CITY COUNCIL

MEETING AGENDA

AUGUST 10, 2026, 7:00 PM

CITY COUNCIL SPECIAL MEETING
HISTORIC CHURCH BUILDING - 403 N 7TH STREET, SANGER, TEXAS

CALL THE SPECIAL MEETING TO ORDER AND ESTABLISH A QUORUM

INVOCATION AND PLEDGE

CITIZENS COMMENTS

This is an opportunity for citizens to address the Council on any matter. Comments related to public hearings will be heard when the specific hearing begins. Citizens are allowed 3 minutes to speak. Each speaker must complete the Speaker's Form and include the topic(s) to be presented. Citizens who wish to address the Council with regard to matters on the agenda will be received at the time the item is considered. The Council is not allowed to converse, deliberate or take action on any matter presented during citizen input.

PUBLIC HEARING ITEMS

1. Conduct a public hearing for the City of Sanger's Annual Budget for the fiscal year 2026-2027.

2. Conduct a public hearing for the City of Sanger's proposed property tax rate.

ACTION ITEMS

ADJOURN

NOTE: The City Council reserves the right to adjourn into Executive Session as authorized by Texas Government Code, Section 551.001, et seq. (The Texas Open Meetings Act) on any item on its open meeting agenda in accordance with the Texas Open Meetings Act, including, without limitation Sections 551.071-551.087 of the Texas Open Meetings Act.

CERTIFICATION

I certify that a copy of this meeting notice was posted on the bulletin board at City Hall that is readily accessible to the general public at all times and was posted on the City of Sanger website on August 4, 2026, by 3:00 PM.

/s/Kelly Edwards
Kelly Edwards, City Secretary

The Historical Church is wheelchair accessible. Request for additional accommodations or sign interpretation or other special assistance for disabled attendees must be requested 48 hours prior to the meeting by contacting the City Secretary's Office at 940.458.7930.

TAXPAYER IMPACT STATEMENT

Estimated Taxable Value of Median-Valued Homestead Property in the City: $294,745
Estimated Property Tax Bill for the Current Fiscal Year: $1,965
Estimated Property Tax Bill for the Upcoming Fiscal Year: $2,033 (Calculation based on current tax rate. Tax rate for the upcoming fiscal year has not yet been proposed).

The Texas Government Code section 551.043(a) requires a Taxpayer Impact Statement posted with the City Council agenda for a meeting at which a governmental body will discuss or adopt a budget for the governmental body. The statute requires the specific items presented above to be included in this statement.

PROPOSED
This notice informs taxpayers of the potential impact of the proposed budget and tax rate for Fiscal Year 2026–27, comparing what would be paid under the no-new-revenue tax rate versus the proposed tax rate.

Median Taxable Homestead Value
Prior Year (FY 2025-2026): $297,424
Current Year (FY 2026-2027): $291,689

Tax Rates
Adopted Tax Rate (2025-2026): $0.689747
No-New-Revenue Tax Rate (2026-2027): $0.686583
Proposed Tax Rate (2026-2027): $0.689747

Estimated Annual Tax Bill Comparison
The estimated property tax bill for 2025-2026: $2,051
Under the no-new-revenue rate, the estimated bill for 2026-2027: $2,003
Under the proposed tax rate, the estimated bill for 20226-2027: $2,012

CITY COUNCIL COMMUNICATION

DATE: August 10, 2026

FROM: Clayton Gray, Chief Financial Officer

AGENDA ITEM: Conduct a public hearing for the City of Sanger's Annual Budget for the fiscal year 2026-2027.

SUMMARY:

- Budget workshops open to the public were held during City Council meetings on July 6, 2026, and July 20, 2026.
- The City's proposed budget has been available for public inspection both on the City's website and in the City Secretary's office.
- State law and the City Charter require that a public hearing be conducted to allow citizens the opportunity to provide input on the proposed budget before its adoption.
- Notice of a public hearing was published in the Denton Record-Chronicle and posted on the City's website.

FISCAL INFORMATION:

Budgeted: N/A Amount: N/A GL Account: N/A

RECOMMENDED MOTION OR ACTION:

- City Council should announce at the public hearing that the vote on the budget is scheduled for Monday, August 17, 2026 at 7:00 PM.

ATTACHMENTS:

- Notice of public hearing on 2026-2027 budget
- 2026-2027 Proposed Budget

CITY OF SANGER, TEXAS
NOTICE OF PUBLIC HEARING

NOTICE is hereby given that the Sanger City Council will conduct a **Public Hearing** on **Monday, August 18, 2025,** at **7:00 p.m.** in the Historic Church Building, 403 N 7th Street, Sanger, Texas.

The purpose of the Public Hearing is to hear citizens' opinions in favor of or in opposition to the City of Sanger's proposed 2025-2026 fiscal year budget.

This budget will raise more total property taxes than last year's budget by $498,449 (5.32%), and of that amount, $269,057 is tax revenue to be raised from new property added to the tax roll this year.

FISCAL YEAR

2026-2027

PROPOSED BUDGET

SANGER
EST · 1886
TEXAS

This budget will raise more revenue from property taxes than last year's budget by an amount of $531,967, which is a 5.45 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $487,028.

PROPOSED

Tax Rate	2026-2027	2025-2026
Property Tax Rate	$ 0.689747 / $100	$ 0.689747 / $100
No New Revenue Tax Rate	$ 0.686583 / $100	$ 0.669556 / $100
No New Revenue Maintenance & Operations Tax Rate	$ 0.576619 / $100	$ 0.555313 / $100
Voter Approval Tax Rate	$ 0.704539 / $100	$ 0.691010 / $100
Debt Rate	$ 0.106528 / $100	$ 0.116262 / $100
De Minimis Rate	$ 0.716674 / $100	$ 0.706515 / $100

	Current Year Debt	Total Outstanding Debt
Outstanding municipal debt obligations (principal & interest)	$ 1,600,369	$ 22,413,585

The information below is in accordance with Section 140.0045 of the Local Government Code as amended by HB 1495 of the 86th Texas Legislature:

Fiscal Year	Legislative Lobbying	Legal Public Notices
2024-2025 Actual	$0	$6,269
2025-2026 Estimated	$0	$4,154
2026-2027 Budget	$0	$7,000

CITY OF SANGER, TEXAS

ANNUAL BUDGET

OCTOBER 1, 2026 – SEPTEMBER 30, 2027

SUBMITTED TO
THE MAYOR AND CITY COUNCIL
AUGUST 17, 2026

GARY BILYEU
Mayor

MARISSA NEWTON
Council Member, Place 1

MARK BULGER
Council Member, Place 2

JOSH BURRUS
Council Member, Place 3

MARGIE TISDALE
Council Member, Place 4

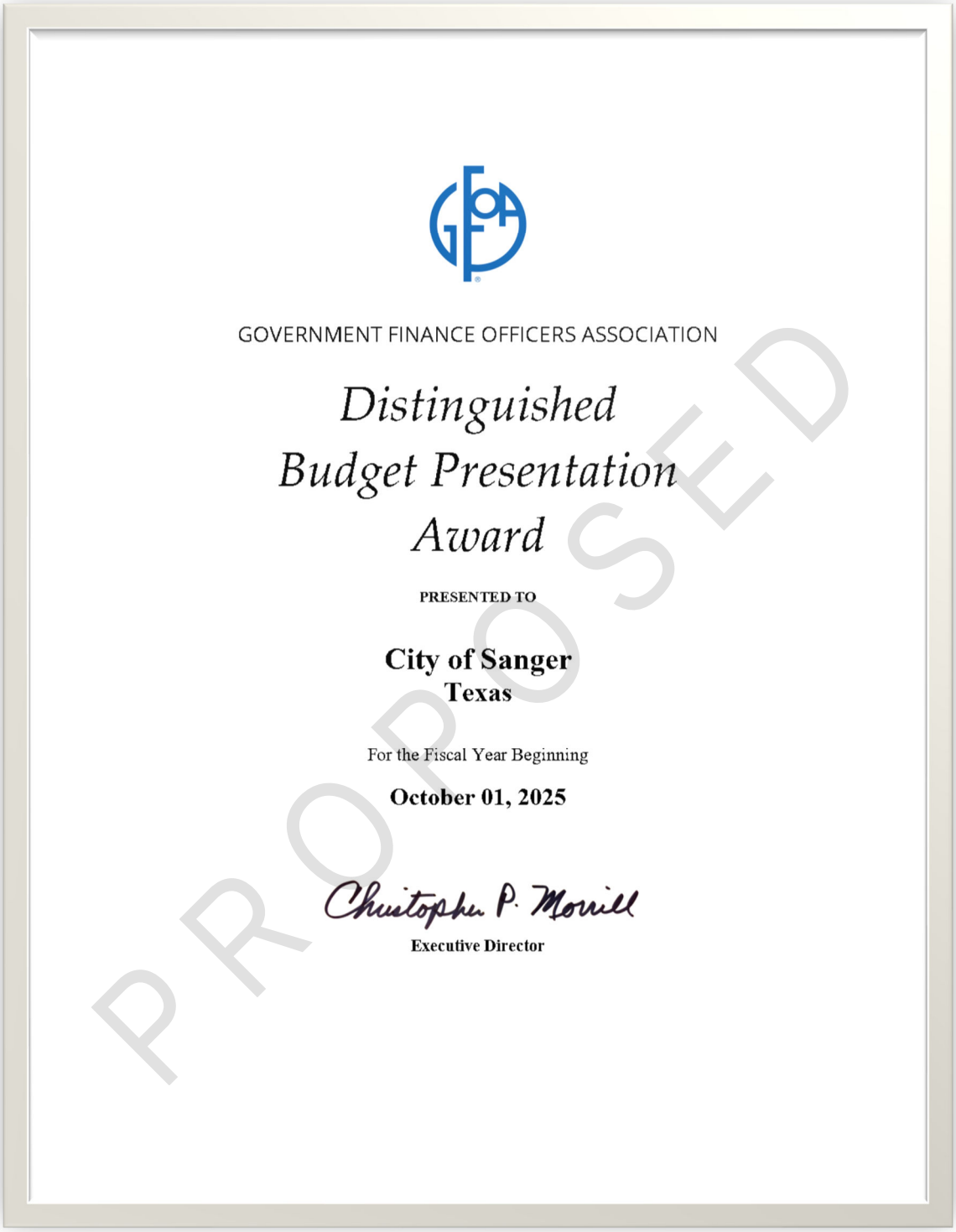
VICTOR GANN
Council Member, Place 5

PROPOSED

JOHN NOBLITT
City Manager

CLAYTON GRAY
Chief Financial Officer

DISTINGUISHED BUDGET PRESENTATION AWARD



The Government Finance Officers Association of the United States and Canada (GFOA) presented the Distinguished Budget Presentation Award to the City of Sanger, Texas, for its Annual Budget for the fiscal year beginning October 1, 2025. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, financial plan, operations guide, and communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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PROPOSED

PROPOSED

INTRODUCTION

BUDGET MESSAGE

August 17, 2026

Introduction

We are pleased to present the FY 2026-2027 Budget for the City of Sanger.

The City of Sanger's budget is one of our most important tools for planning and providing the services our community relies on. It helps the City Council and staff make thoughtful decisions about how to use public funds to support residents, improve neighborhoods, and strategic planning. Like all cities, Sanger faces tough choices—there are always more needs than resources. That's why we take a careful, balanced approach to budgeting, making sure we prepare for current conditions while also thinking ahead.

Sanger is in a time of strong and steady growth. We're seeing more building activity—both homes and businesses—and more interest in larger developments, like residential subdivisions and mixed-use projects. As the city grows, we remain committed to delivering the high-quality services our community expects, while making sure our growth is sustainable and our financial practices stay responsible.

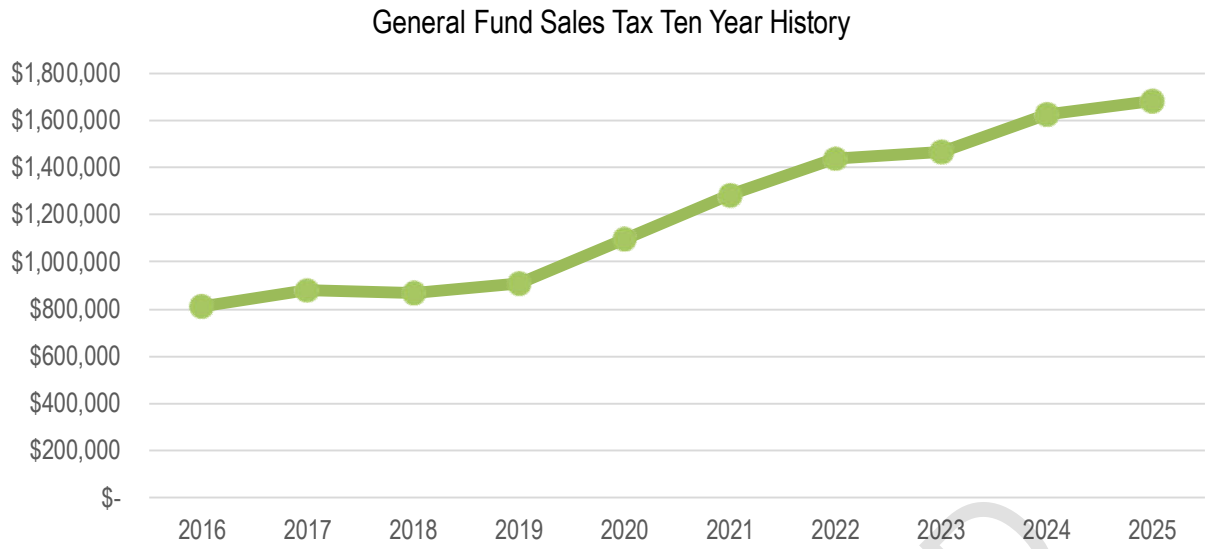
This message is meant to help you understand how the budget works and the environment in which it was created. It follows the same general structure as in past years, highlighting the key parts of this year's budget. We also include a SWOT analysis—an overview of the City's strengths, weaknesses, opportunities, and challenges in the year ahead. Finally, we explain where the City's money comes from and how it is spent. Whether you're familiar with city finances or new to the topic, this message is designed to give you a clearer picture of how your city works for you—and how we're planning for a strong future together.

Current Conditions

The city has seen an improvement in supply chain issues, which is a positive indicator for the next fiscal year. However, inflation rates and possible legislative changes impacting city funding could dynamically change future forecasts. Inflation rates tend to impact not only the City's purchasing power but also lending rates. Legislative changes that may go into effect in the new fiscal year will continue to be monitored, as they could dramatically impact project timelines and costs through 2027 and beyond.

The housing market is still strong in Sanger. Demand continues to be high due to the area's location and the increase and convenience of available amenities. Additional residents add to several revenue streams but also increase the need for services, which often negates revenue gains. Sales tax in FY 2025-2026 should end the year close to projections. For FY 2026-2027 we are projecting General Fund Sales Tax Revenues of $2,175,000.

PROPOSED



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

We continue our commitment to quality growth with the capital projects scheduled for this year. A major focus is the Street and Utility Maintenance Program (SUMP), which is progressing on schedule with Marion Road substantially designed and right-of-way acquisitions being completed on Belz. Public Safety improvements continue to be a priority for Sanger. In addition, significant community investments—including renovations at the Sanger Community Center, improvements at Miracle Field, and Porter Park Phase II—underscore the city's commitment to enhancing both safety and quality of life for residents.

FY 2026- 2027 Budget Highlights

Capital Equipment

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

The proposed budget includes the following Capital Equipment.

PROPOSED

Department	Category	Description		Amount
Police	Vehicles	Toyota Camry	$	40,399
Police	Vehicles	Toyota Camry	$	40,399
Police	Vehicles	Chevrolet Traverse	$	50,272
Police	Vehicles	Chevrolet Tahoe	$	91,244
Police	Vehicles	Chevrolet Tahoe	$	91,244
Police	Vehicles	Chevrolet Tahoe	$	91,244
Police	Vehicles	Chevrolet Tahoe	$	91,244
Fire	Vehicles	Type I Engine NTX Spartan	$	1,520,500
Fire	Equipment	LifePak 15 V4 The Lucas	$	148,739
Streets	Vehicles	Ford Supercab F250 Flatbed	$	92,228
Streets	Vehicles	Ford Supercab F250 Flatbed	$	62,845
Streets	Capital Improvements	Equipment Storage Building	$	64,600
Streets	Capital Improvements	Solar Powered School Crossing System	$	17,028
Streets	Equipment	Linedriver Attachment for Striping	$	15,935
Parks	Equipment	72" Zero Turn Mower	$	20,250
Library	Capital Improvements	Storage Building	$	10,861
Water	Equipment	Cellular Communications for SCADA System	$	27,200
H R	Equipment	Laserfiche HR Employee Application	$	13,500
Total				**$2,489,732**

PROPOSED

Internal Service Fund

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

Personnel

We continue to make improvements to our compensation and benefits plan so that we can both attract and maintain competent staff members. The City engaged Public Sector Personnel Consultants to prepare a compensation study and on June 3, 2024, the City Council adopted a new salary schedule based on that study's results. The new schedule makes adjustments to positions that are currently below market grade. The personnel review system uses a weighted measure to award this percentage at 2%. 4%, and 6% levels depending upon performance. In the current economic climate, it is imperative that we stay competitive on wages and benefits to keep from continually losing good employees to other cities.

To support Sanger's growth, the City is expanding its workforce to maintain excellent customer service across all departments and enhance existing services. The primary goal is to ensure the community remains safe and clean for all residents. The City is adding two positions to the Police Department—an additional CID Sergeant and a Community Police Officer—and three Firefighter/Paramedic positions to the Fire Department to enhance public safety and better serve our growing community. In addition, we are adding an additional Maintenance Worker in the Streets Department and an Assistant Library Director in the Library to better serve the needs of our citizens.

