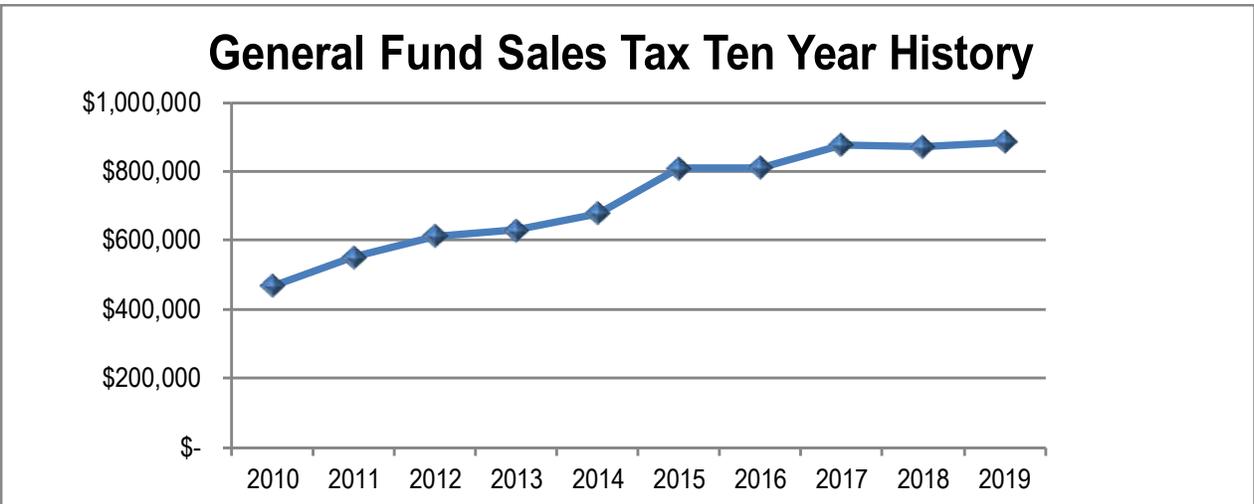
The City's budget is the most important working policy and planning tool used by the City Council and staff to provide quality services to the residents of Sanger as established by City Council. Municipal budgets are always challenging. Resources are limited and it makes it difficult to address every 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.

2020 will see the continuance of an aggressive effort to address our infrastructure. These activities are detailed in the Capital Improvement Plan included in this budget. This will require strong leadership from the Mayor and Council. The result will be a community that continues to grow and improve the quality of life for its citizens.

Current Conditions

The housing market continues to remain strong, and demand is still 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 2019 were slightly higher compared to 2018. For FY 2019-2020 we are projecting General Fund Sales Tax Revenues of \$900,000.



New residential and commercial construction and increased valuations are reflected in an anticipated increase in the property tax base. We anticipate approximately a 10% increase in the property tax base in 2019. 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. The reconstruction of McReynolds Road is now complete. Construction on the rehabilitation of the wastewater treatment plant should be completed 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 2019-2020.

Utility Revenues are performing well and we expect combined water, wastewater and electric revenues to increase approximately \$100,000 over 2020.

FY 2020 Budget Highlights

Capital Equipment

The proposed budget includes the following Capital Equipment.

Department	Category	Description	Amount
Police	Vehicles	2 Police Patrol Vehicles	\$105,000
Fire	Mobile Equipment	Ambulance and Command Truck	\$226,600
Fire	Equipment	MSA Carbon Fiber SCBA Bottles *	\$28,400
Development & Streets	Vehicles	Vehicles for Building Inspector and Code Officer	\$76,000
Streets	Vehicle	F-350 Super Duty Crew Cab	\$52,000
Streets	Improvements	Sidewalk & Cul De Sac Improvements	\$90,000
Parks	Improvements	Lightning Detection System (Porter park, Railroad Park)	\$34,000
Water	Equipment	Improvements - Well 6	\$60,000
Electric	Equipment	Electric System Improvements	\$71,500
Engineering	Vehicle	Vehicle for Construction Inspector	\$38,000
Facilities	Improvements	Security Cameras; Updates at the Community Center	\$42,500

**Carried from prior year budget*

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 are included in the appendix section of this document.

Expenditures by Classification

As you can see in the chart below, overall expenditures are projected to increase by 1.96%. We have been very conservative in our budgeting and have looked at the history of each individual line item when planning next year's expenditures. The largest dollar increases are in Salaries (increasing \$411,728) and Capital Expenses (increasing \$289,178).

Expenditures by Classification	2017-18 Actual	2018-19 Budget	2019-20 Budget	Difference	% Change
Salaries & Benefits	6,321,684	6,241,368	6,653,096	411,728	6.60%
Supplies & Materials	629,381	621,429	631,085	9,656	1.55%
Maintenance & Operations	7,211,975	7,195,689	7,150,713	(44,976)	(0.63%)
Contract Services	1,975,273	2,017,824	2,133,989	116,165	5.76%
Utilities	524,050	526,150	511,300	(14,850)	(2.82%)
Capital Expenses	5,536,933	5,157,822	5,447,000	289,178	5.61%
Debt Service	2,547,638	2,608,905	2,400,395	(208,510)	(7.99%)
Court Costs	48,406	48,406	35,494	(12,912)	(26.67%)
Grant Expenses	69,500	69,500	57,500	(12,000)	(17.27%)
Transfers	3,430,637	3,430,637	3,443,446	12,809	0.37%
Total	28,295,477	27,917,730	28,464,018	546,288	1.96%

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 added several new positions that are important to our operations as the city continues to grow: one (1) Plans Examiner, one (1) Community Enhancement Officer and one (1) firefighter. In addition, our Fire Department is planning to apply for a grant that would pay 75% of the personnel expenses to add three (3) new firefighter positions to the department. It is unknown if and when the grant will be approved.

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.

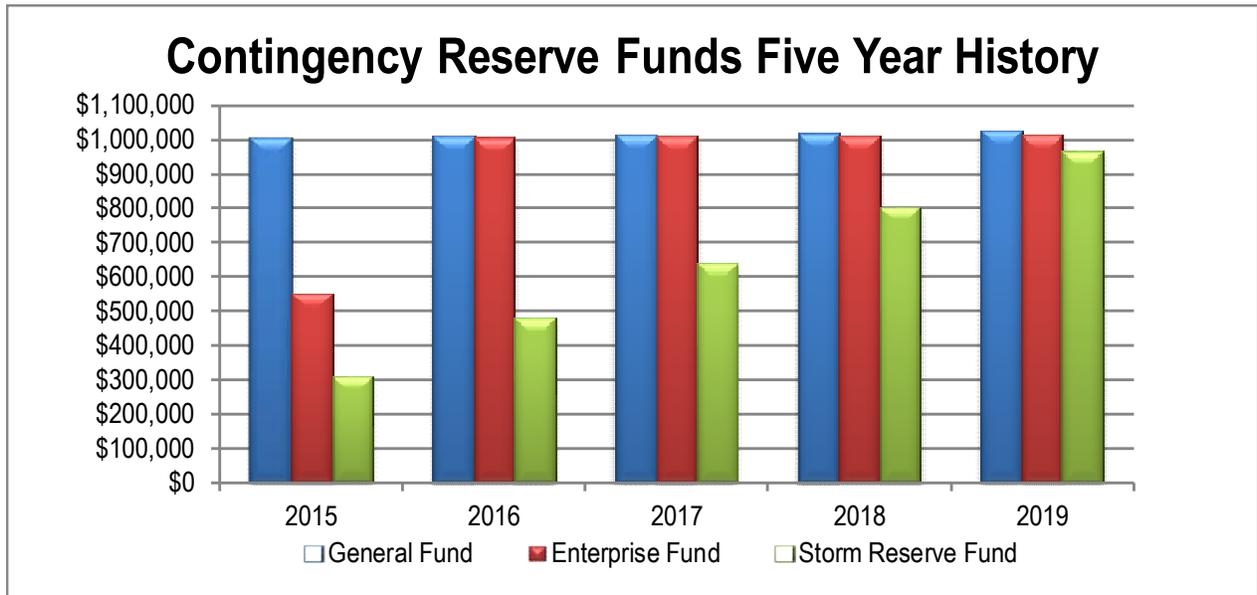
Capital Projects

Capital projects are discussed in detail in the Capital Improvement Plan included in the overall budget. This year capital projects continuing will include rehabilitating the wastewater treatment plant, work related to the relocation of utilities along FM 455 and the rehabilitation of several streets in the city.

Reserves

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 2019-2020 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. Total reserves at the end of 2020 will be close to \$3,500,000.



Summary

While there are some structural changes in the budget, operationally there will be few changes. The staff has prepared a proposed budget with cautious optimism for 2020 that addresses both our short term and long-term needs. As always, we will closely monitor both revenues and expenses throughout the year and adjust accordingly as conditions dictate.

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.

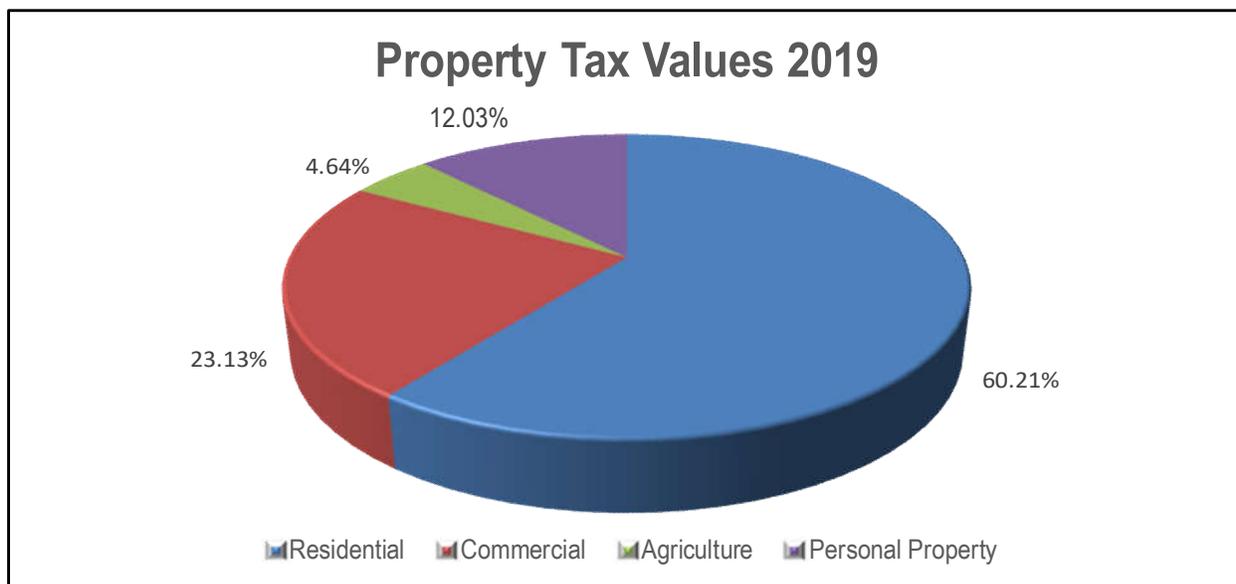
Sanger Electric is another strength enjoyed by the City of Sanger. Sanger Electric generated almost \$7,500,000 in gross revenue last year. This revenue not only supports the Enterprise Fund but the General Fund, and Storm Recovery Fund as well. Without this revenue, property taxes and other utility fees would need to be much higher.

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. By the end of the 2020 fiscal year the city will have close to \$3,000,000 in Reserve Funds to bridge the gap caused by a disaster. 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. According to a recent article in the Denton Record Chronicle, which references information from the Denton Central Appraisal District, the average taxable home value in Denton County is \$333,406. The average taxable home value in Sanger is \$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 expands, we add 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

There were 88 new home starts in Fiscal Year 2018-19. 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. Currently, 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

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. Many aspects of healthcare reform continue to drive prices higher. These new requirements will raise the cost of providing health insurance for both the City and its employees.

Another significant threat is action taken by State Legislature. The 86th Legislature passed several bills that will have a definite an impact on cities. One of them is S.B.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.

A general downturn in the economy is another potential threat, while the local economy is booming, we are starting to see some indicators of a slowdown. It is imperative that we monitor it closely and stay ahead of any downturn.

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 (see Timetable for Adopting the Budget). When the economy is volatile, such a lengthy process can lead to financial issues down the road. For example, a road project that is scheduled to begin in the summer would be estimated in the spring of the previous year, over a year earlier. Due to market volatility, the actual cost could be significantly higher or lower than estimated. This can occur frequently in government and is usually not understood by the public.

To a great extent the City works on a pay as you go basis. Revenues must be sufficient to cover expenses. Sometimes this can create some short-term issues because of the timing of revenues. For example, the largest revenue stream in the General Fund is property taxes. However, we do not receive the bulk of these funds until the second quarter of the fiscal year (January – March). This means that other revenues must be used to cover expenses in the first quarter and that discretionary expenses (like buying new vehicles) are usually deferred until after the first quarter.

Because the City cannot spend money it does not have, it must find an alternative method of financing large infrastructure projects. Replacing or adding new roadways, water lines, sewer lines and drainage improvements are very expensive. After paying for operations, most cities do not have sufficient funds left over to pay for these improvements as they are done. Therefore, cities sell municipal bonds to pay for these improvements up front. The bonds are then paid off over a period of time, spreading the expense over a number of years. The City must pledge either property tax or some other revenue like utility fees toward repaying the bonds. The downside is that these pledged funds cannot be used for other purposes in future years. This means that long-term debt must be managed and controlled so that necessary improvements are made without hamstringing future budgets.

Another important point 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.

Understanding Property Tax

Property Taxes are historically the primary funding source for General Fund operations. The property tax calculation process can be very complicated. Having a basic understanding of how it is calculated and the rules involved is essential in making sound decisions on the property tax rate. Because of the way the rate is calculated, decisions made about the rate this year will impact future year's budgets as well.

Property tax valuations run more than a year behind. For example, at the beginning of each year, the Tax Assessors office determines the taxable value of property for the year before. They then send notice to property owners of the assessed value of their property. Property owners then have an opportunity to protest that value if they feel it is unfair. The County Tax Assessors office hears the disputes and then certifies the *Total Net Taxable Valuation* for the City sometime around the end of July. The City then sets the rate for the upcoming year with the taxes due in January. Therefore, the taxes collected in January of 2019 are based on property values determined for 2017 and certified in 2018. This is why increases or decreases in property tax collections lag behind overall increases or decreases in property values.

The property tax rate is made up of two components; the Interest and Sinking (I&S) rate and the Maintenance and Operation (M&O) rate. The I&S rate is the rate necessary to generate enough revenue to service the debt on bonds pledged against the property tax. The M&O rate is the portion of the property tax used for day to day operations of General Fund departments. The I&S rate is set by the Assessor's office based on the net taxable valuation and the amount of debt. ($\text{Debt/Valuation} = \text{I\&S tax rate}$). The City does not determine this rate, although it is included in the overall rate set by the city.

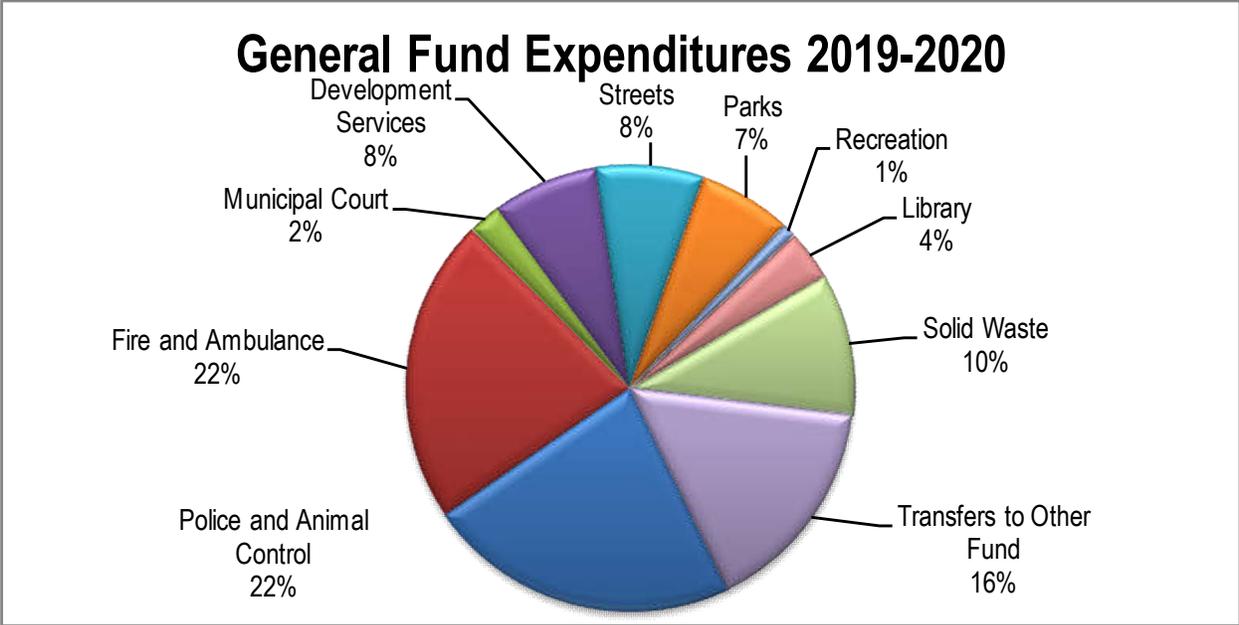
Two key rules apply when determining the tax rate. The first is the *Effective Rate*. The Effective Rate is the rate that, based on this year's valuation, will service the debt (I&S rate) and raise the same amount of revenue as was raised last year for M&O. The Effective Rate may be higher or lower than the year before depending on a decrease or increase in the total valuation and increase or decrease in debt service.

The second term is the *Rollback Rate*. To oversimplify, if a City sets the tax rate so that it will generate more than 108% of the revenues generated last year, it is subject to the filing of a petition by the voters to send the tax rate to an election. Currently, if the City stays under 108%, it cannot be challenged by petition. Legislature recently approved S.B.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 (now called "voter-approval" tax 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.

When a City sets the tax rate for the year, it is really determining the M&O rate since the I&S rate is a function of taxable value and debt. This is important for a number of reasons. First, any rate set below the Effective Rate means a decrease in revenues. This decrease in revenue comes 100% from M&O revenue. Second, if total valuation falls (as happened in 2010) and debt also decreases, the Effective Rate will be higher than the Rollback Rate. This means that to raise the same amount of operating funds in 2010; we would have had to exceed the Rollback Rate. While this is a rare occurrence for a growing City, it drives home the fact that setting the tax rate needs to be based on a number of factors considered together.

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. Internal Services include Administration, Facilities Maintenance, Finance, Fleet Maintenance and Human Resources as well as budgeted transfers to other funds.



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. In 2018 over \$26,000,000 in new property was added to the tax rolls.

Enterprise Fund

The Enterprise Fund is made up of utility departments including Water, Wastewater, and Electric. Enterprise utilities are intended to generate more revenue than is needed for operations. This excess revenue is used to pay for infrastructure improvements and support the General Fund to defer higher property taxes. Not only does the Electric Utility generate the bulk of gross revenues, but it also produces the majority of excess revenues. In fact, after adding capital costs to operating costs the Water and Wastewater Utility barely break even. Fortunately, we have locked in the rate we pay for wholesale electric through December of 2023, so no significant increases in Electric rates are anticipated.

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.

Expenditures in the Enterprise Fund are overwhelmingly spent on Public Works as they should be. Expenditures include daily operations of the utilities, capital improvements, and debt service on bonds for capital improvements

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, Administration, Finance, Facilities Maintenance and Fleet Services. This year we also added the Engineering Department. 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 other 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

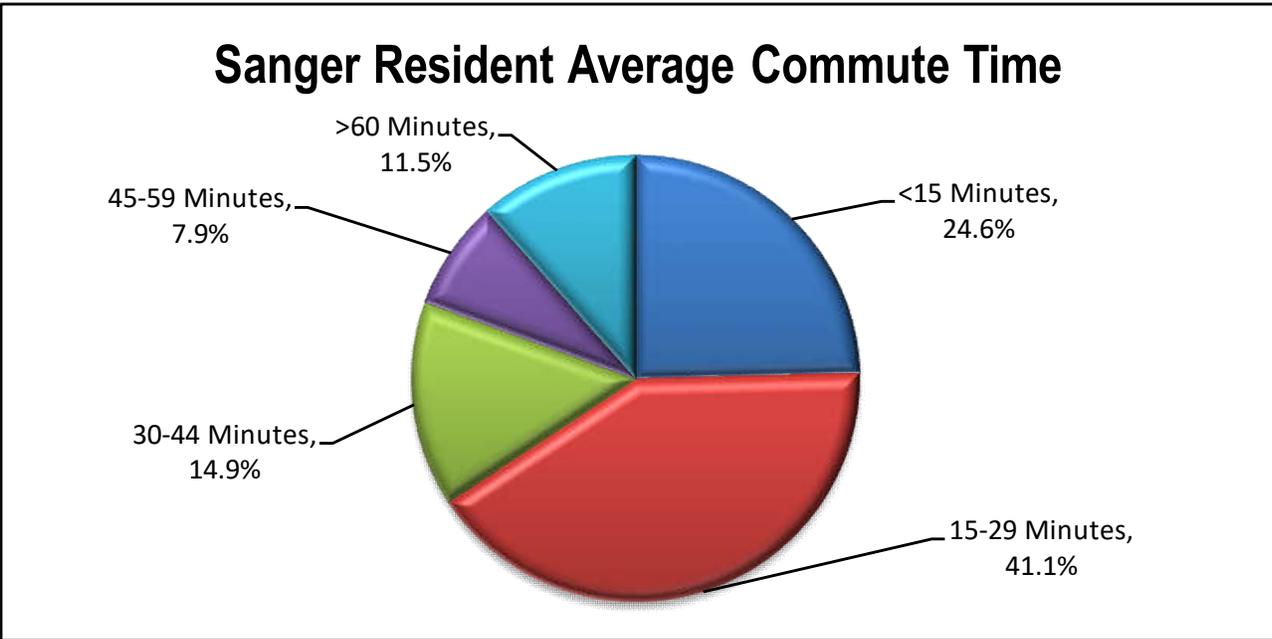
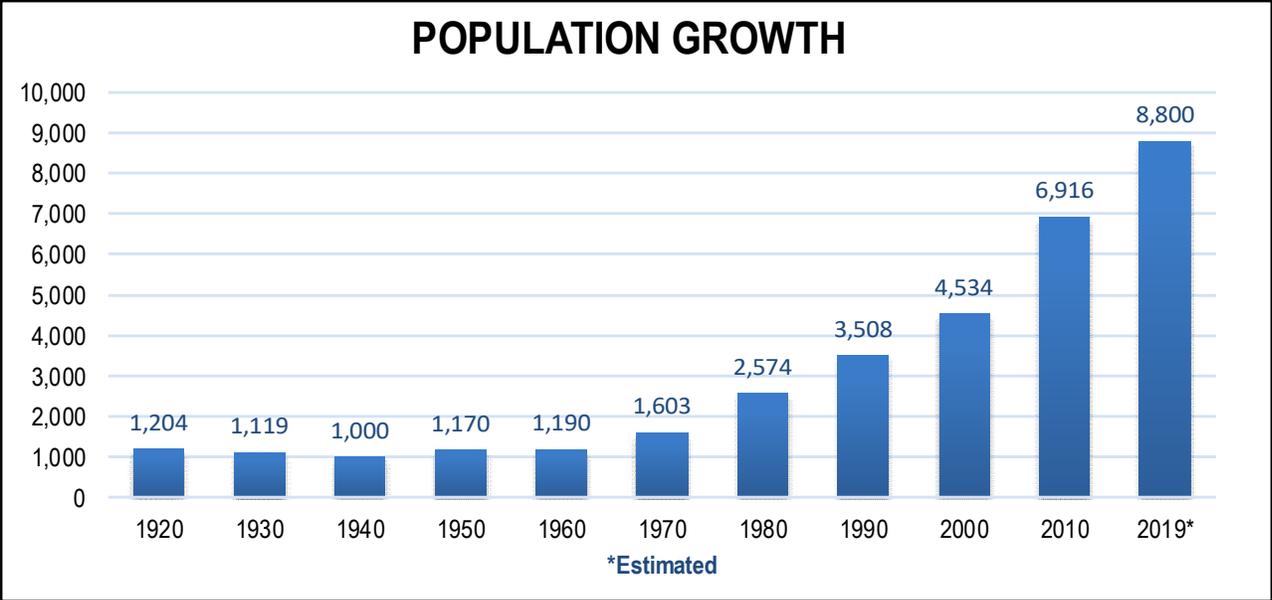
The expenditure of hotel occupancy tax (HOT) funds tightly regulated by state law. To ensure that these funds are spent appropriately, they are placed in a separate fund and not commingled with the General Fund. The City also gives up to \$12,000 a year in HOT taxes to the Sanger Chamber of Commerce for marketing.

Looking Toward the Future

According to an article in the Texas Tribune, the Dallas-Fort Worth area added 131,767 residents from 2017 to 2018, which is more than any other metropolitan area in the country. In addition, Denton County was ranked number nine of the top ten counties with the largest population growth in the United States in 2017. 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. According to the website www.factfinder.census.gov, 58.5% of Sanger residents drive between 10 and 30 minutes to 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.



Last year, Holiday Inn Express and McClain's RV started construction on their facilities and are expected to be operational this year. R&L Carriers also completed construction of their facility and is now open for business. This year, DATCU Credit Union will start building a permanent branch in Sanger that would be open sometime in late fall of 2020. 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

Revenue growth will allow us to maintain current service levels and continue to maintain and repair infrastructure this year. This means continuing to fill potholes and repave streets, replace old water and wastewater lines, build sidewalks and maintain our parks in an attractive condition.

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

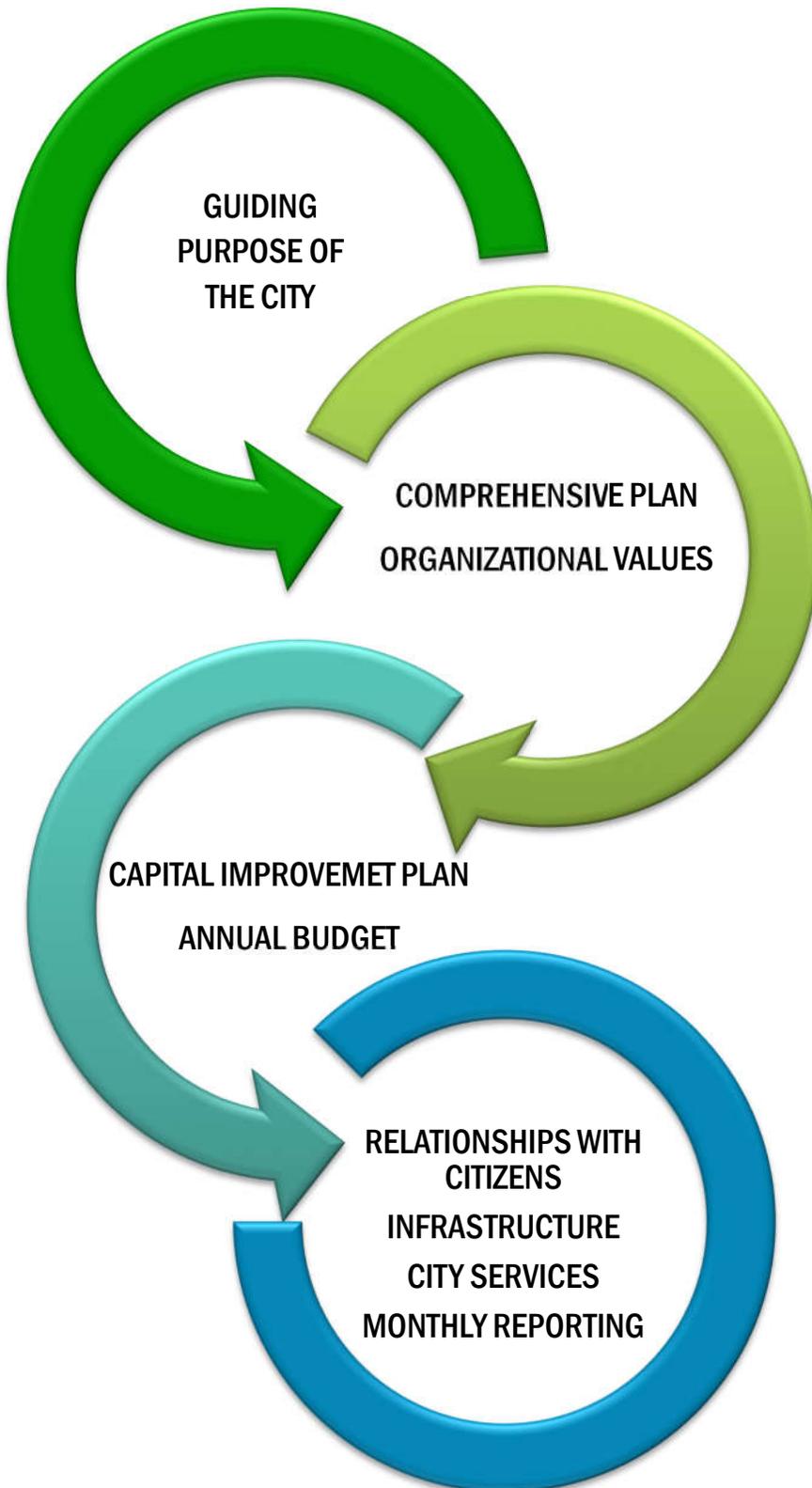
I also want to thank the Mayor and Council for their continued support and leadership. The Citizens of Sanger are fortunate to have such people guiding the City.

While the municipal budgeting process can be confusing, especially when looking only at the raw numbers, we have worked hard to make the budget more transparent and understandable. The intent of this budget message is to shed light on the budget process and provide a general overview of its structure. It is also intended to shed light on the thoughts and concerns that went into formulating the budget. I hope you have found it helpful.

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 27) and City Staff has developed a set of Organizational Values (page 28) 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 2018-2019 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.

In prior years, the tracking of Performance Measures provided a check on results. During the 2017-2018 year, the City took this idea to the next level and began issuing a Monthly Report, which provides a wealth of detailed and useful information 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 2019 is presented on page 214.

City of Sanger 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.

City of Sanger 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 CHART



AUTHORIZED PERSONNEL

	2016-2017		2017-2018		2018-2019	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
General Fund Authorized Personnel						
Police	16.0	-	16.0	-	16.0	-
Animal Control	1.0	-	1.0	-	1.0	-
Fire	7.0	24.0	7.0	24.0	8.0	24.0
Municipal Court	2.0	2.0	2.0	2.0	2.0	2.0
Development Services	3.0	-	4.0	-	6.0	-
Streets	4.0	-	4.0	-	4.0	-
Parks	4.0	-	4.0	-	3.5	-
Recreation	1.0	-	1.0	-	1.0	-
Library	3.0	2.0	3.0	3.0	3.0	3.0
General Fund Totals	41.0	28.0	42.0	29.0	44.5	29.0
Enterprise Fund Authorized Personnel						
Water	6.0	-	6.0	-	6.0	-
Waste Water	2.0	-	3.0	-	3.0	-
Electric	7.0	-	7.0	-	7.0	-
Enterprise Fund Totals	15.0	-	16.0	-	16.0	-
Internal Service Fund Authorized Personnel						
Administration	3.0	-	3.0	-	3.0	-
Public Works Administration	2.0	-	3.0	-	1.0	-
Finance	5.0	-	5.0	-	5.0	-
Engineering	-	-	-	-	2.5	-
Fleet Services	2.0	-	1.0	-	1.0	-
Internal Service Fund Totals	12.0	-	12.0	-	12.5	-
4A Fund Authorized Personnel						
Administration	1.0	-	1.0	-	1.0	-
4A Fund Totals	1.0	-	1.0	-	1.0	-
Total Authorized Personnel	69.0	28.0	71.0	29.0	74.0	29.0

BUDGET CALENDAR



THE CITY OF SANGER, TEXAS BUDGET CALENDAR FY 2019-2020	
Date	Item
Tuesday, March 26, 2019 - Thursday, March 28, 2019	City Manager and Finance Director meet individually with Directors for mid-year budget review
Monday, April 1, 2019	Announce Budget Schedule at Staff Meeting
Thursday, April 25, 2019	City Manager, Finance Director and all Directors meet to review individual departmental requested budgets
Friday, April 26, 2019 - Wednesday, June 5, 2019	Finance Director Prepares Preliminary Budget
Thursday, June 6, 2019	Finance Director and City Manager meet to discuss preliminary budget
Thursday, June 6, 2019	Submit Preliminary Budget to City Manager for Review
Thursday, June 6, 2019 - Friday, June 21, 2019	City Manager Review of Budget
Tuesday, June 25, 2019	Preliminary Budget Completed
Monday, July 1, 2019	City Council Budget Workshop
Monday, July 15, 2019	City Council Budget Workshop
Thursday, July 25, 2019	Chief Appraiser Certifies Tax Roll
Monday, August 5, 2019	City Council Meeting to Discuss Tax Rate (If Proposed Tax Rate Will Raise More Revenue than the Proceeding Year, Take Record Vote and Schedule Public Hearing)
	Proposed budget submitted to City Council
	Budget Filed with the City Secretary and Posted on the City's Website
Thursday, August 8, 2019	Publish Notice of Public Hearing on Budget
	Publish Notice of Public Hearings on Proposed Property Tax Rate
Monday, August 19, 2019	Public Hearing on Budget
	First Public Hearing on Proposed Tax Rate (if Necessary)
Tuesday, September 3, 2019	Second Public Hearing on Proposed Tax Rate (if Necessary)
Monday, September 16, 2019	City Council Vote on Adoption of Budget
	City Council Vote on Adoption of Tax Rate
	City Council Vote on Adoption of Tax Rolls

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	<p>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.</p> <p>DEBT SERVICE FUND 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.</p> <p>CAPITAL PROJECTS FUND 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.</p> <p>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; 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.</p>
PROPRIETARY FUNDS	<p>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.</p> <p>INTERNAL SERVICE FUND This fund accounts for the financing of centralized services to different funds and City departments on a cost reimbursement basis.</p>
FIDUCIARY FUNDS	<p>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.</p> <p>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.</p>

FUND RELATIONSHIP WITH FUNCTIONAL AREAS

		FUNCTIONAL AREA				
		Administration	Public Safety	Community Development	Public Works	Culture & Recreation
	General		Police, Animal Control, Fire, Municipal Court	Development Services	Streets, Solid Waste	Parks, Recreation, Library
	Debt Service	Debt Service				
	Enterprise	Debt Service			Water, Waste Water, Electric	
	Internal Service	City Council, Administration, Finance, Facilities			Public Works Administration, Fleet Services	
	4A			4A		
	4B			4B		
FUND	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	8,800 (01/01/2019 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 TAXPAYERS	Wal-Mart Stores East, L.P. US06068 Wal-Mart Stores East, L.P. Trails of Sanger Apartments LLC Altec Capital Services, LLC Ramar Land Corporation Springer Properties LLC Springer Family Rentals LLC Stonewood Resorts LLC MacCamp LTD Springer Family Partners LLC

LOCAL EVENTS

Sanger takes pride in the small-town charm it offers. The City proudly hosts many community events for all ages throughout the year, offering residents a chance to have fun with their neighbors.

Events from this past year include:

FEBRUARY

Mother-Son Valentine Dance

MARCH

City-wide Easter Egg Hunt

APRIL

Spring Fun Run

JUNE

Summer Reading Program

JULY

Adult Softball League

Adult Kickball League

SEPTEMBER

Sanger Sellabration Market

OCTOBER

Halloween Trick or Trot 5K/ Monster Run

DECEMBER

Downtown Christmas Parade

Elves House Party

ONGOING

Yoga Classes

LEGOs at the Library

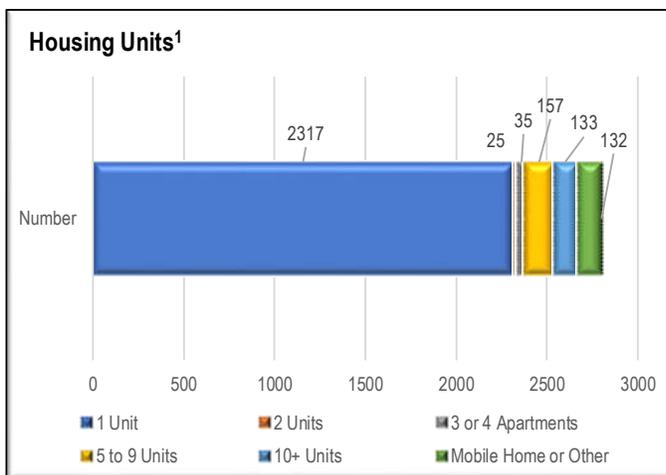
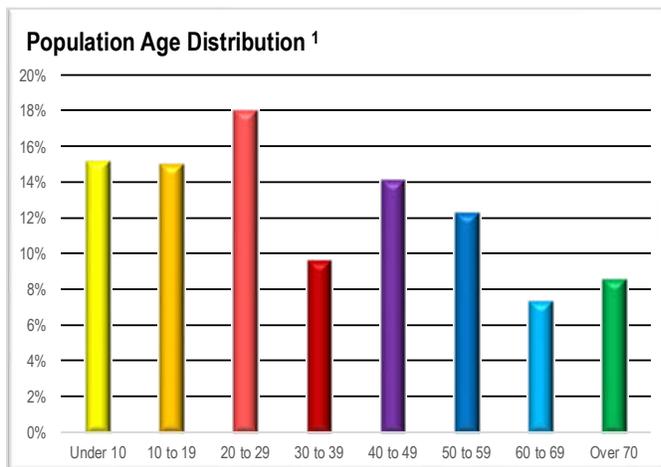
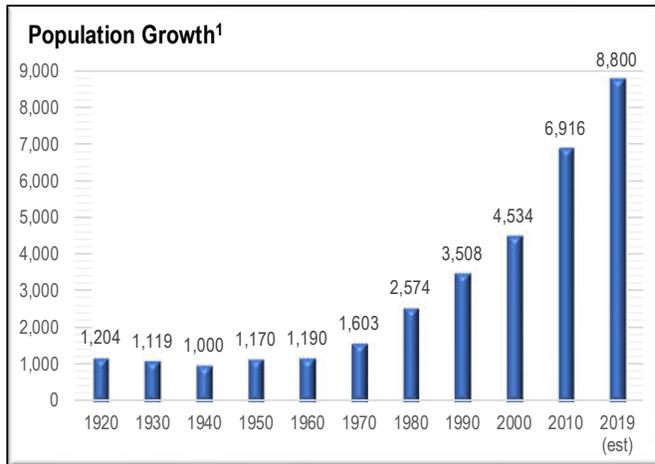
Preschool Story Time

Book Clubs at the Library

Movies in the Park



STATISTICS



MAJOR EMPLOYERS²

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

SCHOOLS²

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

²Sanger Economic Development Corporation

ORDINANCE ADOPTING THE ANNUAL BUDGET

ORDINANCE #09-25-19

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, 2019 AND ENDING SEPTEMBER 30, 2020, 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, 2019 and ending September 30, 2020 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 August 8, 2019 and conducted a public hearing on August 19, 2019; 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, 2019 and ending September 30, 2020.

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 2019-2020.

General Fund	\$8,276,364
Debt Service Fund	\$828,453
Enterprise Fund	\$12,118,700
Internal Service Fund	\$2,121,691
44 Fund	\$192,535
4B Fund	\$327,500
Capital Projects Fund	\$414,000
Enterprise Capital Projects Fund	\$4,150,000
Special Revenue Funds	\$35,775

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 16th day of September 2019.

APPROVED:



Thomas E. Muir

Thomas Muir, Mayor

ATTEST:

Cheryl Price
Cheryl Price, City Secretary

ORDINANCE ADOPTING THE PROPERTY TAX RATE

ORDINANCE #09-28-19

AN ORDINANCE OF THE CITY OF SANGER, DENTON COUNTY, TEXAS, LEVYING A TAX RATE FOR THE GENERAL GOVERNMENT FOR THE FISCAL YEAR 2019-2020 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 2019-2020, 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 2019-2020, as follows:

\$0.591577/\$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 2019-2020 as follows:

\$0.087523/\$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 5.29 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$20.57.

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 16th day of September 2019.



APPROVED:

Thomas E. Muir
Thomas Muir, Mayor

ATTEST:

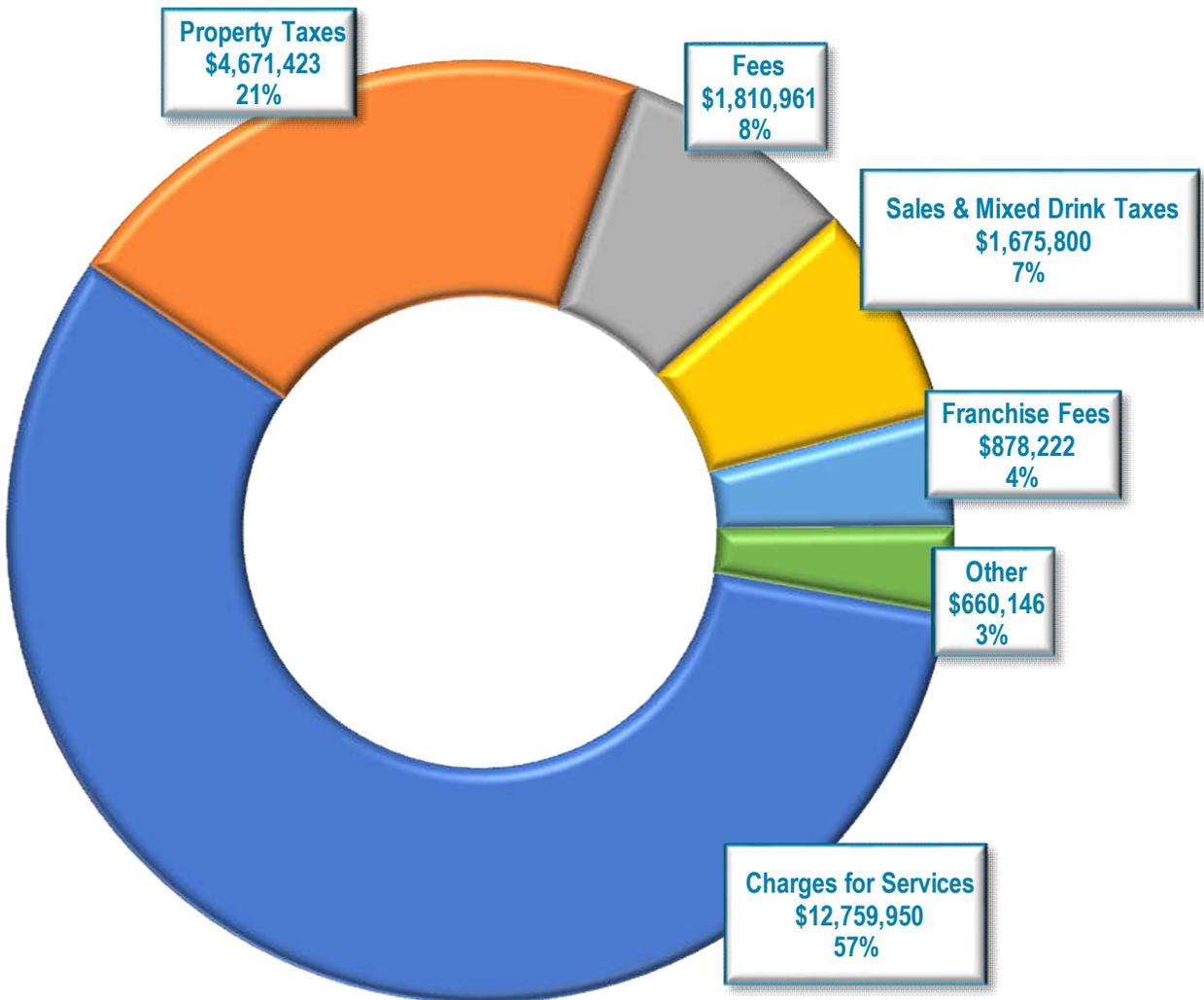
Cheryl Price
Cheryl Price, City Secretary



BUDGET SUMMARY

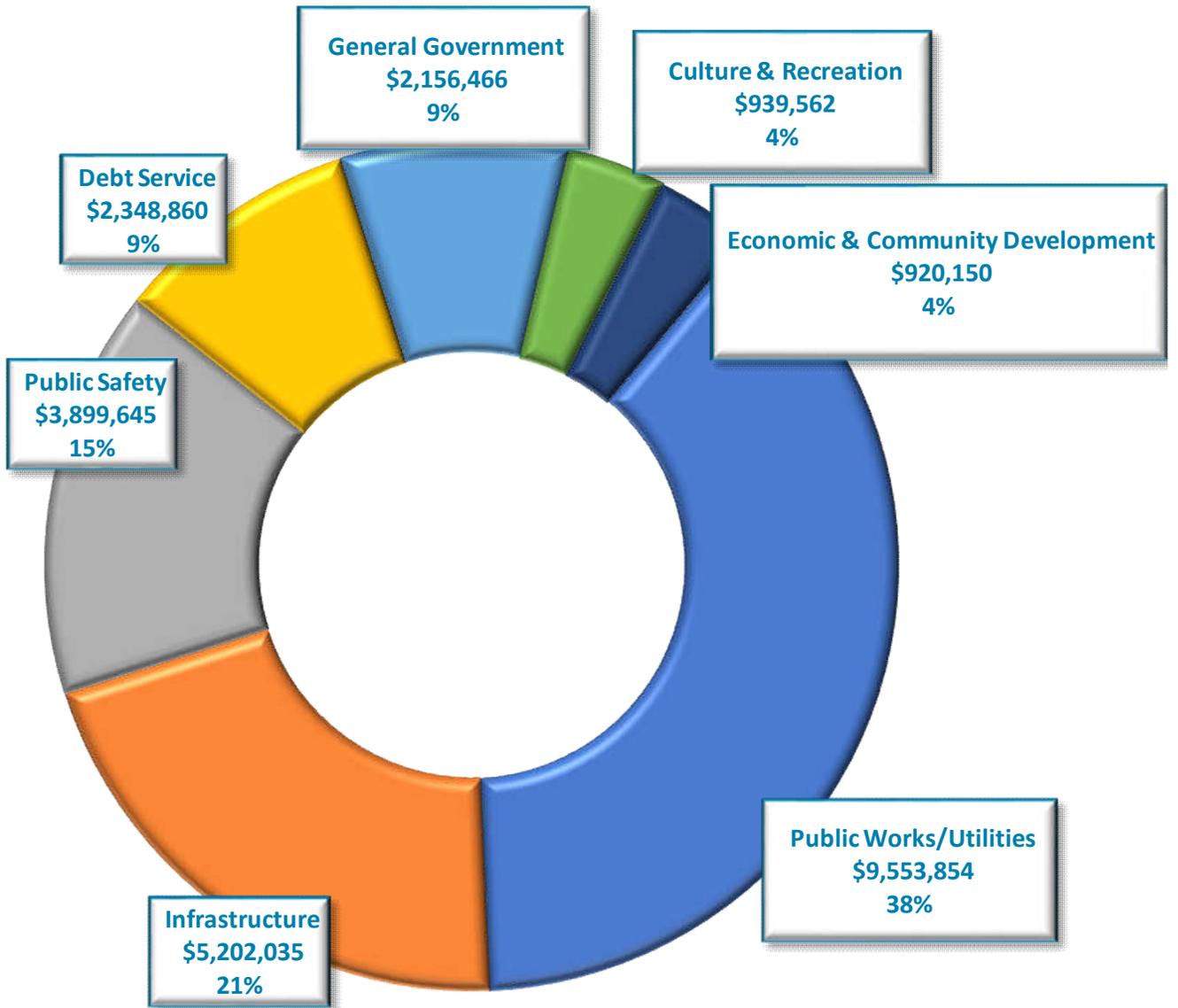
2019-2020 BUDGET AT A GLANCE

WHERE DOES THE MONEY COME FROM?



**TOTAL REVENUES = \$22.5 MILLION
(EXCLUDING INTER-FUND TRANSFERS)**

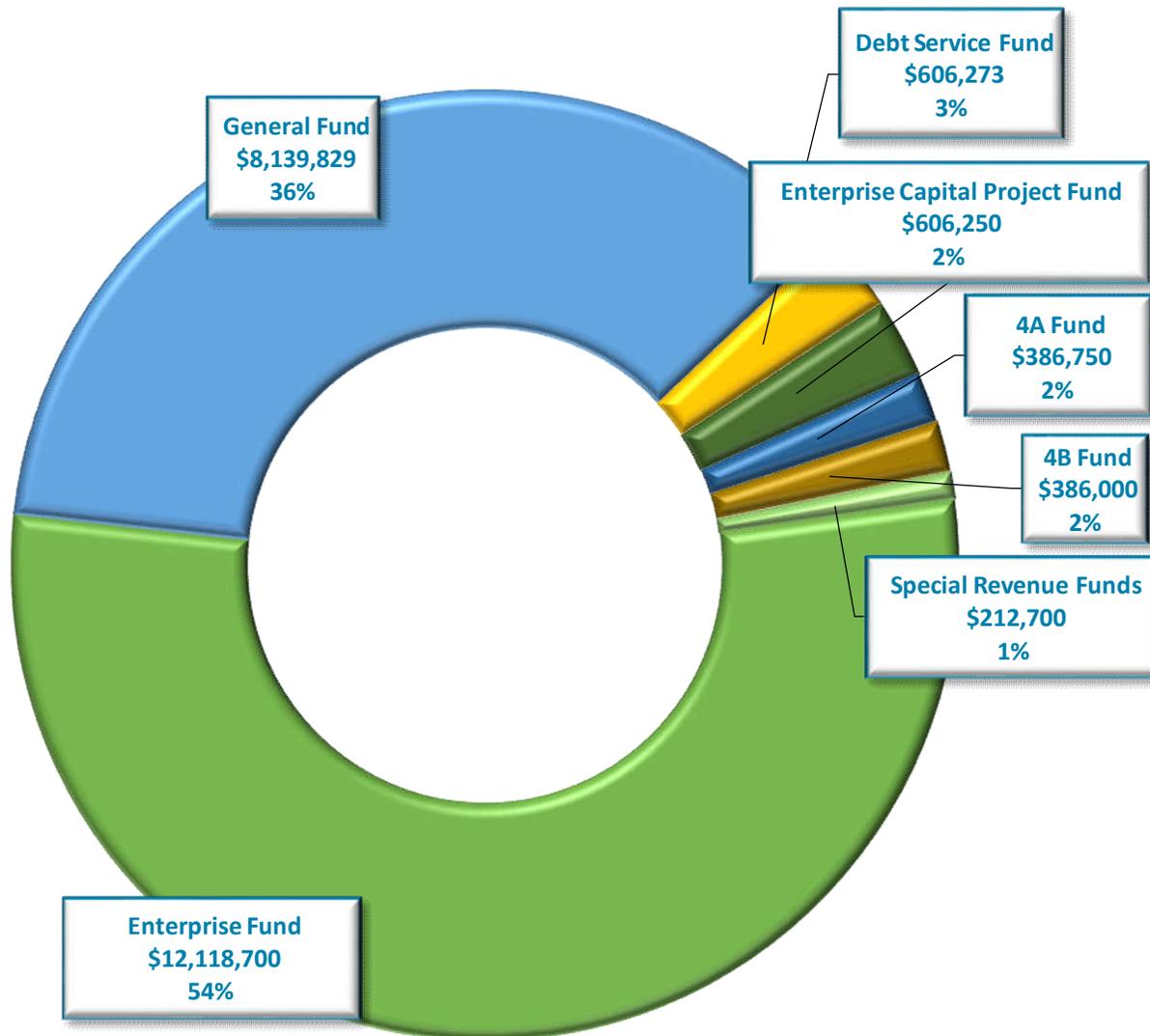
HOW IS THE MONEY USED?



**TOTAL EXPENDITURES = \$25.0 MILLION
(EXCLUDING INTER-FUND TRANSFERS)**

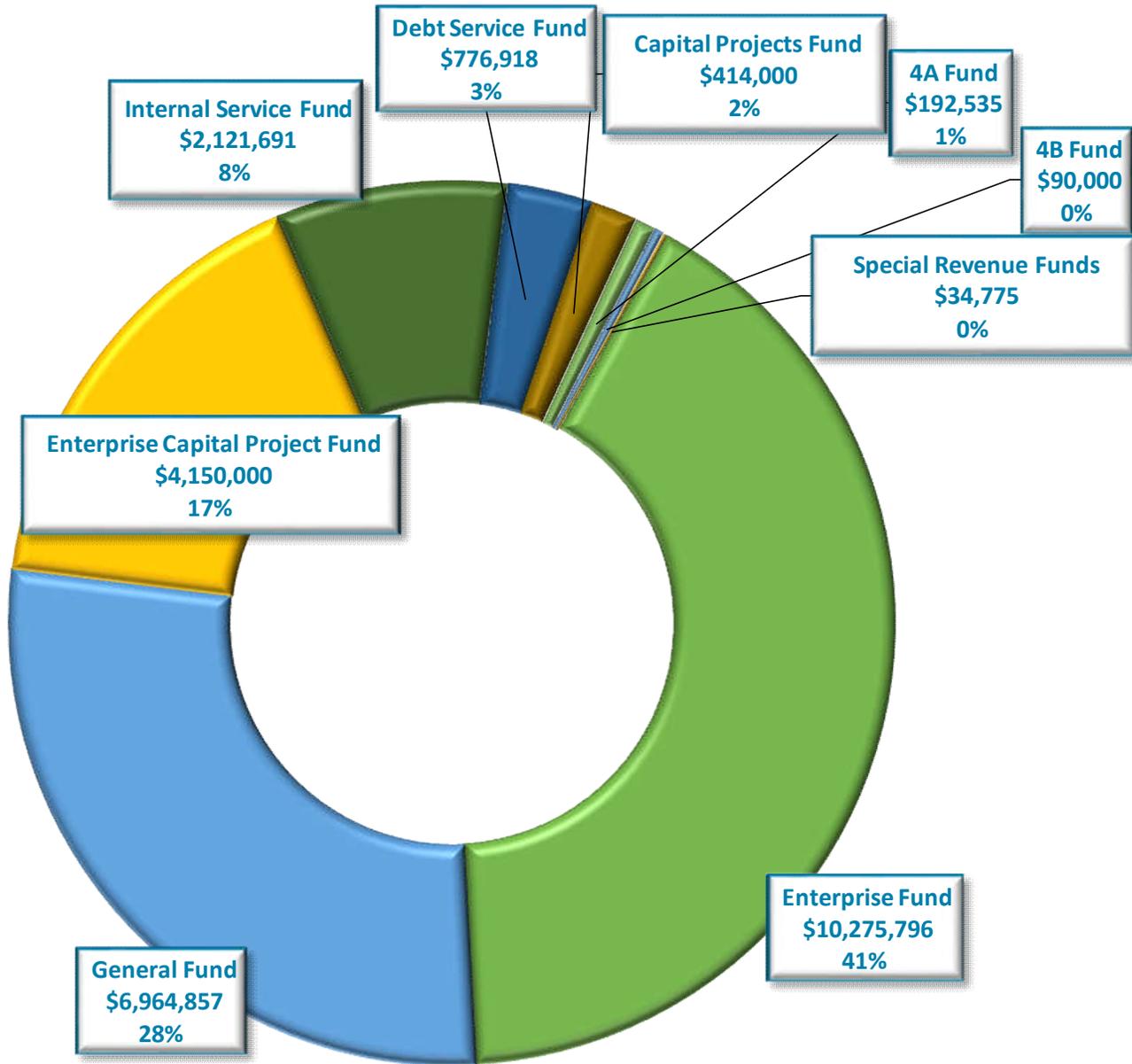
2018-2019 BUDGET BY FUND

REVENUES BY FUND



**TOTAL REVENUES = \$22.5 MILLION
(EXCLUDING INTER-FUND TRANSFERS)**

EXPENDITURES BY FUND



**TOTAL EXPENDITURES = \$25.0 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 2019-2020 budget, two revenue sources account for over three-fourths (77.6%) of all revenues: Charges for Services and Property Taxes.

Charges for Services

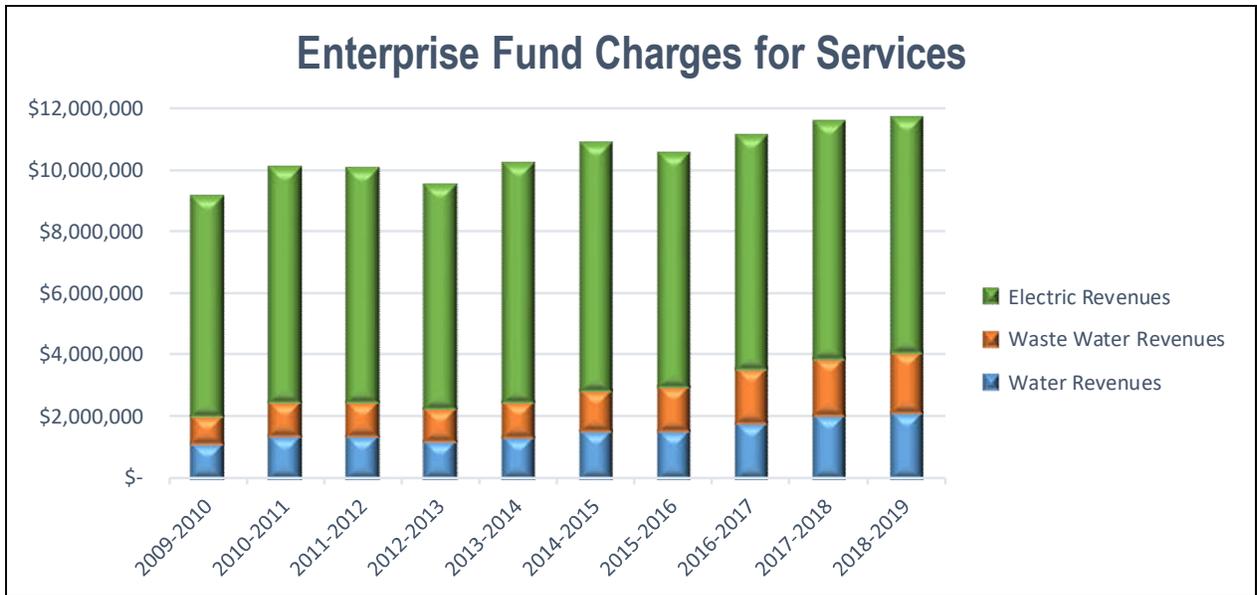
Charges for Services includes the billing of Water, Waste Water and Electric utilities in the Enterprise Fund and Solid Waste Collections in the General Fund. Total Charges for services totals \$12,759,950, which is 56.8% of the City's total projected revenues.

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 \$11,824,450, these combined charges for services accounts for 52.7% of the City's projected revenues.

- Water revenues of \$2,087,800 are an increase of \$59,989 (3.0%) over last year's projection of \$2,027,811. 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 \$2,036,650 are an increase of \$71,675 (3.7%) over last year's projection of \$1,964,975. 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 \$7,700,000 are actually a decrease of \$1,930 (-0.03%) from last year's projection of \$7,701,930. 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.

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 \$935,500 and account for 4.2% of total revenues. This amount is an increase of 10.0% over last year’s projection of \$850,500.

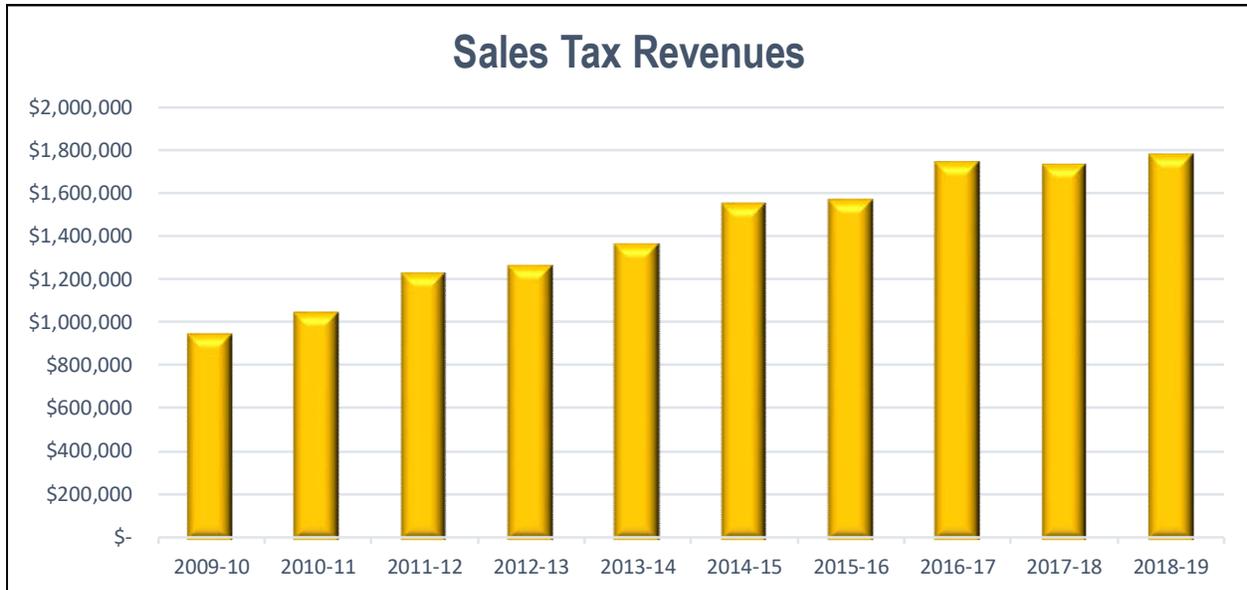
Property Taxes

The collection of Property Taxes accounts for a total of \$4,671,423 or 20.8% 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 \$345,251 (8.0%) over the prior year projection of \$4,326,172. Property Tax revenues are expected to continue to rise in future years, the result of continued growth.



Sales Taxes

The collection of Sales Taxes accounts for a total of \$1,670,000 (7.4%) 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 2018-19 are level with those projected for 2018-19 at \$1,670,000. Sales Tax revenues are expected to rise in future years, the result of continued growth.



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 2019-2020 budget, these three categories combined total 76.9% of all expenditures.

Maintenance and Operations

With a total of \$7,150,713, Maintenance and Operations expenditures account for 28.6% of total expenditures. The bulk of this amount (\$6,662,146) 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 \$6,653,096, Salaries and Benefits account for 26.6% of total expenditures. The General Fund accounts for \$4,032,362 of this amount. The General Fund accounts for 44.5 of 74 full-time employees and 29 of 29 part-time employees.