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Operating Expenses

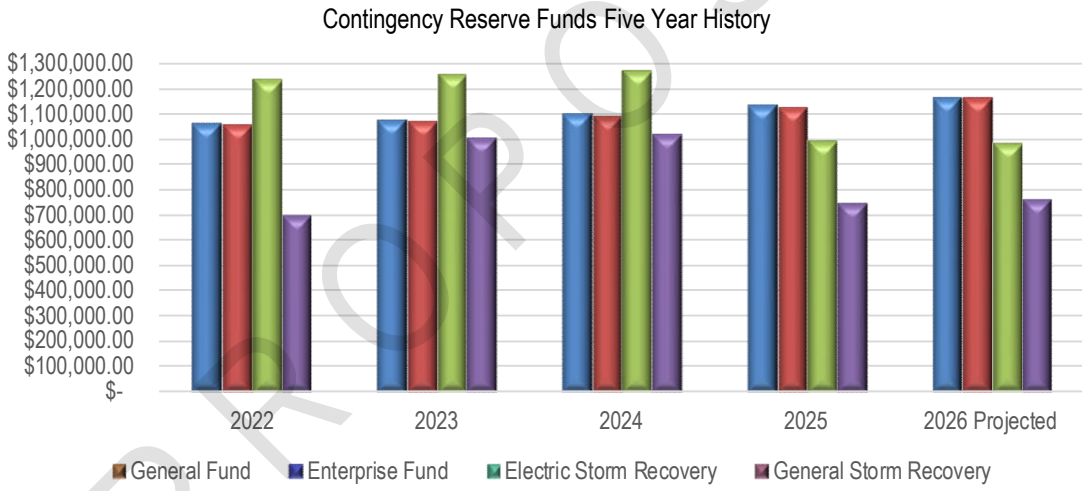
We do not directly control many of our operating expenses like health care costs and the price of fuel. Absorbing these costs can leave very little extra money left for the expansion of services. Any proposed increases in operating costs must be accompanied by written justification from the department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

Capital Projects

This year, the City is continuing several key capital projects, including the Street and Utility Maintenance Program (SUMP) and electric system upgrades designed to improve reliability and redundancy. The City remains committed to expanding water and wastewater capacity to meet increasing demand. Additional details can be found in the City's Five-Year Capital Plan included in this document.

Reserve

In 2014, the City reached its goal of increasing emergency reserves to $2,000,000. In addition to these reserves, the city has two funds that account for reserves explicitly earmarked for recovery from storm damage. In total, contingency reserves across the General, Enterprise, Electric Storm Recovery, and General Storm Recovery Funds now total $4,000,000.



PROPOSED

	2022	2023	2024	2025	2026 Projected
General Fund	$ 1,063,637.00	$ 1,078,335.00	$ 1,098,248.00	$ 1,132,815.00	$ 1,163,907.00
Enterprise Fund	1,057,580.00	1,073,800.00	1,092,101.00	1,127,148.00	1,165,302.00
General Storm Recovery	700,000.00	1,005,367.00	1,020,506.00	748,619.00	760,731.00
Electric Storm Recovery	1,234,785.00	1,255,941.00	1,270,261.00	996,018.00	983,466.00
Totals	**$ 4,056,002.00**	**$ 4,413,443.00**	**$ 4,481,116.00**	**$ 4,004,600.00**	**$ 4,073,406.00**

SWOT Analysis

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

Strengths

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

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

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

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

Sanger also enjoys having both a 4A and 4B economic development board. Each of these boards generates over $1M annually in revenue. These monies have allowed Sanger to compete economically and make the quality-of-life improvements as mentioned above. 4B funds are currently being used to pay for the debt service on the Porter Sports Complex and other projects.

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

Weaknesses

Cities in Texas are largely dependent on property taxes to fund their general revenue operations. In Sanger, approximately 45% of general fund operating revenues come from property tax. The weakness here is that almost three quarters of the market value of property in Sanger comes from residential improvements. Demand for service is much higher for residential properties than for commercial properties. This means that in practice 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.

PROPOSED

Another weakness is median home prices in Sanger. High demand for homes and a short supply of available proper continues raising average home prices across the state. The most recent report supplied by the Denton County Appraisal District reveals that the average home value in Denton County is $541,289. The same report values the average home in Sanger at $298,284. The lower values result in a much lower tax income per property than in other areas. We need to diversify our housing mix to include houses in higher price ranges that generate higher property taxes. This will also help alleviate the tax burden on families with lower incomes and those with fixed incomes. The Council has established benchmarks that are helping to alleviate this weakness. As a result, we are seeing our average valuation increase. We will continue to proactively encourage this trend at the staff and Council levels to eliminate this weakness.

Another weakness that stifles growth is the fact that as the city limit has expanded, areas have been added that are not within Sanger's water supply Certificate of Convenience and Necessity. (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 remains a hindrance to growth due to the costs associated with the transfer.

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

Opportunities

Industrial Development

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

Residential Development

This year, the city has issued 142 single-family residential permits so far. Several new phases of existing developments are underway or have residential lots that have just been released for construction. Staff and Council continue to encourage a greater mix in housing, and we are still seeing those efforts pay off. Homes in higher price ranges generate higher property taxes but typically require the same number of services as homes of less appraised value. This allows the city to provide services at a lower tax rate, saving everyone on their property taxes. The average home value in Sanger is approximately $298,284. At that value, a home will generate approximately $2,057 in city property tax each year. In comparison, a $450,000 home generates approximately $3,104 at the same tax rate. Simply put, higher-priced homes translate into lower property taxes and increased services for everyone.

Commercial Development

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

PROPOSED

Threats

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

One threat that bears close watch is the increased cost of health insurance. We typically do not know until late in the budget process if we will face an increase this year or not, but a double digit percentage increase over 10% is likely.

A growing concern on the horizon is a legislative push to restrict city and county spending. Texas Governor Greg Abbott is leading the effort, proposing limits on local budget growth by tying spending increases to inflation and population growth. Supporters argue that unchecked local spending drives up property tax bills. Still, local officials and critics caution that these constraints could severely impact fast-growing communities already facing mounting service demands. The proposed caps could force cuts to essential services such as Public Safety and delay major infrastructure projects. A bill in the Texas House would require voter approval for any spending that exceeds the proposed limits. Staff believes this could be the biggest threat to our ability to maintain adequate service levels due to our rapid growth and capital cost associated with such growth.

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 Funds. These funds are explained in detail below. The city's fiscal year runs from October 1st through September 30th each year. The budget process begins in the spring of each year internally. Budget workshops are held during the summer of each year with the city Council and economic development boards. Public hearings are also held on the budget. The budget must be approved and next year's property tax rate set before October 1st each year.

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

Strategic Goals

The City's budget is developed within the framework of the City Council's Strategic Plan, which includes seven strategic goals that guide Sanger's continued growth and development. Each department establishes goals and objectives aligned with these priorities, and departmental performance measures are monitored to ensure progress on key initiatives.

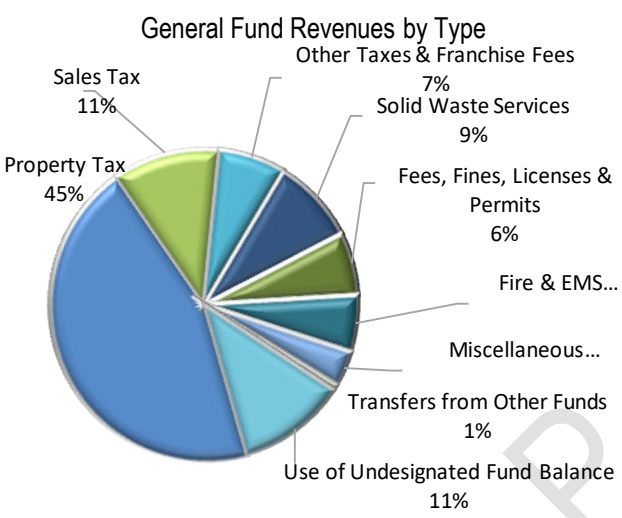
This budget also includes targeted investments that directly support the Strategic Plan. For example, an additional Sergeant and an Officer positions are being added in the Police Department and three Firefighter/Paramedic positions are being added to the Fire Department. In addition, this budget funds the acquisition of seven new Police vehicles and a new Fire Engine. These are significant investments that advance the goal of maintaining a safe and well-prepared community. Additional details can be found in the "City Council Strategic Plan" section and in each department's overview.

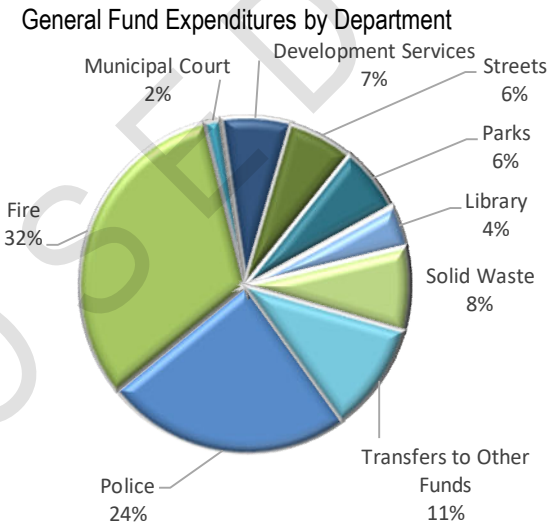
PROPOSED

General Fund

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

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





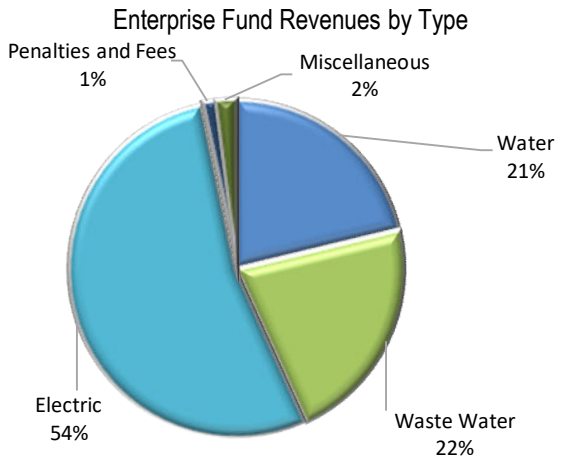
PROPOSED

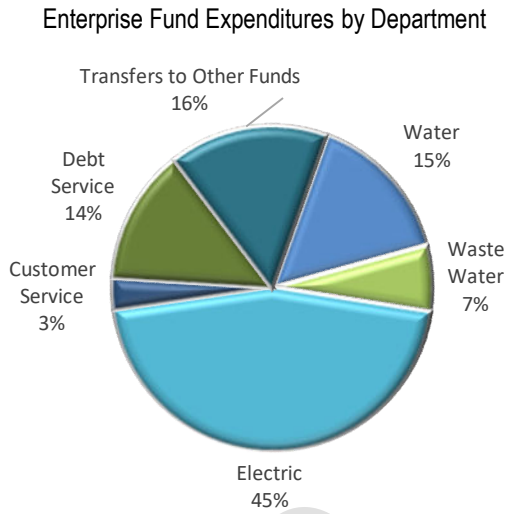
Enterprise Fund

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

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

The city engaged NewGen Strategies & Solutions, an independent consulting firm, several years ago to make recommendations for rates for the next five years. Council responded to the recommendations by adjusting utility billing rates and plans to follow NewGen's recommendations. In 2025, the City engaged NewGen once again to update the City's rate study. This year's budget is based on their recommended utility rates.





PROPOSED

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, City Council, Administration, City Secretary, Public Works, Finance, Human Resources, Marketing, and Facilities Maintenance. Instead of 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 over $1,000,000 each year for each of the corporations.

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

Debt Service Fund and Capital Projects Funds

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

Hotel/Motel Tax Fund

The expenditure of hotel occupancy tax (HOT) funds is 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.

Strategic Planning

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

Street Network - Several years ago, the City developed a multi-year plan to improve aged streets in the City. The 2026-2027 Phase of this plan is included in the budget, providing $716,764 for street improvements.

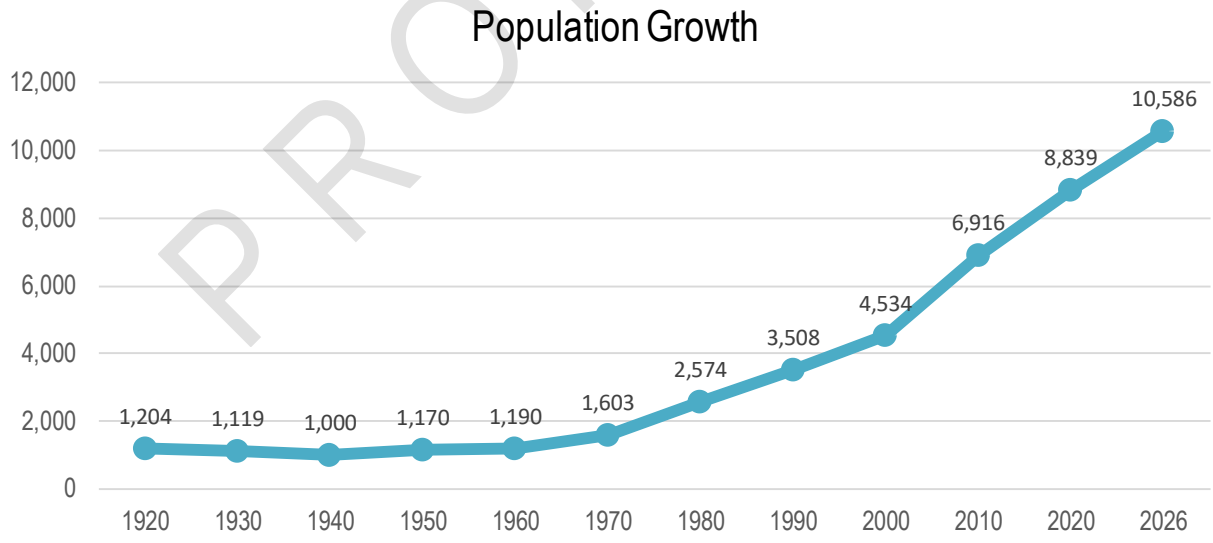
Quality of Life – The budgets of several departments, including Police, Fire, Parks and Administration incorporate the goal of maintaining and improving upon the existing quality of life and rural atmosphere of Sanger.

Looking Toward the Future

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

The northern cities of the DFW area continue to see much growth, and many people are choosing to live in a northern suburb and drive south for work. Easy access via I-35 makes Sanger an excellent choice for people looking to live in a smaller community. The Texas Department of Transportation estimates that 75,000 vehicles travel through Sanger on I-35 every day.

Sanger has grown from a railroad stop established in the 1880s into a thriving community that offers residents the best of both worlds: big-city opportunities combined with small-town charm. Sanger's population has more than doubled in the past 20 years, growing from 4,534 in 2000 to an estimated 10,586 in 2026.



Sanger continues to attract strong interest from both residential and commercial developers. In recent years, the community has welcomed new additions such as QuikTrip, Starbucks, and Tom Thumb Grocery. Several new businesses, including Whataburger and Panda Express, are expected to open in the coming months. The City also receives near-daily inquiries from major industrial employers, reflecting Sanger's growing appeal as a regional hub.

PROPOSED

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

Conclusion

This budget document fully complies with the "Annual Budget" requirements outlined in the City's Financial Management Policy, included in the appendix of this document. The fiscal condition of the City remains strong, supported by our continued commitment to conservative financial practices that position Sanger well for the future. This budget reflects that philosophy by maintaining a disciplined approach that protects our long-term stability while advancing key improvements to community amenities, infrastructure, and the maintenance of existing assets.

Financial information, including current and historical budget documents, is available to the public on the City's website at https://www.sangertexas.org/177/Financial-Transparency .

I want to extend my sincere appreciation to Chief Financial Officer Clayton Gray for his leadership throughout the development of this budget and for providing the detailed historical data that informs our financial planning. I also want to thank all Department Heads and their dedicated staffs for their professionalism and teamwork. Their efforts have enabled us to navigate the significant challenges of recent years while continuing to deliver the highest level of service to our community.

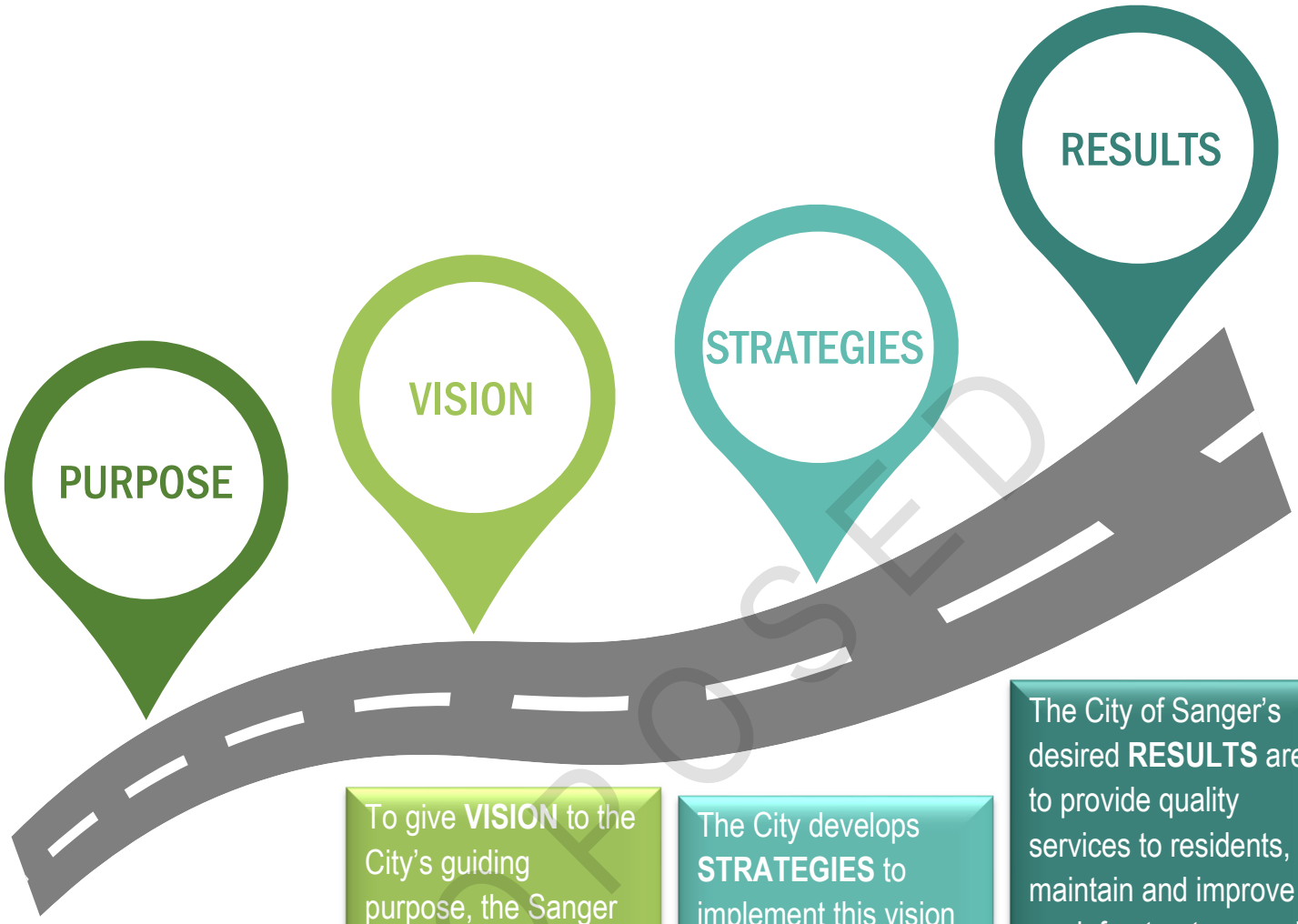
Finally, I want to thank the Mayor and City Council for your ongoing guidance and support. As always, staff looks forward to working closely with you and with the community in the coming year as we implement this budget and continue advancing Sanger's shared vision for the future.