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 \$5,447,000, Capital Expenditures account for 21.7% of total expenditures. The bulk of this amount (\$4,150,000) is budgeted in the Enterprise Capital Projects Fund. The major components of this amount are \$2,500,000 for the relocation of City utilities along FM 455 and \$1,000,000 for the construction of a new Waste Water Treatment Plant. A multi-year project, the new plant will replace the City's current facility with expanded capacity to serve Sanger for many years.

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, 10/01/2019	Revenues & Other Sources	Expenditures & Other Uses	Projected Fund Balance, 09/30/2020	Percent Change
General Fund	5,221,712	8,276,364	8,276,364	5,221,712	0.0%
Debt Service Fund	4,576,180	818,773	828,453	4,566,500	-0.2%
Enterprise Fund	19,660,137	12,118,700	12,118,700	19,660,137	0.0%
Internal Service Fund	(18,826)	2,121,691	2,121,691	(18,826)	0.0%
4A Fund	1,648,023	411,750	192,535	1,867,238	13.3%
4B Fund	1,210,644	386,000	327,500	1,269,144	4.8%
Capital Projects Fund	1,628,717	675,000	414,000	1,889,717	16.0%
Enterprise Capital Projects	3,639,312	763,050	4,150,000	252,362	-93.1%
Special Revenue Funds	829,729	212,700	34,775	1,007,654	21.4%
Total	38,395,628	25,784,028	28,464,018	35,715,638	-7.0%

4A Fund

For the budget year, the 4A Fund is projected to have an increase in Fund Balance of \$219,215 (13.3%). 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 16.0% increase (\$261,000) 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 \$3,386,950 (-93.1%). Both (1) the construction of a new waste water treatment plant and (2) the relocation of utilities along FM 455 are infrequent and massive projects which will use a large portion of fund balance. Budgeted projects in the current year include: Waste Water Treatment Plant: Railroad Lift Station; Relocation of Utilities along FM 455; and Ranger Creek Outfall Pipeline.

Special Revenue Funds

The Special Revenue Funds are projecting an overall increase in Fund Balance of \$177,925 (21.4%). The majority of this is a \$65,000 projected increase in the Parkland Dedication Fund and a \$100,000 increase in the Roadway Impact Fee Fund. The monies in both of these funds will be used for future neighborhood development projects.

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	Internal Service Fund	4A Fund
Beginning Fund Balance	5,221,712	4,576,180	19,660,137	(18,626)	1,648,023
Revenues					
Property Tax	4,065,250	606,173	-	-	-
Sales & Mixed Drink Tax	905,800	-	-	-	385,000
Franchise Fees	878,222	-	-	-	-
Charges for Services	935,500	-	11,824,450	-	-
Fees	834,961	-	211,000	-	-
Licenses & Permits	343,070	-	-	-	-
Fines	95,526	-	-	-	-
Intergovernmental	-	-	-	-	-
Interest Income	4,000	100	15,000	-	1,750
Miscellaneous	77,500	-	68,250	-	-
Total Revenues	8,139,829	606,273	12,118,700	-	386,750
Other Sources					
Transfers In	136,535	212,500	-	2,121,691	25,000
Total Other Sources	136,535	212,500	-	2,121,691	25,000
Total Revenues/Sources	8,276,364	818,773	12,118,700	2,121,691	411,750
Expenditures					
Salaries & Benefits	4,032,362	-	1,341,008	1,169,866	108,360
Supplies & Materials	371,810	-	95,400	131,500	20,600
Maintenance & Operations	387,367	-	6,662,146	95,375	5,825
Contract Services	1,318,189	-	168,100	528,450	57,750
Utilities	89,600	-	305,700	116,000	-
Capital Expenses	621,000	-	131,500	80,500	-
Debt Service	51,535	776,918	1,571,942	-	-
Court Costs	35,494	-	-	-	-
Grant Expenses	57,500	-	-	-	-
Total Expenditures	6,964,857	776,918	10,275,796	2,121,691	192,535
Other Uses					
Transfers Out	1,311,507	51,535	1,842,904	-	-
Total Other Uses	1,311,507	51,535	1,842,904	-	-
Total Expenses/Uses	8,276,364	828,453	12,118,700	2,121,691	192,535
Excess of Revenues/Sources over Expenditures/Uses	-	(9,680)	-	-	219,215
Ending Fund Balance	5,221,712	4,566,500	19,660,137	(18,626)	1,867,238

	4B Fund	Capital Projects Fund	Enterprise Capital Projects Fund	Special Revenue Funds	Total
Beginning Fund Balance	1,210,644	1,628,717	3,639,312	829,729	38,395,828
Revenues					
Property Tax	-	-	-	-	4,671,423
Sales & Mixed Drink Tax	385,000	-	-	-	1,675,800
Franchise Fees	-	-	-	-	878,222
Charges for Services	-	-	-	-	12,759,950
Fees	-	-	600,000	165,000	1,810,961
Licenses & Permits	-	-	-	-	343,070
Fines	-	-	-	11,000	106,526
Intergovernmental	-	-	-	-	-
Interest Income	1,000	-	6,250	200	28,300
Miscellaneous	-	-	-	36,500	182,250
Total Revenues	386,000	-	606,250	212,700	22,456,502
Other Sources					
Transfers In	-	675,000	156,800	-	3,327,526
Total Other Sources	-	675,000	156,800	-	3,327,526
Total Revenues/Sources	386,000	675,000	763,050	212,700	25,784,028
Expenditures					
Salaries & Benefits	-	-	-	1,500	6,653,096
Supplies & Materials	-	-	-	11,775	631,085
Maintenance & Operations	-	-	-	-	7,150,713
Contract Services	40,000	-	-	21,500	2,133,989
Utilities	-	-	-	-	511,300
Capital Expenses	50,000	414,000	4,150,000	-	5,447,000
Debt Service	-	-	-	-	2,400,395
Court Costs	-	-	-	-	35,494
Grant Expenses	-	-	-	-	57,500
Total Expenditures	90,000	414,000	4,150,000	34,775	25,020,572
Other Uses					
Transfers Out	237,500	-	-	-	3,443,446
Total Other Uses	237,500	-	-	-	3,443,446
Total Expenses/Uses	327,500	414,000	4,150,000	34,775	28,464,018
Excess of Revenues/Sources over Expenditures/Uses	58,500	261,000	(3,386,950)	177,925	(2,679,990)
Ending Fund Balance	1,269,144	1,889,717	252,362	1,007,654	35,715,838

COMBINED FUNDS BUDGET SUMMARY

COMBINED BUDGET SUMMARY

FOR ALL FUNDS SUBJECT TO APPROPRIATION

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	42,468,681	37,706,474	37,706,474	38,395,828
Revenues				
Property Tax	3,950,760	4,326,172	4,473,908	4,671,423
Sales & Mixed Drink Tax	1,738,636	1,675,000	1,491,484	1,675,800
Franchise Fees	832,689	851,668	813,408	878,222
Charges for Services	12,854,626	12,545,216	12,649,083	12,759,950
Fees	1,823,507	1,869,893	1,904,471	1,810,961
Licenses & Permits	322,230	363,070	308,480	343,070
Fines	100,190	123,000	86,489	106,526
Intergovernmental	3,465,562	1,000,000	434,436	-
Interest Income	35,323	28,300	186,212	28,300
Miscellaneous	184,703	182,250	294,388	182,250
Total Revenues	25,308,226	22,964,569	22,642,359	22,456,502
Other Sources				
Transfers In	3,199,908	3,430,637	3,077,383	3,327,526
Total Other Sources	3,199,908	3,430,637	3,077,383	3,327,526
Total Revenues/Sources	28,508,134	26,395,206	25,719,742	25,784,028
Expenditures				
Salaries & Benefits	5,278,215	6,321,684	5,560,682	6,653,096
Supplies & Materials	469,519	629,381	516,205	631,085
Maintenance & Operations	7,272,103	7,211,975	7,251,651	7,150,713
Contract Services	1,698,548	1,975,273	1,807,056	2,133,989
Utilities	434,676	526,150	412,318	511,300
Capital Expenses	12,545,863	5,536,933	3,398,684	5,447,000
Debt Service	1,781,620	2,867,871	2,819,479	2,400,395
Court Costs	30,829	48,406	27,872	35,494
Grant Expenses	-	69,500	5,843	57,500
Total Expenditures	29,511,373	25,187,173	21,799,790	25,020,572
Other Uses				
Transfers Out	3,758,968	3,430,637	3,230,598	3,443,446
Total Other Uses	3,758,968	3,430,637	3,230,598	3,443,446
Total Expenses/Uses	33,270,341	28,617,810	25,030,388	28,464,018
Excess of Revenues/Sources over Expenditures/Uses				
	(4,762,207)	(2,222,604)	689,354	(2,679,990)
Ending Fund Balance	37,706,474	35,483,870	38,395,828	35,715,838

GENERAL FUND

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.

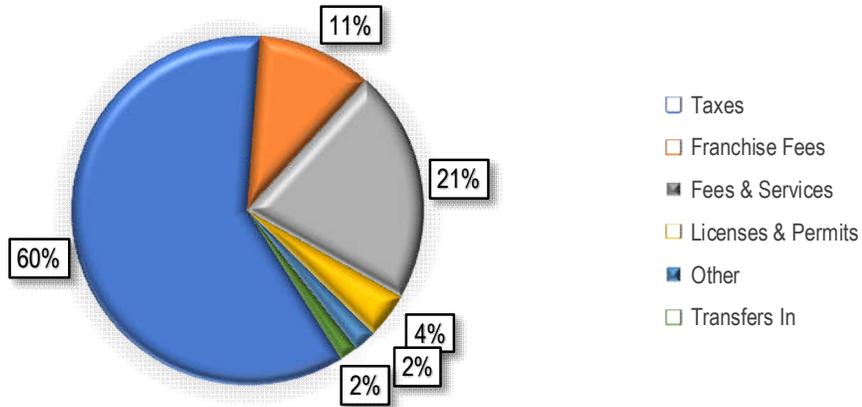
The General Fund includes these departments:

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

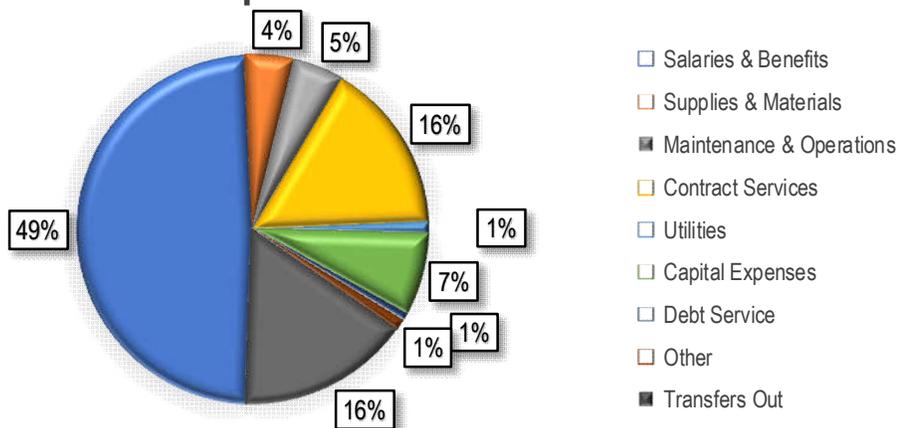
The basis of accounting for the General Fund for both financial reporting and budgeting is the modified accrual basis.

GENERAL FUND BUDGET SUMMARY

General Fund Revenues 2019-20



General Fund Expenditures 2019-20



GENERAL FUND BUDGET SUMMARY

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	3,169,283	4,379,986	4,379,986	5,221,712
Revenues				
Taxes	4,147,798	4,536,116	4,371,911	4,971,050
Franchise Fees	832,689	851,668	813,408	878,222
Solid Waste	833,752	850,500	917,455	935,500
Licenses & Permits	322,230	363,070	308,480	343,070
Fines	89,572	112,000	74,466	95,526
Fire & EMS	747,319	776,877	768,289	724,329
Police & Animal Control	51,863	52,166	69,776	53,282
Parks & Recreation	34,396	33,500	24,639	32,000
Library	25,380	25,350	24,279	25,350
Interest Income	4,508	4,000	10,716	4,000
Miscellaneous	68,250	77,500	56,222	77,500
Total General Fund Revenues	7,157,757	7,682,747	7,439,641	8,139,829
Other Sources				
Transfers In	292,999	214,352	214,352	136,535
Total Other Sources	292,999	214,352	214,352	136,535
Total Revenues/Sources	7,450,756	7,897,099	7,653,993	8,276,364
Expenditures				
Salaries & Benefits	3,052,665	3,783,153	3,204,122	4,032,362
Supplies & Materials	304,859	368,450	315,349	371,810
Maintenance & Operations	363,942	506,257	405,547	387,367
Contract Services	1,086,770	1,219,189	1,204,810	1,318,189
Utilities	79,758	89,350	76,569	89,600
Capital Expenses	227,621	324,222	237,184	621,000
Debt Service	129,351	129,353	129,352	51,535
Court Costs	30,829	48,406	27,872	35,494
Grant Expenses	-	69,500	5,843	57,500
Total Expenditures	5,275,795	6,537,880	5,606,648	6,964,857
Other Uses				
Transfers Out	964,258	1,284,320	1,205,619	1,311,507
Total Other Uses	964,258	1,284,320	1,205,619	1,311,507
Total Expenses/Uses	6,240,053	7,822,200	6,812,267	8,276,364
Excess of Revenues/Sources over Expenditures/Uses	1,210,703	74,899	841,726	-
Ending Fund Balance	4,379,986	4,454,885	5,221,712	5,221,712

GENERAL FUND REVENUES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Taxes				
4310 Property Tax	3,232,919	3,598,116	3,657,925	4,015,250
4311 Delinquent Prop. Tax	15,308	15,000	28,495	25,000
4321 Penalty & Interest Prop. Tax	27,321	18,000	66,207	25,000
4325 Sales Tax	866,386	900,000	613,008	900,000
4350 Mixed Drink Tax	5,864	5,000	6,276	5,800
Total Taxes	4,147,798	4,536,116	4,371,911	4,971,050
Franchise Fees				
4460 Century Link	6,656	7,000	5,876	6,500
4461 ATMOS	47,332	48,000	53,914	54,000
4465 Suddenlink	37,804	42,000	28,424	42,000
4470 COSERV	88,880	77,000	65,233	90,000
4480 Cebridge	1,974	2,400	1,168	2,000
4483 Water	96,179	107,342	96,095	111,119
4484 Sewer	94,080	106,109	94,080	109,979
4485 Sanger Electric	406,000	403,217	406,000	404,024
4489 Progressive	45,311	50,400	50,484	50,400
4490 Roll-offs	7,380	8,000	10,382	8,000
4495 ROW fees	1,093	200	1,752	200
Total Franchise Fees	832,689	851,668	813,408	878,222
Solid Waste				
4190 Sanitation Billing	823,206	840,000	906,093	925,000
4191 Sanitation Penalties	10,546	10,500	11,362	10,500
Total Solid Waste	833,752	850,500	917,455	935,500
Licenses & Permits				
4510 Building Permits	261,341	250,000	237,815	250,000
4511 Zoning and Plats	30,834	32,500	21,535	20,000
4512 Engineering Inspection Fee	0	0	22,781	30,000
4513 Civil Plan Review Fees	5,175	57,500	4,129	20,000
4515 Street Cut Permit	1,020	1,000	2,500	1,000
4520 Health Permits	16,200	17,500	15,400	17,500
4530 Electrical Licenses	75	0	0	0
4540 Plumbing Licenses	0	0	0	0
4545 Fire Alarm/Sprinkler	1,475	200	200	200
4550 AC & Mechanical	525	1,500	225	1,500
4555 Irrigation	0	1,000	75	1,000
4560 Solicitor Permits	3,150	0	750	0
4575 RV Park Annual Permit	1,370	1,370	1,510	1,370
4581 Beer & Wine Permit	1,065	500	1,560	500
Total Licenses & Permits	322,230	363,070	308,480	343,070

GENERAL FUND REVENUES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Fines				
4600 Default/Court	850	520	653	850
4603 Judicial Fee- County-JFCT	2,206	3,040	2,098	2,500
4604 Judicial Fee-City	245	336	240	300
4607 State Traffic Fee	4,947	9,840	4,443	6,200
4608 Consolidated Court Fee	16,342	22,504	15,542	18,000
4609 State Jury Fee	1,634	2,256	1,566	1,800
4615 Child Safety Court Cost	795	2,648	550	1,000
4617 Insurance & Dismissal Fees	220	80	170	400
4620 Special Expense Fee	12,206	20,000	12,732	13,000
4621 Truancy Prevention Fund	755	1,120	767	900
4625 Fines	35,179	35,440	25,382	35,440
4626 Impound Fees	0	0	120	0
4627 Warrant Fees	3,950	2,880	2,418	4,000
4628 Arrest Fees	1,706	2,400	1,285	2,000
4630 LEOSE-Police	0	0	0	0
4637 Traffic Code	495	1,440	432	700
4639 Civil Justice Fee	24	48	20	50
4640 Defensive Driving Fee	340	592	320	475
4642 Cash Bonds Court	216	0	0	0
4643 Time Payment Local	385	576	288	576
4645 Municipal Service Bureau	4,077	3,880	3,087	4,000
4646 Time Payment State	385	560	288	560
4648 Truancy Defensive Fund	815	1,120	775	900
4651 TLFTA1	1,200	480	860	1,200
4652 TLFTA2	360	136	258	400
4653 TLFTA3	240	104	172	275
Total Fines	89,572	112,000	74,466	95,526
Fire & EMS				
4740 Fire Denton Co. Interlocal	10,000	10,000	22,100	10,000
4750 EMS Denton Co. Interlocal	301,252	250,000	255,041	250,000
4765 Fire Grant Funding	0	191,877	0	139,329
4772 Emergicon Revenue	318,209	325,000	402,873	325,000
4773 Texas Supplemental Amb	56,400	0	59,762	0
4774 Hurricane Relief Reimbursement	61,458	0	28,513	0
Total Fire & EMS	747,319	776,877	768,289	724,329

GENERAL FUND REVENUES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Police and Animal Control				
4050 Animal Control Fees	1,745	1,250	1,450	1,250
4055 Mowing Fees	7,127	6,000	18,024	6,000
4056 Police Fees	3,362	3,000	3,237	3,000
4057 Sanger ISD Resource Officer	39,629	40,716	42,585	41,832
4058 State Reimbursements	0	1,200	4,480	1,200
Total Police and Animal Control	51,863	52,166	69,776	53,282
Parks & Recreation				
4031 Park Concessions	0	0	0	0
4032 Community Center Fees	16,715	15,000	15,955	15,000
4033 Park & Ballfield Revenues	10,412	10,000	5,334	10,000
4034 Tournament Fees	1,450	2,000	0	2,000
4035 Special Events	3,524	3,000	2,300	3,000
4036 Church Rental Fees	2,295	3,500	1,050	2,000
Total Parks and Recreation	34,396	33,500	24,639	32,000
Library				
4180 Library Misc.	89	75	123	75
4181 Library Fines	716	1,000	230	1,000
4182 Library Copies	3,249	3,000	2,965	3,000
4183 Inter Library loan	1,617	1,500	64	1,500
4184 Library Cards	66	75	59	75
4185 Lost Books	268	400	167	400
4186 Yoga Class Charges	3,675	3,500	4,871	3,500
4189 Denton Co Interlocal Agreement	15,700	15,800	15,800	15,800
Total Library	25,380	25,350	24,279	25,350
4800 Interest Income	4,508	4,000	10,716	4,000
Interest Income	4,508	4,000	10,716	4,000

GENERAL FUND REVENUES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Miscellaneous Income				
4009 Proceeds from Sale of Assets	20,289	25,000	0	25,000
4900 Rental Income	9,587	22,500	22,885	22,500
4930 Returned Check Fees	35	0	35	0
4910 Misc. Income GF	27,070	17,000	11,113	17,000
4946 Insurance Damage Reimbursement	10,594	13,000	22,149	13,000
4949 Construction Income	675	0	40	0
Total Miscellaneous	68,250	77,500	56,222	77,500
Total General Fund Revenues	7,157,757	7,682,747	7,439,641	8,139,829
Transfers				
4980 PILOT from EF	85,000	85,000	85,000	85,000
4980 Transfer from EF	100,000	0	0	0
4987 From DSF	107,999	129,352	129,352	51,535
Total Transfers	292,999	214,352	214,352	136,535
Total General Fund Revenues & Transfers	7,450,756	7,897,099	7,653,993	8,276,364

POLICE DEPARTMENT

Overview

The 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. The police department also is charged with code enforcement and environmental enforcement responsibilities.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	1,111,706	1,242,324	1,174,358	1,339,500	97,176	7.82%
Supplies & Materials	38,146	52,100	49,025	52,100	-	0.00%
Maintenance & Operations	56,451	80,000	50,911	80,000	-	0.00%
Contract Services	104,508	136,234	92,967	144,405	8,171	6.00%
Utilities	5,696	6,000	6,211	6,000	-	0.00%
Capital Expenses	90,702	186,822	147,669	114,000	(72,822)	-38.98%
Total	1,407,209	1,703,480	1,521,141	1,736,005	32,525	1.91%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	16	16	16
Part Time	0	0	0

Sanger Comprehensive Plan Goals Supported Through Operations

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the Police Department are provided in the September 2019 report on page 217 of this document.

POLICE DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5110 Regular Salaries	774,080	839,985	844,449	923,000
5111 Merit Increase	-	29,400	-	-
5117 Vacation Compensation	6,468	6,800	7,009	13,000
5120 Overtime	41,202	35,000	29,663	45,000
5125 Longevity Pay	7,208	7,544	9,104	8,300
5129 Cell Phone Allowance	8,250	9,000	8,700	9,000
5130 F I C A	62,606	70,972	66,979	77,000
5140 Retirement	65,911	74,404	73,506	83,000
5150 Health Insurance	124,140	124,800	119,927	132,600
5160 Worker's Compensation	19,884	42,889	14,537	47,000
5170 T.E.C.	1,947	1,530	484	1,600
5180 Medical/Physicals	-	-	-	-
5182 Background Checks	10	-	-	-
Total 51-Salaries And Benefits	1,111,706	1,242,324	1,174,358	1,339,500
52-Supplies And Materials				
5210 Office Supplies	5,918	5,500	3,239	5,500
5230 Advertising	-	-	-	-
5235 Dues And Subscriptions	546	-	810	-
5240 Conferences And Training	5,370	-	8,129	-
5245 Janitorial Supplies, Etc.	-	500	-	500
5255 Wearing Apparel	13,377	10,000	7,905	10,000
5260 Safety Equipment	5,641	11,200	7,031	11,200
5265 Drug Prev & Investigation	711	7,000	317	7,000
5266 Child Safety	-	1,500	-	1,500
5275 Filing Fees	720	500	1,230	500
5280 Computer Systems	5,863	900	20,364	900
5298 Non Capital Supplies And Materials	-	15,000	-	15,000
Total 52-Supplies And Materials	38,146	52,100	49,025	52,100
53-Maintenance And Operations				
5310 R & M Building	-	-	-	-
5320 Motor Vehicle Fuel	43,542	56,000	37,344	56,000
5325 R & M Motor Vehicle	11,018	20,000	12,007	20,000
5326 R & M Minor Equipment	50	1,500	118	1,500
5332 Office Machine Lease	1,841	2,500	1,442	2,500
Total 53-Maintenance And Operations	56,451	80,000	50,911	80,000

POLICE DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
54-Contract Services				
5430 Professional Services	27,452	40,500	11,016	40,500
5431 Forensic Analysis Services	-	12,000	-	12,000
5450 Technical Support	29,003	25,000	32,191	32,500
5451 Annual Software Support	12,055	22,500	13,526	22,500
5460 Dispatch Services	35,998	36,234	36,234	36,905
Total 54-Contract Services	104,508	136,234	92,967	144,405
55-Utilities				
5515 Electric	-	-	-	-
5516 Gas Utilities	-	-	-	-
5520 Cell Phone	5,696	6,000	6,211	6,000
Total 55-Utilities	5,696	6,000	6,211	6,000
61-Capital Outlay				
6125 Computer Hardware	-	77,050	37,645	-
6130 Vehicles	84,663	100,772	101,984	105,000
6135 Police Vehicles	6,039	-	-	-
6145 Police Equipment	-	9,000	8,040	9,000
Total 61-Capital Outlay	90,702	186,822	147,669	114,000
Total 20-Police	1,407,209	1,703,480	1,521,141	1,736,005

ANIMAL CONTROL DEPARTMENT

Overview

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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	55,335	57,973	56,055	61,790	3,817	6.58%
Supplies & Materials	71,733	69,500	51,325	69,500	-	0.00%
Maintenance & Operations	4,985	5,500	3,480	5,500	-	0.00%
Total	132,053	132,973	110,860	136,790	3,817	2.87%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	1	1	1
Part Time	0	0	0

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.

ANIMAL CONTROL DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5110 Salaries	37,698	38,004	39,212	42,000
5111 Merit Increase	-	1,330	-	-
5117 Vacation Compensation	710	750	745	700
5120 Overtime	87	1,000	274	1,000
5125 Longevity Pay	264	312	312	400
5129 Cell Phone Allowance	600	600	600	600
5130 F I C A	3,012	3,213	3,142	3,400
5140 Retirement	3,097	3,369	3,362	3,600
5150 Health Insurance	8,547	7,800	7,845	7,800
5160 Worker's Compensation	1,182	1,495	532	2,200
5170 T.E.C.	138	100	31	90
Total 51-Salaries And Benefits	55,335	57,973	56,055	61,790
52-Supplies And Materials				
5210 Office Supplies	-	50	48	50
5235 Dues And Subscriptions	85	250	50	250
5240 Conferences And Training	295	100	350	100
5245 Janitorial Supplies	-	900	-	900
5248 Animal Care Expense	70,480	66,500	50,184	66,500
5250 Tools & Equipment	-	500	-	500
5255 Wearing Apparel	723	700	693	700
5260 Safety Equipment	150	500	-	500
5280 Computers, Printers, Etc	-	-	-	-
Total 52-Supplies And Materials	71,733	69,500	51,325	69,500
53-Maintenance And Operations				
5320 Motor Vehicle Fuel	4,010	4,000	3,298	4,000
5325 R & M Motor Vehicle	975	1,000	182	1,000
5326 R & M Minor Equipment	-	500	-	500
Total 53-Maintenance And Operations	4,985	5,500	3,480	5,500
Total 22-Animal Control	132,053	132,973	110,860	136,790

FIRE DEPARTMENT

Overview

The 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	712,276	1,164,162	762,970	1,228,372	64,210	5.52%
Supplies & Materials	97,590	127,500	121,468	127,500	-	0.00%
Maintenance & Operations	58,718	76,750	61,232	84,000	7,250	9.45%
Contract Services	56,391	54,105	65,648	72,784	18,679	34.52%
Utilities	4,193	4,000	3,462	4,200	200	5.00%
Capital Expenses	39,868	28,400	-	255,000	226,600	797.89%
Debt Service	77,816	77,817	77,817	-	(77,817)	-100.00%
Grant Expenses	-	69,500	5,843	57,500	(12,000)	-17.27%
Total	1,046,852	1,602,234	1,098,440	1,829,356	227,122	735.11%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	7	8	9
Part Time	24	24	24

Sanger Comprehensive Plan Goals Supported Through Operations

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the Fire Department are provided in the September 2019 report on page 219 of this document.

FIRE DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5110 Salaries	318,696	438,619	447,545	472,500
5111 Merit Increase	-	15,352	-	-
5112 Temp/Part-Time Salaries	158,044	240,000	82,049	250,000
5117 Vacation Compensation	1,249	1,350	1,308	4,400
5120 Overtime	69,168	56,313	58,829	60,000
5125 Longevity Pay	2,836	3,072	2,696	3,400
5126 Special Pay	10,241	14,954	12,871	15,000
5129 Cell Phone Allowance	600	600	600	600
5130 F I C A	41,301	58,925	44,512	61,500
5140 Retirement	26,407	39,447	33,132	42,400
5145 Pension Fund	3,035	-	1,681	6,000
5150 Health Insurance	51,154	70,200	59,141	78,000
5160 Worker's Compensation	15,417	29,963	7,807	1,100
5165 Disability Insurance	9,866	-	9,866	10,000
5170 T.E.C.	4,262	3,490	933	37,700
5199 Grant Funded Personnel	-	191,877	-	185,772
Total 51-Salaries And Benefits	712,276	1,164,162	762,970	1,228,372
52-Supplies And Materials				
5210 Office Supplies	1,771	2,500	3,407	2,500
5215 Food	1,115	2,000	977	2,000
5223 Chemical Supplies	750	-	24	-
5225 Maps & Subscriptions	-	1,250	968	1,250
5230 Advertising/Public Education	2,107	500	3,225	500
5235 Dues & Registration	12,163	3,250	8,381	3,250
5240 Conferences And Training	5,275	15,000	7,709	15,000
5245 Janitorial Supplies	-	5,000	-	5,000
5250 Tools & Equipment	902	2,500	1,033	2,500
5255 Wearing Apparel	11,075	11,000	8,470	11,000
5260 Safety Equipment	19,192	33,000	48,686	33,000
5262 Ems Supplies	35,878	38,500	29,936	38,500
5280 Computer Systems	7,362	8,000	4,165	8,000
5285 Furniture & Fixtures	-	5,000	4,487	5,000
Total 52-Supplies And Materials	97,590	127,500	121,468	127,500

FIRE DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
53-Maintenance And Operations				
5310 R & M Building	-	-	-	-
5320 Motor Vehicle Fuel	21,518	19,000	19,343	19,000
5325 R & M Motor Vehicle	24,580	18,500	18,310	25,750
5326 R & M Minor Equipment	5,334	11,500	10,120	11,500
5345 Lease Equipment	5,189	5,000	4,467	5,000
5375 Minor Equipment	2,097	1,750	784	1,750
5376 Hep. B Immunizations	-	1,000	-	1,000
5390 Radios Fire Dept.	-	20,000	8,208	20,000
Total 53-Maintenance And Operations	58,718	76,750	61,232	84,000
54-Contract Services				
5420 Contractual Services	-	3,500	3,000	3,500
5430 Professional Services/Emergicon	35,231	15,000	29,493	15,000
5450 Technical Support	8,752	15,500	16,823	12,000
5451 Annual Software Support	1,605	3,000	1,685	6,609
5453 EMS Vending Services	-	4,200	1,742	4,200
5454 Physio Control Annual Maintenance	-	-	-	18,570
5460 Dispatch Services	10,803	12,905	12,905	12,905
Total 54-Contract Services	56,391	54,105	65,648	72,784
55-Utilities				
5520 Cell Phone	4,193	4,000	3,462	4,200
Total 55-Utilities	4,193	4,000	3,462	4,200
56-Grant Expense				
5610 Grant Expense	-	7,500	5,843	7,500
5624 Grant Match	-	62,000	-	50,000
Total 56-Grant Expense	-	69,500	5,843	57,500
61-Capital Outlay				
6135 Mobile Equipment	39,868	-	-	226,600
6145 Fire Equipment	-	28,400	-	28,400
Total 61-Capital Outlay	39,868	28,400	-	255,000
70-Debt Payments				
7006 Lease Payment	73,425	75,589	75,588	-
7099 Interest Expense	4,391	2,228	2,229	-
Total 70-Debt Payments	77,816	77,817	77,817	-
Total 24-Fire And Ambulance	1,046,852	1,602,234	1,098,440	1,829,356

MUNICIPAL COURT DEPARTMENT

Overview

The 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	104,383	117,189	117,903	136,500	\$19,311	16.48%
Supplies & Materials	5,570	5,300	3,754	6,000	\$700	13.21%
Maintenance & Operations	924	1,200	841	1,000	(\$200)	-16.67%
Contract Services	26,214	27,000	28,218	18,500	(\$8,500)	-31.48%
Court Costs	30,829	48,406	27,872	35,494	(\$12,912)	-26.67%
Total	167,920	199,095	178,588	197,494	(1,601)	-0.80%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	2	2	2
Part Time	2	2	2

Sanger Comprehensive Plan Goals Supported Through Operations

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the Municipal Court Department are provided in the September 2019 report on page 218 of this document.

MUNICIPAL COURT DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5110 Regular Salaries	74,348	81,826	84,538	87,900
5111 Merit Increase	-	2,864	-	-
5112 Part Time Salaries	-	-	-	13,500
5117 Vacation Compensation	-	-	1,040	1,400
5120 Overtime	435	500	496	500
5125 Longevity Pay	964	1,060	1,052	1,200
5130 F I C A	6,739	7,624	7,684	8,000
5140 Retirement	5,960	6,917	7,122	7,500
5150 Health Insurance	15,240	15,600	15,695	15,600
5160 Worker's Compensation	145	479	152	500
5170 T.E.C.	552	319	124	400
Total 51-Salaries And Benefits	104,383	117,189	117,903	136,500
52-Supplies And Materials				
5210 Office Supplies	2,283	1,800	1,521	1,800
5235 Dues And Subscriptions	878	1,100	776	1,550
5240 Conferences And Training	750	1,100	1,403	1,550
5255 Wearing Apparel	-	-	54	-
5280 Computers, Printers, Etc.	1,659	1,000	-	800
5285 Furniture & Fixtures	-	300	-	300
Total 52-Supplies And Materials	5,570	5,300	3,754	6,000
53-Maintenance And Operations				
5310 R & M Building	-	-	-	-
5332 Office Machine Lease	924	1,200	841	1,000
Total 53-Maintenance And Operations	924	1,200	841	1,000
54-Contract Services				
5424 Court Services	13,133	13,500	13,300	-
5425 Legal Services	8,368	8,500	10,025	10,000
5426 Credit Card Fees	1,363	2,500	1,265	2,500
5450 Technical Support	772	2,500	546	6,000
5451 Annual Software Support	2,578	-	3,082	-
Total 54-Contract Services	26,214	27,000	28,218	18,500

MUNICIPAL COURT DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
57-Municipal Fees				
5703 Judicial Fee County Jfct	2,179	3,300	2,147	2,400
5707 State Traffic Fee	4,614	11,600	4,059	6,000
5708 Consolidated Court Cost 04	14,528	21,600	14,312	16,000
5709 State Jury Fee -Sjrf	1,453	2,500	1,431	1,750
5710 Consolidated Court Cost	-	60	-	60
5714 Juvenile Crime & Delinquency	-	18	-	20
5719 Jcpt	-	12	-	14
5721 Tpf Fees	745	830	572	850
5724 Technolgy Fund Expenses	504	-	-	-
5725 Municipal Court Over Payments	-	16	30	20
5731 Fugitive Apprehension	-	60	-	60
5733 Ctvoc	-	72	-	75
5734 Idf (Court)	730	990	716	800
5735 Child Safety &Seat Belt Viol	-	60	-	60
5736 Corr.Mgt.Instit.Cjcf	-	16	-	10
5738 Child Safety Seats	-	32	-	35
5739 Civil Justice Fees	16	40	18	40
5745 Collection Agency Fee	4,230	5,000	2,902	5,000
5746 Time Payment State	385	900	288	600
5751 Tlfta1 - State	1,200	900	1,067	1,300
5752 OTlfta2 - Omni	245	400	330	400
Total 57-Municipal Fees	30,829	48,406	27,872	35,494
Total 26-Municipal Court	167,920	199,095	178,588	197,494

DEVELOPMENT SERVICES DEPARTMENT

Overview

Development Services 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	248,893	313,622	310,146	466,500	\$152,878	48.75%
Supplies & Materials	10,476	14,500	17,723	17,500	\$3,000	20.69%
Maintenance & Operations	2,310	2,990	2,353	2,875	(\$115)	-3.85%
Contract Services	34,075	91,740	60,099	74,740	(\$17,000)	-18.53%
Capital Expenses	-	-	-	76,000	\$76,000	-
Total	295,754	422,852	390,321	637,615	214,763	50.79%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	3	4	6
Part Time	0	0	0

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the Development Services Department are provided in the September 2019 report on page 230 of this document.

DEVELOPMENT SERVICES DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5110 Salaries	189,321	230,274	237,911	348,400
5111 Merit Increase	-	8,060	-	-
5120 Overtime	119	-	409	3,900
5125 Longevity Pay	444	2,000	572	3,400
5129 Cell Phone Allowance	1,000	592	1,800	900
5130 F I C A	13,866	1,800	17,613	3,000
5140 Retirement	14,988	18,416	19,700	27,500
5150 Health Insurance	27,440	19,307	31,333	29,700
5160 Worker's Compensation	1,286	31,200	671	46,800
5170 T.E.C.	429	1,613	137	2,300
5180 Medical Physicals	-	360	-	600
Total 51-Salaries And Benefits	248,893	313,622	310,146	466,500
52-Supplies And Materials				
5200 Books & Supplies	-	-	-	700
5210 Office Supplies	1,891	1,600	1,693	1,600
5230 Advertisement	965	-	57	1,000
5235 Dues And Subscriptions	2,444	1,500	3,797	2,400
5240 Conferences And Training	2,899	3,500	3,255	4,000
5241 Certifications & Training	-	-	-	700
5245 Janitorial Supplies	-	4,000	-	-
5250 Tools & Equipment	-	-	-	200
5255 Wearing Apparel	430	400	65	400
5275 Filing Fees	1,218	1,500	1,347	1,500
5280 Computer Systems	629	2,000	7,509	4,000
5285 Furniture & Fixtures	-	-	-	1,000
Total 52-Supplies And Materials	10,476	14,500	17,723	17,500
53-Maintenance And Operations				
5320 Motor Vehicle Fuel	1,023	1,300	933	1,300
5325 R & M Motor Vehicle	243	600	423	600
5332 Office Machine Lease	1,037	940	997	825
5345 Lease Equipment	7	150	-	150
Total 53-Maintenance And Operations	2,310	2,990	2,353	2,875

DEVELOPMENT SERVICES DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
54-Contract Services				
5426 Credit Card Fees	609	1,500	502	1,000
5430 Professional Services	13,199	65,000	37,045	15,000
5440 Health Inspections	8,850	10,000	8,400	10,000
5450 Technical Support	3,553	4,500	6,244	8,000
5451 Annual Software Support	7,864	10,740	7,908	10,740
5455 Comprehensive Plan Update	-	-	-	30,000
Total 54-Contract Services	34,075	91,740	60,099	74,740
61-Capital Outlay				
6130 Vehicles	-	-	-	76,000
Total 61-Capital Outlay	-	-	-	76,000
Total 28-Development Services	295,754	422,852	390,321	637,615

STREET DEPARTMENT

Overview

The 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	260,400	291,953	231,395	243,800	(48,153)	-16.49%
Supplies & Materials	5,894	11,700	6,015	8,200	(3,500)	-29.91%
Maintenance & Operations	180,440	265,500	219,595	136,500	(129,000)	-48.59%
Contract Services	950	1,000	626	1,000	-	0.00%
Utilities	51,102	55,000	47,938	55,000	-	0.00%
Capital Expenses	51,843	72,000	-	142,000	70,000	97.22%
Debt Service	51,535	51,536	51,535	51,535	(1)	0.00%
Total	602,164	748,689	557,104	638,035	(110,654)	-14.78%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	4	4	4
Part Time	0	0	0

Sanger Comprehensive Plan Goals Supported Through Operations

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the Street Department are provided in the September 2019 report on page 235 of this document.

STREET DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5110 Regular Salaries	178,970	191,868	163,858	164,500
5111 Merit Increase	-	6,715	-	-
5117 Vacation Compensation	1,483	1,600	1,200	2,600
5120 Overtime	1,897	500	444	500
5125 Longevity	1,484	1,532	1,572	1,700
5129 Cell Phone Allowance	600	1,200	600	600
5130 F I C A	15,152	15,562	12,203	13,000
5140 Retirement	16,328	16,314	13,739	14,000
5150 Health Insurance	35,344	31,200	29,021	31,200
5160 Workers Comp	8,466	25,081	8,638	15,300
5170 T.E.C.	619	381	120	400
5180 Medical/Physicals	57	-	-	-
Total 51-Salaries And Benefits	260,400	291,953	231,395	243,800
52-Supplies And Materials				
5223 Chemical Supplies	582	2,000	99	1,000
5235 Dues And Subscriptions	507	-	-	-
5240 Conferences And Training	166	2,000	311	1,000
5250 Tools & Equipment	1,153	1,500	1,074	1,500
5255 Wearing Apparel	2,104	4,000	3,215	2,500
5260 Safety Equipment	1,382	2,200	1,316	2,200
Total 52-Supplies And Materials	5,894	11,700	6,015	8,200
53-Maintenance And Operations				
5310 R & M Building	-	-	-	-
5320 Motor Vehicle Fuel	10,505	12,000	9,139	11,000
5325 R & M Motor Vehicle	19,111	12,000	7,567	12,000
5326 R & M Minor Equipment	2,492	4,000	1,336	3,500
5360 System Maintenance	140,978	225,000	199,656	100,000
5380 Street Signs	7,354	12,500	1,897	10,000
Total 53-Maintenance And Operations	180,440	265,500	219,595	136,500
54-Contract Services				
5420 Contract Services	950	1,000	626	1,000
Total 54-Contract Services	950	1,000	626	1,000

STREET DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
55-Utilities				
5515 Electric	51,102	55,000	47,938	55,000
Total 55-Utilities	51,102	55,000	47,938	55,000
61-Capital Outlay				
6113 Sidewalk Improvements	42,995	50,000	-	20,000
6115 Cul De Sac Replacement	-	-	-	70,000
6120 Building Improvements	8,848	10,000	-	-
6130 Vehicles	-	7,000	-	52,000
6145 Streets Equipment	-	5,000	-	-
Total 61-Capital Outlay	51,843	72,000	-	142,000
70-Debt Payments				
7006 Lease Payment	40,931	42,301	42,347	43,716
7099 Interest Expense	10,604	9,235	9,188	7,819
Total 70-Debt Payments	51,535	51,536	51,535	51,535
Total 30-Streets	602,164	748,689	557,104	638,035

PARKS DEPARTMENT

Overview

The Parks Department is responsible for the maintenance operations associated with all City Park and Facilities; this 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	282,040	289,069	250,605	236,900	(52,169)	-18.05%
Supplies & Materials	28,934	40,100	23,120	40,100	-	0.00%
Maintenance & Operations	56,453	69,567	61,380	69,992	425	0.61%
Contract Services	104,227	131,800	108,478	147,800	16,000	12.14%
Utilities	18,767	24,350	18,958	24,400	50	0.21%
Capital Expenses	45,208	37,000	89,515	34,000	(3,000)	-8.11%
Total	535,629	591,886	552,056	553,192	(38,694)	-6.54%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	4	4	3.5
Part Time	0	0	0

Sanger Comprehensive Plan Goals Supported Through Operations

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the Parks Department are provided in the September 2019 report on page 237 of this document.

PARKS DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5110 Regular Salaries	186,676	188,270	164,103	158,500
5111 Merit Increase	-	6,590	-	-
5117 Vacation Compensation	1,192	1,300	2,054	2,500
5119 Standby Pay	108	3,512	4,631	3,600
5120 Overtime	10,715	6,000	9,311	6,000
5125 Longevity Pay	1,744	1,936	1,936	2,000
5128 Auto Allowance	6,000	6,000	6,000	3,000
5129 Cell Phone Allowance	600	600	600	300
5130 F I C A	15,595	16,387	13,986	13,500
5140 Retirement	16,304	17,180	15,303	14,500
5150 Health Insurance	33,796	31,200	29,064	27,300
5160 Worker's Compensation	8,758	9,661	3,488	5,300
5170 T.E.C.	552	433	129	400
Total 51-Salaries And Benefits	282,040	289,069	250,605	236,900
52-Supplies And Materials				
5210 Office Supplies	1,073	600	401	600
5211 Landscape Material	34	5,000	2,026	5,000
5223 Chemical Supplies	10,395	26,000	10,643	26,000
5230 Advertising	9,645	500	2,576	500
5235 Dues And Subscriptions	1,148	600	837	600
5240 Conferences And Training	1,877	3,000	2,387	3,000
5250 Tools & Equipment	2,458	2,800	1,966	2,800
5255 Wearing Apparel	2,304	1,600	2,284	1,600
Total 52-Supplies And Materials	28,934	40,100	23,120	40,100
53-Maintenance And Operations				
5320 Motor Vehicle Fuel	8,788	13,000	9,307	13,000
5325 R & M Motor Vehicle	3,526	5,000	4,307	5,000
5326 R & M Minor Equipment	1,367	3,000	629	3,000
5329 Christmas Lights & Accessories	1,982	4,000	3,532	4,000
5332 Office Machine Lease	1,037	1,867	997	825
5333 Flags	2,720	1,500	1,500	2,000
5343 Park Maintenance	34,360	37,000	36,436	37,367
5345 Lease Equipment	2,400	3,200	4,484	3,800
5360 System Maintenance	273	1,000	188	1,000
Total 53-Maintenance And Operations	56,453	69,567	61,380	69,992

PARKS DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
54-Contract Services				
5450 Technical Support	-	-	-	1,000
5471 Contract Tree Maintenance	9,000	7,200	18,439	7,200
5472 Contract Mowing	95,227	124,600	90,039	139,600
Total 54-Contract Services	104,227	131,800	108,478	147,800
55-Utilities				
5515 Electric	18,482	24,000	18,727	24,000
5520 Cell Phone	285	350	231	400
Total 55-Utilities	18,767	24,350	18,958	24,400
61-Capital Outlay				
6130 Vehicles	42,422	-	-	-
6140 Parks Improvements	2,786	37,000	89,515	34,000
Total 61-Capital Outlay	45,208	37,000	89,515	34,000
Total 32-Parks	535,629	591,886	552,056	553,192

RECREATION DEPARTMENT

Overview

The 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	56,854	60,222	58,659	62,900	2,678	4.45%
Supplies & Materials	18,923	14,700	13,521	17,750	3,050	20.75%
Maintenance & Operations	-	1,250	160	1,250	-	0.00%
Contract Services	-	-	-	1,000	1,000	-
Total	75,777	76,172	72,340	82,900	6,728	8.83%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	1	1	1
Part Time	0	0	0

Sanger Comprehensive Plan Goals Supported Through Operations

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the Recreation Department are provided in the September 2019 report on page 237 of this document.

RECREATION DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5110 Regular Salaries	40,897	41,680	43,003	44,500
5111 Merit Increase	-	1,459	-	-
5117 Vacation Compensation	-	-	-	700
5120 Overtime	-	1,000	-	1,000
5125 Longevity Pay	260	308	308	400
5129 Cell Phone Allowance	600	600	600	600
5130 F I C A	3,196	3,446	3,346	3,600
5140 Retirement	3,284	3,613	3,590	3,900
5150 Health Insurance	8,479	7,800	7,798	7,800
5160 Worker's Compensation	138	216	-	300
5170 T.E.C.	-	100	14	100
Total 51-Salaries And Benefits	56,854	60,222	58,659	62,900
52-Supplies And Materials				
5215 Food	737	700	673	750
5230 Advertising	987	1,000	985	1,000
5235 Dues & Subscriptions	225	500	500	500
5240 Conferences & Training	164	500	500	500
5270 Program Supplies/Special Events	16,810	12,000	10,863	15,000
5280 Computers	-	-	-	-
Total 52-Supplies And Materials	18,923	14,700	13,521	17,750
53-Maintenance And Operations				
5347 Vandalism Replacement	-	250	160	250
5360 System Maintenance	-	1,000	-	1,000
Total 53-Maintenance And Operations	-	1,250	160	1,250
54-Contract Services				
5450 Technical Support	-	-	-	1,000
Total 54-Contract Services	-	-	-	1,000
Total 34-Recreation	75,777	76,172	72,340	82,900

LIBRARY DEPARTMENT

Overview

The 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	220,778	246,639	242,031	256,100	9,461	3.84%
Supplies & Materials	27,593	33,050	29,398	33,160	110	0.33%
Maintenance & Operations	3,661	3,500	5,595	6,250	2,750	78.57%
Contract Services	5,215	7,310	7,380	7,960	650	8.89%
Total	257,247	290,499	284,404	303,470	12,971	4.47%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	3	3	3
Part Time	3	3	3

Sanger Comprehensive Plan Goals Supported Through Operations

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the Library Department are provided in the September 2019 report on page 238 of this document.

LIBRARY DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget	
51-Salaries And Benefits					
5110	Regular Salaries	134,697	148,147	150,304	157,900
5111	Merit Increase	-	6,418	-	-
5112	Temp/Part Time Salaries	32,506	35,720	37,481	38,800
5117	Vacation Compensation	1,104	1,200	552	2,500
5125	Longevity Pay	1,296	200	1,440	200
5129	Cell Phone Allowance	1,200	1,440	1,200	1,600
5130	F I C A	12,985	1,200	14,576	1,200
5140	Retirement	10,875	14,828	12,555	15,500
5150	Health Insurance	25,366	12,621	23,488	13,500
5160	Worker's Compensation	607	23,400	301	23,400
5170	T.E.C.	142	911	134	900
5180	Medical/Physicals	-	554	-	600
Total 51-Salaries And Benefits		220,778	246,639	242,031	256,100
52-Supplies And Materials					
5200	Print Books/Materials	7,744	9,000	9,469	9,000
5201	Periodicals	643	650	653	660
5202	E-Books And E-Audio	3,145	3,700	2,775	3,100
5203	Audiobooks	1,274	2,000	2,106	2,000
5204	DVDs	1,418	1,500	989	1,500
5205	Other Electronic Services	1,258	450	-	750
5206	Other Collection Materials	-	300	-	-
5207	Library Supplies	928	1,000	985	1,300
5208	Program Supplies	1,138	1,200	1,128	1,400
5209	Yoga Services	3,911	5,000	3,850	5,000
5210	Office Supplies	2,423	2,500	2,354	2,500
5215	Food	63	75	13	125
5235	Dues & Registrations	1,555	-	1,118	-
5240	Conferences And Training	1,528	1,675	1,973	1,675
5245	Janitorial Supplies	-	1,750	-	2,050
5280	Computer Systems	565	1,200	797	1,200
5285	Furniture And Fixtures	-	1,050	1,188	900
Total 52-Supplies And Materials		27,593	33,050	29,398	33,160
53-Maintenance And Operations					
5326	R&M Minor Equipment	566	700	611	1,000
5332	Office Machine Lease	3,095	2,800	4,984	5,250
Total 53-Maintenance And Operations		3,661	3,500	5,595	6,250

LIBRARY DEPARTMENT EXPENDITURES

		2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
	54-Contract Services				
5420	Contractual Services	2,513	3,050	2,722	3,200
5430	Professional Services	400	-	-	-
5450	Technical Support	561	1,100	1,110	1,100
5451	Annual Software Support	1,741	3,160	3,548	3,660
	Total 54-Contract Services	5,215	7,310	7,380	7,960
	Total 42-Library	257,247	290,499	284,404	303,470

SOLID WASTE DEPARTMENT

Overview

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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Contract Services	755,190	770,000	841,394	850,000	80,000	10.39%
Total Solid Waste	755,190	770,000	841,394	850,000	80,000	10.39%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	0	0	0
Part Time	0	0	0

Sanger Comprehensive Plan Goals Supported Through Operations

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

SOLID WASTE DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
54-Contract Services				
5420 Contractual	755,190	770,000	841,394	850,000
Total 54-Contract Services	755,190	770,000	841,394	850,000
Total 66-Solid Waste	755,190	770,000	841,394	850,000

TRANSFERS TO OTHER FUNDS

Overview

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

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Transfers	964,258	1,284,320	1,205,619	1,311,507	27,187	2.12%
Total	964,258	1,284,320	1,205,619	1,311,507	27,187	2.12%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	0	0	0
Part Time	0	0	0

TRANSFERS TO OTHER FUNDS

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
74-Transfers				
7404 Transfer To Capital Improvement Fund	460,000	675,000	675,000	675,000
7499 Transfer To Internal Service Fund	504,258	609,320	530,619	636,507
Total Transfers	964,258	1,284,320	1,205,619	1,311,507



DEBT SERVICE FUND

DEBT SERVICE FUND

Overview

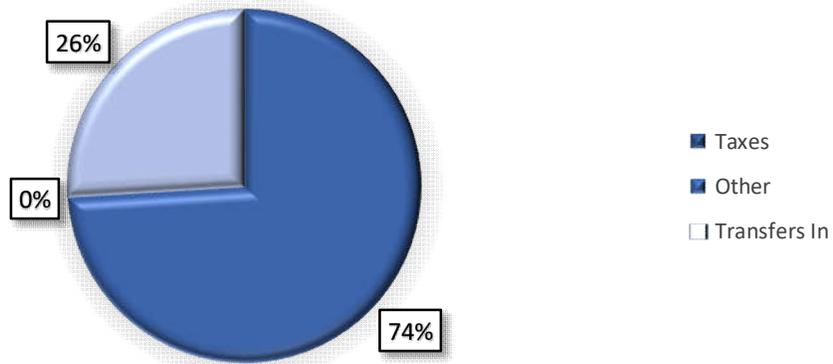
The Debt Service Fund accounts for the receipt of funds from a tax levy and other sources for the accumulation of funds to meet the principal and interest obligations on General Fund Obligations.

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 \$0.591577 per \$100 assessed valuation for maintenance and operations plus \$0.087523 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.

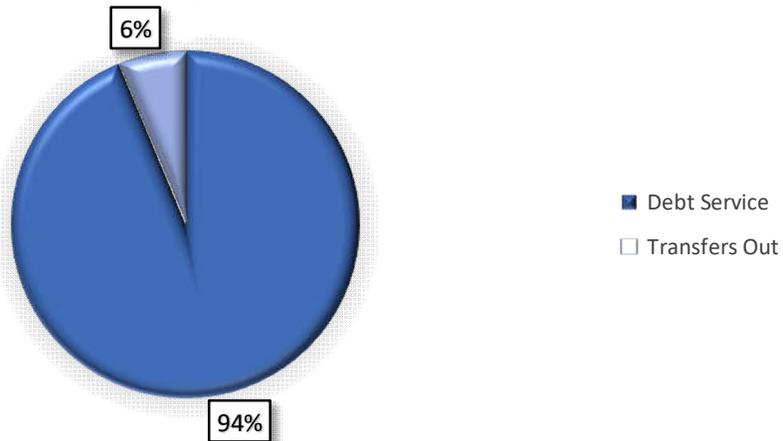
The basis of accounting for the Debt Service Fund for both financial reporting and budgeting is the modified accrual basis.

DEBT SERVICE FUND BUDGET SUMMARY

Debt Service Fund Revenues 2019-20



Debt Service Fund Expenses 2019-20



DEBT SERVICE FUND BUDGET SUMMARY

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	4,559,294	4,555,934	4,555,934	4,576,180
Revenues				
Property Taxes	675,212	695,056	721,281	606,173
Interest Income	114	100	475	100
Total General Fund Revenues	675,326	695,156	721,756	606,273
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	887,826	907,656	934,256	818,773
Expenditures				
Debt Service	783,187	788,199	784,658	776,918
Total Expenditures	783,187	788,199	784,658	776,918
Other Uses				
Transfers Out	107,999	129,352	129,352	51,535
Total Other Uses	107,999	129,352	129,352	51,535
Total Expenses/Uses	891,186	917,551	914,010	828,453
Excess of Revenues/Sources over Expenditures/Uses	(3,360)	(9,895)	20,246	(9,680)
Ending Fund Balance	4,555,934	4,546,039	4,576,180	4,566,500

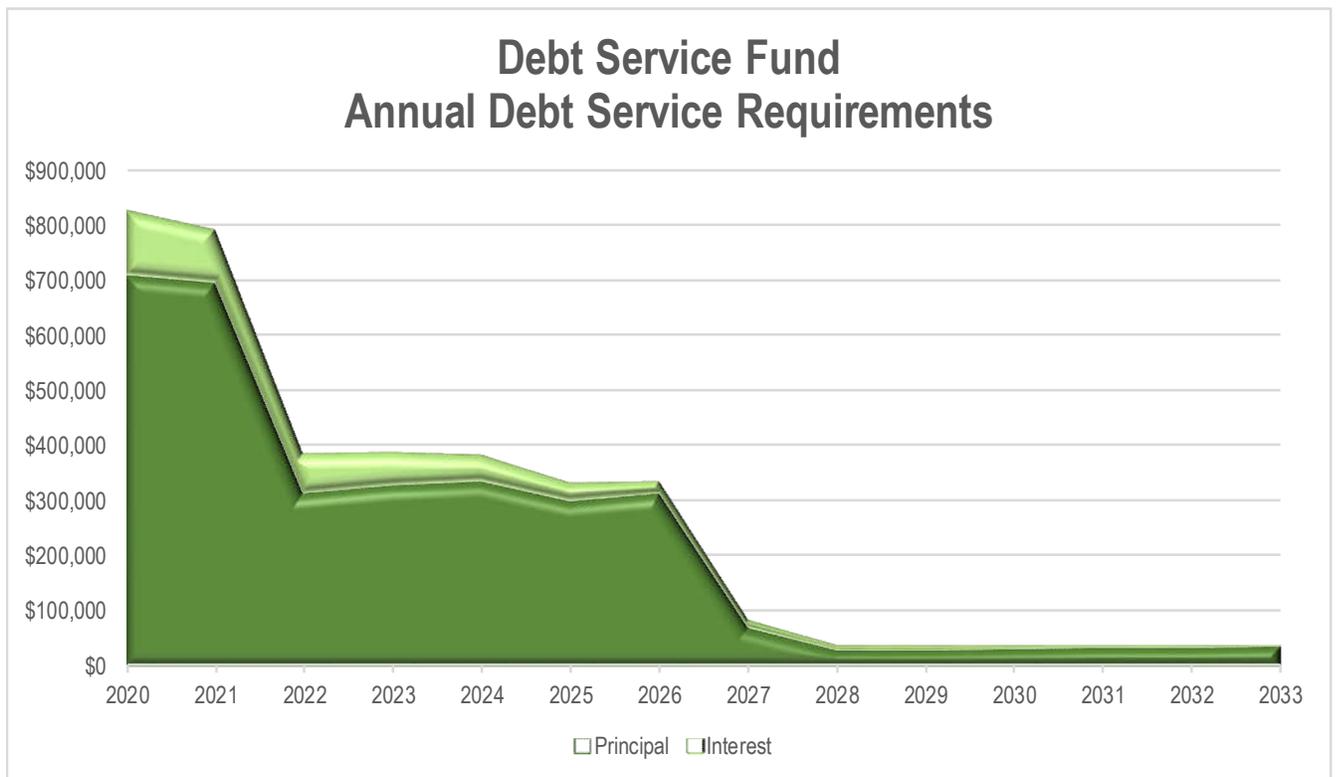
DEBT SERVICE FUND EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget	
70-Debt Payments					
7023	Co 2007 Principal	28,900	30,600	30,600	32,300
7024	Co 2007 Interest	15,906	14,661	14,660	13,314
7026	Co 2009 Principal	180,000	190,000	186,656	-
7027	Co 2009 Interest	85,425	78,225	78,029	-
7028	Refunding 2012 Principal	156,200	162,800	162,800	169,400
7029	Refunding 2012 Interest	17,798	13,112	13,112	8,228
7030	Co 2013 Principal	21,000	21,000	21,000	21,600
7031	Co 2013 Interest	18,030	17,505	17,505	16,980
7037	Refunding 2016 Principal	220,800	230,000	230,000	241,500
7038	Refunding 2016 Interest	37,628	28,796	28,796	19,596
7039	Refunding 2019 Principal	-	-	-	200,000
7040	Refunding 2019 Interest	-	-	-	52,500
7080	Bond Administration Fees	1,500	1,500	1,500	1,500
Total Debt Payments		\$ 783,187	\$ 788,199	\$ 784,658	\$ 776,918
74-Transfers					
7401	Transfer To General Fund	107,999	129,352	129,352	51,535
Total 74-Transfers		107,999	129,352	129,352	51,535
Total Debt Service		891,186	917,551	914,010	828,453

DEBT SERVICE FUND REQUIREMENTS

Debt Service Fund Annual Debt Service Requirements

Fiscal Year	Principal	Interest	Total
2020	708,516	118,437	826,953
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	3,267,004	495,448	3,762,452



ENTERPRISE FUND

ENTERPRISE FUND

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.

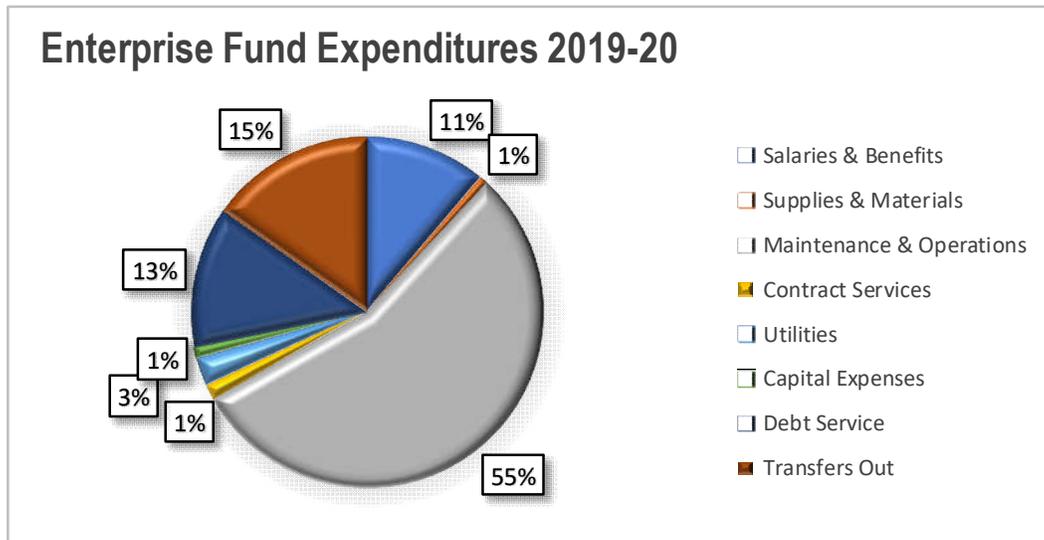
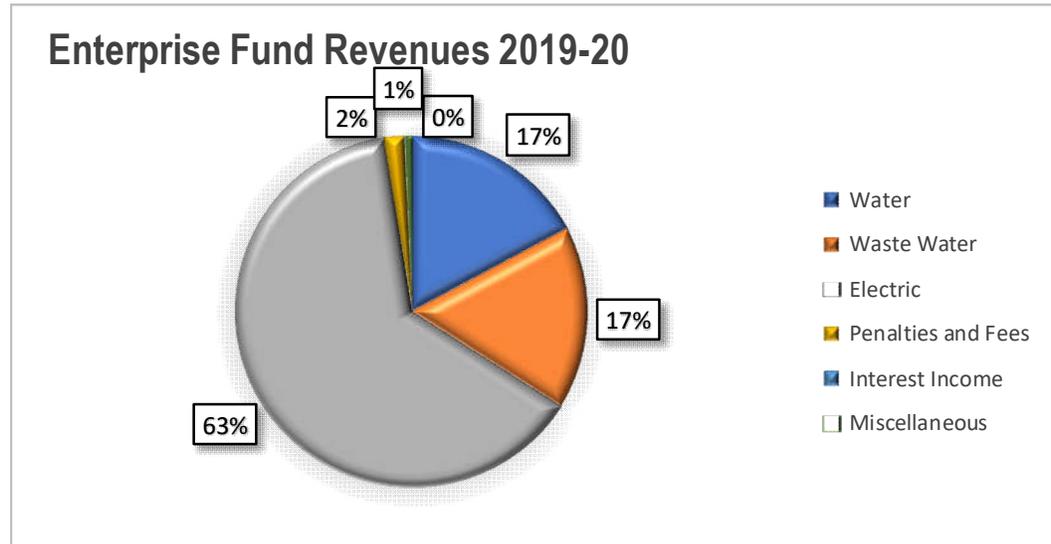
The Enterprise Fund receives revenues from the billing of water, waste water and electric, interest income and other miscellaneous revenue sources.