Respectfully submitted,

John Noblitt
City Manager

PROPOSED

STRATEGIC PLANNING FOR RESULTS



The guiding **PURPOSE** of the municipal government of the City of Sanger is to preserve, protect, and enhance the quality of life for the citizens of Sanger. This underlying purpose drives everything City Council and staff do.

To give **VISION** to the City's guiding purpose, the Sanger City Council has adopted a Strategic Plan (page 21) and the Sanger 2040 Comprehensive Plan

The City develops **STRATEGIES** to implement this vision for the City. The Annual Budget, Capital Improvement Plan, and departmental goals are means by which the vision becomes a plan. The City's Annual Budget and

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.

To effectively measures results, departmental Performance Measures (page 23-36) have been

PROPOSED

CITY COUNCIL STRATEGIC PLAN

In 2023, the Sanger City Council adopted a plan to provide guidance for the future which included a specific set of strategic goals, which are tangible directives to guide the development of the City. These seven goals are general statements of the community's desired ultimate physical, social, economic, and environmental status. These strategic goals and strategies set the standard with respect to the community's desired quality of life.

SANGER 2040 COMPREHENSIVE PLAN

The City worked with a third-party consultant to prepare a comprehensive plan tailored to Sanger's vision and goals over the next 20 to 30 years.
View the plan here: https://tx-sanger.civicplus.com/DocumentCenter/View/180/Sanger-Comprehensive-Plan-PDF

PROPOSED

LONG-RANGE FINANCIAL PLANNING

CONSIDERATION OF GROWTH FACTORS FROM THE PAST TEN YEARS

The City's long-range financial operating financial planning model takes into consideration a number of factors affecting the city's continued growth. Key growth indicators affecting both revenue and expenses are presented below, indicating the increase over ten years from 2015 through 2025.

	Factor	2015	2025	2035 Estimated
	Population - Denton County continues to see record numbers of new residents each year	6,916	10,071	18,128
	Number of Residential Housing Units - The increasing population drives the development of new neighborhoods.	2,194	3,282	5,908
	Number of Electric Utility Accounts - New construction in Sanger Electric's service area increases the number of customers	2,614	2,806	5,051
	Number of Water Utility Accounts - - New construction in Sanger Electric's service area increases the number of customers	2,596	3,631	6,536
	Number of Waste Water Utility Accounts - - New construction in Sanger Electric's service area increases the number of customers	2,478	3,454	6,217
	Number of Property Tax Parcels - As land is developed, the number of both residential and commercial parcels increase each year	3,847	4,865	8,757
	Taxable Property Valuation - A continued strong real estate market and market demand continue to increase property values	$ 431,459,694	$1,373,407,440	$3,433,518,600
	Property Tax Revenues - As both the number of parcels and valuations rise each year, property tax revenues increase	$ 2,817,529	$ 7,061,026	$ 14,122,052
	Sales Tax Revenues - Growth of commercial enterprises combined with an increasing population result in higher sales taxes	$ 1,358,531	$ 3,388,067	$ 8,470,168
	I-35 Estimated Daily Traffic Count - Interstate 35 runs through Sanger, brining many visitors each day through our city	56,742	75,443	113,165

PROPOSED

ASSUMPTIONS FOR REVENUE FORECASTING

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

- Charges for Services –An increased number of customers for electric, water, and wastewater services. The City has engaged NewGen Strategies and Solutions to determine and forecast electric, water, and waste water rates. The most recent rate study was performed in 2025 and goes through 2030.
- Property Taxes – As the city grows, open land is divided into individual parcels for development. Continued high demand for new construction (both residential and commercial) result in increasing property tax revenues. The Texas State Senate passed Senate Bill 2 in 2019, making sweeping changes to the taxing process. The law restricts the amount of property tax increase allowed each year, which can greatly hinder a growing community like Sanger. The City works closely with the Denton Central Appraisal District and the Denton County Tax Assessor/Collector each year in updating revenue forecasts.
- Sales Taxes – The combination of a growing population and an increased number of commercial enterprises result in increased sales tax revenues for Sanger. The City works closely with our Economic Development department to understand how new businesses coming to Sanger will affect sales tax revenues. For instance, the Sanger's first Starbucks and first QT store opened in 2023. A new Tom Thumb grocery store opened in December 2025. Once road construction is complete on I-35 and FM 455 through the City, more businesses are expected to open along those throughfares.
- Fines, Fees, Licenses & Permits – Combined licenses, fees, fines, and permits historically account for about ten percent of the General Fund revenues. Increased population, development, density, and road traffic are factors affecting the growth of these revenue areas.

ASSUMPTIONS FOR EXPENDITURE FORECASTING

- Salaries & Benefits – The City considers employees the most important of all assets. The City recently engaged Public Sector Personnel Consultants to prepare a compensation study. On June 3, 2024, the City Council adopted a new salary schedule based on that study's results. The latest schedule made adjustments to positions that were below market grade. In addition to these adjustments, this budget includes a 4% allotment for raises during the year. The City participates in the Texas Municipal Retirement System, offering a 2:1 matching ratio to employee contributions.
- Supplies & Materials – As Sanger grows, operations will demand that the consumption of supplies and materials increase accordingly. While these items are typically estimated to increase five percent each year, the current period of high post-Covid inflation have resulted in much higher prices in some categories. We continue to monitor costs, searching for the most cost-efficient means of obtaining the necessary items for operations.
- Maintenance & Operations – Overall, maintenance and operations costs are assumed to increase at a rate of fiver percent each year. The combined effects of the COVID-19 pandemic and inflation have resulted in much higher prices in some categories, and the City is exploring cost-efficient means of providing necessary items.
- Capital Expenditures – As Sanger grows, there is a need for new capital expenditures – including new streets, expanding utility systems, and other infrastructure to maintain the current levels of service offered to the citizens and businesses in our city. The City's Capital Improvement Plan is updated each year to give the most accurate forecast of needs over the next five years.

PROPOSED

FIVE-YEAR PROJECTIONS FOR THE GENERAL AND ENTERPRISE FUNDS

- The five-year financial projections presented on the following pages include the actual operating results for Fiscal Year 2024–2025 and the projected results for Fiscal Year 2025–2026.
- The Fiscal Year 2026–2027 budget is presented as the first year of the projection, with Years 2 through 5 estimated using assumptions specific to each revenue and expenditure category. These assumptions were developed based on:
    - An analysis of three-year and ten-year historical trends for each revenue and expenditure category.
    - Consideration of current economic conditions and projected growth within the City of Sanger, Denton County, and the State of Texas.
    - Anticipated future operational needs, including additional staffing and capital investment requirements.
- These projections serve as a long-range planning tool to evaluate the City's financial outlook beyond the current budget year and to help ensure Sanger is financially prepared to support the significant growth anticipated in the coming years.

PROPOSED

PROPOSED

GENERAL FUND FIVE-YEAR PROJECTION

	2024-2025 Actual	2025-2026 Estimated	2026-2027 Budget
Beginning Fund Balance	19,301,247	18,750,144	17,286,349
Revenues			
Property Tax	7,526,421	8,099,159	8,668,349
Sales Tax	1,682,822	2,153,433	2,150,000
Other Taxes and Franchise Fees	1,078,069	1,280,297	1,345,431
Solid Waste Services	1,258,807	1,414,252	1,727,500
Licenses & Permits	1,841,657	1,494,807	1,047,500
Fines & Forfeitures	138,644	175,544	145,122
Fire & EMS	1,104,079	1,039,547	1,132,117
Interest Income	491,621	365,234	360,000
Miscellaneous Income	580,387	357,569	336,771
Intefund Transfers	395,000	95,000	130,000
Use of Undesignated Fund Balance	-	-	2,191,869
Total Revenues	16,097,507	16,474,842	19,234,659
Expenditures			
Salaries & Benefits	7,233,850	7,608,013	9,772,700
Supplies & Materials	517,438	558,951	1,268,216
Maintenance & Operations	686,158	547,161	770,253
Contract Services	2,208,373	1,927,392	2,672,925
Utilities	74,080	68,751	106,150
Capital Expenditures	3,179,032	414,231	2,449,042
Court Costs	50,340	42,858	48,278
Grant Expenses	202,368	1,200,000	65,000
Transfers Out	2,496,971	5,571,280	2,082,095
Total Expenses	16,648,610	17,938,637	19,234,659
Net Revenues Over (Under) Expenditures	(551,103)	(1,463,795)	-
Ending Fund Balance	18,750,144	17,286,349	17,286,349

PROPOSED

	Projection %	Year 2 2027-2028	Year 3 2028-2029	Year 4 2029-2030	Year 5 2030-2031
Beginning Fund Balance		17,286,349	17,288,014	17,303,355	17,347,064
Revenues					
Property Tax	11%	9,593,974	10,649,311	11,820,735	13,121,016
Sales Tax	5%	2,283,750	2,397,938	2,517,835	2,643,727
Other Taxes and Franchise Fees	6%	1,426,157	1,511,726	1,602,430	1,698,576
Solid Waste Services	7%	1,848,425	1,977,815	2,116,262	2,264,400
Licenses & Permits	3%	1,143,300	1,177,599	1,212,927	1,249,315
Fines & Forfeitures	5%	152,378	159,997	167,997	176,397
Fire & EMS	6%	1,200,044	1,272,047	1,348,370	1,429,272
Interest Income	3%	370,800	381,924	393,382	405,183
Miscellaneous Income	7%	361,533	386,840	413,919	442,893
Intefund Transfers	3%	133,900	137,917	142,055	146,317
Use of Undesignated Fund Balance	2%	2,235,706	2,280,420	2,326,028	2,372,549
Total Revenues		20,749,967	22,333,534	24,061,940	25,949,645
Expenditures					
Salaries & Benefits	9%	10,838,306	11,813,754	12,876,992	14,035,921
Supplies & Materials	5%	1,294,636	1,359,368	1,427,336	1,498,703
Maintenance & Operations	6%	812,228	860,962	912,620	967,377
Contract Services	5%	2,805,521	2,945,797	3,093,087	3,247,741
Utilities	5%	84,683	88,917	93,363	98,031
Capital Expenditures	10%	2,693,946	2,963,341	3,259,675	3,585,643
Court Costs	4%	50,209	52,217	54,306	56,478
Grant Expenses	3%	66,950	68,959	71,028	73,159
Transfers Out	3%	2,101,823	2,164,878	2,229,824	2,296,719
Total Expenses		20,748,302	22,318,193	24,018,231	25,859,772
Net Revenues Over (Under) Expenditures		1,665	15,341	43,709	89,873
Ending Fund Balance		17,288,014	17,303,355	17,347,064	17,436,937

PROPOSED

ENTERPRISE FUND FIVE-YEAR PROJECTION

	2024-2025 Actual	2025-2026 Estimated	2026-2027 Budget
Beginning Fund Balance	19,560,763	22,074,855	25,514,447
Revenues			
Water	3,008,960	3,552,000	3,946,573
Waste Water	2,892,557	3,500,000	4,070,751
Electric	9,252,816	9,759,000	9,945,788
Penalties and Fees	240,422	236,000	240,000
Interest Income	220,882	200,000	125,000
Miscellaneous	204,294	191,038	252,000
Transfers In	300,000	-	-
Total Revenues	16,119,931	17,438,038	18,580,112
Expenditures			
Salaries & Benefits	2,168,369	2,211,268	2,542,800
Supplies & Materials	169,573	183,398	325,990
Maintenance & Operations	6,285,276	6,637,086	8,830,480
Contract Services	433,894	148,262	1,016,800
Utilities	310,421	281,313	329,700
Capital Expenses	-	129,625	27,200
Debt Service	2,121,798	2,207,485	2,523,207
Transfers Out	2,116,508	2,200,009	2,983,935
Total Expenses	13,605,839	13,998,446	18,580,112
Net Revenues Over (Under) Expenditures	2,514,092	3,439,592	-
Ending Fund Balance	22,074,855	25,514,447	25,514,447

PROPOSED

	Projection %	Year 2 2027-2028	Year 3 2028-2029	Year 4 2029-2030	Year 5 2030-2031
Beginning Fund Balance		25,514,447	25,545,110	25,603,332	25,685,074
Revenues					
Water	7%	4,222,833	4,518,431	4,834,721	5,173,151
Waste Water	7%	4,355,704	4,660,603	4,986,845	5,335,924
Electric	7%	10,641,993	11,386,933	12,184,018	13,036,899
Penalties and Fees	6%	254,400	269,664	285,844	302,995
Interest Income	3%	128,750	132,613	136,591	140,689
Miscellaneous	7%	269,640	288,515	308,711	330,321
Transfers In	0%	-	-	-	-
Total Revenues		19,873,320	21,256,759	22,736,730	24,319,979
Expenditures					
Salaries & Benefits	9%	2,771,652	3,021,101	3,293,000	3,589,370
Supplies & Materials	5%	342,290	359,405	377,375	396,244
Maintenance & Operations	8%	9,536,918	10,299,871	11,123,861	12,013,770
Contract Services	5%	1,067,640	1,121,022	1,177,073	1,235,927
Utilities	5%	346,185	363,494	381,669	400,752
Capital Expenses	10%	29,920	32,912	36,203	39,823
Debt Service	6%	2,674,599	2,835,075	3,005,180	3,185,491
Transfers Out	3%	3,073,453	3,165,657	3,260,627	3,358,446
Total Other Uses		19,842,657	21,198,537	22,654,988	24,219,823
Net Revenues Over (Under) Expenditures		30,663	58,222	81,742	100,156
Ending Fund Balance		25,545,110	25,603,332	25,685,074	25,785,230

PROPOSED

ORGANIZATIONAL CHART

PROPOSED

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

AUTHORIZED PERSONNEL

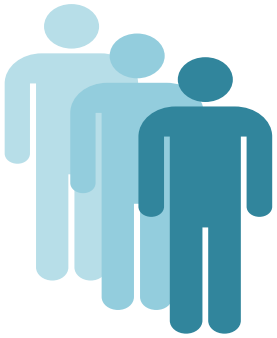
	Fund & Department	2024-25	2025-26	2026-27
General	Police	24.0	24.0	26.0
	Fire	23.0	23.0	26.0
	Municipal Court	4.0	4.0	4.0
	Development Services	6.0	7.0	7.0
	Streets	6.0	6.0	7.0
	Parks	6.4	6.4	6.4
	Library	8.0	8.0	9.0
	General Fund Totals	77.4	78.4	85.4
Enterprise	Water	9.0	9.0	9.0
	Waste Water	3.0	3.0	3.0
	Electric	8.0	8.0	8.0
	Customer Service	3.0	3.0	3.0
	Enterprise Fund Totals	23.0	23.0	23.0
Internal Service	Administration	2.0	3.0	2.0
	City Secretary	1.0	1.0	1.0
	Public Works Administration	3.0	3.0	4.0
	Finance	4.0	4.0	4.0
	Human Resources	2.0	2.0	2.0
	Marketing	1.0	1.0	1.0
	Facilities	0.6	0.6	0.6
	Internal Service Fund Totals	13.6	14.6	14.6
4A	Economic Development	1.0	1.0	1.0
	4A Fund Totals	1.0	1.0	1.0
4B	Economic Development	1.0	1.0	1.0
	4B Fund Totals	1.0	1.0	1.0
	Total Authorized Personnel	116.0	118.0	125.0

NOTE: Detailed position information is presented with each Department in the budget.

PROPOSED

The following seven positions are new this year:

- Police – Sergeant (CID) and a Community Police Officer
- Fire– Three (3) Firefighter/Paramedics
- Streets – One Maintenance Worker
- Library – Assistant Library Director



BUDGET CALENDAR

BUDGET CALENDAR FY 2026-2027	
Date	**Item**
February 13, 2026	Budget materials are distributed to all city departments. Department directors begin working on their requested budget, departmental goals, and long-range plans.
March 9, 2026 - March 12, 2026	The City Manager and the Chief Financial Officer meet individually with department directors for a mid-year budget review.
March 31, 2026	The City Manager, Chief Financial Officer and department directors meet to review individual departmental requested budget, discuss long-range financial plans and goal-setting.
April 1, 2026 - July 15, 2026	A preliminary budget is prepared. The City Manager continues working with directors on goal-setting and long-rand planning for departments and the City as a whole.
July 6, 2026	The first City Council budget workshop is held.
July 17, 2026	The proposed budget is filed with City Secretary and is provided to the City Council.
July 20, 2026	The second City Council budget workshop is held.
July 25, 2026	The Denton County Chief Appraiser Certifies the city's tax roll.
August 3, 2026	No-New-Revenue and Voter-Approval Tax Rates are submitted to the City Council. The City Council approves a proposed tax rate. A Public Hearing is held on the proposed Budget.
August 17, 2026	A Public Hearing is held on the proposed Tax Rate. The City Council votes on approval of the city's Tax Roll. The City Council votes on the adoption of the annual budget. The City Council votes on levying a tax rate.
Various dates	The City Council may amend the annual budget by ordinance at any point during the year

PROPOSED

THE BUDGET PROCESS

The City of Sanger's fiscal year 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 foundation of the City's budget is the City Council's Strategic Plan (see "City Council Strategic Plan" later in this section). This plan provides staff with guidance to ensure the budget and capital improvement plan support and advance the organization's established goals. The City Manager informs department directors of the organization-wide goals that Council has set, and works with directors in setting departmental goals that support these higher-level strategic plans.