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

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	17,769,314	19,082,518	19,082,518	19,660,137
Revenues				
Water	2,066,761	2,027,811	2,075,583	2,087,800
Waste Water	1,911,868	1,964,975	1,981,279	2,036,650
Electric	8,042,245	7,701,930	7,674,766	7,700,000
Penalties and Fees	217,612	217,000	202,032	211,000
Interest Income	17,059	15,000	126,962	15,000
Miscellaneous	73,654	68,250	212,547	68,250
Total Enterprise Fund Revenues	12,329,199	11,994,966	12,273,169	12,118,700
Expenditures				
Salaries & Benefits	1,201,405	1,277,423	1,206,766	1,341,008
Supplies & Materials	68,037	107,640	97,438	95,400
Maintenance & Operations	6,841,094	6,611,992	6,784,668	6,662,146
Contract Services	109,299	203,355	128,227	168,100
Utilities	253,469	320,700	235,087	305,700
Capital Expenses	32,871	126,600	-	131,500
Debt Service	806,417	1,630,086	1,585,237	1,571,942
Total Expenditures	9,312,592	10,277,796	10,037,423	10,275,796
Other Uses				
Transfers Out	1,703,403	1,779,465	1,658,127	1,842,904
Total Other Uses	1,703,403	1,779,465	1,658,127	1,842,904
Total Expenses/Uses	11,015,995	12,057,261	11,695,550	12,118,700
Excess of Revenues/Sources over Expenditures/Uses	1,313,204	(62,295)	577,619	-
Ending Fund Balance	19,082,518	19,020,223	19,660,137	19,660,137

ENTERPRISE FUND REVENUES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Water				
4110 Water Billing	2,044,611	1,987,811	2,051,190	2,057,800
4112 Water Meter Revenue	22,150	40,000	24,393	30,000
Total Water	2,066,761	2,027,811	2,075,583	2,087,800
4120 Total Sewer	1,911,868	1,964,975	1,981,279	2,036,650
Electric				
4140 Electric Income	7,842,534	7,481,930	7,519,701	7,600,000
4141 Security Lights	63,411	70,000	61,766	65,000
4145 Construction Income	111,411	125,000	67,756	10,000
4146 Pole Contact Fee	19,565	20,000	19,565	20,000
4147 Saw Set Pole Fees	5,016	5,000	5,580	5,000
4148 Meter Bases	308	-	398	-
Total Electric	8,042,245	7,701,930	7,674,766	7,700,000
Penalties & Fees				
4151 Penalties	158,612	151,000	139,522	151,000
4152 Service Fees	59,000	66,000	62,510	60,000
Total Penalties and Fees	217,612	217,000	202,032	211,000
4800 Total Interest	17,059	15,000	126,962	15,000
Miscellaneous Income				
4910 Miscellaneous Income	27,390	10,000	161,360	10,000
4913 Credit Card Fees	44,619	56,250	49,542	56,250
4930 Returned Check Fees	1,645	2,000	1,645	2,000
4946 Insurance Damage Reimbursement	-	-	-	-
Total Miscellaneous	73,654	68,250	212,547	68,250
Total Revenues	12,329,199	11,994,966	12,273,169	12,118,700

WATER DEPARTMENT

Overview

The 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	363,408	404,640	367,337	411,880	7,240	1.79%
Supplies & Materials	17,140	22,500	25,679	21,200	(1,300)	-5.78%
Maintenance & Operations	642,564	681,017	721,683	698,243	17,226	2.53%
Contract Services	3,688	6,500	4,234	7,000	500	7.69%
Utilities	150,603	150,400	126,877	155,400	5,000	3.32%
Capital Expenses	-	104,600	-	60,000	(44,600)	-42.64%
Total	1,177,403	1,369,657	1,245,810	1,353,723	(15,934)	-1.16%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	6	6	6
Part Time	0	0	0

Sanger Comprehensive Plan Goals Supported Through Operations

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the Water Department are provided in the September 2019 report on page 236 of this document.

WATER DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5110 Regular Salaries	234,709	249,889	246,048	264,700
5111 Merit Increase	-	8,746	-	-
5117 Vacation Compensation	3,781	4,000	2,383	4,100
5119 Standby Pay	38	2,677	3,063	3,300
5120 Overtime	23,132	26,000	19,694	26,000
5125 Longevity Pay	2,028	2,136	2,100	2,280
5129 Cell Phone Allowance	600	600	600	600
5130 F I C A	19,910	22,495	20,388	23,100
5140 Retirement	22,208	23,583	22,225	24,900
5150 Health Insurance	47,750	46,800	43,940	46,800
5160 Worker's Compensation	8,423	17,084	6,760	15,500
5170 T.E.C.	829	630	136	600
Total 51-Salaries And Benefits	363,408	404,640	367,337	411,880
52-Supplies And Materials				
5220 Postage	1,977	1,500	988	500
5223 Chemical Supplies	5,639	6,000	7,758	6,000
5230 Advtg (Wa. Drinking)	638	1,300	2,758	3,500
5235 Dues And Subscriptions	959	3,000	2,862	200
5240 Conferences And Training	145	200	581	3,000
5250 Minor Tools	2,912	5,000	5,807	3,000
5255 Wearing Apparel	3,493	3,000	3,932	3,000
5260 Safety Equipment	1,377	2,500	993	2,000
Total 52-Supplies And Materials	17,140	22,500	25,679	21,200
53-Maintenance And Operations				
5320 Motor Vehicle Fuel	17,755	15,000	16,260	15,000
5325 R & M Motor Vehicle	6,786	7,500	8,693	8,000
5326 R & M Minor Equipment	70	5,000	1,226	2,000
5335 Permit Fees	14,481	34,500	7,502	34,500
5345 Lease Equipment	585	800	975	1,000
5350 Franchise Fees	99,000	107,342	99,000	111,119
5360 System Maintenance	73,139	100,000	87,974	100,000
5372 Water Meter & Boxes	60,167	65,000	50,792	65,000
5373 R & M Water Wells	51,774	30,000	147,178	30,000
5374 R & M Scada	8,874	10,000	6,583	10,000
5377 Testing	18,130	10,000	7,399	10,000
5385 Water Purchase	84,752	75,000	68,276	85,000
5386 Utility Demand Charge	214,100	220,875	219,825	226,624
5399 Inventory Adjustment	(7,049)	-	-	-
Total 53-Maintenance And Operations	642,564	681,017	721,683	698,243

WATER DEPARTMENT EXPENDITURES

50-Water Expenditures		2017-18	2018-19	2018-19	2019-20
		Actual	Budget	Estimate	Budget
54-Contract Services					
5430	Professional Svcs	-	3,000	-	3,000
5450	Technical Support	3,688	3,500	4,234	4,000
Total 54-Contract Services		3,688	6,500	4,234	7,000
55-Utilities					
5515	50-5515 Electric	150,319	150,000	126,438	155,000
5520	50-5520 Cell Phone	284	400	439	400
Total 55-Utilities		150,603	150,400	126,877	155,400
61-Capital Outlay					
6145	Water Equipment	-	104,600	-	60,000
Total 61-Capital Outlay		-	104,600	-	60,000
Total 50-Water		1,177,403	1,369,657	1,245,810	1,353,723

WASTE WATER DEPARTMENT

Overview

The 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	175,745	214,408	189,872	252,628	38,220	17.83%
Supplies & Materials	14,287	38,140	28,913	27,200	(10,940)	-28.68%
Maintenance & Operations	321,365	287,609	243,325	336,479	48,870	16.99%
Contract Services	14,590	3,500	889	4,000	500	14.29%
Utilities	102,582	170,000	107,958	150,000	(20,000)	-11.76%
Total	628,569	713,657	570,957	770,307	56,650	7.94%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	2	3	3
Part Time	0	0	0

Sanger Comprehensive Plan Goals Supported Through Operations

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the Waste Water Department are provided in the September 2019 report on page 236 of this document.

WASTE WATER DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5110 Regular Salaries	103,459	137,075	117,337	174,000
5111 Merit Increase	-	4,798	-	-
5117 Vacation Compensation	1,791	1,900	1,889	1,600
5119 Standby Pay	-	4,073	4,707	4,100
5120 Overtime	27,644	10,000	21,118	10,000
5125 Longevity Pay	988	1,132	2,064	1,228
5129 Cell Phone Allowance	600	600	725	600
5130 F I C A	9,269	12,208	11,330	14,700
5140 Retirement	11,055	12,798	13,188	15,800
5150 Health Insurance	17,102	23,400	16,268	23,400
5160 Worker's Compensation	2,904	6,064	1,112	6,900
5170 T.E.C.	933	360	134	300
Total 51-Salaries And Benefits	175,745	214,408	189,872	252,628
52-Supplies And Materials				
5223 Chemical Supplies	11,533	30,000	25,094	20,000
5235 Dues And Subscriptions	-	1,500	905	1,500
5240 Conferences And Training	118	-	-	500
5250 Tools & Equipment	24	1,500	625	1,500
5255 Wearing Apparel	275	1,140	925	1,200
5260 Safety Equipment	110	2,000	305	1,000
5270 Laboratory Supplies	2,227	1,500	1,059	1,500
5285 Furniture And Fixtures	-	500	-	-
Total 52-Supplies And Materials	14,287	38,140	28,913	27,200
53-Maintenance And Operations				
5310 R & M Building	-	-	884	-
5325 R & M Motor Vehicle	1,658	1,000	4,434	1,000
5326 R & M Equipment	-	500	-	500
5335 Permit Fees	5,524	10,000	5,524	10,000
5350 Franchise Fees	94,080	106,109	94,080	109,979
5360 System Maintenance	141,395	150,000	80,937	130,000
5377 Testing	75,884	20,000	9,985	20,000
5387 Sludge Removal	2,824	-	47,481	65,000
Total 53-Maintenance And Operations	321,365	287,609	243,325	336,479

WASTE WATER DEPARTMENT EXPENDITURES

54-Waste Water Expenditures		2017-18	2018-19	2018-19	2019-20
		Actual	Budget	Estimate	Budget
54-Contract Services					
5430	Professional Services	13,941	3,000	-	3,000
5450	Technical Support	649	500	889	1,000
Total 54-Contract Services		14,590	3,500	889	4,000
55-Utilities					
5515	Electric	102,582	150,000	107,958	150,000
5535	Solid Waste	-	20,000	-	-
Total 55-Utilities		102,582	170,000	107,958	150,000
Total 54-Waste Water		628,569	713,657	570,957	770,307

ELECTRIC DEPARTMENT

Overview

The 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	662,252	658,375	649,557	676,500	18,125	2.75%
Supplies & Materials	36,610	47,000	42,846	47,000	-	0.00%
Maintenance & Operations	5,877,165	5,643,366	5,819,660	5,627,424	(15,942)	-0.28%
Contract Services	91,021	193,355	123,104	157,100	(36,255)	-18.75%
Utilities	284	300	252	300	-	0.00%
Capital Expenses	32,871	22,000	-	71,500	49,500	225.00%
Debt Service	2,390	56,464	1,615	-	(56,464)	-100.00%
Total	6,702,593	6,620,860	6,637,034	6,579,824	(41,036)	-0.62%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	7	7	7
Part Time	0	0	0

Sanger Comprehensive Plan Goals Supported Through Operations

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the Electric Department are provided in the September 2019 report on page 234 of this document.

ELECTRIC DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5110 Regular Salaries	487,902	453,130	467,264	480,700
5111 Merit Increase	-	15,860	-	-
5117 Vacation Compensation	5,674	6,000	6,836	7,400
5119 Standby Pay	197	12,410	11,834	12,800
5120 Overtime	10,127	13,062	14,371	7,500
5125 Longevity Pay	5,728	6,064	6,064	6,400
5128 Automobile Allowance	6,000	6,000	6,000	6,000
5129 Cell Phone Allowance	1,800	1,800	1,800	1,800
5130 F I C A	34,718	39,347	36,115	40,000
5140 Retirement	43,345	41,251	41,520	43,100
5150 Health Insurance	59,838	54,600	54,815	54,600
5160 Worker's Compensation	6,766	8,131	2,800	15,500
5170 T.E.C.	157	720	138	700
Total 51-Salaries And Benefits	662,252	658,375	649,557	676,500
52-Supplies And Materials				
5210 Office Supplies	2,253	2,000	1,168	2,000
5215 Food	327	500	515	500
5230 Advertising	605	900	993	900
5235 Dues And Subscriptions	12,526	7,500	8,193	7,500
5240 Conferences And Training	6,656	7,500	7,711	7,500
5250 Tools & Equipment	2,230	12,000	13,533	12,000
5255 Wearing Apparel	6,842	8,600	5,154	8,600
5260 Safety Equipment	5,171	8,000	5,579	8,000
Total 52-Supplies And Materials	36,610	47,000	42,846	47,000
53-Maintenance And Operations				
5320 Motor Vehicle Fuel	11,915	15,000	11,471	15,000
5325 R & M Motor Vehicle	15,068	20,000	10,484	20,000
5326 R & M Minor Equipment	1,107	4,000	4,206	4,000
5329 Christmas Display	380	3,800	3,937	3,800
5330 Equipment Rental	106	3,000	646	3,000
5340 Hazardous Waste Disposal	-	1,000	-	1,000
5345 Lease Equipment	1,008	1,500	1,680	1,500
5347 Vandalism Replacement	-	1,000	-	1,000
5350 Franchise Fees	406,000	404,024	406,000	404,024
5355 Meter Maintenance	21,840	14,500	165	14,500
5360 System Maintenance	96,501	141,024	168,507	125,000
5365 Transformers	53,175	49,000	7,098	49,000
5384 Transmission Costs	947,527	882,250	954,150	882,250
5385 Wholesale Utility Purchase	4,367,121	4,101,268	4,245,102	4,101,350
5390 Radios Electric	-	2,000	1,874	2,000
5399 Inventory Adjustment	(44,583)	-	4,340	-
Total 53-Maintenance And Operations	5,877,165	5,643,366	5,819,660	5,627,424

ELECTRIC DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
54-Contract Services				
5430 Professional Services	25,000	40,000	15,000	35,000
5440 Engineering Architect	9,587	6,000	5,711	10,000
5450 Technical Support	7,839	5,600	7,280	7,500
5451 Annual Software Support	1,402	2,000	1,472	2,000
5470 Contract Utility Work	16,982	86,155	64,529	46,500
5471 Contract Tree Trimming	28,728	28,600	28,837	28,600
5472 Contractual Services	1,483	25,000	275	2,500
5473 LCRA Transmission Service	-	-	-	25,000
Total 54-Contract Services	91,021	193,355	123,104	157,100
55-Utilities				
5520 Cell Phone	284	300	252	300
Total 55-Utilities	284	300	252	300
61-Capital Outlay				
6180 Electric System Improvements	32,871	22,000	-	71,500
Total 61-Capital Outlay	32,871	22,000	-	71,500
70-Debt Payments				
7020 Lease Payment	-	54,847	-	-
7099 Interest Expense	2,390	1,617	1,615	-
Total Other Expenditures	2,390	56,464	1,615	-
Total 58-Electric	6,702,593	6,620,860	6,637,034	6,579,824

ENTERPRISE FUND DEBT SERVICE

Overview

Debt Service is used to pay principal, interest, and bond fees on the City's debt.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Debt Service	804,027	1,573,622	1,583,622	1,571,942	(1,680)	-0.11%
Total	804,027	1,573,622	1,583,622	1,571,942	(1,680)	-0.11%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	0	0	0
Part Time	0	0	0

ENTERPRISE FUND DEBT SERVICE EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget	
70-Debt Payments					
7025	Co 2007 Principal	-	59,400	59,400	62,700
7026	Co 2007 Interest	30,902	28,460	28,460	25,846
7028	Go Refunding 2012 Principal	-	207,200	207,200	215,600
7029	Go Refunding 2012 Interest	22,652	16,688	16,688	10,472
7030	Co 2013 Principal	-	154,000	154,000	158,400
7032	Co 2013 Interest	132,220	128,370	138,370	124,520
7035	Co 2015 Principal	-	115,000	115,000	110,000
7036	Co 2015 Interest	194,650	192,350	192,350	189,550
7037	Refunding 2016 Principal	-	270,000	270,000	283,500
7038	Refunding 2016 Interest	44,172	33,804	33,804	23,004
7040	GO 2017 Interest	363,545	366,600	366,600	366,600
7080	Bond Administration Fees	1,500	1,750	1,750	1,750
7099	Interest Expense	14,386	-	-	-
Total Debt Service		804,027	1,573,622	1,583,622	1,571,942

TRANSFERS TO OTHER FUNDS

Overview

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

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Transfers	1,703,403	1,779,465	1,658,127	1,842,904	63,439	3.57%
Total	1,703,403	1,779,465	1,658,127	1,842,904	63,439	3.57%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	0	0	0
Part Time	0	0	0

TRANSFERS TO OTHER FUNDS

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
74-Transfers				
Transfer To General Fund	100,000	-	-	-
Transfer To 4A	25,000	-	-	-
Transfer To WW Cap	156,800	156,800	156,800	156,800
Transfer To Electric Storm Recovery	160,000	115,920	178,215	115,920
Transfer Pilot	85,000	85,000	85,000	85,000
Transfer To Internal Service Fund	1,176,603	1,421,745	1,238,112	1,485,184
Total Transfers	1,703,403	1,779,465	1,658,127	1,842,904

INTERNAL SERVICE FUND

INTERNAL SERVICE FUND

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.

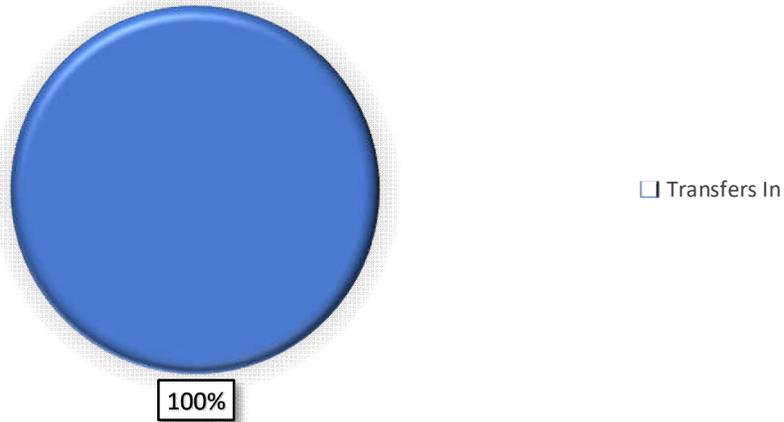
The Internal Service Fund includes these departments:

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

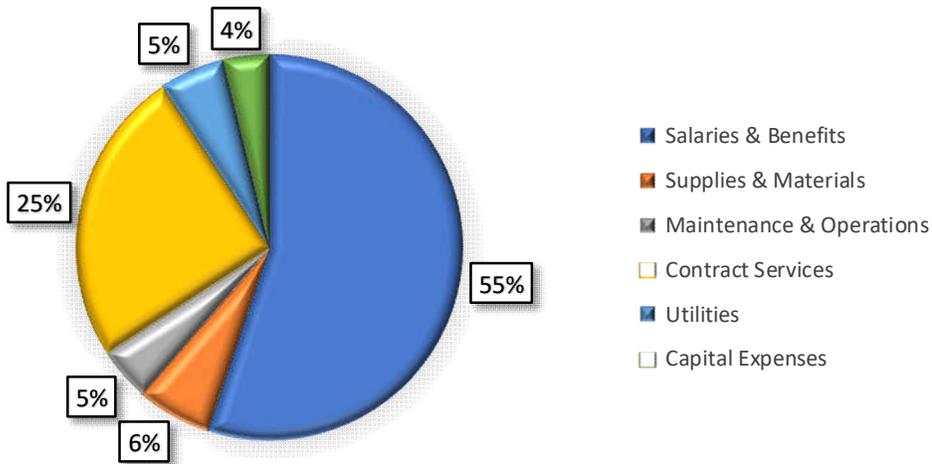
The basis of accounting for the Internal Service Fund for both financial reporting and budgeting is the modified accrual basis.

INTERNAL SERVICE FUND BUDGET SUMMARY

Internal Service Fund Revenues 2019-20



Internal Service Fund Expenditures 2019-20



INTERNAL SERVICE FUND BUDGET SUMMARY

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	(22,296)	(26,567)	(26,567)	(18,626)
Revenues				
Transfers from General Fund	504,258	609,320	530,619	636,507
Transfers from Enterprise Fund	1,176,603	1,421,745	1,238,112	1,485,184
Transfers from 4A Fund	3,548	-	-	-
Total Internal Service Fund Revenues	1,684,409	2,031,065	1,768,731	2,121,691
Expenditures				
Salaries & Benefits	936,236	1,130,032	1,047,015	1,169,866
Supplies & Materials	91,713	123,916	90,777	131,500
Maintenance & Operations	66,696	87,846	60,439	95,375
Contract Services	487,511	482,979	454,231	528,450
Utilities	101,449	114,000	99,023	116,000
Capital Expenses	5,075	92,292	9,305	80,500
Total Expenditures	1,688,680	2,031,065	1,760,790	2,121,691
Excess of Revenues over Expenditures	(4,271)	-	7,941	-
Ending Fund Balance	(26,567)	(26,567)	(18,626)	(18,626)

CITY COUNCIL DEPARTMENT

Overview

The 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	219	200	-	300	100	50.00%
Supplies & Materials	9,526	12,785	7,244	12,100	(685)	-5.36%
Contract Services	101,579	107,000	116,309	96,300	(10,700)	-10.00%
Capital Outlay	-	30,000	-	-	(30,000)	-100.00%
Total	111,324	149,985	123,553	108,700	(41,285)	-27.53%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	0	0	0
Part Time	0	0	0

Sanger Comprehensive Plan Goals Supported Through Operations

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the City Council Department are provided in the September 2019 report on page 214 of this document.

CITY COUNCIL DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5160 Worker's Compensation	219	200	0	300
Total 51-Salaries And Benefits	219	200	0	300
52-Supplies And Materials				
5215 Food	284	500	602	600
5230 Advertising	4,181	3,500	2,917	3,500
5235 Dues & Registrations	2,926	4,000	3,145	4,000
5240 Conferences & Seminars	0	2,000	0	2,000
5280 Computers, Printers, Etc	2,135	2,785	580	2,000
Total 52-Supplies And Materials	9,526	12,785	7,244	12,100
54-Contract Services				
5415 Accounting Services	25,248	27,000	25,416	27,000
5425 Legal Services	49,552	50,000	75,661	50,000
5430 Professional Services	8,614	12,000	3,675	15,000
5450 Technical Support	18,165	18,000	11,557	1,000
5451 Annual Software Support	0	0	0	3,300
Total 54-Contract Services	101,579	107,000	116,309	96,300
60-Capital Outlay < \$5K				
6020 Improvements	0	30,000	0	0
Total 60-Capital Outlay <\$5K	0	30,000	0	0
Total 10-Mayor And Council	111,324	149,985	123,553	108,700

ADMINISTRATION DEPARTMENT

Overview

Administration 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	248,385	328,828	321,919	347,252	18,424	5.60%
Supplies & Materials	5,929	11,965	7,710	12,750	785	6.56%
Maintenance & Operations	-	10,000	-	10,000	-	0.00%
Contract Services	2,220	5,000	6,543	6,000	1,000	20.00%
Total	256,534	355,793	336,172	376,002	20,209	5.68%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	3	3	3
Part Time	0	0	0

Sanger Comprehensive Plan Goals Supported Through Operations

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the Administration Department are provided in the September 2019 report on page 214 of this document.

ADMINISTRATION DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget	
51-Salaries And Benefits					
5110	Regular Salaries	190,284	245,921	245,224	265,000
5111	Merit Increase	0	8,607	0	0
5117	Vacation Compensation	0	0	3,660	4,100
5120	Overtime	0	200	94	200
5125	Longevity Pay	446	708	708	852
5128	Auto Allowance	2,250	6,000	6,000	6,000
5129	Cell Phone Allowance	1,050	1,800	1,800	1,800
5130	F I C A	14,007	20,138	19,229	21,300
5140	Retirement	16,842	21,112	21,034	23,000
5150	Health Insurance	22,370	23,400	23,484	23,400
5160	Worker's Compensation	522	670	538	1,300
5170	T.E.C.	614	272	148	300
Total 51-Salaries And Benefits		248,385	328,828	321,919	347,252
52-Supplies And Materials					
5210	Office Supplies	235	0	80	0
5230	Advertising	0	0	1,199	0
5235	Dues & Registration	3,160	4,250	3,806	4,250
5240	Conferences & Training	1,528	5,000	1,143	5,000
5255	Janitorial Apparel	0	0	0	0
5280	Computers, Printers, Etc	708	1,215	0	2,000
5285	Furniture & Fixtures	298	1,500	1,482	1,500
Total 52-Supplies And Materials		5,929	11,965	7,710	12,750
53-Maintenance And Operations					
5305	Contingency Reserve	0	10,000	0	10,000
Total 53-Maintenance And Operations		0	10,000	0	10,000
54-Contract Services					
5450	Technical Support	2,220	5,000	1,850	6,000
5451	Annual Software Support	0	0	4,693	0
Total 54-Contract Services		2,220	5,000	6,543	6,000
Total 15-Administration		256,534	355,793	336,172	376,002

PUBLIC WORKS ADMINISTRATION DEPARTMENT

Overview

Public Works Administration 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	239,749	253,222	187,393	92,078	(161,144)	-63.64%
Supplies & Materials	7,649	10,482	8,730	8,000	(2,482)	76.32%
Maintenance & Operations	1,908	1,846	1,846	2,000	154	108.34%
Contract Services	94,592	30,355	27,709	16,500	(13,855)	54.36%
Capital Outlay	-	1,000	-	-	(1,000)	0.00%
Total	343,898	296,905	225,678	118,578	(178,327)	39.94%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	2	3	1
Part Time	0	0	0

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.

PUBLIC WORKS ADMINISTRATION DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5110 Regular Salaries	178,475	175,562	134,430	67,200
5111 Merit Increase	-	6,145	-	-
5117 Vacation Compensation	1,846	1,950	2,458	1,100
5120 Overtime	-	300	-	300
5125 Longevity Pay	1,252	1,396	1,400	278
5128 Vehicle Allowance	6,000	6,000	1,500	3,000
5129 Cell Phone Allowance	1,200	1,200	750	300
5130 F I C A/Medicare	11,680	14,731	11,878	5,600
5140 Retirement	15,580	15,443	12,811	6,000
5150 Health Insurance	20,685	23,400	19,733	7,800
5160 Worker's Compensation	2,740	6,802	2,347	400
5170 T.E.C.	291	293	86	100
Total 51-Salaries And Benefits	239,749	253,222	187,393	92,078
52-Supplies And Materials				
5210 Office Supplies	4,584	3,000	3,907	2,500
5215 Food	170	300	74	300
5230 Advertising	542	600	325	600
5235 Dues And Subscriptions	1,185	3,310	1,823	800
5240 Conferences And Training	1,091	472	123	1,500
5275 Filing Fees	-	500	45	-
5280 Computer Systems	77	2,000	1,946	2,000
5285 Furniture And Fixtures	-	300	487	300
Total 52-Supplies And Materials	7,649	10,482	8,730	8,000
53-Maintenance And Operations				
5332 Office Machine Leas	1,908	1,846	1,846	2,000
Total 53-Maintenance And Operations	1,908	1,846	1,846	2,000
54-Contract Services				
5426 Credit Card Fees	276	1,000	447	500
5430 Professional Service	250	4,320	2,500	-
5440 Engineering/Architect	73,967	6,000	5,512	-
5450 Technical Support	13,230	12,135	11,900	9,000
5451 Annual Software Sup	6,869	6,900	7,350	7,000
Total 54-Contract Services	94,592	30,355	27,709	16,500
61-Capital Outlay				
6145 Other Equipment	-	1,000	-	-
Total 55-Utilities	-	1,000	-	-
Total 18-Public Works	343,898	296,905	225,678	118,578

FINANCE DEPARTMENT

Overview

The Finance Department is responsible for all banking and investments activities of the City. Finance also handles accounts payable and utility billing. Finance assists administration with budget preparation and monitoring and provides reports to the manager and council on current revenues and expenditures.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	362,385	377,361	368,851	397,384	20,023	5.31%
Supplies & Materials	15,647	25,250	19,521	19,250	(6,000)	-23.76%
Maintenance & Operations	-	-	-	-	-	-
Contract Services	73,044	96,750	74,918	100,250	3,500	3.62%
Capital Outlay	-	52,000	6,155	-	(52,000)	-100.00%
Total	451,076	551,361	469,445	516,884	(34,477)	-6.25%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	5	5	5
Part Time	0	0	0

Sanger Comprehensive Plan Goals Supported Through Operations

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the Finance Department are provided in the September 2019 report on page 222 of this document.

FINANCE DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5110 Regular Salaries	268,214	272,918	277,795	295,100
5111 Merit Increase	-	9,553	-	-
5117 Vacation Compensation	776	850	-	4,500
5125 Longevity Pay	804	996	1,044	1,284
5128 Automobile Allowance	6,000	6,000	6,000	6,000
5129 Cell Phone Allowance	600	600	600	600
5130 F I C A	19,497	22,256	20,280	23,600
5140 Retirement	23,199	23,332	23,346	25,400
5150 Health Insurance	41,949	39,000	39,156	39,000
5160 Worker's Compensation	703	1,397	504	1,400
5170 T.E.C.	643	459	126	500
Total 51-Salaries And Benefits	362,385	377,361	368,851	397,384
52-Supplies And Materials				
5210 Office Supplies	5,962	8,750	8,975	7,750
5235 Dues And Subscriptions	715	-	785	-
5240 Conferences And Training	5,769	1,000	6,585	1,000
5245 Janitorial Supplies	-	7,500	-	7,500
5280 Computer Systems	3,201	8,000	3,176	3,000
Total 52-Supplies And Materials	15,647	25,250	19,521	19,250
54-Contract Services				
5426 Credit Card Fees	46,825	50,250	45,260	58,250
5429 MVBA Collection Fees	566	1,000	267	1,000
5450 Technical Support	3,520	15,000	5,362	15,000
5451 Annual Software Support	22,133	30,500	24,029	26,000
Total 54-Contract Services	73,044	96,750	74,918	100,250
60-Capital Outlay				
6025 Computer Hardware	-	52,000	6,155	-
Total 60-Capital Outlay	-	52,000	6,155	-
Total 19-Finance	451,076	551,361	469,445	516,884

ENGINEERING DEPARTMENT

Overview

The 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

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	-	73,700	79,917	231,148	157,448	213.63%
Supplies & Materials	-	1,300	-	18,700	17,400	1338.46%
Maintenance & Operations	-	-	-	4,075	4,075	-
Contract Services	-	-	-	57,500	57,500	-
Capital Outlay	-	-	-	38,000	38,000	-
Total	-	75,000	79,917	349,423	274,423	365.90%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	0	0	2.5
Part Time	0	0	0

Sanger Comprehensive Plan Goals Supported Through Operations

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

Performance Measures / Activity Measures

For years, the City tracked and reported performance/activity measures in a most traditional sense. This traditional approach (e.g., the number of sidewalk repairs = 25) reported activity in a most uninspired and uninteresting manner. In 2017, the City took an entirely new approach to keep the public informed. Since that time, Sanger has provided a detailed monthly report of operations. Each monthly report details the most recent information, statistics and activities of City operations. Measures for the Engineering Department are provided in the September 2019 report on page 232 of this document.

ENGINEERING DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5110 Regular Salaries	-	56,230	62,060	170,300
5117 Vacation Compensation	-	-	-	2,600
5125 Longevity Pay	-	-	-	1,148
5128 Automobile Allowance	-	3,500	3,500	6,000
5129 Cell Phone Allowance	-	350	350	1,200
5130 F I C A	-	4,202	4,397	13,900
5140 Retirement	-	4,846	5,051	15,000
5150 Health Insurance	-	4,572	4,559	19,500
5160 Worker's Compensation	-	-	-	1,200
5170 T.E.C.	-	-	-	300
Total 51-Salaries And Benefits	-	73,700	79,917	231,148
52-Supplies And Materials				
5210 Office Supplies	-	-	-	1,500
5235 Dues And Subscriptions	-	-	-	1,400
5240 Conferences And Training	-	-	-	5,000
5250 Tools & Equipment	-	-	-	500
5255 Wearing Apparel	-	-	-	500
5260 Safety Equipment	-	-	-	600
5280 Computer Supplies	-	1,300	-	2,200
5285 Furniture & Fixtures	-	-	-	7,000
Total 52-Supplies And Materials	-	1,300	-	18,700
53-Maintenance And Operations				
5320 Motor Vehicle Fuel	-	-	-	1,750
5325 R&M Motor Vehicle	-	-	-	1,500
5332 Office Machine Lease	-	-	-	825
Total 53-Maintenance And Operations	-	-	-	4,075
54-Contract Services				
5430 Professional Services	-	-	-	8,000
5440 Engineering/Architectural	-	-	-	40,000
5450 Technical Support	-	-	-	2,000
5451 Annual Software Support	-	-	-	7,500
Total 54-Contract Services	-	-	-	57,500
60-Capital Outlay				
6130 Vehicles	-	-	-	38,000
Total 60-Capital Outlay	-	-	-	38,000
Total 19-Finance	-	75,000	79,917	349,423

FLEET SERVICES DEPARTMENT

Overview

Fleet Services 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	71,509	74,721	71,767	79,704	4,983	6.67%
Supplies & Materials	6,999	8,400	6,980	8,700	300	3.57%
Maintenance & Operations	4,743	10,000	5,738	13,300	3,300	33.00%
Contract Services	1,494	3,400	3,951	4,400	1,000	29.41%
Capital Expenses	-	-	3,150	-	-	-
Total	84,745	96,521	91,586	106,104	9,583	9.93%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	2	1	1
Part Time	0	0	0

Sanger Comprehensive Plan Goals Supported Through Operations

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

FLEET SERVICES DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget	
51-Salaries And Benefits					
5110	Regular Salaries	52,094	52,583	53,811	57,500
5111	Merit Increase	-	1,840	-	-
5117	Vacation Compensation	-	-	-	900
5120	Overtime	242	500	39	500
5125	Longevity Pay	108	156	156	204
5129	Cell Phone Allowance	600	600	600	600
5130	F I C A	3,874	4,260	3,958	4,600
5140	Retirement	4,429	4,465	4,480	5,000
5150	Health Insurance	8,381	7,800	7,833	7,800
5160	Worker's Compensation	1,165	2,422	875	2,500
5170	T.E.C.	616	95	15	100
Total 51-Salaries And Benefits		71,509	74,721	71,767	79,704
52-Supplies And Materials					
5223	Chemical Supplies	956	1,200	580	1,200
5235	Dues And Subscriptions	93	500	25	500
5245	Mechanic Shop Supplies	826	1,200	995	1,200
5250	Tools & Equipment	1,778	2,300	1,820	2,300
5252	Mechanic Supplies	1,598	500	233	500
5255	Wearing Apparel	1,573	2,200	3,222	1,600
5260	Safety Equipment	175	500	105	1,400
Total 52-Supplies And Materials		6,999	8,400	6,980	8,700
53-Maintenance And Operations					
5320	Motor Vehicle Fuel	734	1,200	796	1,300
5321	Oil & Lubricants	2,370	5,500	3,099	5,500
5325	R & M Motor Vehicle	680	1,700	941	1,700
5326	R & M Minor Equipment	959	1,000	191	4,300
5345	Lease/Purchase Equip	-	600	711	500
Total 53-Maintenance And Operations		4,743	10,000	5,738	13,300
54-Contract Services					
5450	Technical Support	649	-	730	1,000
5451	Annual Software Support	845	3,400	3,221	3,400
Total 54-Contract Services		1,494	3,400	3,951	4,400
61-Capital Outlay					
6145	Fleet Equipment	-	-	3,150	-
Total 61-Capital Outlay		-	-	3,150	-
Total 36-Fleet Services		84,745	96,521	91,586	106,104

FACILITIES DEPARTMENT

Overview

The 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.

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Supplies & Materials	10,313	19,734	4,919	17,000	(2,734)	-13.85%
Maintenance & Operations	47,023	51,000	45,401	51,000	-	0.00%
Contract Services	37,615	51,974	39,605	51,000	(974)	-1.87%
Utilities	101,449	114,000	99,023	116,000	2,000	1.75%
Capital Outlay	5,075	9,292	-	42,500	33,208	357.38%
Total	201,475	246,000	188,948	277,500	31,500	0.00%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	0	0	0
Part Time	0	0	0

FACILITIES DEPARTMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
52-Supplies And Materials				
5212 Water Delivery	-	2,000	1,492	2,000
5245 Janitorial Supplies	10,313	15,000	694	15,000
5285 Furniture & Fixtures	-	2,734	2,733	-
Total 54-Supplies & Materials	10,313	19,734	4,919	17,000
53-Maintenance & Operations				
5310 R&M Building	47,023	51,000	45,401	51,000
Total 53-Maintenance And Operations	47,023	51,000	45,401	51,000
54-Contract Services				
5407 Janitorial Services	35,615	40,000	39,605	40,000
5438 HVAC Contract	2,000	3,708	-	-
5439 Pest Management Contract	-	8,266	-	11,000
Total 54-Contract Services	37,615	51,974	39,605	51,000
55-Utilities				
5510 Telephone Services	20,174	21,000	21,026	22,000
5515 Electric	73,331	85,000	71,292	85,000
5516 Gas Service	7,944	8,000	6,705	9,000
Total 55-Utilities	101,449	114,000	99,023	116,000
60-Capital Outlay				
6140 Improvements	5,075	9,292	-	42,500
Total 60-Capital Outlay	5,075	9,292	-	42,500
Total 98-Facilities	201,475	246,000	188,948	277,500

NON-DEPARTMENTAL

Overview

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

Expenditure Summary

Category	2017-18 Actual	2018-19 Budget	1018-19 Estimated	2019-20 Budget	Difference	% Change
Salaries & Benefits	13,989	22,000	17,168	22,000	-	0.00%
Supplies & Materials	35,650	34,000	35,673	35,000	1,000	2.94%
Maintenance & Operations	13,022	15,000	7,454	15,000	-	0.00%
Contract Services	176,967	188,500	185,196	196,500	8,000	4.24%
Total	239,628	259,500	245,491	268,500	9,000	3.47%

Personnel

Authorized Employees	2017-18	2018-19	2019-20
Full Time	0	0	0
Part Time	0	0	0

NON-DEPARTMENTAL EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
51-Salaries And Benefits				
5150 Health Insurance	9,298	10,000	12,122	10,000
5183 Safety & Incentive	4,691	12,000	5,046	12,000
Total 51-Salaries And Benefits	13,989	22,000	17,168	22,000
52-Supplies And Materials				
5210 Office Supplies	1,216	-	697	-
5220 Postage	34,434	34,000	34,976	35,000
Total 54-Supplies & Materials	35,650	34,000	35,673	35,000
53-Maintenance & Operations				
5332 Office Machine Lease	4,033	5,000	4,356	5,000
5397 Reimburse For Damage Claims	8,989	10,000	3,098	10,000
Total 53-Maintenance And Operations	13,022	15,000	7,454	15,000
54-Contract Services				
5410 T.M.L. Insurance	104,475	110,000	109,973	110,000
5420 Tax Collections	26,311	30,000	23,579	35,000
5430 Professional Services	39,661	40,750	46,225	30,550
5431 Span Program Contribution	-	-	-	13,200
5435 Medicals/Physicals	1,783	2,000	963	2,000
5436 Background Checks	549	750	268	750
5452 Website Hosting Fees	4,188	5000	4188	5000
Total 54-Contract Services	176,967	188,500	185,196	196,500
Total 99-Non-Departmental	239,628	259,500	245,491	268,500

4A FUND

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

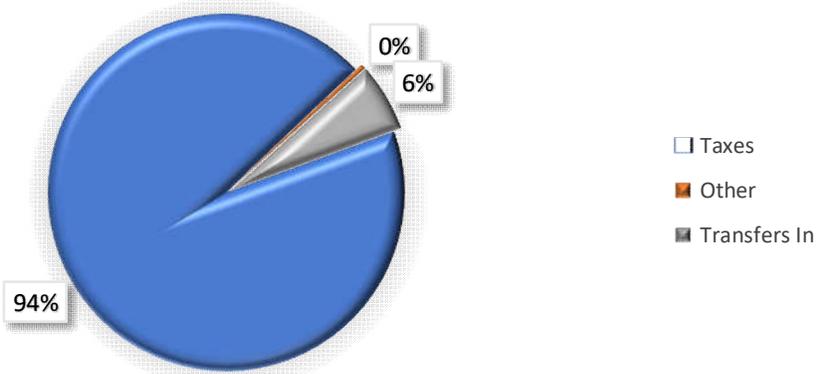
The basis of accounting for the 4A Corporation Fund for both financial reporting and budgeting is the modified accrual basis.

Sanger Comprehensive Plan Goals Supported Through Operations

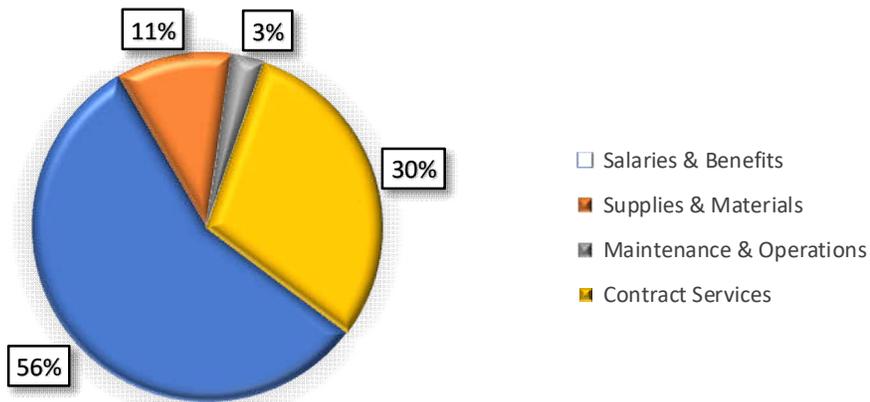
- Maintain and improve upon the existing country living atmosphere of Sanger.
- Encourage the establishment of new commercial business and the expansion of existing businesses in Sanger.
- Encourage development and preservation of the Historic Sanger Downtown area.
- Improve the relationship of mixed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

4A CORPORATION FUND BUDGET SUMMARY

4A Corporation Revenues 2019-20



4A Corporation Expenditures 2019-20



4A CORPORATION FUND BUDGET SUMMARY

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	1,776,636	1,603,578	1,603,578	1,648,023
Revenues				
Taxes	433,193	385,000	436,100	385,000
Interest Income	3,135	1,750	3,135	1,750
Total Revenues	436,328	386,750	439,235	386,750
Other Sources				
Transfers In	50,000	25,000	50,000	25,000
Total Other Sources	50,000	25,000	50,000	25,000
Total Revenues/Sources	486,328	411,750	489,235	411,750
Expenditures				
Salaries & Benefits	87,273	129,576	102,759	108,360
Supplies & Materials	4,061	17,600	12,641	20,600
Maintenance & Operations	371	5,880	997	5,825
Contract Services	1,468	48,250	6,522	57,750
Utilities	-	2,100	1,639	-
Debt Service	62,665	320,233	320,232	-
Total Expenditures	155,838	523,639	444,790	192,535
Other Uses				
Transfers Out	503,548	-	-	-
Total Other Uses	503,548	-	-	-
Total Expenses/Uses	659,386	523,639	444,790	192,535
Excess of Revenues/Sources over Expenditures/Uses	(173,058)	(111,889)	44,445	219,215
Ending Fund Balance	1,603,578	1,491,689	1,648,023	1,867,238

4A CORPORATION FUND REVENUES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Taxes				
4325 Sales Tax	433,193	385,000	436,100	385,000
Total Taxes	433,193	385,000	436,100	385,000
Miscellaneous Income				
4913 Interest Income	3,135	1,750	3,135	1,750
Total Miscellaneous	3,135	1,750	3,135	1,750
Transfers				
4980 Transfers from Enterprise Fund	25,000	-	25,000	-
4986 Transfers from 4B Fund	25,000	25,000	25,000	25,000
Total Transfers	50,000	25,000	50,000	25,000
Total Revenues	486,328	411,750	489,235	411,750

ECONOMIC DEVELOPMENT EXPENDITURES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget	
51-Salaries And Benefits					
5110	Regular Salaries	64,314	94,779	75,414	78,100
5111	Merit Increase	-	3,318	-	-
5117	Vacation Compensation	-	-	-	1,500
5125	Longevity Pay	118	48	12	60
5128	Auto Allowance	4,750	6,000	6,000	6,000
5129	Cell Phone Allowance	500	600	600	600
5130	F I C A	5,647	8,024	6,090	6,600
5140	Retirement	5,855	8,413	6,709	7,200
5150	Health Insurance	5,661	7,800	7,833	7,800
5160	Worker's Compensation	234	504	-	400
5170	T.E.C.	194	90	101	100
Total 51-Salaries And Benefits		87,273	129,576	102,759	108,360
52-Supplies And Materials					
5210	Office Supplies	568	800	488	800
5215	Food	37	300	-	300
5226	Marketing And Promotion	263	10,000	7,798	12,000
5235	Dues And Registrations	1,917	2,000	1,709	2,000
5240	Conferences And Training	1,276	4,000	2,646	5,000
5280	Computer Systems	-	500	-	500
Total 52-Supplies And Materials		4,061	17,600	12,641	20,600
53-Maintenance And Operations					
5310	R & M Building	95	5,000	-	5,000
5332	Office Machine Lease	276	880	997	825
Total 53-Maintenance And Operations		371	5,880	997	5,825
54-Contract Services					
5430	Professional Service	-	45,000	525	55,000
5450	Technical Support	118	1,500	4,647	1,000
5451	Annual Software Support	1,350	1,750	1,350	1,750
Total 54-Contract Services		1,468	48,250	6,522	57,750
55-Utilities					
5515	Electric	-	1,750	1,434	-
5516	Gas Service	-	350	205	-
Total 55-Utilities		-	2,100	1,639	-
70-Debt Payments					
7007	Note Pymts - Warehouse	45,717	307,142	308,494	-
7099	Interest Expense	16,948	13,091	11,738	-
Total 70-Debt Payments		62,665	320,233	320,232	-
74-Transfers					
7484	Transfer to Enterprise CIP	500,000	-	-	-
7499	Transfer to ISF	3,548	-	-	-
Total 74-Transfers		503,548	-	-	-
Total 4A Fund Expenditures		659,386	523,639	444,790	192,535

4B FUND

4B CORPORATION

Overview

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

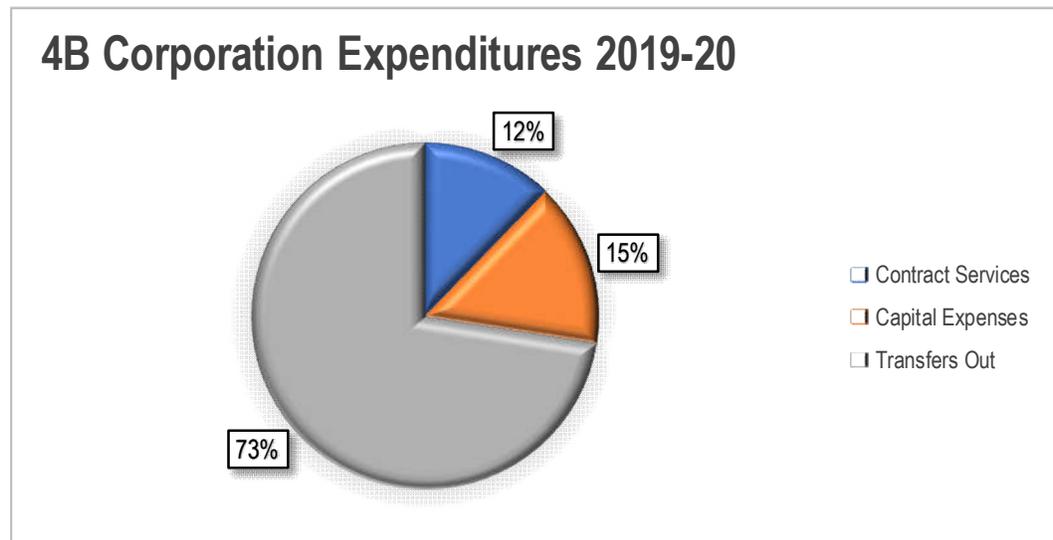
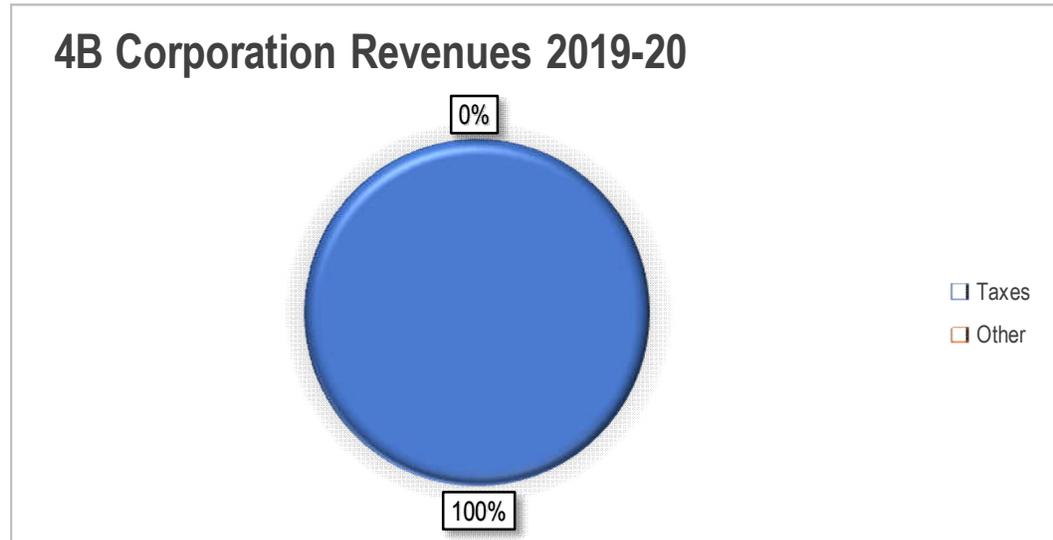
The Sanger Texas Economic Development Corporation is governed by a board of seven directors, all of whom are appointed by the City Council of the City of Sanger. The 4B Fund was incorporated in the state of Texas as a nonprofit industrial development corporation under Section 4B of the Development Corporation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

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

Sanger Comprehensive Plan Goals Supported Through Operations

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

4B CORPORATION FUND BUDGET SUMMARY



4B CORPORATION FUND BUDGET SUMMARY

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	1,073,807	1,028,949	1,028,949	1,210,644
Revenues				
Taxes	433,193	385,000	436,100	385,000
Interest Income	1,709	1,000	1,709	1,000
Total Revenues	434,902	386,000	437,809	386,000
Expenditures				
Contract Services	-	-	-	40,000
Capital Outlay	-	65,000	18,614	50,000
Total Expenditures	-	65,000	18,614	90,000
Other Uses				
Transfers Out	479,760	237,500	237,500	237,500
Total Other Uses	479,760	237,500	237,500	237,500
Total Expenses/Uses	479,760	302,500	256,114	327,500
Excess of Revenues/Sources over Expenditures/Uses	(44,858)	83,500	181,695	58,500
Ending Fund Balance	1,028,949	1,112,449	1,210,644	1,269,144

4B CORPORATION REVENUES

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Taxes				
4325 Sales Tax	433,193	385,000	436,100	385,000
Total Taxes	433,193	385,000	436,100	385,000
Miscellaneous Income				
4913 Interest Income	1,709	1,000	1,709	1,000
Total Miscellaneous	1,709	1,000	1,709	1,000
Total Revenues	434,902	386,000	437,809	386,000

SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS

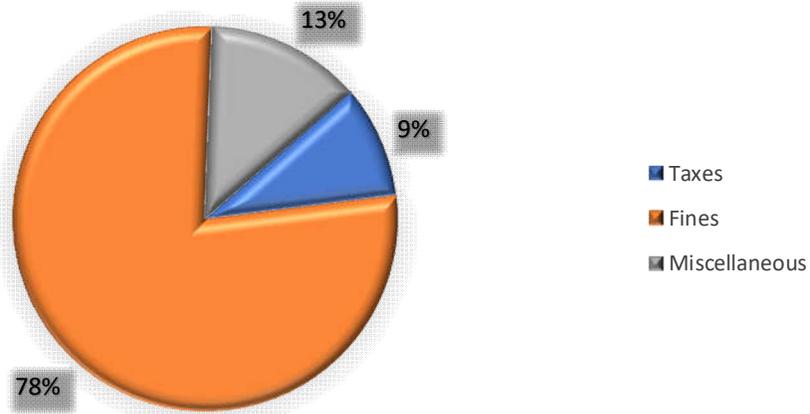
The City utilizes Special Revenue Funds to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes. The City utilizes the following Special Revenue Funds:

- Hotel Occupancy Tax Fund
- 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

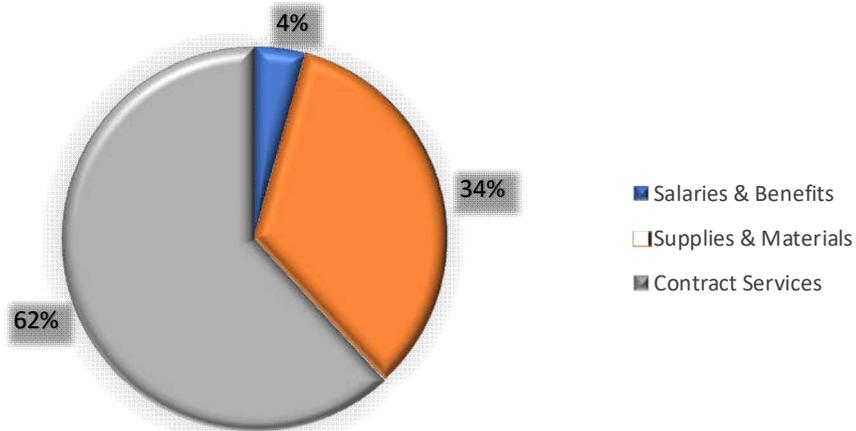
The basis of accounting for the Special Revenue Funds for both financial reporting and budgeting is the modified accrual basis.

SPECIAL REVENUE FUNDS BUDGET SUMMARY

Special Revenue Funds Revenues 2019-20



Special Revenue Funds Expenditures 2019-20



COMBINED SCHEDULE OF ALL SPECIAL REVENUE FUNDS

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	152,580	484,098	484,098	829,729
Revenues				
Taxes	27,154	20,000	24,600	20,000
Fees	292,787	165,000	320,906	165,000
Fines	10,618	11,000	12,023	11,000
Interest Income	299	200	369	200
Library Revenue	-	500	-	500
Miscellaneous	15,645	16,000	1,019	16,000
Total Special Revenue Fund Revenues	346,503	212,700	358,917	212,700
Expenditures				
Salaries & Benefits	636	1,500	20	1,500
Supplies & Materials	849	11,775	-	11,775
Contract Services	13,500	21,500	13,266	21,500
Total Special Revenue Fund Expenditures	14,985	34,775	13,286	34,775
Excess of Revenues/Sources over Expenditures/Uses	331,518	177,925	345,631	177,925
Ending Fund Balance	484,098	662,023	829,729	1,007,654

HOTEL OCCUPANCY FUND

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

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	21,744	36,898	36,898	49,805
Revenues				
Taxes	27,154	20,000	24,600	20,000
Total Hotel Tax Fund Revenues	27,154	20,000	24,600	20,000
Expenditures				
Contract Services	12,000	12,000	11,693	12,000
Total Hotel Tax Fund Expenditures	12,000	12,000	11,693	12,000
Excess of Revenues/Sources over Expenditures/Uses	15,154	8,000	12,907	8,000
Ending Fund Balance	36,898	44,898	49,805	57,805

BEAUTIFICATION FUND

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

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 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.

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	88,422	97,571	97,571	97,940
Revenues				
Library Revenue	-	500	-	500
Interest Income	299	200	369	200
Miscellaneous	8,850	9,000	-	9,000
Total Library Restricted Fund Revenues	9,149	9,700	369	9,700
Ending Fund Balance	97,571	107,271	97,940	107,640

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.

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	1,370	12,878	12,878	53,012
Revenues				
Parkland Dedication Fee	11,508	65,000	40,134	65,000
Total Parkland Dedication Fund Revenues	11,508	65,000	40,134	65,000
Ending Fund Balance	12,878	77,878	53,012	118,012

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.

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	-	281,279	281,279	562,051
Revenues				
Roadway Impact Fee	281,279	100,000	280,772	100,000
Total Roadway Impact Fee Fund Revenues	281,279	100,000	280,772	100,000
Ending Fund Balance	281,279	381,279	562,051	662,051

COURT SECURITY FUND

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

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	8,107	8,696	8,696	9,852
Revenues				
Fines	1,225	1,500	1,176	1,500
Total Court Security Fund Revenues	1,225	1,500	1,176	1,500
Expenditures				
Salaries & Benefits	636	1,500	20	1,500
Total Court Security Fund Expenditures	636	1,500	20	1,500
Excess of Revenues/Sources over Expenditures/Uses	589	-	1,156	-
Ending Fund Balance	8,696	8,696	9,852	9,852

COURT TECHNOLOGY FUND

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

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	24	157	157	152
Revenues				
Fines	1,633	2,000	1,568	2,000
Total Court Technology Fund Revenues	1,633	2,000	1,568	2,000
Expenditures				
Contract Services	1,500	2,000	1,573	2,000
Total Court Technology Fund Expenditure:	1,500	2,000	1,573	2,000
Excess of Revenues/Sources over Expenditures/Uses	133	-	(5)	-
Ending Fund Balance	157	157	152	152

CHILD SAFETY FUND

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

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	18,904	26,664	26,664	35,943
Revenues				
Fines	7,760	7,500	9,279	7,500
Total Child Safety Fee Fund Revenues	7,760	7,500	9,279	7,500
Expenditures				
Contract Services	-	7,500	-	7,500
Total Child Safety Fee Fund Expenditures	-	7,500	-	7,500
Excess of Revenues/Sources over Expenditures/Uses	7,760	-	9,279	-
Ending Fund Balance	26,664	26,664	35,943	35,943

POLICE DONATIONS FUND

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

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	(228)	78	78	78
Revenues				
Miscellaneous	1,155	2,500	-	2,500
Total Police Donations Fund Revenues	1,155	2,500	-	2,500
Expenditures				
Supplies & Materials	849	2,500	-	2,500
Total Police Donations Fund Expenditures	849	2,500	-	2,500
Excess of Revenues/Sources over Expenditures/Uses	306	-	-	-
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.

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	4,800	6,000	6,000	6,100
Revenues				
Miscellaneous	1,200	1,000	100	1,000
Total Fire Donations Fund Revenues	1,200	1,000	100	1,000
Expenditures				
Supplies & Materials	-	2,275	-	2,275
Total Fire Donations Fund Expenditures	-	2,275	-	2,275
Excess of Revenues/Sources over Expenditures/Uses	1,200	(1,275)	100	(1,275)
Ending Fund Balance	6,000	4,725	6,100	4,825

PARK DONATIONS FUND

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

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	2,536	2,536	2,536	3,061
Revenues				
Miscellaneous	-	2,500	525	2,500
Total Park Donations Fund Revenues	-	2,500	525	2,500
Ending Fund Balance	2,536	5,036	3,061	5,561

LIBRARY DONATIONS FUND

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

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	1,375	5,815	5,815	6,209
Revenues				
Miscellaneous	4,440	500	394	500
Total Library Donations Fund Revenues	4,440	500	394	500
Expenditures				
Supplies & Materials	-	1,000	-	1,000
Total Library Donations Fund Expenditure:	-	1,000	-	1,000
Excess of Revenues/Sources over Expenditures/Uses	4,440	(500)	394	(500)
Ending Fund Balance	5,815	5,315	6,209	5,709

CAPITAL PROJECTS FUNDS

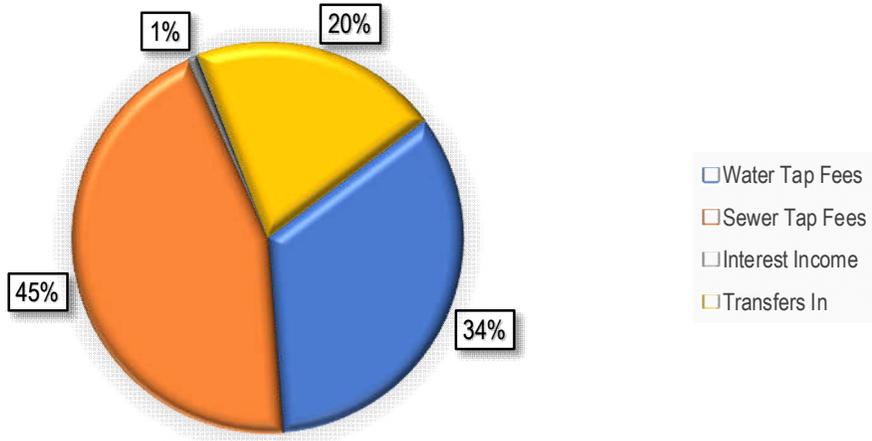
CAPITAL PROJECTS FUNDS AND CAPITAL IMPROVEMENT PLAN

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.