The budget is developed at a departmental level. In February, the Chief Financial Officer develops worksheets that detail expenditures for the past four years, year-to-date balances, 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 additions 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 with any supporting documentation to the Finance Director. The City Manager and the Chief Financial Officer 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. Directors work with the City Manager during individual and group meetings to identify long-range planning and goal-setting. As the budget process progresses, the City Manager works with departments to focus on these goals and plans to ensure they align with the City's overall goals.

Concurrently with the development of the budget is the creation and refinement of the City's five-year Capital Improvement Plan. This plan is reviewed in light of the City's strategic goals, and items may be added, removed, or planned for a different time period. The City Manager works with the City Council, City staff and outside consultants in developing the plan.

Revenues are projected based on historical trends, the current economic climate, and expected future trends. Personnel expenses are prepared based on the current year and 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. During the budget process, it is essential to consider the present, past, and future. Current conditions for this budget include the number of utility customers the City serves, the staffing level required to provide services to citizens, and how the post-Covid period of high inflation has affected the City's operating costs. The past holds valuable information, including historical trends of sales tax revenues and the rate of change in property values for property tax projections. Future considerations include the number of new houses expected to be built in the next twelve months, the number and size of businesses scheduled to open soon, and planned development along the I-35 corridor that runs through Sanger. To help prepare for the future, this budget contains a five-year projected budget for the General Fund.

The departmental budget worksheets are combined with revenues, personnel, and utility expenses to prepare a working budget, which the City Manager reviews. The City Manager and the Chief Financial Officer meet with each department to review and discuss the requested budget in detail. These meetings assist the City Manager in determining budget

PROPOSED

priorities. The Denton County Chief Appraiser will certify the tax roll during July, allowing the City to propose a tax rate and estimate property tax revenues.

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

At times, circumstances may require the adopted budget to be amended. For example, if a facility were unexpectedly damaged and the repairs were unplanned, unfunded, and not covered by insurance, the budget would need to be modified to authorize the necessary expenditures. Throughout the fiscal year, the City Council may amend the budget to address such unforeseen needs.

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."

When a budget amendment is required, staff prepares an ordinance for the budget amendment and presents it to the City Council along with all relevant supporting information.

The citizens of Sanger play an important role in development of the budget. By communicating with the City Council and staff throughout the year, the public directly affect the strategic goals that form the basis for development of the budget. Public participation and input during the budget workshops help ensure the final budget supports the strategic goals set by Council.

In March and September each year, the City Manager and the Chief Financial Officer meet individually with each Department Director to compare operations year to date with the annual budget.

PROPOSED

FUND LIST & MATRIX

GOVERNMENTAL FUNDS

GENERAL FUND*: This is the general operating fund for the City, utilized to account for all resources not required to be accounted for in another fund. The basis of accounting for financial reporting and budgeting is the modified accrual basis.

DEBT SERVICE FUND: This governmental fund type accounts for the accumulation of resources for and the payment of general long-term debt principal and interest. The basis of accounting for financial reporting and budgeting is the modified accrual basis.

CAPITAL PROJECTS FUNDS: These funds were established to account for resources used for the acquisition and construction of capital facilities by the City. The city's Capital Projects Funds include the Capital Projects Fund* and Enterprise Capital Projects Fund*. The basis of accounting for financial reporting and budgeting is the modified accrual basis.

SPECIAL REVENUE FUNDS: These funds are used to account for the revenue derived from specific taxes or other earmarked revenue sources (other than for major capital projects) that are restricted by law or administrative action to expenditures for specified purposes. Special Revenue funds of the City include Hotel Occupancy Tax Fund; General Storm Recovery Fund; Enterprise Storm Recovery Fund; Police Grant Fund; Fire Grant Fund; Library Grant Fund; Beautification Fund; Library Restricted Fund; Parkland Dedication Fund; Roadway Impact Fee Fund; Court Security Fund; Court Technology Fund; Youth Diversion Fund; Court Security/Technology Fund; Child Safety Fund; Forfeited Property Fund; Police Donations Fund; Fire Donations Fund; Park Donations Fund, and Library Donations Fund. The basis of accounting for financial reporting and budgeting is the modified accrual basis.

PROPRIETARY FUNDS

ENTERPRISE FUND*: This fund accounts for the operations and financing of self-supporting activities of a governmental unit that renders services on a user charge basis to the general public, similar to private business enterprises. The basis of accounting for financial reporting and budgeting is the accrual basis.

INTERNAL SERVICE FUND*: This fund accounts for the financing of centralized services to different funds and City departments on a cost reimbursement basis. The basis of accounting for financial reporting and budgeting is the accrual basis.

FIDUCIARY FUNDS

4A CORPORATION FUND: This fund accounts for the operations and financing of self-supporting activities of the Sanger Texas Industrial Development Corporation. Funded by a ½ cent sales tax, this fund is used to help new and existing businesses expand in Sanger with a primary goal of bringing jobs to Sanger. The basis of accounting for financial reporting and budgeting is the modified accrual basis.

4B CORPORATION FUND: This fund accounts for the operations and financing of self-supporting activities of the Sanger Texas Economic Development Industrial Corporation. Funded by a ½ cent sales tax, this fund is used to enhance the local economy by improving the quality of life in Sanger. The basis of accounting for financial reporting and budgeting is the modified accrual basis.

**The General, Capital Projects, Enterprise Capital Projects, Enterprise, and Internal Service Funds are considered major funds.*

PROPOSED

FUND RELATIONSHIPS WITH FUNCTIONAL AREAS

FUND	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, City Secretary, Legal, Finance, Human Resources, Facilities			Public Works Administration	
4A			4A		
4B			4B		
Capital Projects	Administration			Public Works Administration	
Enterprise Capital Projects	Administration			Public Works Administration	
Hotel/Motel	Administration				
General Storm Recovery	Administration				
Electric Storm Recovery	Administration				
Police Grant Fund		Police			
Fire Grant Fund		Fire			
Library Grant Fund					Library
Beautification					Parks
Library Restricted					Library
Parkland Dedication	Administration				
Roadway Impact Fee	Administration				
Court Security		Court			
Court Technology		Court			
Youth Diversion Fund		Court			
Court Security/Tech Fund		Court			
Child Safety		Police			
Forfeited Property		Police			
Police Donations		Police			
Fire Donations		Fire			
Park Donations					Parks
Library Donations					Library

PROPOSED

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.

PROPOSED

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, ca 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 75,000 vehicles pass through Sanger on I-35 daily.

PROPOSED

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 10,586 (01/01/2026 estimate, North Central Council of Governments)

TRANSPORTATION
Interstate 35
DFW Airport - 39 miles
Love Field - 48 miles
BNSF Railway

CLIMATE
Köppen Climate Classification "Cfa" (Humid Subtropical Climate)
Average temperature 64º
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
8.25% Total

BOND RATING AA+ (Standard & Poor's)

TOP 10 PROPERTY TAXPAYERS
Wal-Mart Stores East, L.P. US06068
Wal-Mart Stores East, L.P.
Crossmar Texas Industrial 1 LLC & Sanger Tex Industrial LLC
GS Sanger Owner LP
Sanger Retail LTD
MPG Texas 2LLC & Hatchedegg LLC
Ramar Land Corporation
Maccamp LTD
Crossmar Texas Industrial II LLC
R & L Transfer Inc.

PROPOSED

LOCAL EVENTS

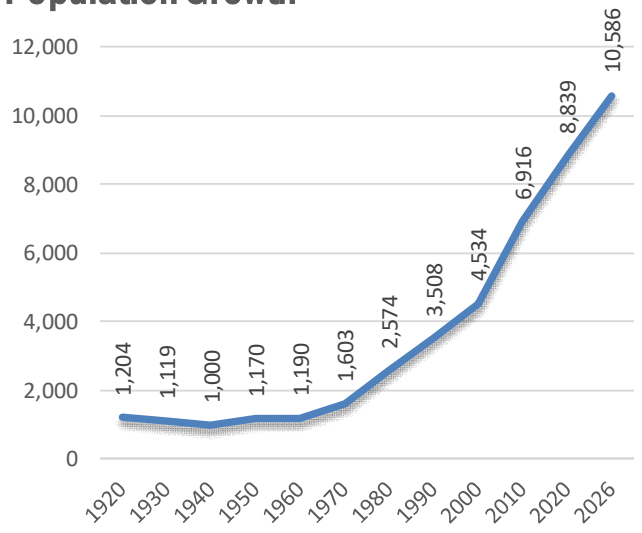
Sanger takes pride in the small-town charm it offers. The City proudly hosts many community events for all ages throughout the year, offering residents a chance to have fun with their neighbors. Events from the past year include the following:

MARCH	City-Wide Clean-Up Day
APRIL	Easter Egg-Apalooza
JUNE	Summer Reading Program
JULY	Freedom Fest
AUGUST	Back 2 School Bash
SEPTEMBER	Old Bolivar Street Songwriter Festival
OCTOBER	City-Wide Clean-up Day
	Sanger "Sellabration"
DECEMBER	Christmas on the Square
ONGOING	Various Sports Leagues
	Book Club
	Sanger Studio Saturday
	Preschool Story Time
	Legos at the Library
	Coffee with the City Manager

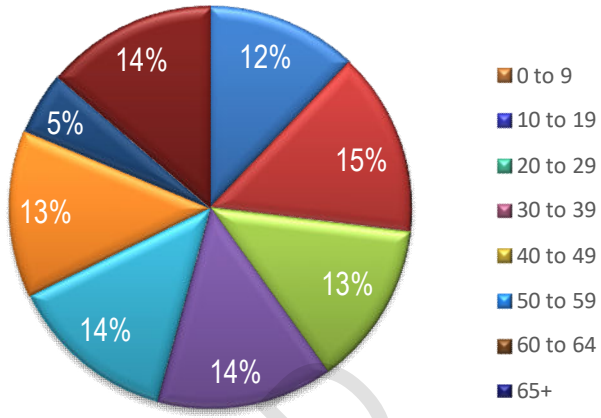
PROPOSED

SANGER DEMOGRAPHICS

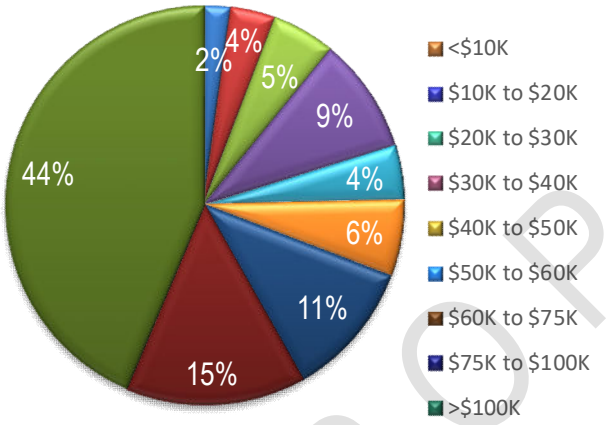
Population Growth [1]



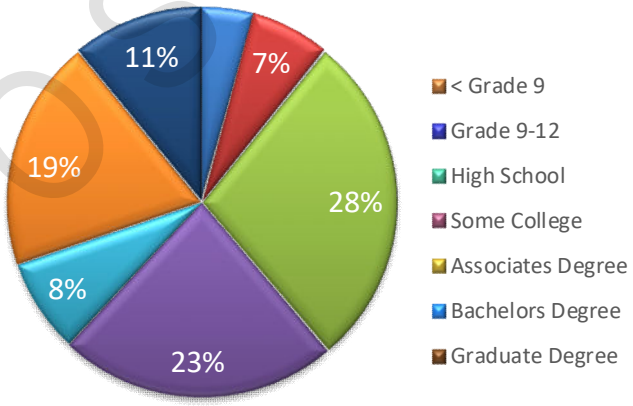
Population Age Distribution [2]



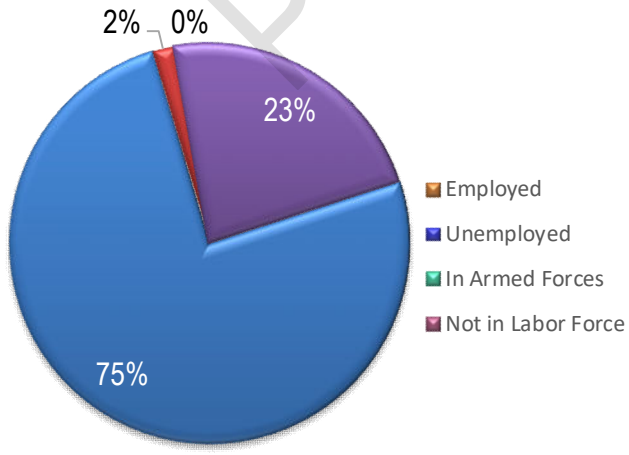
Household Income Distribution [2]



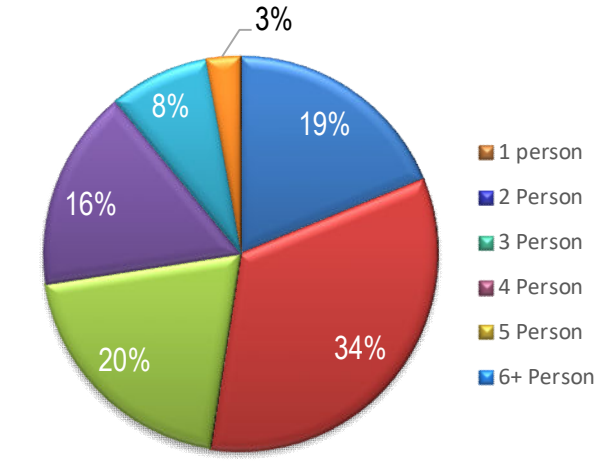
Education Attainment [2]



Labor Force Status [2]



Household Size [2]



1 North Central Texas Council of Governments

2 Sanger Economic Development Department

PROPOSED

THE AREA

TOP TEN EMPLOYERS

900-1,000 Employees
Walmart Distribution Center

250 – 300 Employees
Sam's Distribution Center
Sanger Independent School District

150-200 Employees
R&L Carriers

100-150 Employees
A&W Productions
City of Sanger
Eikon Engineering

50-100 Employees
Babe's Chicken

1-50 Employees
North Texas Plastics
Sanger Bank

LOCAL SCHOOLS

Sanger Independent School District
Butterfield Elementary School
Chisholm Trail Elementary School
Clear Creek Intermediate School
Sixth Grade Campus
Sanger Middle School
Linda Tutt High School
Sanger High School

Universities
University of North Texas (Denton)

Texas Women's University (Denton)

North Central Texas College (Gainesville)

LOCAL ATTRACTIONS

Sanger Public Library
Sanger Museum
Lake Ray Roberts
3 miles
Fort Worth Stockyards
44 miles
American Airlines Center
(Dallas Mavericks and Dallas Stars)
49 miles
Amon Carter Museum of American Art
50 miles
Six Flags Over Texas
51 miles
Dallas Museum of Art
51 Miles
Globe Life Field
(Texas Rangers)
54 miles
AT&T Stadium
(Dallas Cowboys)
56 miles

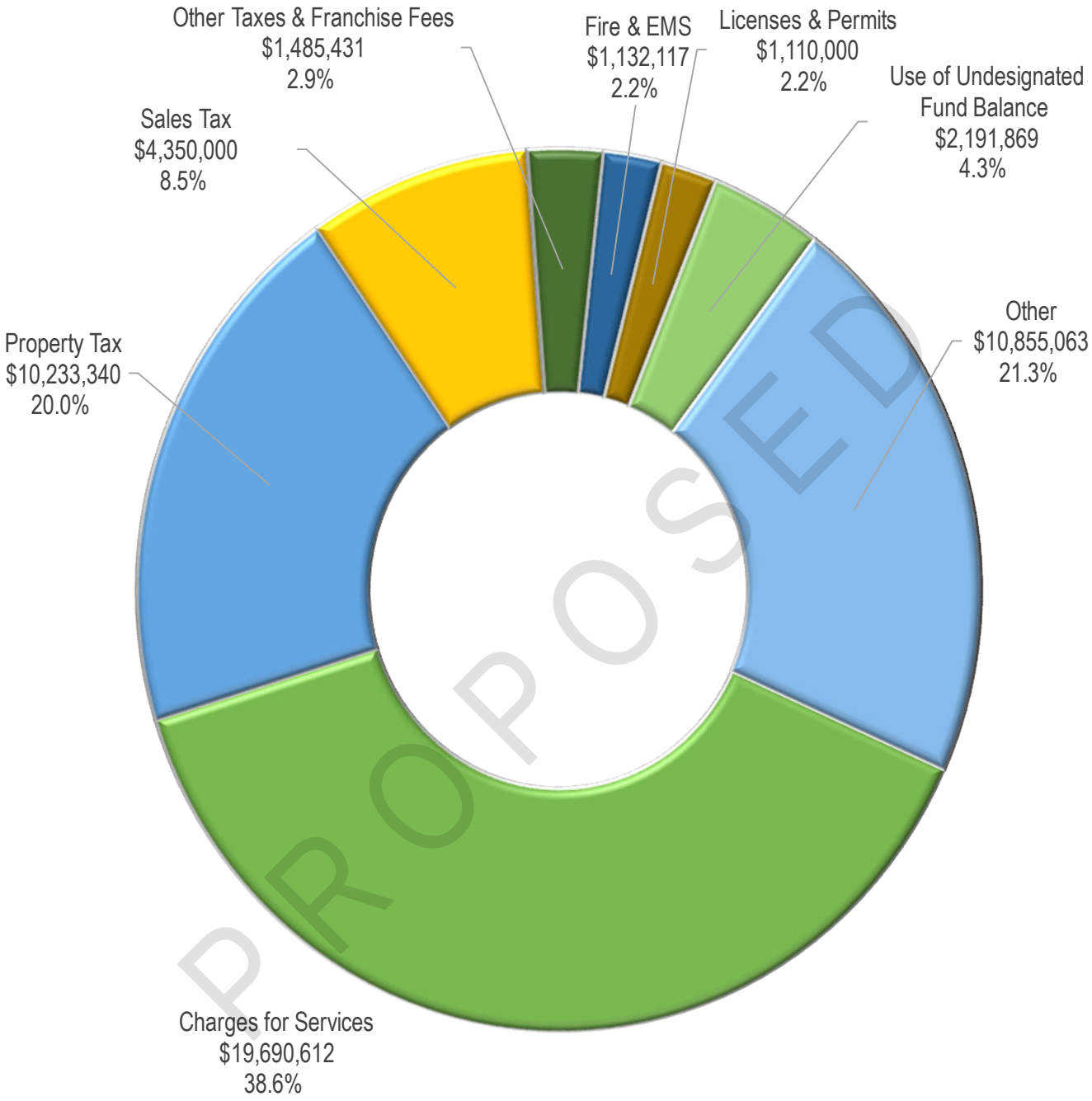
PROPOSED

BUDGET SUMMARY

PROPOSED

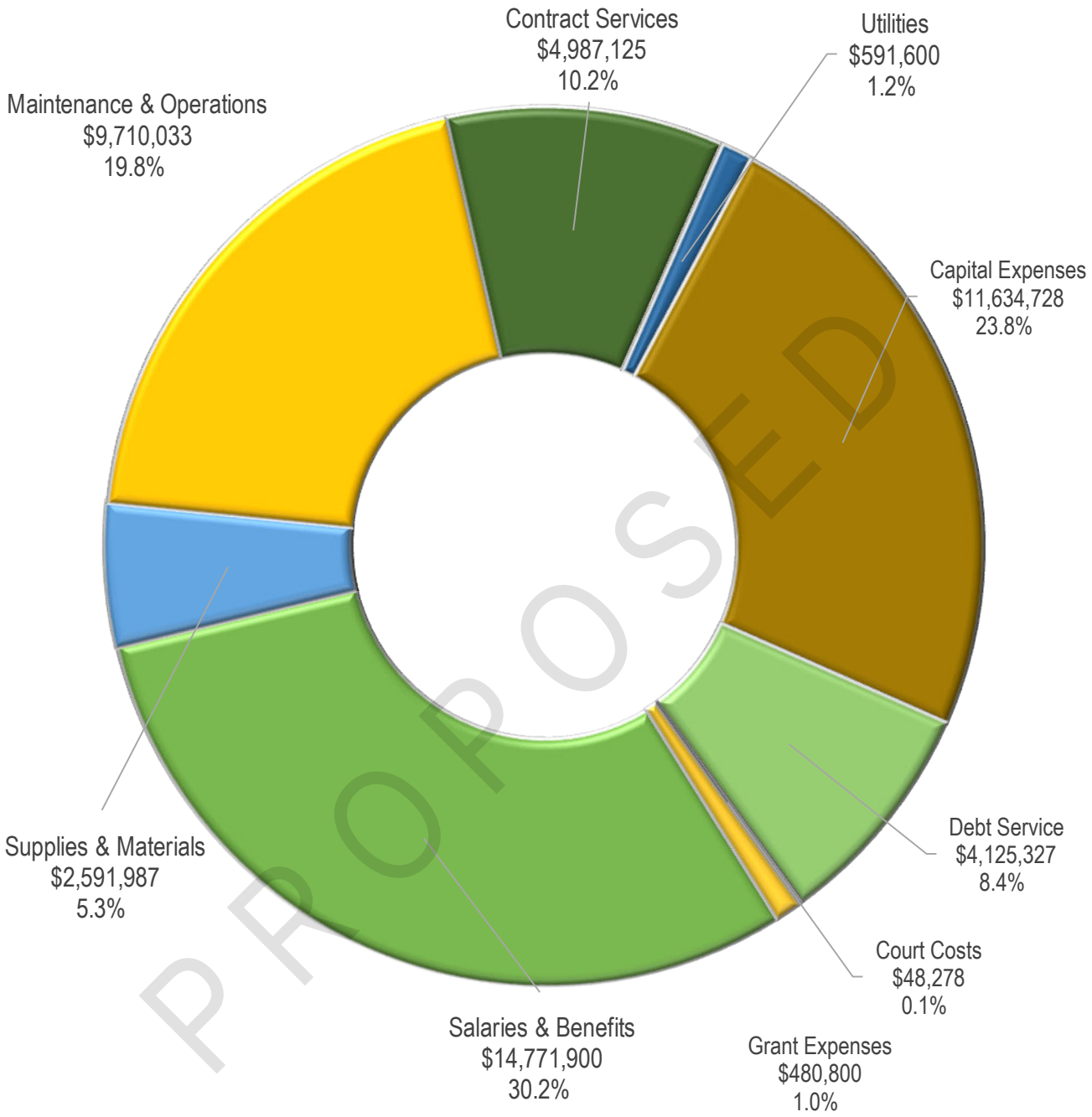
2026-2027 Budget at a Glance

Where Does the Money Come From?



Total Revenues = $51.0 Million (Excludes Inter-Fund Transfers)

How is the Money Used?

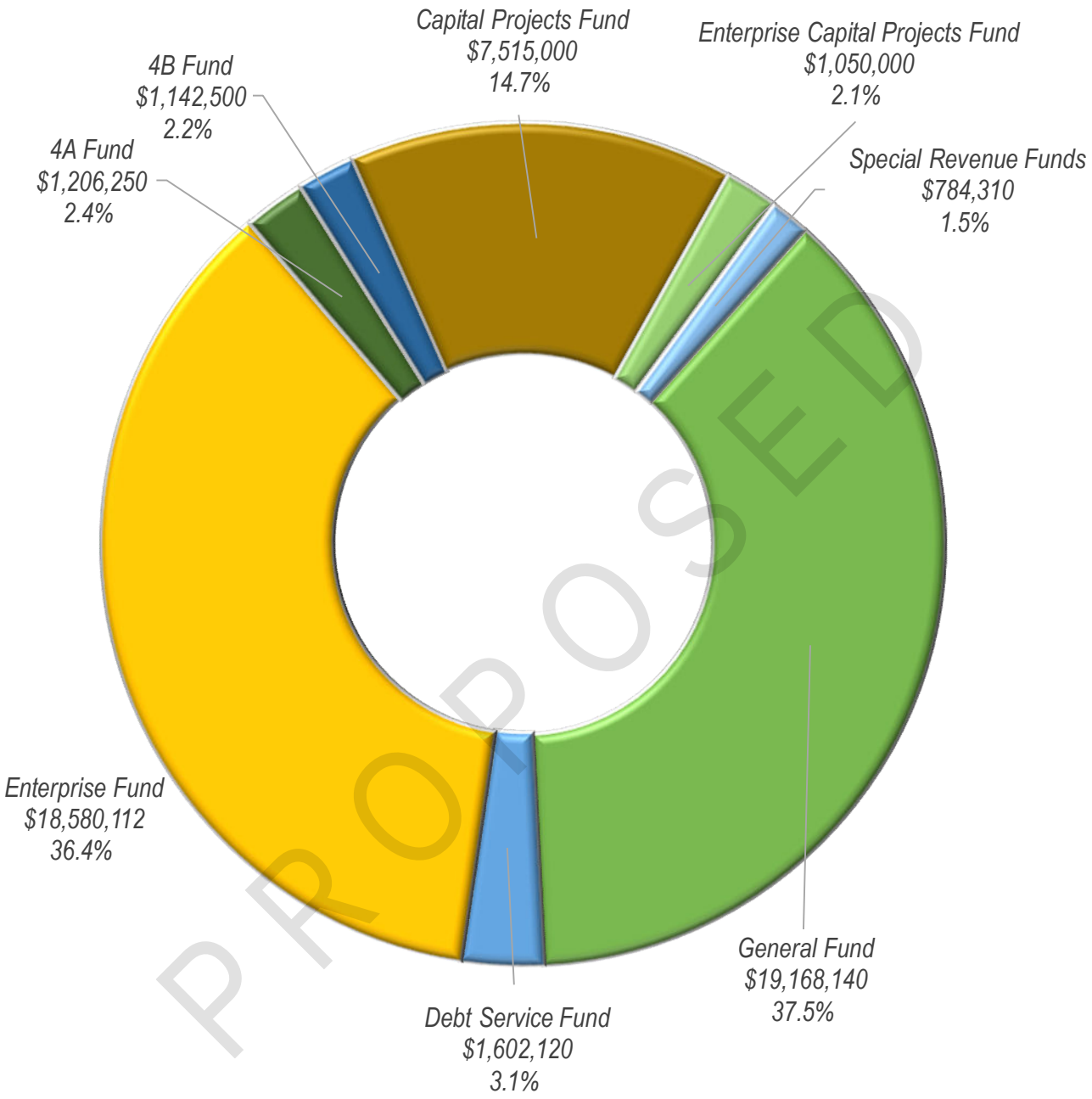


PROPOSED

Total Expenditures = $48.9 Million (Excludes Inter-Fund Transfers)

2026-2027 Budget by Fund

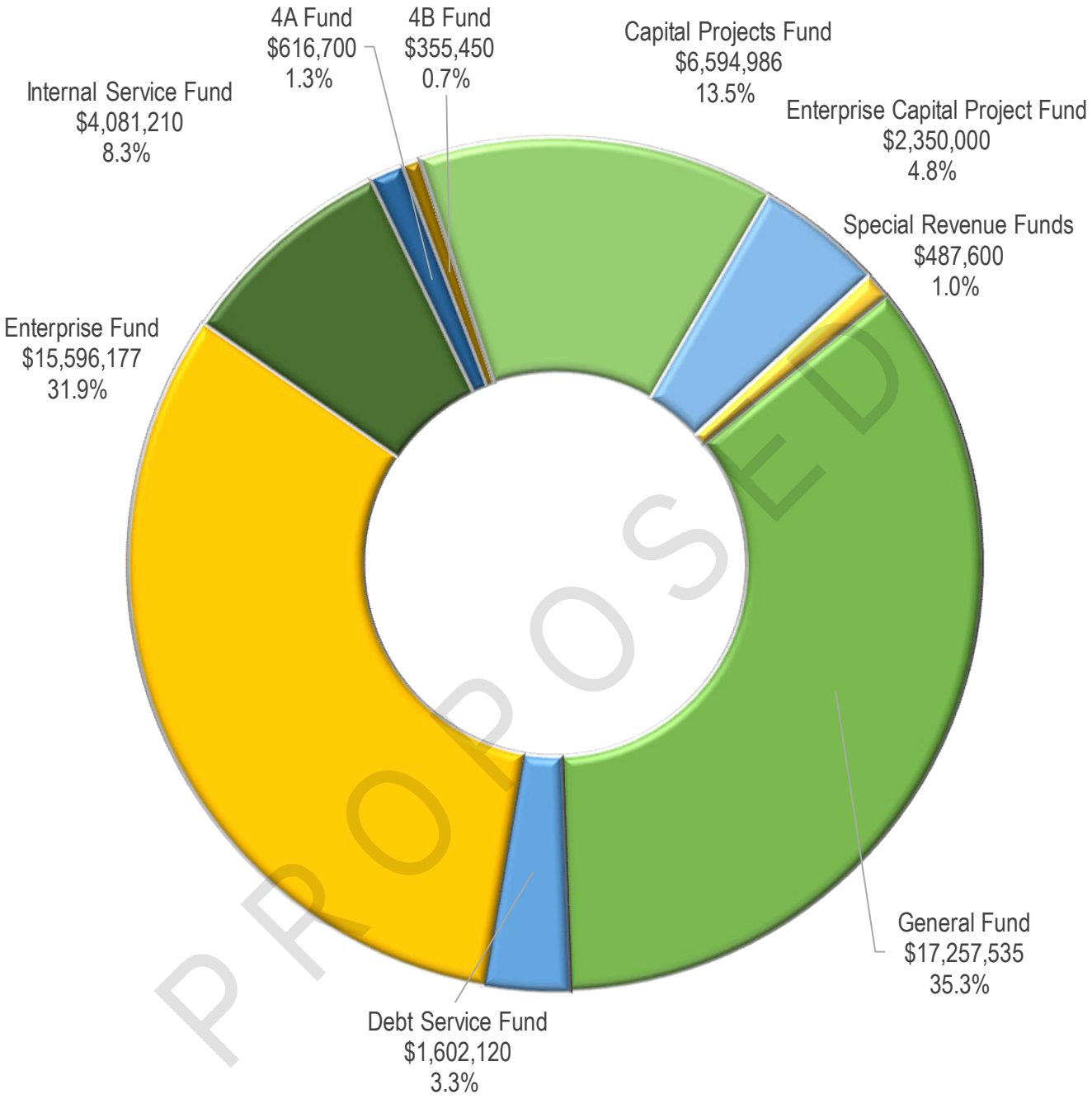
Revenues by Fund



PROPOSED

Total Revenues = $51.0 Million (Excludes Inter-Fund Transfers)

EXPENDITURES BY FUND



Total Expenditures = $48.9 Million (Excludes Inter-Fund Transfers)

REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

OVERVIEW OF MAJOR REVENUE SOURCES

The City has numerous sources of income, including taxes, franchise fees, charges for services, fees, and licenses and permits. For the 2026-2027 budget, five revenue sources account for 75% of all revenues: Charges for Services, Property Tax, Bond Proceeds, and Sales Tax.

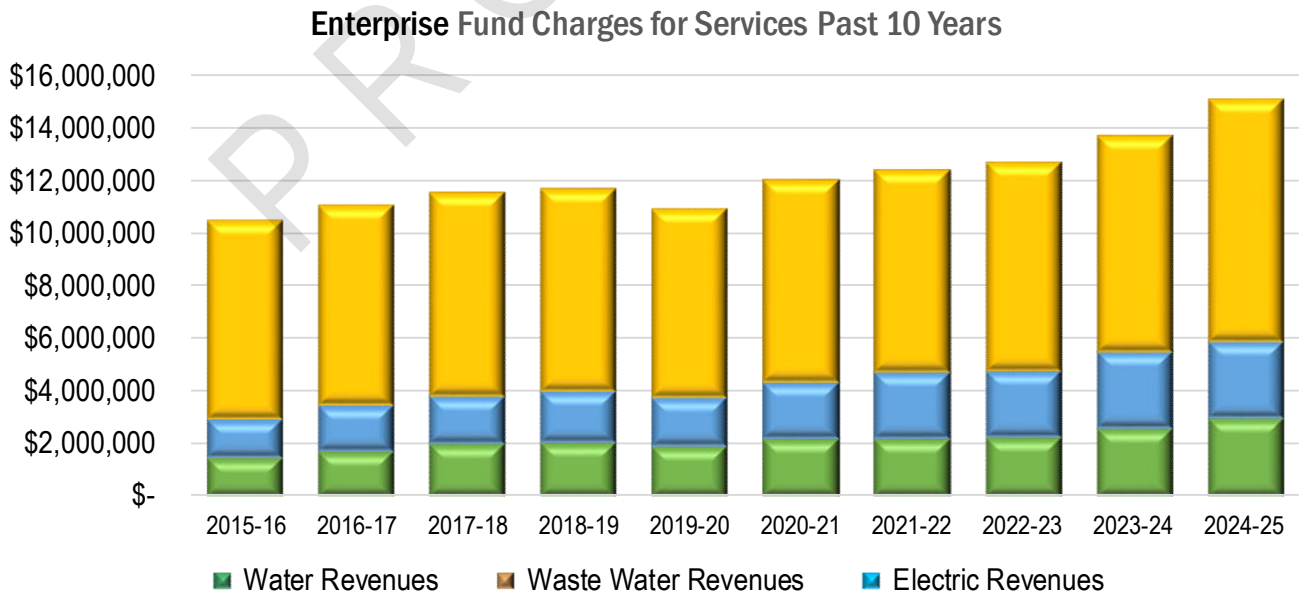
Charges for Services

Charges for Services includes the billing of Water, Waste Water and Electric utilities in the Enterprise Fund and Solid Waste Collections in the General Fund. Total Charges for services are $19,690,612 which is 35% 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. Totaling $17,963,112, these combined charges for services accounts for 32% of the City's projected revenues.

- Water revenues of $3,964,573 are an increase of $381,724 (11%) over last year's projection of $3,564,849. Revenues have steadily grown through the years, resulting from both increasing population and occasional changes in the rate structure. Water revenues are expected to rise in future years due to the continued growth of our community's population.
- Waste Water revenues of $4,070,751 are an increase of $554,155 (16%) over last year's projection of $3,516,598. Revenues have steadily grown through the years, the result of both increasing population and occasional changes in the rate structure. Waste Water revenues are expected to rise in future years, the result of the continued growth of our community's population.
- Electric revenues of $9,945,788 are an increase of $152,049 (2%) from last year's projection of $9,793,739. The City has reevaluated projections for Electric revenues over the past several years and has adjusted revenue estimates as necessary. Electric revenues are expected to rise in future years, the result of the continued growth of our community's population.