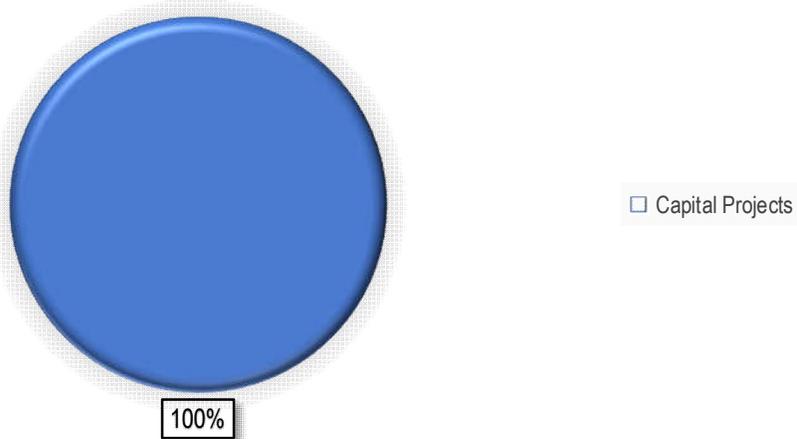
The basis of accounting for the Capital Projects Funds for both financial reporting and budgeting is the modified accrual basis.

COMBINED CAPITAL PROJECTS FUNDS BUDGET SUMMARY

Capital Projects Funds Revenues 2019-20



Capital Projects Funds Expenditures 2019-20



CAPITAL PROJECTS FUND

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	240,936	866,784	866,784	1,628,717
Revenues				
Donations	-	-	-	-
Intergovernmental Revenue	3,465,562	1,000,000	434,436	-
Total Capital Projects Fund Revenues	3,465,562	1,000,000	434,436	-
Other Sources				
Transfers From General Fund	460,000	675,000	675,000	675,000
Total Other Sources	460,000	675,000	675,000	675,000
Total Revenues/Sources	3,925,562	1,675,000	1,109,436	675,000
Expenditures				
Server Consolidation	-	-	3,758	-
McReynolds Road Reconstruction	3,299,714	300,000	158,085	-
2018-19 Street Rehab Program	-	190,000	185,660	-
2019-2020 Street Rehab Program	-	-	-	414,000
Total Expenditures	3,299,714	490,000	347,503	414,000
Excess of Revenues over Expenditures	625,848	1,185,000	761,933	261,000
Ending Fund Balance	866,784	2,051,784	1,628,717	1,889,717

ENTERPRISE CAPITAL PROJECTS FUND

	2017-18 Actual	2018-19 Budget	2018-19 Estimate	2019-20 Budget
Beginning Fund Balance	13,749,127	5,731,194	5,731,194	3,639,312
Revenues				
Water Tap Fees	198,150	260,000	210,050	260,000
Sewer Tap Fees	256,000	340,000	284,500	340,000
Interest Income	8,499	6,250	42,846	6,250
Total Revenues	462,649	606,250	537,396	606,250
Other Sources				
Transfer from Enterprise Fund	-	272,720	156,800	156,800
Transfer from 4A	500,000	-	-	-
Total Other Sources	500,000	272,720	156,800	156,800
Total Revenues/Sources	962,649	878,970	694,196	763,050
Expenditures				
Phase II: East I35 Water/Wastewater Line	296,239	-	-	-
Phase III: View Road Line Extension	977,006	-	-	-
Wastewater Treatment Plant	7,130,273	3,200,000	2,434,690	1,000,000
Railroad Lift Station	438,658	100,000	67,267	100,000
Capital Improvement Plan	4,246	-	-	-
Nitrification	134,160	-	-	-
WWTP Outfall Pipeline	-	500,000	18,085	300,000
FM 455 Utility Relocation	-	300,000	78,691	2,500,000
Relocation of Utilities: I-35	-	-	-	250,000
Plum Street Water Line	-	150,000	-	-
Peach Street Wastewater Rehab	-	188,819	187,345	-
Total Expenditures	8,980,582	4,438,819	2,786,078	4,150,000
Excess of Revenues over Expenditures	(8,017,933)	(3,559,849)	(2,091,882)	(3,386,950)
Ending Fund Balance	5,731,194	2,171,345	3,639,312	252,362

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 2020.

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. Also, last year, we rehabilitated several roads including portions of Elm Street, Pecan Street, Peach Street, 9th Street, 11th Street, 12th Street, 13th Street and Hughes Street. We also replaced a major sewer line along Peach Street from 10th Street to 5th Street that serves a large commercial development. This 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 I35. In 2017, we began the first phase of expansion on the east side of I35 by upgrading the wastewater trunk line from FM455 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. Last year we initiated the design engineering work 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 I35 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 I35 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 I&I issues and replace older wastewater lines in conjunction with street improvements. Last year, the City replaced a major sewer line along Peach Street that serves a new 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 should be completed in FY 2019-2020. 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. Last year, we outlined a Five-Year Street Improvement Plan and already implemented Phase I. This year we are proposing to move forward with Phase II 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
➤ WW Treatment Plant Rehabilitation	WW Tap Fees/ 2017 Bond Funds
➤ 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 2020	Anticipated Funding Source
➤ I-35 Expansion - Relocation of Utilities (engineering only)	Enterprise CIP/Reimbursed by TxDOT
➤ Rehabilitation of Several Streets (Phase II):	Capital Projects Fund
• Elm St from 9 th St to 5 th St	
• Pecan St from 9 th to 7 th St	
• 7 th St from Peach St to 5 th St	
• 7 th St from Bolivar St to Elm St	
• 6 th St from Peach St to 5 th St	
• 8 th St from Plum St to 5 th St	
• Plum St from 10 th St to 5 th St	

Future Projects	Anticipated Funding Source
➤ Phase III – 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
➤ Relocating Utilities for I35 Expansion	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 2018-2024

	2017-2018 Actual	2018-2019 Estimate	2019-2020 Budget
Capital Projects Fund			
McReynolds Road Reconstruction	\$ 3,299,713	\$ 159,000	\$ -
Street Rehab - Phase I	-	190,000	-
Street Rehab - Phase II	-	-	414,000
Street Rehab - Phase III	-	-	-
Street Rehab - Phase IV	-	-	-
Street Rehab - Phase V	-	-	-
Rebuild & Expand Marion Road	-	-	-
Utility Road Tie-in Across Railroad	-	-	-
Rebuild Bolivar Street	-	-	-
Rebuild Duck Creek Road	-	-	-
Capital Projects Fund Totals	\$ 3,299,713	\$ 349,000	\$ 414,000
Enterprise Capital Projects Fund			
Phase II: East I35 Water/Wastewater Line	\$ 296,234	\$ -	\$ -
Phase III: View Road Line Extension	977,005	-	-
Nitrification	134,160	-	-
Wastewater Treatment Plant	7,130,273	2,200,000	1,000,000
Railroad Lift Station	438,657	55,000	100,000
Relocation of Utilities along FM 455	-	20,000	2,500,000
Outfall Pipeline	-	17,000	300,000
Relocation of Utilities along I35	-	-	250,000
Bolivar Street Water and Sewer	-	-	-
Enterprise Capital Projects Fund	\$ 8,976,329	\$ 2,292,000	\$ 4,150,000
Total Capital Projects	\$ 12,276,042	\$ 2,641,000	\$ 4,564,000

	Projected 2020-2021	Projected 2021-2022	Projected 2022-2023	Projected 2023-2024
Capital Projects Fund				
McReynolds Road Reconstruction	\$ -	\$ -	\$ -	\$ -
Street Rehab - Phase I	-	-	-	\$ -
Street Rehab - Phase II	-	-	-	-
Street Rehab - Phase III	158,000	-	-	-
Street Rehab - Phase IV	-	208,000	-	-
Street Rehab - Phase V	-	-	191,000	-
Rebuild & Expand Marion Road	-	-	4,000,000	-
Utility Road Tie-in Across Railroad	-	-	3,200,000	-
Rebuild Bolivar Street	-	-	-	5,500,000
Rebuild Duck Creek Road	-	-	-	4,000,000
Capital Projects Fund Totals	\$ 158,000	\$ 208,000	\$ 7,391,000	\$ 9,500,000
Enterprise Capital Projects Fund				
Phase II: East I35 Water/Wastewater Line	\$ -	\$ -	\$ -	\$ -
Phase III: View Road Line Extension	-	-	-	-
Nitrification	-	-	-	-
Wastewater Treatment Plant	-	-	-	-
Railroad Lift Station	-	4,500,000	-	-
Relocation of Utilities along FM 455	1,500,000	-	-	-
Outfall Pipeline	3,900,000	-	-	-
Relocation of Utilities along I35	2,000,000	-	-	-
Bolivar Street Water and Sewer	-	-	300,000	2,250,000
Enterprise Capital Projects Fund	\$ 7,400,000	\$ 4,500,000	\$ 300,000	\$ 2,250,000
Total Capital Projects	\$ 7,558,000	\$ 4,708,000	\$ 7,691,000	\$ 11,750,000



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 2017-18 year as well as projected results for the 2018-19 year. Also included (as Year 1) is the current 2019-20 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 2017-18	Estimate 2018-19
Beginning Fund Balance	3,169,283	4,379,986
Revenues		
Property Taxes	3,275,548	3,752,627
Sales and Mixed Beverage Taxes	872,250	619,284
Franchise Fees	832,689	813,408
Charges for Services	833,752	917,455
Licenses & Permits	322,230	308,480
Fines	89,572	74,466
Fees	858,958	886,983
Interest Income	4,508	10,716
Miscellaneous	68,250	56,222
Total General Fund Revenues	7,157,757	7,439,641
Other Sources		
Transfers In	292,999	214,352
Total Other Sources	292,999	214,352
Total Revenues/Sources	7,450,756	7,653,993
Expenditures		
Salaries & Benefits	3,052,665	3,204,122
Supplies & Materials	304,859	315,349
Maintenance & Operations	363,942	405,547
Contract Services	1,086,770	1,204,810
Utilities	79,758	76,569
Capital Expenses	227,621	237,184
Debt Service	129,351	129,352
Court Costs	30,829	27,872
Other	-	5,843
Total Expenditures	5,275,795	5,606,648
Other Uses		
Transfers Out	964,258	1,205,619
Total Other Uses	964,258	1,205,619
Total Expenses/Uses	6,240,053	6,812,267
Ending Fund Balance	4,379,986	5,221,712

	Budget 2019-2020	Projection Percentage	Projected			
			Year 2 2020-2021	Year 3 2021-2022	Year 4 2021-2022	Year 5 2022-2023
Beginning Fund Balance	5,221,712		5,221,712	5,198,927	5,151,395	5,077,022
Revenues						
Property Taxes	4,065,250	5%	4,268,513	4,481,939	4,706,036	4,941,338
Sales and Mixed Beverage Taxes	905,800	4%	942,032	979,713	1,018,902	1,059,658
Franchise Fees	878,222	1%	887,004	895,874	904,833	913,881
Charges for Services	935,500	6%	991,630	1,051,128	1,114,196	1,181,048
Licenses & Permits	343,070	8%	370,516	400,157	432,170	466,744
Fines	95,526	8%	103,168	111,421	120,335	129,962
Fees	834,961	5%	876,709	920,544	966,571	1,014,900
Interest Income	4,000	2%	4,080	4,162	4,245	4,330
Miscellaneous	77,500	3%	79,825	82,220	84,687	87,228
Total General Fund Revenues	8,139,829		8,523,477	8,927,158	9,351,975	9,799,089
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	8,276,364		8,662,743	9,069,209	9,496,867	9,946,879
Expenditures						
Salaries & Benefits	4,032,362	6%	4,274,304	4,530,762	4,802,608	5,090,764
Supplies & Materials	371,810	6%	394,119	417,766	442,832	469,402
Maintenance & Operations	387,367	4%	402,862	418,976	435,735	453,164
Contract Services	1,318,189	5%	1,384,098	1,453,303	1,525,968	1,602,266
Utilities	89,600	2%	91,392	93,220	95,084	96,986
Capital Expenses	621,000	5%	652,050	684,653	718,886	754,830
Debt Service	51,535	5%	54,112	56,818	59,659	62,642
Court Costs	35,494	2%	36,204	36,928	37,667	38,420
Other	57,500	2%	58,650	59,823	61,019	62,239
Total Expenditures	6,964,857		7,347,791	7,752,249	8,179,458	8,630,713
Other Uses						
Transfers Out	1,311,507	2%	1,337,737	1,364,492	1,391,782	1,419,618
Total Other Uses	1,311,507		1,337,737	1,364,492	1,391,782	1,419,618
Total Expenses/Uses	8,276,364		8,685,528	9,116,741	9,571,240	10,050,331
Ending Fund Balance	5,221,712		5,198,927	5,151,395	5,077,022	4,973,570

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 ITEM REQUEST FORM
2019-2020 BUDGET**

Complete all items on this form, using "N/A" for items that are not applicable. Attach additional information to support request.

DEPARTMENT Police Dept.	G/L ACCOUNT # 20-6135	PRIORITY 1
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DESCRIPTION OF CAPITAL ITEM
2 Police patrol vehicles

USE / PURPOSE OF CAPITAL ITEM
Vehicles used for patrol and to replace older patrol vehicles.

JUSTIFICATION FOR CAPITAL ITEM
Replacement of older vehicles.

WILL ITEM BENEFIT OTHER DEPARTMENTS? IF "YES" PLEASE EXPLAIN
No.

ALTERNATIVES TO THIS CAPITAL ITEM
None.

IS A SPECIAL LICENSE REQUIRED FOR ITEM? No

COST OF ACQUISITION		ESTIMATED ANNUAL OPERATING COSTS	
PURCHASE	\$ 105,000	FUEL	
INSTALLATION		INSURANCE	
OTHER*		MAINTENANCE CONTRACT	
TOTAL INITIAL COST	\$ 105,000	REPAIRS	
		OTHER*	
		TOTAL ANNUAL COSTS	\$ 0

*** EXPLANATION OF "OTHER" COSTS**

IS THERE A LEASE OR FINANCING OPTION? IF "YES" PLEASE DETAIL THE TERMS

APPROVED FOR FUNDING _____ YES _____ NO _____
Alina Ciocan, Acting City Manager



**CAPITAL ITEM REQUEST FORM
2019-2020 BUDGET**

Complete all items on this form, using "N/A" for items that are not applicable. Attach additional information to support request.

DEPARTMENT Fire	G/L ACCOUNT # 24-6145	PRIORITY 1
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DESCRIPTION OF CAPITAL ITEM
Replacement of Command Apparatus 670

USE / PURPOSE OF CAPITAL ITEM
Used to respond to all types of Emergencies in our 130 square mile district. Provides command staff for our crews during these emergencies (structure fires, Hazmat spills, car fires, etc).

JUSTIFICATION FOR CAPITAL ITEM
Our current apparatus is 10 years old and past the replacement plan for the city. It has also pass the longevity of a debit/credit ratio for the city.

WILL ITEM BENEFIT OTHER DEPARTMENTS? IF "YES" PLEASE EXPLAIN
Yes, they will protect our firefighters while we serve our community and the surrounding areas of Denton County.

ALTERNATIVES TO THIS CAPITAL ITEM
Remove this apparatus from service, then pay a monthly car allowance of \$500.00.

IS A SPECIAL LICENSE REQUIRED FOR ITEM?

COST OF ACQUISITION		ESTIMATED ANNUAL OPERATING COSTS	
PURCHASE	\$ 65,569	FUEL	\$ 1,750
INSTALLATION		INSURANCE	\$ 1,250
OTHER*		MAINTENANCE CONTRACT	\$ 500
TOTAL INITIAL COST	\$ 65,569	REPAIRS	\$ 500
		OTHER*	
		TOTAL ANNUAL COSTS	\$ 4,000

*** EXPLANATION OF "OTHER" COSTS**

IS THERE A LEASE OR FINANCING OPTION? IF "YES" PLEASE DETAIL THE TERMS
Remove this apparatus from service, then pay a monthly car allowance of \$500.00.

APPROVED FOR FUNDING _____ YES _____ NO
Alina Ciocan, Acting City Manager



**CAPITAL ITEM REQUEST FORM
2019-2020 BUDGET**

Complete all items on this form, using "N/A" for items that are not applicable. Attach additional information to support request.

DEPARTMENT	G/L ACCOUNT #	PRIORITY
Fire	24-6145	1

DESCRIPTION OF CAPITAL ITEM
Purchase new Frazer Type 1 Ambulance

USE / PURPOSE OF CAPITAL ITEM
Used to respond to all types of Emergencies in our 130 square mile district. Provides emergency services to the citizens and our community as a Mobile Intensive Care Unit (MICU).

JUSTIFICATION FOR CAPITAL ITEM
Our current apparatus is 8 years old and past the replacement plan for the city. It has also pass the longevity of a debit/credit ratio for the city.

WILL ITEM BENEFIT OTHER DEPARTMENTS? IF "YES" PLEASE EXPLAIN
Yes, they will protect our firefighters while we serve our community and the surrounding areas of Denton County.

ALTERNATIVES TO THIS CAPITAL ITEM
Remount the ambulance unit with a new Cab and Chassis for \$160,000.00. We could hold off for another year and use the apparatus as is, but we will not be using the current replacement plan.

IS A SPECIAL LICENSE REQUIRED FOR ITEM? We have to register the unit as a Replacement Ambulance

COST OF ACQUISITION		ESTIMATED ANNUAL OPERATING COSTS	
PURCHASE	\$ 229,525	FUEL	\$ 4,900
INSTALLATION		INSURANCE	\$ 1,950
OTHER*		MAINTENANCE CONTRACT	
TOTAL INITIAL COST	\$ 229,525	REPAIRS	\$ 2,500
		OTHER*	\$ 500
		TOTAL ANNUAL COSTS	\$ 9,850

*** EXPLANATION OF "OTHER" COSTS**

IS THERE A LEASE OR FINANCING OPTION? IF "YES" PLEASE DETAIL THE TERMS

APPROVED FOR FUNDING _____ YES _____ NO _____
Alina Ciocan, Acting City Manager



**CAPITAL ITEM REQUEST FORM
2019-2020 BUDGET**

Complete all items on this form, using "N/A" for items that are not applicable. Attach additional information to support request.

DEPARTMENT Fire	G/L ACCOUNT # 24-5260	PRIORITY 2
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DESCRIPTION OF CAPITAL ITEM
Replacement of SCBA

USE / PURPOSE OF CAPITAL ITEM
Used to respond to all types of Emergencies in our 130 square mile district that requires a breathing air system. Provides clean air for our crews during these types of emergencies (structure fires, hazmat spills, car fires, etc).

JUSTIFICATION FOR CAPITAL ITEM
Current SCBA bottles have been tested for the last time they can be tested. There certifications test will be out in the budget year of 2021/2022. They are only good for 15 years and the units where purchased in 2007.

WILL ITEM BENEFIT OTHER DEPARTMENTS? IF "YES" PLEASE EXPLAIN
Yes, they will protect our firefighters while we serve our community and the surrounding areas of Denton County.

ALTERNATIVES TO THIS CAPITAL ITEM
Continue to use this outdated system until the 2021/2022 budget year.

IS A SPECIAL LICENSE REQUIRED FOR ITEM?

COST OF ACQUISITION		ESTIMATED ANNUAL OPERATING COSTS	
PURCHASE	\$ 175,947	FUEL	
INSTALLATION		INSURANCE	
OTHER*		MAINTENANCE CONTRACT	\$ 500
TOTAL INITIAL COST	\$ 175,947	REPAIRS	\$ 500
		OTHER*	
		TOTAL ANNUAL COSTS	\$ 1,000

*** EXPLANATION OF "OTHER" COSTS**

IS THERE A LEASE OR FINANCING OPTION? IF "YES" PLEASE DETAIL THE TERMS

APPROVED FOR FUNDING YES NO _____
Alina Ciocan, Acting City Manager



**CAPITAL ITEM REQUEST FORM
2019-2020 BUDGET**

Complete all items on this form, using "N/A" for items that are not applicable. Attach additional information to support request.

DEPARTMENT Development Servi	G/L ACCOUNT # 	PRIORITY 1
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DESCRIPTION OF CAPITAL ITEM
New Pickup for Inspections

USE / PURPOSE OF CAPITAL ITEM
To drive to inspections on a daily basis

JUSTIFICATION FOR CAPITAL ITEM
The current vehicle that we have is a 2006 Chevorlet 2500. A large portion of the day is spent on inspections and traveling to and from those inspections. We are requesting a position that would serve as a backup to the inspector. If this position is approved the department will need an additional vehicle and the current vehicle could be used by the backup inspector.

WILL ITEM BENEFIT OTHER DEPARTMENTS? IF "YES" PLEASE EXPLAIN
The vehicle would free up our current vehicle for others to use in emergency situation or in times when another vehicle is down if is not needed by the backup inspector

ALTERNATIVES TO THIS CAPITAL ITEM
Continue with the current vehicle.

IS A SPECIAL LICENSE REQUIRED FOR ITEM? Drivers license

COST OF ACQUISITION		ESTIMATED ANNUAL OPERATING COSTS	
PURCHASE	\$ 35,000	FUEL	\$ 500
INSTALLATION		INSURANCE	
OTHER*	\$ 3,500	MAINTENANCE CONTRACT	
TOTAL INITIAL COST	\$ 38,500	REPAIRS	\$ 500
		OTHER*	
		TOTAL ANNUAL COSTS	\$ 1,000

*** EXPLANATION OF "OTHER" COSTS**
Lights, tinting, and decal.

IS THERE A LEASE OR FINANCING OPTION? IF "YES" PLEASE DETAIL THE TERMS

APPROVED FOR FUNDING YES NO
Alina Ciocan, Acting City Manager



**CAPITAL ITEM REQUEST FORM
2019-2020 BUDGET**

Complete all items on this form, using "N/A" for items that are not applicable. Attach additional information to support request.

DEPARTMENT 30 - Street	G/L ACCOUNT # 	PRIORITY 1
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DESCRIPTION OF CAPITAL ITEM
2019 Ford Super Duty F-350 XL 4WD Crew Cab

USE / PURPOSE OF CAPITAL ITEM
Pulling heavy equipment and hauling material for street maintenance
Replacing 1999 F550 Flat Bed (unit 212-30, mileage 93099)

JUSTIFICATION FOR CAPITAL ITEM
Current vehicles are not rated to haul vac trailer.

WILL ITEM BENEFIT OTHER DEPARTMENTS? IF "YES" PLEASE EXPLAIN
Yes, it will be a multipurpose vehicle. Will be able to move equipment, material, and furniture if needed

ALTERNATIVES TO THIS CAPITAL ITEM

IS A SPECIAL LICENSE REQUIRED FOR ITEM? No

COST OF ACQUISITION	
PURCHASE	\$ 47,165
INSTALLATION	\$ 3,869
OTHER*	
TOTAL INITIAL COST	\$ 51,034

ESTIMATED ANNUAL OPERATING COSTS	
FUEL	
INSURANCE	
MAINTENANCE CONTRACT	
REPAIRS	
OTHER*	
TOTAL ANNUAL COSTS	\$ 0

*** EXPLANATION OF "OTHER" COSTS**

IS THERE A LEASE OR FINANCING OPTION? IF "YES" PLEASE DETAIL THE TERMS

APPROVED FOR FUNDING _____ YES _____ NO _____
Alina Ciocan, Acting City Manager



**CAPITAL ITEM REQUEST FORM
2019-2020 BUDGET**

Complete all items on this form, using "N/A" for items that are not applicable. Attach additional information to support request.

DEPARTMENT Engineering	G/L ACCOUNT # 27-6130	PRIORITY 2
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DESCRIPTION OF CAPITAL ITEM
Vehicle

USE / PURPOSE OF CAPITAL ITEM
Replacement Engineering Vehicle for Inspector

JUSTIFICATION FOR CAPITAL ITEM
This item is a replacement vehicle for 2003 Chev 2500HD with 127,803+ mi, 10929+ hrs Request 3/4T HD 4 wheel drive vehicle with light bar, window protection, toolbox

WILL ITEM BENEFIT OTHER DEPARTMENTS? IF "YES" PLEASE EXPLAIN
Vehicle may be available to other departments if not being used by inspector. If tow hitch included may be able to move equipment if needed.

ALTERNATIVES TO THIS CAPITAL ITEM
If not approved, vehicle maintenance costs will increase.

IS A SPECIAL LICENSE REQUIRED FOR ITEM? No

COST OF ACQUISITION		ESTIMATED ANNUAL OPERATING COSTS	
PURCHASE	\$ 60,000	FUEL	\$ 1,750
INSTALLATION		INSURANCE	\$ 1,000
OTHER*		MAINTENANCE CONTRACT	\$ 1,000
TOTAL INITIAL COST	\$ 60,000	REPAIRS	\$ 500
		OTHER*	
		TOTAL ANNUAL COSTS	\$ 4,250

*** EXPLANATION OF "OTHER" COSTS**

IS THERE A LEASE OR FINANCING OPTION? IF "YES" PLEASE DETAIL THE TERMS

APPROVED FOR FUNDING _____ YES _____ NO _____
Alina Ciocan, Acting City Manager



**CAPITAL ITEM REQUEST FORM
2019-2020 BUDGET**

Complete all items on this form, using "N/A" for items that are not applicable. Attach additional information to support request.

DEPARTMENT Facilities	G/L ACCOUNT # 98-6140	PRIORITY 1
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DESCRIPTION OF CAPITAL ITEM
Camera Updates

USE / PURPOSE OF CAPITAL ITEM
Security Camera updates for City Hall

JUSTIFICATION FOR CAPITAL ITEM
These updates are need in order to keep our camera system operational.

WILL ITEM BENEFIT OTHER DEPARTMENTS? IF "YES" PLEASE EXPLAIN
N/A

ALTERNATIVES TO THIS CAPITAL ITEM
N/A

IS A SPECIAL LICENSE REQUIRED FOR ITEM?

COST OF ACQUISITION		ESTIMATED ANNUAL OPERATING COSTS	
PURCHASE	\$ 8,500	FUEL	
INSTALLATION		INSURANCE	
OTHER*		MAINTENANCE CONTRACT	
TOTAL INITIAL COST	\$ 8,500	REPAIRS	
		OTHER*	
		TOTAL ANNUAL COSTS	\$ 0

*** EXPLANATION OF "OTHER" COSTS**

IS THERE A LEASE OR FINANCING OPTION? IF "YES" PLEASE DETAIL THE TERMS
N/A

APPROVED FOR FUNDING YES NO

Alina Ciocan, Acting City Manager



**CAPITAL ITEM REQUEST FORM
2019-2020 BUDGET**

Complete all items on this form, using "N/A" for items that are not applicable. Attach additional information to support request.

DEPARTMENT Facilities	G/L ACCOUNT # 98-6140	PRIORITY 1
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DESCRIPTION OF CAPITAL ITEM
Improvements to the Community Center located at 101 Freese Drive

USE / PURPOSE OF CAPITAL ITEM
Full update of the Community Center including both cosmetic updates but also repairing items that are broken down and no longer functioning correctly. Research has been unable to determine the last update of the building.

JUSTIFICATION FOR CAPITAL ITEM
The Community Center has seen tremendous growth over the last few years. With growth comes visibility but also wear and tear on the existing building. For budget year 2017/2018 the Community Center had revenues of \$16,715.00.

WILL ITEM BENEFIT OTHER DEPARTMENTS? IF "YES" PLEASE EXPLAIN
All departments use the Community Center throughout the year for meetings, luncheons, training purposes, events, and other uses as deemed necessary.

ALTERNATIVES TO THIS CAPITAL ITEM
N/A

IS A SPECIAL LICENSE REQUIRED FOR ITEM? N/A

COST OF ACQUISITION		ESTIMATED ANNUAL OPERATING COSTS	
PURCHASE		FUEL	
INSTALLATION	\$ 24,670	INSURANCE	
OTHER*		MAINTENANCE CONTRACT	
TOTAL INITIAL COST	\$ 24,670	REPAIRS	
		OTHER*	
		TOTAL ANNUAL COSTS	\$ 0

*** EXPLANATION OF "OTHER" COSTS**
N/A

IS THERE A LEASE OR FINANCING OPTION? IF "YES" PLEASE DETAIL THE TERMS
N/A

APPROVED FOR FUNDING _____ YES _____ NO _____
Alina Ciocan, Acting City Manager

FINANCIAL MANAGEMENT POLICY

The Sanger City Council approved the City's Financial Management Policy on September 16, 2019

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 16, 2019

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
2020	708,516	118,437	826,953	830,200	739,992	1,570,192	1,538,716	858,429	2,397,145
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	3,267,004	495,448	3,762,452	19,211,700	8,247,569	27,459,269	22,478,704	8,743,017	31,221,721

Certificates of Obligation, Series 2007

Fiscal Year	General Fund 34%			Enterprise Fund: 66%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2020	32,300	13,314	45,614	62,700	25,846	88,546	95,000	39,160	134,160
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	302,600	62,906	365,506	587,400	122,114	709,514	890,000	185,020	1,075,020

General Obligation Refunding Bonds, Series 2012

Fiscal Year	General Fund 44%			Enterprise Fund: 56%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2020	169,400	8,228	177,628	215,600	10,472	226,072	385,000	18,700	403,700
2021	145,200	3,993	149,193	184,800	5,082	189,882	330,000	9,075	339,075
Total	314,600	12,221	326,821	400,400	15,554	415,954	715,000	27,775	742,775

Certificates of Obligation, Series 2013

Fiscal Year	General Fund 12%			Enterprise Fund: 88%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2020	21,600	16,980	38,580	158,400	124,520	282,920	180,000	141,500	321,500
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	391,200	150,717	541,917	2,868,800	1,105,258	3,974,058	3,260,000	1,255,975	4,515,975

Certificates of Obligation, Series 2015

Fiscal Year	Enterprise Fund: 100%		
	Principal	Interest	Total
2020	110,000	189,550	299,550
2021	180,000	185,200	365,200
2022	295,000	178,075	473,075
2023	285,000	169,375	454,375
2024	290,000	160,750	450,750
2025	300,000	151,900	451,900
2026	310,000	142,750	452,750
2027	320,000	132,900	452,900
2028	330,000	121,925	451,925
2029	340,000	110,200	450,200
2030	355,000	97,594	452,594
2031	370,000	84,000	454,000
2032	380,000	69,937	449,937
2033	395,000	55,406	450,406
2034	410,000	40,313	450,313
2035	425,000	24,656	449,656
2036	445,000	8,344	453,344
Total	5,540,000	1,922,875	7,462,875

General Obligation Refunding Bonds, Series 2016

Fiscal Year	General Fund 46%			Enterprise Fund: 54%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2020	241,500	19,596	261,096	283,500	23,004	306,504	525,000	42,600	567,600
2021	248,400	9,936	258,336	291,600	11,664	303,264	540,000	21,600	561,600
Total	489,900	29,532	519,432	575,100	34,668	609,768	1,065,000	64,200	1,129,200

Certificates of Obligation, Series 2017

Fiscal Year	Enterprise Fund: 100%		
	Principal	Interest	Total
2020	-	366,600	366,600
2021	-	366,600	366,600
2022	85,000	366,600	451,600
2023	100,000	364,050	464,050
2024	115,000	361,050	476,050
2025	115,000	357,600	472,600
2026	115,000	353,000	468,000
2027	390,000	348,400	738,400
2028	545,000	332,800	877,800
2029	560,000	311,000	871,000
2030	585,000	288,600	873,600
2031	605,000	265,200	870,200
2032	630,000	241,000	871,000
2033	660,000	215,800	875,800
2034	1,010,000	189,400	1,199,400
2035	1,050,000	149,000	1,199,000
2036	1,090,000	107,000	1,197,000
2037	1,585,000	63,400	1,648,400
Total	9,240,000	5,047,100	14,287,100

General Obligation Refunding Bonds, Series 2019

Fiscal Year	General Fund 100%		
	Principal	Interest	Total
2020	200,000	52,500	252,500
2021	200,000	48,500	248,500
2022	210,000	40,500	250,500
2023	220,000	32,100	252,100
2024	225,000	23,300	248,300
2025	235,000	14,300	249,300
2026	245,000	4,900	249,900
Total	1,535,000	216,100	1,751,100

Spirit of Texas Street Equipment

Fiscal Year	General Fund: 100%		
	Principal	Interest	Total
2020	43,716	7,819	51,535
2021	45,179	6,357	51,536
2022	46,690	4,845	51,535
2023	48,252	3,283	51,535
2024	49,867	1,668	51,535
Total	233,704	23,972	257,676

STANDARD & POORS RATING REPORT

S&P Global
Ratings

RatingsDirect®

Summary:

Sanger, Texas; General Obligation

Primary Credit Analyst:

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Table Of Contents

Rationale

Outlook

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, benefiting 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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CITY OF SANGER MONTHLY REPORT FOR SEPTEMBER 2019

SANGER
★ TEXAS

MONTHLY REPORT

SEPTEMBER 2019

During the 2017-2018 fiscal year, City staff developed a new Monthly Report to keep the public informed. This report provides in-depth details of operations and results and is published each month 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

CITY COUNCIL

Agenda Summary

The following items were approved by the Mayor and City Council in September 2019.