PROPOSED

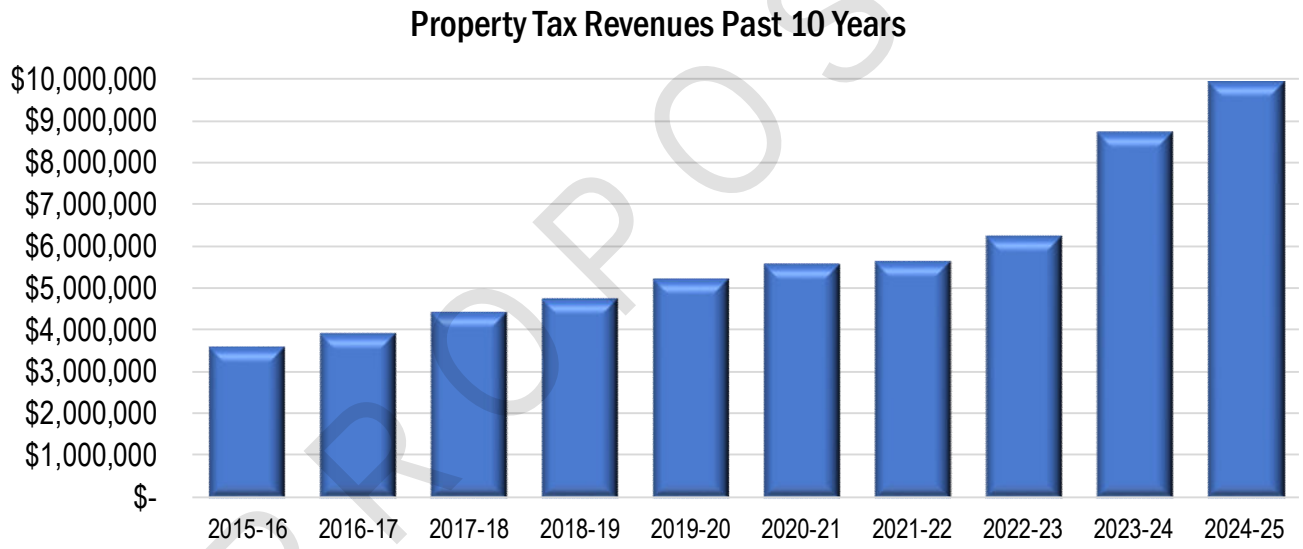
Water, Waste Water and Electric rates are set by City ordinance and have historically been set using trend analysis and a cost-of-service model. The City engaged NewGen Strategies & Solutions, an independent consulting firm, to make recommendations for rates for the next five years. NewGen presented their findings and recommendations to City Council in August 2025. City Council has adopted the suggested rates from the study to be effective with the first billing in October.

General Fund Charges for Services

General Fund Charges for services includes billing for Sanitation and Recycling Services. These charges total $1,727,500 and account for 3% of total revenues. This amount is a increase of 20% over last year's projection of $1,441,000.

Property Taxes

The collection of Property Taxes accounts for a total of $10,233,340 or 18% 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 $509608 (5%) over the prior year projection of $9,723,732. Property Tax revenues are expected to continue to rise in future years, the result of a continued pattern of new home starts and commercial building in our community.



PROPOSED

The Sanger City Council approved Ordinance 09-25-25 on September 2, 2025, setting the property tax rate for the 2025-2026 budget year at $0.689747 per $100 valuation. For 2026-27, the same tax rate of $0.689747 is proposed.

Bond Proceeds

The City anticipates issuing $7,500,000 in bonds to fund capital improvement projects, representing 13% of the City's total projected revenues. Bond proceeds will be used to finance the Fire Station renovation project and various street improvements. Additional information on these projects is provided in the Capital Improvement Plan section of this document.

Sales Taxes

Sales tax revenue is projected at $4,350,000, representing 8% of the City's total projected revenues. This reflects an increase of $425,000 (11%) over the current year. The City levies a two-cent local sales tax, with one cent dedicated to the General Fund and one-half cent each dedicated to the 4A and 4B Economic Development Funds.

OVERVIEW OF MAJOR EXPENDITURE CATEGORIES

Sanger is a growing community, as evidenced by the fact that our population has more than doubled since 2000. As our significant sources of revenue have grown, so have our major expenditure categories. Management is dedicated to keeping current service levels to our citizens and business community as we grow. The primary categories of expenditures in this budget include Salaries & Benefits, Capital Expenses, Maintenance & Operations, and Contract Services. For the 2026-2027 budget, these five categories total 76% of all expenditures.

Salaries and Benefits

With a total of $14,771,900, Salaries and Benefits account for 27% of total expenditures. The General Fund accounts for $9,943,400 of this amount. The General Fund includes 85.4 (68%) of the City's 125 budgeted positions. The Enterprise Fund accounts for $2,542,800 of this amount. The Enterprise Fund includes 23 (18%) of the City's 125 budgeted positions. The category of Salaries and Benefits encompasses employee compensation and the City's portion of Social Security and Medicare taxes, Texas Municipal Retirement System, health insurance and worker's compensation.

Maintenance and Operations

With a total of $9,710,033, Maintenance and Operations expenditures account for 18% of total expenditures. The bulk of this amount ($8,830,480) 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.

Contract Services

With a total of $4,987,125, Contract Services expenditures account for 9% of total expenditures. The bulk of this amount ($2,671,925) is budgeted in the General Fund. Major components of this amount are solid waste services and outside engineering services. In addition, $1,108,400 is budgeted in the Internal Service Fund and is comprised primarily of outside legal, technology, and insurance services.

Capital Expenses

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

With a total of $11,634,718, Capital Expenditures account for 22% of total expenditures. The bulk of this amount ($6,594,986) is budgeted in the Capital Projects Fund. The primary component of this amount is $5,000,000 for the renovation and improvement of the City's Fire Station. Capital Expenditures of $2,449,032 are budgeted in the General

PROPOSED

Fund, the primary components of this amount being $1,520,500 for a new Fire Engine and $445,763 to purchase se new Police vehicles.

The following pages detail capital expenditures for the budget year by fund, and include the effects of the item on the budget and the City's service levels.

	Capital Expense	Amount	Budgetary Impact	Service Level Impact
General Fund	Police: Toyota Camry	$ 40,399	The expected impact on current and future operations is to reduce maintenance costs for vehicle maintenance in the Police Department.	Allow the City to maintain the current level of police enforcement .
	Police: Toyota Camry	$ 40,399	The expected impact on current and future operations is to reduce maintenance costs for vehicle maintenance in the Police Department.	Allow the City to maintain the current level of police enforcement .
	Police: Chevrolet Traverse	$ 50,272	The expected impact on current and future operations is to reduce maintenance costs for vehicle maintenance in the Police Department.	Allow the City to maintain the current level of police enforcement .
	Police: Chevrolet Tahoe	$ 91,244	The expected impact on current and future operations is to reduce maintenance costs for vehicle maintenance in the Police Department.	Allow the City to maintain the current level of police enforcement .
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	Police: Chevrolet Tahoe	$ 91,244	The expected impact on current and future operations is to reduce maintenance costs for vehicle maintenance in the Police Department.	Allow the City to maintain the current level of police enforcement .
	Fire: Type I Engine NTX Spartan	$ 1,520,500	The expected impact on current and future operations is to reduce maintenance costs for vehicle maintenance in the Fire Department.	Allow the City to maintain the current level of fire suppression.
	Fire: LifePak 15 V4 The Lucas	$ 148,739	The expected impact on current and future operations is to reduce maintenance costs for equipment in the Fire Department.	Allow the City to maintain the current level of fire suppression.
	Streets: Ford Supercab F250 Flatbed	$ 92,228	The expected impact on current and future operations is to reduce maintenance costs for vehicle maintenance in the Street Department.	Allow the City to maintain the current level of streets maintenance .
	Streets: Ford Supercab F250 Flatbed	$ 62,845	The expected impact on current and future operations is to reduce maintenance costs for vehicle maintenance in the Street Department.	Allow the City to maintain the current level of streets maintenance .
	Streets: Equipmetn Storage Building	$ 64,600	There is no expected impact on current and future operational costs	Allow the City to maintain the current level of streets maintenance .

PROPOSED

General Fund

Capital Expense	Amount	Budgetary Impact	Service Level Impa
Streets: Solar Powered School Crossing System	$ 17,028	The expected impact on current and future operations is to reduce maintenance and utility costs in the Street Department.	Allow the City to maintain the current level of streets maintenance .
Streets: Linedriver Attachment for Striping	$ 15,935	The expected impact on current and future operations is to reduce the costs of outside contract services in the Street Department.	Allow the City to maintain the current level of streets maintenance .
Parks: 72" Zero Turn Mower	$ 20,250	The expected impact on current and future operations is to reduce maintenance in the Parks Department.	Allow the City to maintain the current level of parks maintenance .
Library: Storage Building	$ 10,861	There is no expected impact on current and future operational costs	Allow the City to maintain the current level of library services.
Fund Total	**$ 2,449,032**		

Enterprise Fund

Capital Expense	Amount	Budgetary Impact	Service Level Impact
Water: Cellular Communications for SCADA System	$ 27,200	The expected impact on current and future operations is to reduce maintenance costs in the Water Department.	Allow the City to provide a higher level of service in the Water Department
Fund Total	**$ 27,200**		

Internal Service Fund

Capital Expense	Amount	Budgetary Impact	Service Level Impact
Human Resource: Laserfiche HR Employee Application	$ 13,500	There is no expected impact on current and future operational costs	Allow the City to increase the level of service in the Human Resources Department.
Fund Total	**$ 13,500**		

PROPOSED

Capital Projects Fund

Capital Expense	Amount	Budgetary Impact	Service Level Impact
Annual Street Rehab Program	$ 716,754	This project is expected to decrease maintenance costs in the Street Department in current and future budget years.	Allow the City to provide upgraded street system for citizens.
Street Utility Maintenance Program	$ 878,232	This project is expected to decrease maintenance costs in the Street Department in current and future budget years.	Allow the City to provide upgraded street system for citizens.
Fire Station Renovation	$ 5,000,000	This project is expected to decrease maintenance costs in the Fire Department in current and future budget years.	Allow the City to provide upgraded fire suppression services for citizens.
Fund Total	**$ 6,594,986**		

Enterprise Capital Projects Fund

Capital Expense	Amount	Budgetary Impact	Service Level Impact
Electric System Improvements	$ 1,000,000	This project is expected to reduce water line maintenance costs in future budget years.	Allow the City to continue providing water service to customers as Sanger grows.
WWTP Clarifiers	$ 1,350,000	This project is expected to reduce waste water treatment plant maintenance costs in future budget years.	Allow the City to continue providing waste water service to customers as Sanger grows.
Fund Total	**$ 2,350,000**		

Parkway Dedication Fund

Capital Expense	Amount	Budgetary Impact	Service Level Impact
Parks: Design work	$ 100,000	There is no expected impact on current and future operational costs	Allow the City to increase the level of service in the Parks Department.
Fund Total	**$ 100,000**		

Roadway Impact Fee Fund

Capital Expense	Amount	Budgetary Impact	Service Level Impact
Streets: Design work	$ 100,000	There is no expected impact on current and future operational costs	Allow the City to increase the level of service in the Streets Department.
Fund Total	**$ 100,000**		
Grand Total	**$ 11,634,718**		

PROPOSED

Additional details on capital expenditures in the Capital Projects and Enterprise Capital Projects Funds are included in the Capital Improvement Plan section of this document.

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 Beginning Fund Balance, 10/01/2026	Revenues	Expenditures	Projected Ending Fund Balance, 9/30/2027	% Change
General Fund	$ 17,286,349	19,234,659	19,234,649	$ 17,286,359	0.0%
Debt Service Fund	$ 305,158	1,602,120	1,602,120	$ 305,158	0.0%
Enterprise Fund	$ 25,514,447	18,580,112	18,580,112	$ 25,514,447	0.0%
Internal Service Fund	$ 536,036	4,164,190	4,164,190	$ 536,036	0.0%
4A Fund	$ 7,282,765	1,193,750	613,400	$ 7,863,115	8.0%
4B Fund	$ 3,069,301	1,130,000	352,150	$ 3,847,151	25.3%
Capital Projects Fund	$ 15,739,441	7,515,000	6,594,986	$ 16,659,455	5.8%
Enterprise Capital Projects Fund	$ 14,647,565	1,836,240	2,350,000	$ 14,133,805	-3.5%
Special Revenue Funds	$ 6,225,968	784,310	487,600	$ 6,522,678	4.8%
Total	**$ 90,607,030**	**$ 56,040,381**	**$ 53,979,207**	**$ 92,668,204**	2.3%

Capital Projects Fund

The Capital Projects Fund is projecting a 42% decrease ($6,579,986) in Fund Balance this year. This decrease is primarily the result of current year project expenditures exceeding projected revenues. These capital projects will be constructed using excess fund balances from prior years. More details are included in the Capital Projects Fund section of this document.

4B Fund

The 4B Fund is projecting an increase in Fund Balance of $580,350 (25%). This increase is primarily the result of the projected revenues exceeding budgeted expenditures for the current year. The 4B Board has a number of plans for capital expenses in future years to use this balance.

PROPOSED

PROPOSED

COMBINED FUNDS SUMMARY (DETAILED)

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

	General Fund	Debt Service Fund	Enterprise Fund	Internal Service Fund	4A Fund
Beginning Fund Balance	17,286,349	305,158	23,450,777	536,036	7,282,765
Revenues					
Property Tax	8,643,220	1,590,184	-	-	-
SalesTax	2,175,000	-	-	-	1,087,500
Other Taxes and Franchise Fees	1,345,431	-	-	-	-
Charges for Services	1,727,500	-	17,963,112	-	-
Fees	-	-	240,000	-	-
Licenses & Permits	1,110,000	-	-	-	-
Fines	145,122	-	-	-	-
Fire & EMS	1,132,117	-	-	-	-
Interest Income	360,000	11,000	125,000	-	118,750
Miscellaneous Income	337,881	-	252,000	-	-
Intergovernmental Revenue	-	-	-	-	-
Proceeds from Sale of Real Property	-	-	-	-	-
Bond Proceeds	-	-	-	-	-
Intefund Transfers	130,000	-	-	4,081,210	-
Use of Undesignated Fund Balance	2,191,869	-	-	-	-
Total Revenues	19,298,140	1,601,184	18,580,112	4,081,210	1,206,250
Expenditures					
Salaries & Benefits	9,943,400	-	2,542,800	2,005,100	130,300
Supplies & Materials	1,232,987	-	325,990	663,960	95,250
Maintenance & Operations	766,253	-	8,830,480	109,500	1,900
Contract Services	2,671,925	-	1,016,800	1,108,400	139,000
Utilities	80,650	-	329,700	180,750	250
Capital Expenditures	2,449,042	-	27,200	13,500	-
Debt Service	-	1,602,120	2,523,207	-	-
Court Costs	48,278	-	-	-	-
Grant Expenses	65,000	-	-	-	250,000
Transfers Out	2,040,605	-	2,983,935	-	-
Total Expenditure	19,298,140	1,602,120	18,580,112	4,081,210	616,700
Net Revenues Over (Under) Expenditures	-	(936)	-	-	589,550
Ending Fund Balance	17,286,349	304,222	23,450,777	536,036	7,872,315

PROPOSED

	4B Fund	Capital Projects Fund	Enterprise Capital Projects Fund	Special Revenue Funds	Total
Beginning Fund Balance	3,069,301	13,739,441	14,647,565	6,225,968	86,543,360
Revenues					
Property Tax	-	-	-	-	10,233,404
SalesTax	1,087,500	-	-	-	4,350,000
Other Taxes and Franchise Fees	-	-	-	140,000	1,485,431
Charges for Services	-	-	-	-	19,690,612
Fees	-	-	900,000	510,000	1,650,000
Licenses & Permits	-	-	-	-	1,110,000
Fines	-	-	-	24,000	169,122
Fire & EMS	-	-	-	-	1,132,117
Interest Income	55,000	15,000	150,000	94,810	929,560
Miscellaneous Income	-	-	-	15,500	605,381
Intergovernmental Revenue	-	-	-	-	-
Proceeds from Sale of Real Property	-	-	-	-	-
Bond Proceeds	-	7,500,000	-	-	7,500,000
Intefund Transfers	-	-	786,240		4,997,450
Use of Undesignated Fund Balance	-	-	-	-	2,191,869
Total Revenues	1,142,500	7,515,000	1,836,240	784,310	56,044,946
Expenditures					
Salaries & Benefits	130,300	-	-	20,000	14,771,900
Supplies & Materials	62,000	-	-	211,800	2,591,987
Maintenance & Operations	1,900	-	-	-	9,710,033
Contract Services	51,000	-	-	-	4,987,125
Utilities	250	-	-	-	591,600
Capital Expenditures	-	6,594,986	2,350,000	200,000	11,634,728
Debt Service	-	-	-	-	4,125,327
Court Costs	-	-	-	-	48,278
Grant Expenses	110,000	-	-	55,800	480,800
Transfers Out	-	-	-	-	5,024,540
Total Expenditure	355,450	6,594,986	2,350,000	487,600	53,966,318
Net Revenues Over (Under) Expenditures	787,050	920,014	(513,760)	296,710	2,078,628
Ending Fund Balance	3,856,351	14,659,455	14,133,805	6,522,678	88,621,988

PROPOSED

COMBINED FUNDS BUDGET SUMMARY

COMBINED BUDGET SUMMARY
FOR ALL FUNDS SUBJECT TO APPROPRIATION

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	59,091,212	62,732,962	62,732,962	86,543,360
Revenues				
Property Tax	9,150,906	9,723,732	9,759,159	10,233,404
SalesTax	3,463,156	3,875,000	4,306,865	4,350,000
Other Taxes and Franchise Fees	1,194,919	1,387,809	1,386,376	1,485,431
Charges for Services	16,413,140	18,316,184	18,225,252	19,690,612
Fees	1,406,432	1,095,000	2,035,649	1,650,000
Licenses & Permits	1,841,657	975,250	1,494,807	1,110,000
Fines	174,367	148,210	200,337	169,122
Fire & EMS	1,104,079	1,164,800	1,039,547	1,132,117
Interest Income	1,248,501	1,241,185	952,668	929,560
Miscellaneous Income	821,191	573,025	587,192	605,381
Intergovernmental Revenue	3,905,206	2,500,000	8,027,396	-
Proceeds from Sale of Real Property	-	-	10,000,000	-
Bond Proceeds	-	15,000,000	-	7,500,000
Intefund Transfers	5,405,210	9,734,573	9,086,887	4,997,450
Use of Undesignated Fund Balance	-	1,200,000	-	2,191,869
Total Revenues	46,128,764	66,934,768	67,102,135	56,044,946
Expenditures				
Salaries & Benefits	11,338,388	13,548,730	11,842,380	14,771,900
Supplies & Materials	1,546,764	2,220,544	1,521,248	2,591,987
Maintenance & Operations	7,070,140	9,446,934	7,271,025	9,710,033
Contract Services	3,539,105	4,732,808	3,505,377	4,987,125
Utilities	581,291	597,401	534,933	591,600
Capital Expenditures	9,318,150	8,283,466	3,898,443	11,634,728
Debt Service	3,148,447	4,284,108	4,284,084	4,125,327
Court Costs	50,340	51,775	42,858	48,278
Grant Expenses	440,250	2,567,500	1,330,000	480,800
Transfers Out	5,454,139	9,734,573	9,061,389	5,024,540
Total Expenditures	42,487,014	55,467,839	43,291,737	53,966,318
Net Revenues Over (Under) Expenditures	3,641,750	11,466,929	23,810,398	2,078,628
Ending Fund Balance	62,732,962	74,199,891	86,543,360	88,621,988

PROPOSED

FUNDS IN DETAIL

PROPOSED

GENERAL FUND

OVERVIEW

The General Fund is the principal 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.

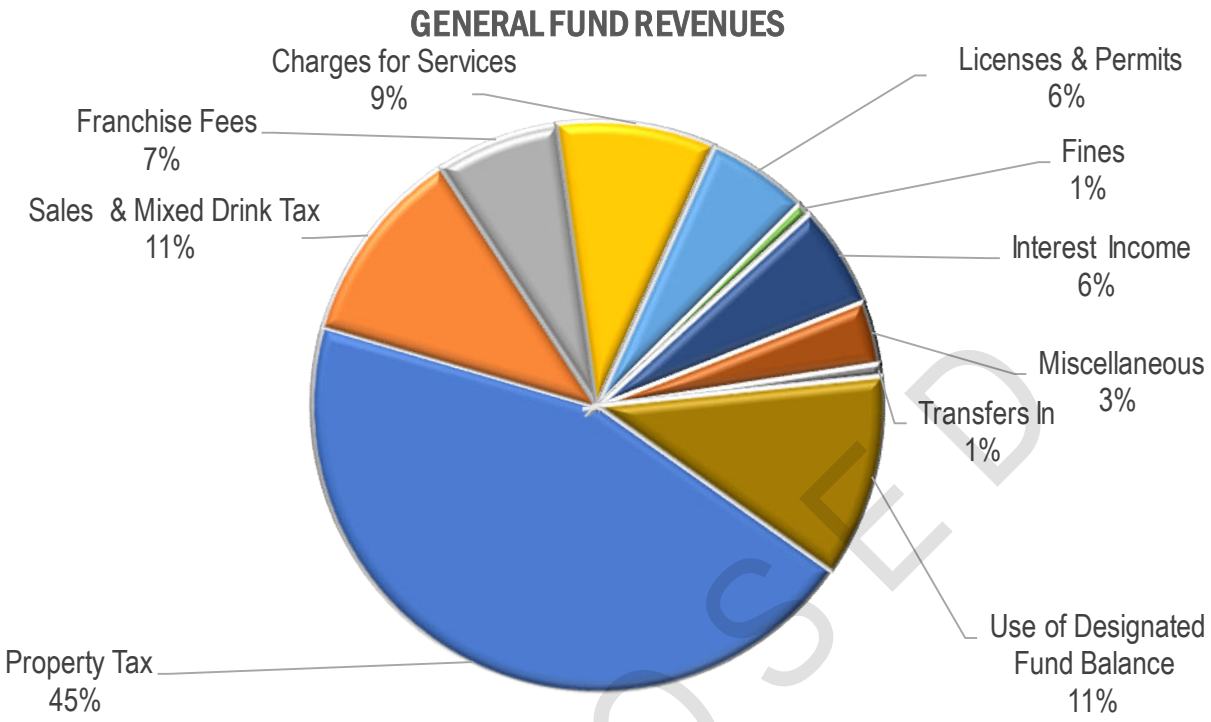
The General Fund includes these departments:

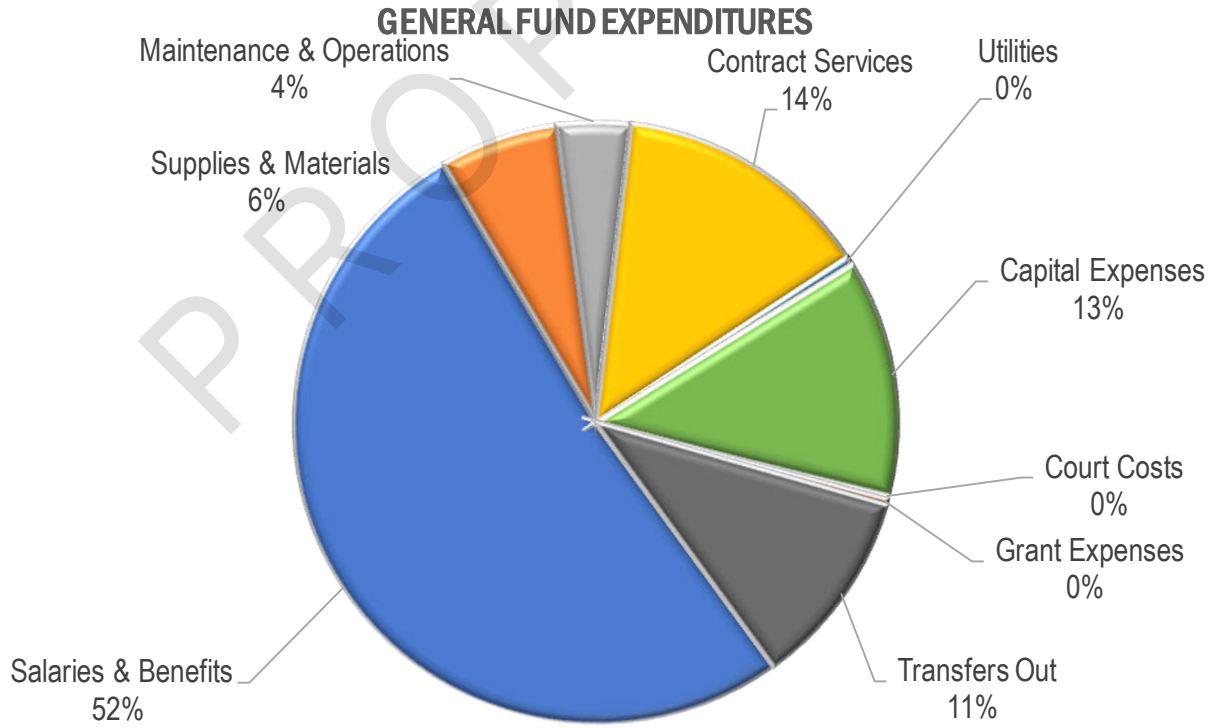
- Police
- Fire
- Municipal Court
- Development Services
- Streets
- Parks & Recreation
- Library
- Solid Waste

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

PROPOSED

GENERAL FUND BUDGET SUMMARY





PROPOSED

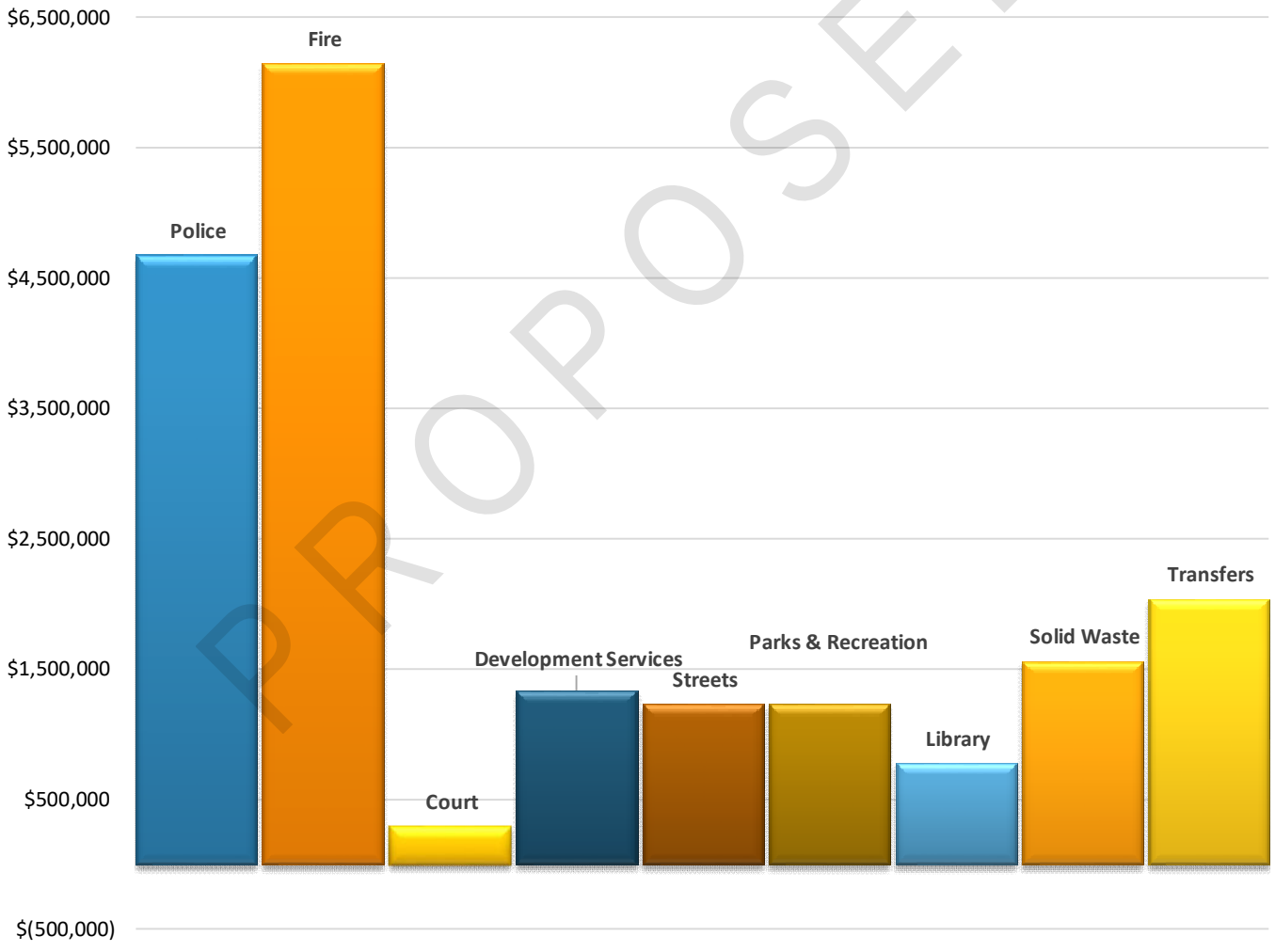
GENERAL FUND BUDGET SUMMARY

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	19,301,247	18,750,144	18,750,144	17,286,349
Revenues				
Property Tax	7,526,421	8,060,661	8,099,159	8,643,220
Sales Tax	1,682,822	1,950,000	2,153,433	2,175,000
Other Taxes and Franchise Fees	1,078,069	1,247,809	1,280,297	1,345,431
Solid Waste Services	1,258,807	1,441,000	1,414,252	1,727,500
Licenses & Permits	1,841,657	975,250	1,494,807	1,110,000
Fines & Forfeitures	138,644	134,710	175,544	145,122
Fire & EMS	1,104,079	1,164,800	1,039,547	1,132,117
Interest Income	491,621	500,000	365,234	360,000
Miscellaneous Income	580,387	305,775	357,569	337,881
Intefund Transfers	395,000	95,000	95,000	130,000
Use of Undesignated Fund Balance	-	1,200,000	-	2,191,869
Total Revenues	16,097,507	17,075,005	16,474,842	19,298,140
Expenditures				
Salaries & Benefits	7,233,850	9,021,000	7,608,013	9,943,400
Supplies & Materials	517,438	782,887	558,951	1,232,987
Maintenance & Operations	686,158	732,653	547,161	766,253
Contract Services	2,208,373	2,358,838	1,927,392	2,671,925
Utilities	74,080	105,750	68,751	80,650
Capital Expenditures	3,179,032	414,231	414,231	2,449,042
Court Costs	50,340	51,775	42,858	48,278
Grant Expenses	202,368	1,200,000	1,200,000	65,000
Transfers Out	2,496,971	5,907,871	5,571,280	2,040,605
Total Expenditures	16,648,610	20,575,005	17,938,637	19,298,140
Net Revenues Over (Under) Expenditures	(551,103)	(3,500,000)	(1,463,795)	-
Ending Fund Balance	18,750,144	15,250,144	17,286,349	17,286,349

PROPOSED

GENERAL FUND EXPENDITURES BY CATEGORY AND DEPARTMENT

Department	Expenditure Category: Salaries & Benefits	Supplies & Materials	Maintenance & Operations	Contract Services	Utilities	Capital Expenditures	Court Costs	Grant Expenses	Transfers	Total
Police	$ 3,543,600	$ 264,450	$ 139,500	$ 210,750	$ 20,000	$ 496,046	$ -	$ -	$ -	$ 4,674,346
Fire	3,804,500	414,500	127,500	65,675	5,000	1,669,239	-	65,000	-	6,151,414
Court	211,800	17,500	1,200	15,000	550	-	48,278	-	-	294,328
Development Services	678,600	47,800	7,100	600,300	500	-	-	-	-	1,334,300
Streets	578,900	18,587	349,703	-	31,000	252,636	-	-	-	1,230,826
Parks & Recreation	495,300	364,650	135,750	196,600	23,600	20,260	-	-	-	1,236,160
Library	630,700	105,500	5,500	23,600	-	10,861	-	-	-	776,161
Solid Waste	-	-	-	1,560,000	-	-	-	-	-	1,560,000
Transfers	-	-	-	-	-	-	-	-	2,040,605	2,040,605
Total	$ 9,943,400	$ 1,232,987	$ 766,253	$ 2,671,925	$ 80,650	$ 2,449,042	$ 48,278	$ 65,000	$ 2,040,605	$ 19,298,140



PROPOSED

POLICE

OVERVIEW

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

Mission Statement

The Sanger Police Department will strive to enhance the quality of life in Sanger through excellent police service, respectful treatment of all whom we encounter, and commitment to the community.

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Provide a safe and prepared City.
- Maintain excellent, conservative finances while delivering the services desired by its citizens.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- Maintain staffing to a level that can provide appropriate police response and significantly reduce overtime.
- Made many successful outreaches to the community and local social organizations.

GOALS FOR FISCAL YEAR 2026-27

- Continue to find relevant and excellent training for police staff to continue to build on our professionalism, experience, and service to the city.
- Research the cost and benefit of a patrol drone program with the goal of implementation if it proves beneficial.
- Continue research into Flock or a similar city-wide camera program with the goal of implementation.
- Establish the Community Relations Officer position to start that program and lean into developing citizen's watch groups and planning for a Citizen's Police Academy program.
- Conduct staffing review to evaluate the need for added sworn personnel.
- Research Automated Emergency Defibrillator for potential future purchase for the department.

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Police Chief	1	1	1
Lieutenant	2	2	2
Sergeant	4	4	5
Detective	3	3	3
Police Officer	12	12	13
Administrative Assistant	1	1	1
Clerk / Property Room Technician	1	1	1
Total Budgeted Positions	24	24	26

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Maintain excellent, conservative finances while delivering the services desired by its citizens				
DEPARTMENTAL OBJECTIVE				
To review, research, and evaluate training and technology for purchase that will allow the department to operate safely and effectively, delivering the service citizens deserve				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Percent of dedicated budget spent on capital and equipment	100%	100%	100%	100%
Percent of dedicated budget spent on contracts and maintenance	91%	98%	95%	85%
Percent of dedicated budget spent on officer training	85%	85%	100%	100%

CITY COUNCIL GOAL Provide a safe and prepared City				
DEPARTMENTAL OBJECTIVE				
Maintain low levels of crime by quickly and efficiently responding to calls for service, thorough investigation and efficient disposition of cases. Maintain safe and efficient roadways via enforcement efforts				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Reduce time in route to calls	6 minutes	<5 minutes	6 minutes	5 minutes
Percent of cases with leads cleared by any means	Ⓝ	69%	59%	60%