Proclamations and Resolutions:

- Proclamation #09-05-19 for United Way of Denton County Proclaiming September 2019 LIVE UNITED Month.



Ashlie Bagley, United Way Board Member and Teddy Yan, United Way Director of Financial Initiatives accepted a Proclamation from the Sanger City Council proclaiming September 2019 as LIVE UNITED month.

Ordinances Passed:

- Ordinance # 08-24-19 Regarding an amendment of Planned Development Ordinance # 09-38-07 to revise Side Yard Setbacks and include a Minimum Dwelling Unit Size for approximately 17.424 acres of Ranger Creek Estates Phase 2 Planned Development, generally located south of east Willow Street and between South Jones Street and Eastridge Park Road.
- Ordinance # 09-38-07 to revise Side Yard Setbacks and include a Minimum Dwelling Unit Size for approximately 17.424 acres of Ranger Creek Estates Phase 2 Planned Development, generally located south of East Willow Street and between South Jones Street and Eastridge Park Road.
- Ordinance #09-26-19 approving the 2019 Tax Rolls.
- Ordinance #09-25-19 – Adopting the 2019-2020 Budget providing for the appropriation of funds for Operating and Capital Expenditures for the Fiscal Year beginning October 1, 2019 and ending September

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Monthly Report – September 2019

30, 2020, 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 #09-27-19 - Ratifying the Property Tax Increase reflected in the Fiscal Year 2019-2020 Budget and providing for an effective date.
- Ordinance #09-28-19 - Levying a Tax Rate for the General Government for the Fiscal Year 2019-2020 and providing for an effective date.

Plats Approved:

- Replat of Lots 2-R and 3-R, Block 4 of J.R. Sullivans West Addition, Being a Replat of Part of Block 4 of J.R. Sullivans West Addition within the City of Sanger, being approximately 0.298 Acres, and generally located Southwest of the intersection of Pecan Street and North 7th Street.
- Replat of Lots 1R-1 and 1R-2, Block B of Kirkland Street Addition, Phase II, being a Replat of Lot 1, Block B of Kirkland Street Addition, Phase II, Being 0.373 Acres and generally located at the Northeast Corner of Kirkland Street and Railroad Avenue.
- Ordinance # 08-24-19 Regarding an Amendment of Planned Development Ordinance # 09-38-07 to Revise Side Yard Setbacks and Include a minimum dwelling unit size for approximately 17.424 Acres of Ranger Creek Estates Phase 2 Planned Development, generally located South of East Willow Street and between South Jones Street and Eastridge Park Road.

Other Items:

- On September 3rd, 2019 the City Council Meeting conducted the second Public Hearing on a proposal to Increase Total Tax Revenues from properties on the tax roll in the preceding Year by 7.10% with the Proposed Tax Rate \$0.6791 per \$100 of Assessed Valuation. (Tax Rate is Proposed to Remain the Same as the Preceding Year's Tax Rate of \$0.6791 per \$100 of Assessed Valuation).
- Authorized staff to sell a list of Surplus Property Items to be included in a city-wide auction through Rene Bates Auctioneers.
- Approved and Authorized the Mayor to execute an Engineering Contract with Plummer Associates, Inc. for Stream Restoration for Wastewater Treatment Plant.
- Approved concrete repair work on Willow St. From 5th Street to 1st Street.

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 eleven (11) Open Record Requests and completed them in ten days or less.



Monthly Report – September 2019

Solicitor Permits

- No Solicitor Permits in the month of September were issued.

Summary of Miscellaneous Items:

- Received payments for mowing before liens were filed.
- Two pending Alcohol Permit Renewals in process.
- Hotel and Motel Quarterly Tax reminder notices were mailed out for third quarter.

HUMAN RESOURCES

Employees:

- Completed Texas Municipal Retirement System monthly report.
- Human Resources held one employee orientation during the month of September.

Training:

- Human Resources attended NTSHRM monthly lunch and learn.
- Human Resources attended Fred Pryor Training.
- Human Resources volunteered for the NTSHRM Board.
- Human Resources volunteered for Dallas HR, HR Southwest.

Summary of Miscellaneous Items:

- Assisted the Insurance Committee with insurance meetings hosted by Wellspring.
- Assisted with several open records requests.
- Helped with several miscellaneous tasks for Administration.

DID YOU KNOW?

The City of Sanger has openings in several departments. You can find the application online at www.sangertexas.org. If you have questions please contact Human Resources at (940) 458-7930.

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POLICE & ANIMAL CONTROL

SANGER
★ TEXAS

Monthly Report – September 2019

Monthly Report

During the month of September 2019 Officers of the Sanger Police Department responded to a total of 573 calls for service having an average response time of 9 minutes per call. The department issued a total of 40 citations and 5 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
Forcible Rape 1
Robbery
Assault 9
Burglary 1
Larceny/Theft 5
Motor Vehicle Theft 4
Officer Assaulted



The Sanger Police Department has positions open for employment.

Cell Phones are Prohibited While Driving Through a School Zone. Texas school zone law, under HB 347, prevents using a cell phone when driving through an active school crossing zone.

Chief Curtis Amyx

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MUNICIPAL COURT

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Monthly Report – September 2019

Case Activity:

- For the month of September, 2019, the Municipal Court filed 46 citations.
- There were 30 requests for deferred disposition.
- There were 10 requests for driver safety course
- There were 2 cases successfully closed by deferred disposition and 9 cases successfully closed by driver safety course.
- The court closed 22 cases by payment in full or time served.
- The total fines, court costs and other fees collected were \$6,339.30 with \$2,111.82 of that being remitted to the State.

DID YOU KNOW...

Minor in Possession of tobacco or e-cigarettes

As of September 1, 2019 (Chapter 161 of the Health and Safety Code), a person commits a Class C misdemeanor if they sell or intend to provide cigarettes, e-cigarettes, or tobacco products to a person under the age of 21. S.B. 21 raised the age requirement by defining a “minor” as a person who is under 21 years of age. Additionally, the bill provides that a person may not sell or give these products without requesting valid proof of identification of persons that appear 30 years of age or younger.

S.B. 21 extends its definition of a minor to tobacco-related statutes of purchasing, attempting to purchase, and possessing cigarettes, e-cigarettes, or tobacco products. Thus, a fine may be assessed for anyone under the age of 21 that purchases, attempts to purchase, or possesses these products. However, S.B. 21 amends Section 161.252 of the Health and Safety Code to reduce the maximum fine from \$250 to \$100. The bill includes exceptions to this age requirement if (1) the individual is active military and at least 18 years old, or (2) turned 18 before September 1, 2019. Individuals convicted of an offense under this Section may apply for expunction once they reach 21 years of age.

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FIRE DEPARTMENT

SANGER
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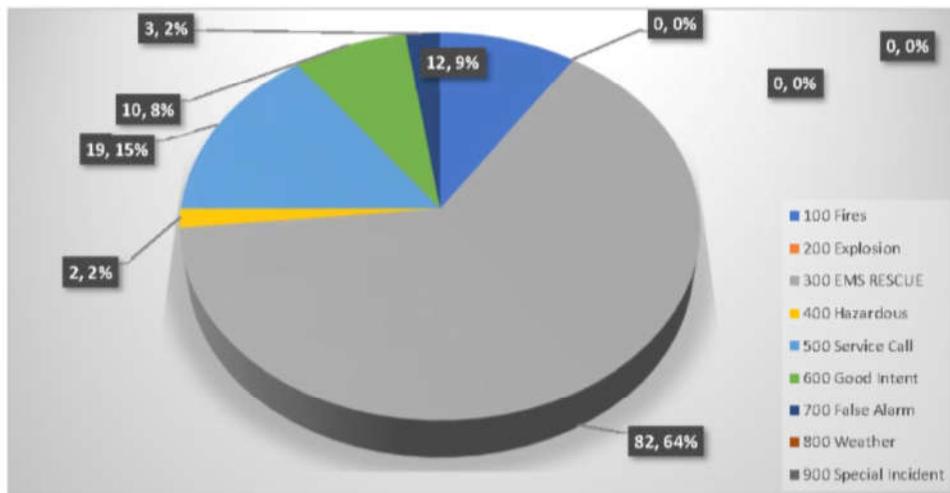
Monthly Report – September, 2019

Emergency Responses for September 2019

The Sanger Fire Department responded to 127 emergency incidents during the month of September. The top four busiest incident types:

- 82 Emergency Medical Incident
- 19 Service calls
- 12 Fires
- 10 Good Intent incidents

- The busiest times of the day tied at 13:00-13:59 and 14:00-14:59 for the month of September. Average response times was 7 minute and 22 seconds.
- The average time spent on a medical transport from initial alarm until units are back in service was 59 minutes 20 seconds.
- The busiest days of the week for EMS transports during the month September was Monday with 21 % of the transport call volume.
- Emergency Medical calls accounted for 64.57 % of the total call volume.



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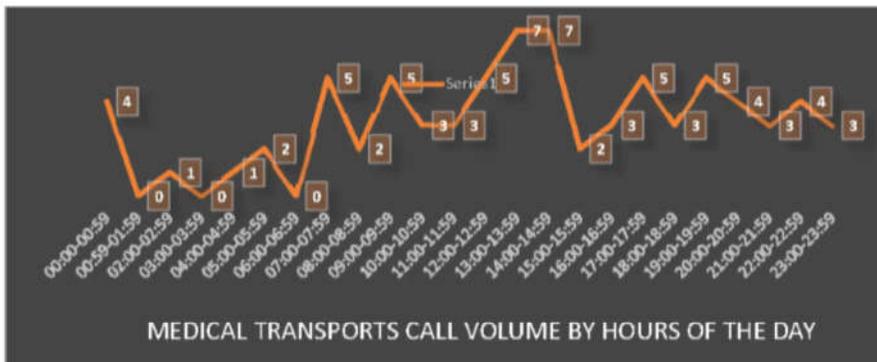
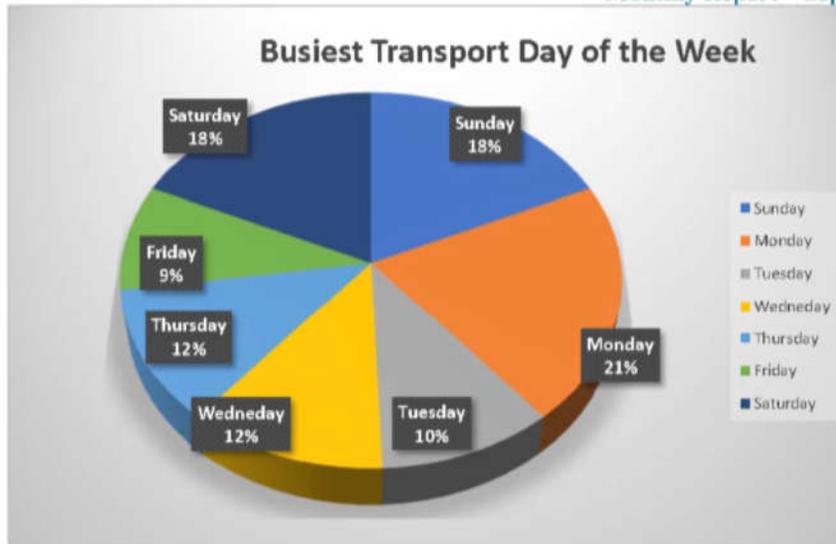
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FIRE DEPARTMENT

SANGER TEXAS

Monthly Report – September, 2019



MOBILE APPS WITH LOCAL ALERT FUNCTIONS

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FIRE DEPARTMENT

SANGER
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Monthly Report – September, 2019

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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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 2019, Finance Department staff:

- Scheduled and facilitated year-end budget review meetings with individual departments and the City Manager
- Reviewed City-wide computer replacements for the coming year
- Finalized the 2019-2020 Proposed Budget
- Performed all of the following normal departmental functions for the City:
 - Accounts Payable
 - Financial Reporting
 - Payroll
 - Purchase Orders
 - Utility Customer Service



The City has an app that will allow you to make and track requests, pay your utility bill, check out events and much more from your device. Just search for "Sanger Solutions" in the app store for your device.



FINANCE

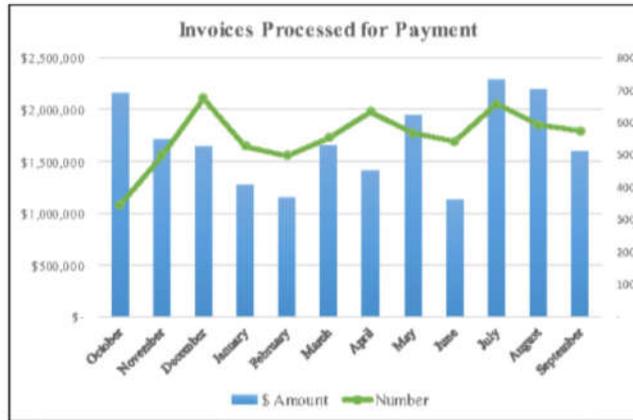
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Monthly Report – September 2019

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	Amount
18-19 YTD	6,672	\$ 20,189,174
17-18 TYD	5,386	\$ 23,299,357
16-17 TYD	5,761	\$ 18,672,623



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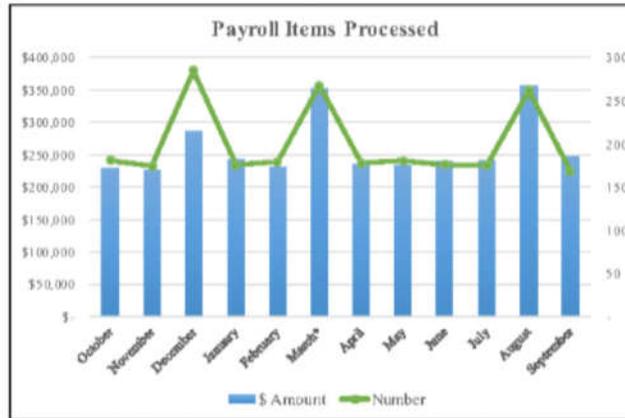
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Monthly Report – September 2019

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
18-19-YTD	2,400	\$ 3,118,675
17-18 YTD	2,437	\$ 3,005,167
16-17 TYD	2,334	\$ 2,730,891



**The months of March and August 2019 have three biweekly payrolls instead of two.*

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FINANCE

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Monthly Report – September 2019

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
18-19 YTD	277	\$ 3,375,961
17-18 YTD	361	\$ 8,620,760
16-17 YTD	380	\$ 29,825,812



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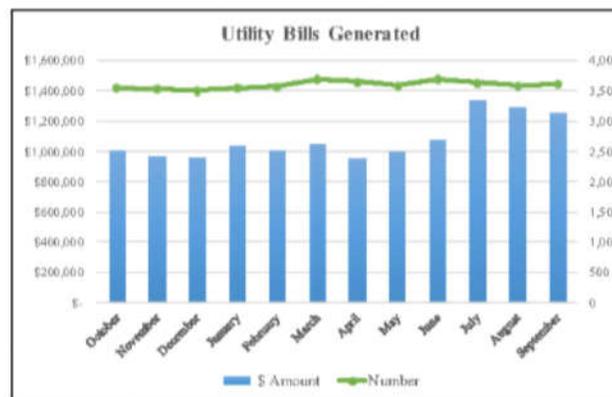
Monthly Report – September 2019

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
18-19 YTD	43,086	\$ 12,903,975
17-18 YTD	42,136	\$ 13,290,188
16-17 YTD	40,101	\$ 12,278,887



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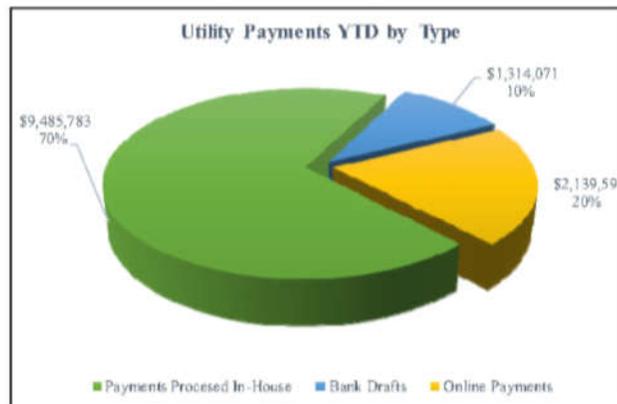
Monthly Report – September 2019

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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
18-19 YTD	42,185	\$ 12,939,452
17-18 YTD	40,990	\$ 13,172,325
16-17 YTD	39,153	\$ 12,341,263



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Financial Reporting Function

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
18-19 YTD	12	24
17-18 YTD	12	24
16-17 YTD	12	24

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

Staff attended the North Texas Commercial Association of Realtors (NTCAR) convention in Dallas, TX. This half-day commercial real estate information and product convention attracts over 2,000 commercial professionals from Texas. It’s an opportunity for commercial real estate professionals to gather new market information and meet developers. Attendees include brokers, developers, owners, investors and corporate real estate professionals.

Walmart Distribution Center opened its first on-site training academy! The 5,000 sq. ft. training facility will be used to train employees from 15 distribution centers in Texas, Oklahoma and Louisiana. The academies are starting out with leadership, safety and supply chain training and will add course work in technology and other functions in the future.

Sales taxes for the month of August were \$42,598. Sales tax totals for FY 18-19 are \$403,646 as compared to \$397,820 for the same period last FY.



NTCAR - 2019

DID YOU KNOW...

Shop Small is a nationwide movement that celebrates small businesses every day and helps communities thrive and stay vibrant. **Small Business Saturday** is a day dedicated to supporting small businesses and communities across the country. Mark your calendar for **Saturday, November 30, 2019** and make plans to shop local and support our community.



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DEVELOPMENT SERVICES

SANGER
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Monthly Report – September, 2019

BUILDING PERMITS

Residential	New	Alteration	Total
# Permits	17	6	23
# Inspections	202	12	214
Fees	\$146,742.65	\$316.90	\$147,059.55

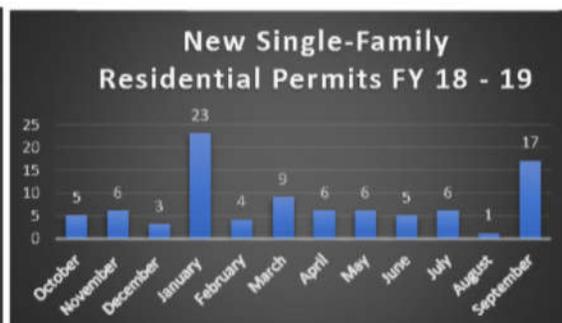
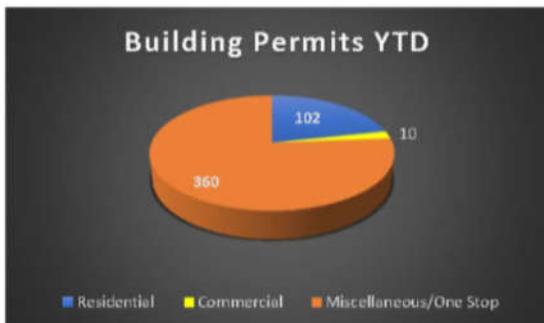
Commercial	New	Alteration	Total
# Permits	0	0	0
# Inspections	24	0	24
Fees	\$0	\$0	\$0

Miscellaneous /One Stop	
# Permits	35
# Inspections	61
Fees	\$2,080.00

DID YOU KNOW...

With our recent code changes the City of Sanger now requires a permit and inspection for any re-roof projects including shingle only re-roofs. With the many different roofing companies that appear after storms, this requirement will help protect our citizens against faulty construction.

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



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PLANNING & ZONING

Case # 19SANZON-00027

Exterior Façade Design Criteria Manual was presented to City Council. The purpose of this manual is to establish exterior façade architectural design standards for residential, commercial, and industrial development within the City of Sanger, TX. The exterior façade design criteria established in this manual helps maintain visual interest and historical architectural integrity that defines Sanger’s unique character.

City Council
APPROVED (with modifications)



Case # 19SANZON-00029

City Council approved a request for issuing a Request for Qualifications (RFQ) with a possible Request for Proposal (RFP) component for updating City’s Comprehensive Plan.

City Council
APPROVED

DID YOU KNOW...

Planning for healthy communities include planning for biking and pedestrian mobility. DFW area has an extensive bikeway infrastructure. You can access DFW Bikeway interactive map by NCTCOG at: <http://nctcoggis.maps.arcgis.com/apps/webappviewer/index.html?id=fff676318a624e50845e505842f54fe2>



ENGINEERING

SANGER
★ TEXAS

Monthly Report – September 2019

TXDOT

TXDOT I-35 Project

- Design underway by Stantec & Dannenbaum (~15% complete)

FM 455 Highway Project

- City has received 60% (adequate) plans for review

FM 455 Utility Relocation Project

- Utility relocation plans under design

Capital Improvement Projects

- Outfall Pipeline – 8500+/- linear foot wastewater treatment plant outfall pipe project design completed; evaluating stream restoration option
- Railroad Avenue Lift Station and Wastewater Pipeline Improvements – 100% Plans & Specs received & under review, anticipate easement acquisition fall/winter 2019
- Stream Restoration – Professional Engineering Services Agreement with Plummer Associates executed
- Wastewater Treatment Plant: Plant 2 Drained and repair begun, Flow Split, installing piping; UV columns, SFA electrical, Duct bank to plant 3; Evaluate overflow basin structural issues
- McReynolds Rd – Pavement cracking & channel stabilization – Consultant contacting contractor regarding repairs under maintenance bond

Development

Construction

- Estates at Wind Song Hill – 57 Lot Single Family Residential Development – subgrade stabilization
- Sanger Circle Phase 3 – Drainage end walls under construction
- Wildwood Addition Phase II – 174 Lot Single Family Residential Lot Development – utility services being repaired, franchise utilities being installed
- Sanger Circle Phase 6 – 250 Lot Single Family & Townhome Residential Development

Ready for Pre-Construction Mtg / Permit

- Miguelito's Drainage Improvements

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Under Review

- Parkbrook at Sanger Circle – 57 Lot Single Family Residential Development
Comments provided
- Lake Country Estates – 77 Lot Single Family Residential Development
Have not resubmitted
- Lois Business Park Addition Ph 2 – Lot 3
USACE approvals needed
- Sanger Meadow Addn (Denton County ETJ) – 134 Lot Residential Development
Awaiting resubmittal
- Sable Creek Ph 4 & 5 PP
CLOMR under FEMA review
Ranger Branch Improvements resubmittal received
- Sportsman 2 PP – Fuel Station
Preliminary Plat approved. Final Plat & Construction plans resubmitted
- Sanger Industrial Park RP – Grace Baptist Lot & Combine Lots
Approved. Building Permit comments provided
- Kirkland St Addn Phase 2
Awaiting civil plans

Flood Study Reviews

- Sable Creek CLOMR & Ranger Branch Improvements under FEMA review
- Wright Industrial Park – Review background and developer RFI
- McReynolds Rd Improvements – Ranger Branch LOMR to be submitted to FEMA

Development Review Committee

- Multiple Residential, Commercial & Planned development meetings with proposed developers.
- Building Permit – Engineering Review

DID YOU KNOW...

In the 18th century, the term "civil engineering" came into use to describe engineering work that was performed by civilians for nonmilitary purposes.



Monthly Report-September 2019

General Summary

The Electric Department completed A&W Productions and installed several new services during September.

Daily Operations

- Inspection on Willowood
- Load poles for Master
- Prep old bucket truck for auction
- Rewire pole trailer
- Work in street lights at City Hall
- Meeting at City Hall
- Homecoming Banners
- Mark and tag transformers in Lake Ridge Estates
- Physical Inventor

Did You Know...

The recommended rate for insulation in an attic in Texas is R-30, which equals to approximately 13-17 inches deep.

www.sangertexas.org

Construction

- Installed Primary conductor and set transformer at A&W Productions
- Installed three-phase at 201 Railroad
- Installed new meter set at well #6 on McReynolds Rd.
- Installed meter set at A&W Productions
- Set new primary pole at 455 and Sam Bass Rd.
- Set pole and make up jumpers at corner of Railroad Ave. and Bolivar St.
- Haul pea gravel
- Trim trees on Houston St.
- Push secondary at 709,711, and 722 Chaparral
- Dig 705 Chaparral service
- Worked on base at well #6
- Dig in 703 Chaparral
- Push wire at 703 and 705 Chaparral

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STREETS

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Monthly Report – September 2019

Road Hazards:

- Pothole repair – Cowling Road
- Repair slip spot – S 5th Street
- Mill up road – S First Street
- Pothole patch – Lake Ridge Drive
- Pothole repair – David Drive

Miscellaneous:

- Weedeat near sidewalk – Keaton Road North
- Remove dirt and debris from sidewalk – Bolivar Street
- Grade shots – Jennifer Court
- Bleachers for Sanger Sellabration – North 4th Street
- Help parks with limb pick up – Elm Street
- Help parks with limb pick up – S First Street

Tree Trimming:

- Trimmed trees blocking signs – Cowling Road
- Trimmed trees blocking signs – Belz Road
- Trimmed trees blocking signs – S 5th Street
- Trimmed trees blocking signs – S 5th Street
- Trimmed trees blocking signs – Duck Creek Road

Street and Traffic Signs:

- Replace Low Ground Clearance – Chisam Road
- Replace Stop Sign – S 5th Street
- Install Railroad Caution sign – Chisam Road
- Install street sign – Waterfront Drive and Watercrest Drive

Sidewalk Safety:

- Setting forms for sidewalks – La Paloma Road



DID YOU KNOW...

Stop signs are a common sight in the U.S., and one thing that makes them stand out is their octagonal shape. That, and the bright, fire-engine red color they tend to boast. The reason the government picked an octagon was that it was immediately different from the squares and rectangles used for other signs, and that an octagon was one of the cheapest shapes to make. Because, as you've no doubt noticed, the government knew there was going to be a lot of stop signs on the roads.

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WATER

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Monthly Report – September 2019

During September the Water Department was able to:

- Have THI Well Service install new well casing pipe, pump, motor and check valves at Well #6.
- Replace the chlorine booster pump at Well #6.
- Terminate the old steel 2" water line on Hugh's Street south of Bolivar Street.
- Have Mabak Directional Drilling install a new 2" water line and service taps on Hugh's Street South of Bolivar Street.
- Have Ron Perrin Water Technologies make repairs to the level indicator inside the Cowling Road ground storage tank.
- Make repairs to 6 water service lines.
- Make repairs to 1 water main.
- Make repairs to 1 sewer service line.
- Install 15 new water meters
- Replace 8 water meters.
- Visually read 765 water meters that were not read by the mobile collector.
- Completed 106 water and sewer service orders.
- There were 3,030 active water connections and 2,861 active sewer connections during the month of September.

DID YOU KNOW...

The EPA requires all community water systems in the U.S. to report drinking water quality systems to its customers annually. This includes details on where the water comes from, what contaminants have been found in the water, and potential health effects. You can find ours at http://sangertexas.org/page/public_works_water_reports

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PARKS AND RECREATION

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Monthly Report – September 2019

Parks and Recreation

Operations:

The parks crew has continued the pesticide, fertilization, aerification, and irrigation schedule for the season. 355 acres were mowed. The Parks Department completed 85 brush orders with 60.0% of the orders being completed within 10 days on avg. 10.3 days and used an estimated 40.50 labor hours. It is important to note that the brush orders are still being completed after the storm damage.

Facilities:

Our facilities continue to be in regular use with 20 rentals for the month of September. Facilities include our Community Center and Historical Presbyterian Church as well as park pavilions and ball fields. Our facility availability calendar along with information and forms can all be found on our website under the Parks and Recreation Department.

Recreation:

The month of September saw our annual Sellabraion. While this is not a City of Sanger Event (it is hosted by the Chamber of Commerce) it is held on our City Streets and in our Park System. Great care and a great amount of time is spent in preparing for this event including street sweeping, flower beds, water usage, electric usage, mowing, and all other beautification needs. September also included all the planning for the second trash off for the year and our annual Halloween Trick or Trot 5K and Monster Fun Run.

Our Facebook page is still experiencing a steady growth up to 2,788 likes at the end of August with 2,847 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:

Director – Jim Berman
Recreation & Event Coordinator – Jennifer Shumate
Crew Leader – James Hunter
Maintenance Worker II – Dean Mason
Maintenance Worker II – Brandon Metcalf

DID YOU KNOW...

The City of Sanger is still working on limb and brush removal after the storms on June 1, 2019. We continue to ask for patience as we work on storm clean up!

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LIBRARY

SANGER
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Monthly Report - September 2019

LIBRARY

Program Highlights:

- A total of 20 library-sponsored programs were held in September, with a total of 192 people attending.
- The highlight of programs was the Stuffed Animal Sleepover on September 19th. Children brought their stuffed animals to leave overnight. Our children's services assistant, MaDonna Wade, read stories and led a pillow-making craft for the children using construction paper stuffed with newspapers. The stuffed animals had fun on their own after the library closed, and each child received a booklet of photos of the creatures playing in the library when they came back to pick up their animals.



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SANGER
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Monthly Report - September 2019

- Denton County Master Gardener and new Sanger resident Kathi Randolph gave a presentation on Growing Herbs on September 24th. There was a great deal of audience participation, including sharing recipes.
- The monthly Homesteading series on September 10th featured guest speakers Carol and Duane Tucker, who shared their experience with beekeeping.

Statistics at a Glance:

- 2,223 physical items were checked out in September.
- 123 eBooks were checked out.
- 32 new cardholders and a total of 4,481.
- 3,040 visits to the library.
- 94 reference questions answered.
- 68 computer-related questions answered.



DID YOU KNOW...

*The library offers book clubs for 5th-7th grade students as well as adults. And next month the library will host two virtual author visits! On October 17th, the author of middle grade book *Scouts* will join us via Skype, and on the 29th, bestselling author of young adult fiction, Kerri Maniscalco, will also Skype with us! For details, check out the library's website at www.sangerlibrary.org*

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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.

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.

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.

Special Revenue Fund

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

SWOT

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

Tax Levy

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

Tax Rate

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

TBD

Acronym for To Be Determined.

TXDOT

Acronym for Texas Department of Transportation.

Transfer

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

WW

Acronym for Waste Water.