SYMBOL KEY

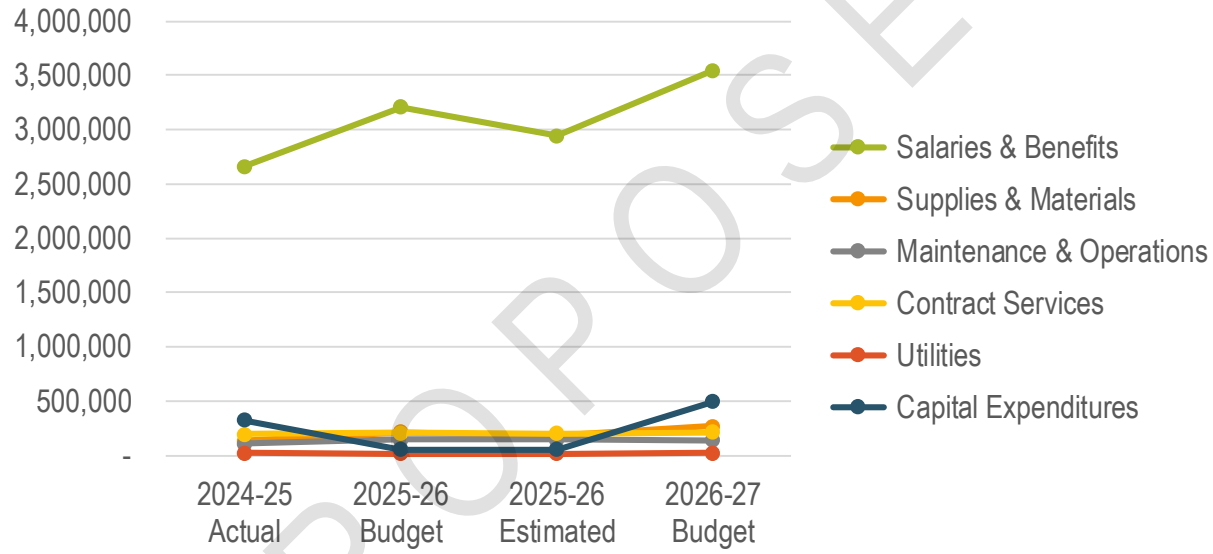
Ⓝ New activity measure

PROPOSED

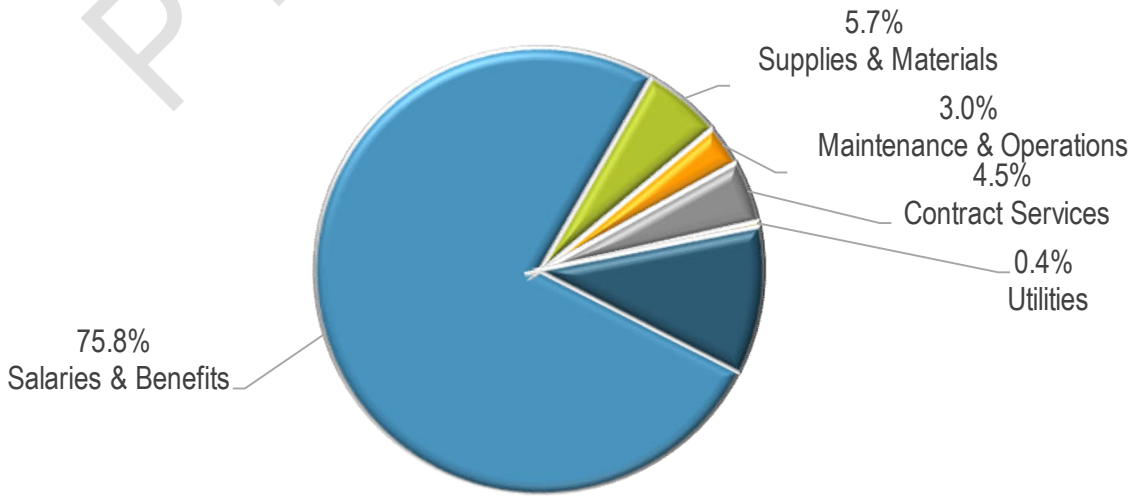
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	2,661,295	3,207,100	2,944,109	3,543,600	336,500	10.49%
Supplies & Materials	133,378	212,800	180,738	264,450	51,650	24.27%
Maintenance & Operations	105,297	144,200	147,348	139,500	(4,700)	-3.26%
Contract Services	190,677	204,163	198,771	210,750	6,587	3.23%
Utilities	19,532	19,000	19,000	20,000	1,000	5.26%
Grant Expenses	202,368	-	-	-	-	-
Capital Expenditures	325,173	50,283	50,283	496,046	445,763	886.51%
Total Department Budget	3,637,720	3,837,546	3,540,249	4,674,346	836,800	21.81%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

FIRE

OVERVIEW

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

Mission Statement

The Sanger Fire Department is committed to protecting the lives and property of our citizens through professional fire suppression, emergency medical services, rescue operations, fire prevention, and emergency management. The department remains focused on providing safe, efficient, and effective emergency response while preparing for the continued growth of the City of Sanger.

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Provide a safe and prepared City.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- Achieved 100% Texas Commission on Fire Protection certification for all operational personnel as Driver/Operators and Aerial Apparatus Operators.
- Continued professional development through Fire Officer I and II certification programs.
- Supported statewide emergency response through deployments with the Texas Intrastate Fire Mutual Aid System (TIFMAS) and Texas Task Force 2.
- Executed a Job Order Contract with CORE Construction for the renovation of Fire Station No. 1, with construction anticipated to begin in January 2027.
- Continued planning and procurement for the department's third brush apparatus, with delivery anticipated in 2028.
- Entered into a contract with Frontline to provide firefighter medical physicals and cancer screenings in accordance with NFPA 1582, enhancing firefighter health, wellness, and occupational safety.

GOALS FOR FISCAL YEAR 2026-27

- Hire three Fire Lieutenants to provide field supervision and leadership for the department's Advanced Life Support (ALS) Medic Units.
- Hire two Firefighter/Paramedics to equalize staffing across all three shifts, improving response reliability, operational consistency, and reducing overtime.
- Replace the department's oldest LifePak 12 with a new LifePak 15 cardiac monitor/defibrillator to ensure reliable advanced life support equipment.
- Continue improving turnout (chute) times for both Fire and EMS responses to meet nationally recognized NFPA performance standards.
- Continue the Fire Station No. 1 renovation project and monitor progress toward delivery of the department's third brush apparatus.

PROPOSED

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Fire Chief (Full-time)	1	1	1
Assistant Fire Chief	1	1	1
Fire Marshall/Inspector	1	1	1
Lieutenant	3	6	6
Firefighter/Paramedic	13	13	16
Administrative Assistant	1	1	1
Total Budgeted Positions	20	23	26

PERFORMANCE MEASURES

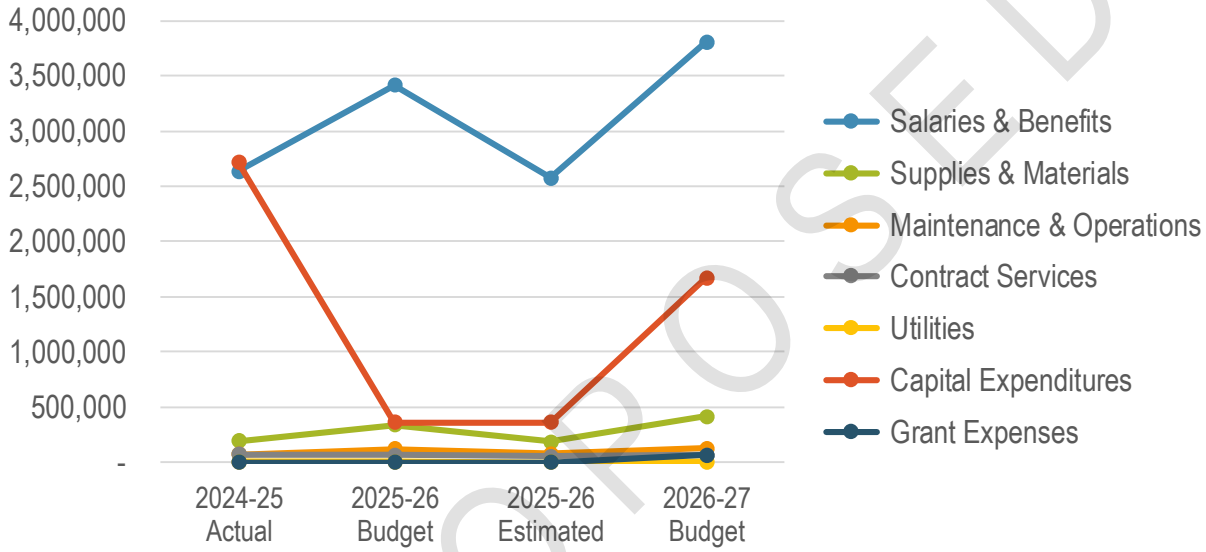
CITY COUNCIL GOAL Provide a safe and prepared City				
DEPARTMENTAL OBJECTIVE				
Respond to Fire Emergency with in the City Limits, meeting NFPA 1720 standards				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Average Response time meeting NFPA 1720 of 6 minutes or less for first due apparatus	Met	Met	Met	Remain below 6 minutes with first engine arriving
Average Response with manpower meeting NFPA 1720 / Total effective response force with a minimum of 16 (17 if an aerial device is used)	Not Met	Not Met	Not Met	Increasing staffing of 10 per shift
DEPARTMENTAL OBJECTIVE				
Respond to Medical Emergency with in the FD Total response district in a Life Saving Standard Time				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Average Response time to Medical Emergency, 8 minutes or less travel time for the arrival of an advanced life support (ALS) unit at an emergency medical incident	6:46	6:46	6:53	Remain under 8 minutes

PROPOSED

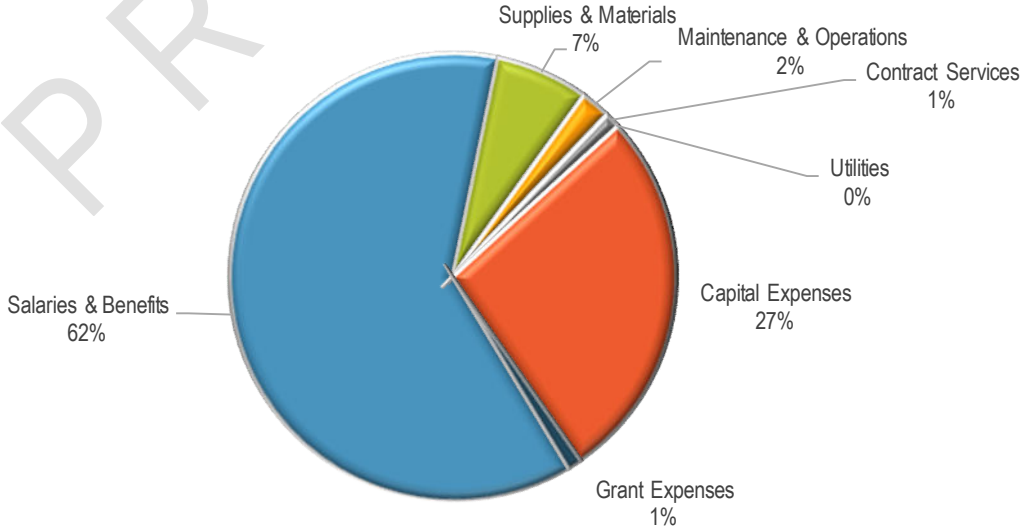
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	2,634,676	3,415,900	2,577,838	3,804,500	388,600	11.38%
Supplies & Materials	194,943	338,000	190,466	414,500	76,500	22.63%
Maintenance & Operations	74,814	120,500	79,906	127,500	7,000	5.81%
Contract Services	76,218	66,675	53,142	65,675	(1,000)	-1.50%
Utilities	5,023	5,000	3,824	5,000	-	0.00%
Capital Expenditures	2,711,244	363,948	363,948	1,669,239	1,305,291	358.65%
Grant Expenses	-	-	-	65,000	65,000	-
Total	5,696,918	4,310,023	3,269,124	6,151,414	1,841,391	42.72%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

MUNICIPAL COURT

OVERVIEW

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

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Improve staff efficiency through the use of technology and training.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- The Court Clerk has earned Level I certification, and the Deputy Court Clerk has gained valuable knowledge that allows her to perform her duties confidently with minimal assistance.
- The Court has uploaded most daily forms into the court software, streamlining processes and improving efficiency by reducing paper usage and improving workflow efficiency.

GOALS FOR FISCAL YEAR 2026-27

- Continue progressing toward becoming a paper-light court. Continue adding forms and learning new features like the Jury Module which also requires forms. Goal to reduce paper and printing costs.
- Continue working with New In Blue for improved citation importing.
- Work with Tyler Technologies to get familiar with the upcoming system.
- Deputy Clerk to obtain level I TMCEC certification.
- Court Clerk to obtain level II TMCEC certification.
- Improve the Court's website to make it more accessible and resourceful (work in progress).
- Fill a Marshall/Bailiff position.
- Court security evaluation underway – OCA will notify when a date is available.

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Court Clerk	1	1	1
Deputy Court Clerk	1	1	1
Total Budgeted Positions	2	2	2

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Improve staff efficiency through the use of technology and training				
DEPARTMENTAL OBJECTIVE				
To move towards more of a paper light court, more online options on handling citations, text reminders of due dates				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Percent of DSC or Deferred option online, text reminders	Ⓝ	90%	90%	100%
Percent of court documents being digitized	20%	20%	40%	80%

SYMBOL KEY

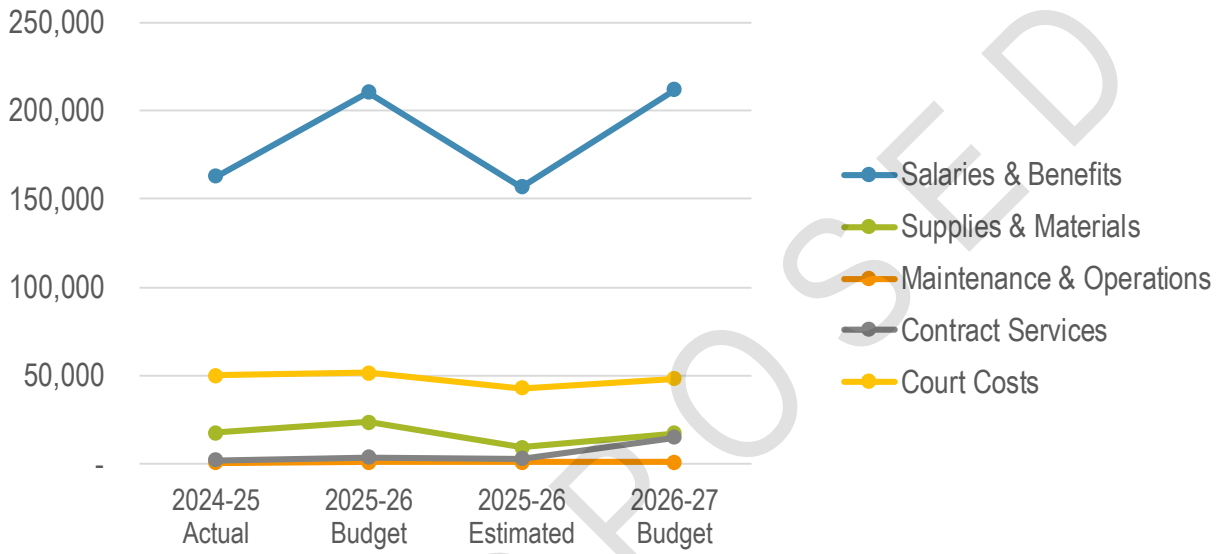
Ⓝ New activity measure

PROPOSED

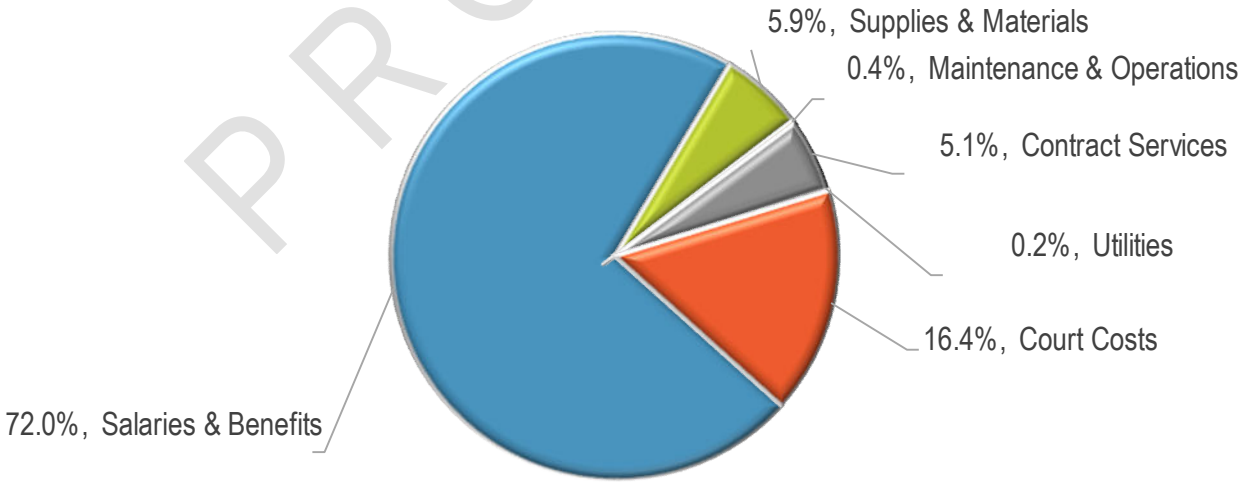
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	162,963	210,400	156,743	211,800	1,400	0.67%
Supplies & Materials	17,598	23,800	9,500	17,500	(6,300)	-26.47%
Maintenance & Operations	1,185	1,200	1,191	1,200	-	0.00%
Contract Services	2,486	4,000	3,198	15,000	11,000	275.00%
Utilities	475	550	503	550	-	0.00%
Court Costs	50,340	51,775	42,858	48,278	(3,497)	-6.75%
Total	235,047	291,725	213,993	294,328	2,603	0.89%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

DEVELOPMENT SERVICES

OVERVIEW

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

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Provide a safe and prepared City.
- Promote economic development and a diversified economy.
- Improve the visual appearance of Sanger.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- Updated permit applications.
- Converted all permits to electronic format ex: Temp Health, Annual Health.
- Established a process for the acceptance of new subdivision including public works, fire, engineering, and building.
- Reviewed, inspected, and CO's many new commercial businesses

GOALS FOR FISCAL YEAR 2026-27

- Work on preparing a Plan for Downtown.
- Convert all remaining permits to electronic format ex: Temp Health, Annual Health.
- Update permit applications.
- Update ICC Building Codes from 2021 to 2024 and NEC Electric Code from 2023 to 2026.

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Development Service Director	1	1	1
Chief Building Official	1	1	1
Building Inspector	1	1	1
Code Enforcement Officer	1	1	1
Administrative Assistant	1	1	1
Permit Technician	1	1	1
Planning Technician	0	1	1
Total Budgeted Positions	6	7	7

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Provide a safe and prepared City				
DEPARTMENTAL OBJECTIVE				
Provide timely and thorough review and inspections of projects				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Commercial Reviews done in 10 days	91%	89%	91%	95%
Residential Reviews done in 10 days	96%	97%	96%	95%
Miscellaneous Reviews done in 5 days	80%	95%	96%	95%
Commercial Inspections done in 1 day	91%	95%	99%	98%
Residential Inspections done in 1 day	94%	95%	99%	98%
Misc. Inspections done in 1 day	95%	97%	97%	98%

CITY COUNCIL GOAL Promote economic development and a diversified economy				
DEPARTMENTAL OBJECTIVE				
Provide timely and thorough review of all projects to ensure development is cohesive to the development surrounding and does not cause any adverse impact on neighboring properties				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Preliminary Plats processed in state statute timeframe	20% (ext request)	98%	100%	100%
Final/Minor/Amended Plats process in state statute timeframe	80% (ext request)	100%	100%	100%
Replats processed in state statute timeframe	100%	100%	100%	100%
Zoning requests processed in 60 days	100%	100%	100%	100%
SUP processed within 60 days	100%	100%	100%	100%
Variances processed within 60 days	100%	100%	100%	100%

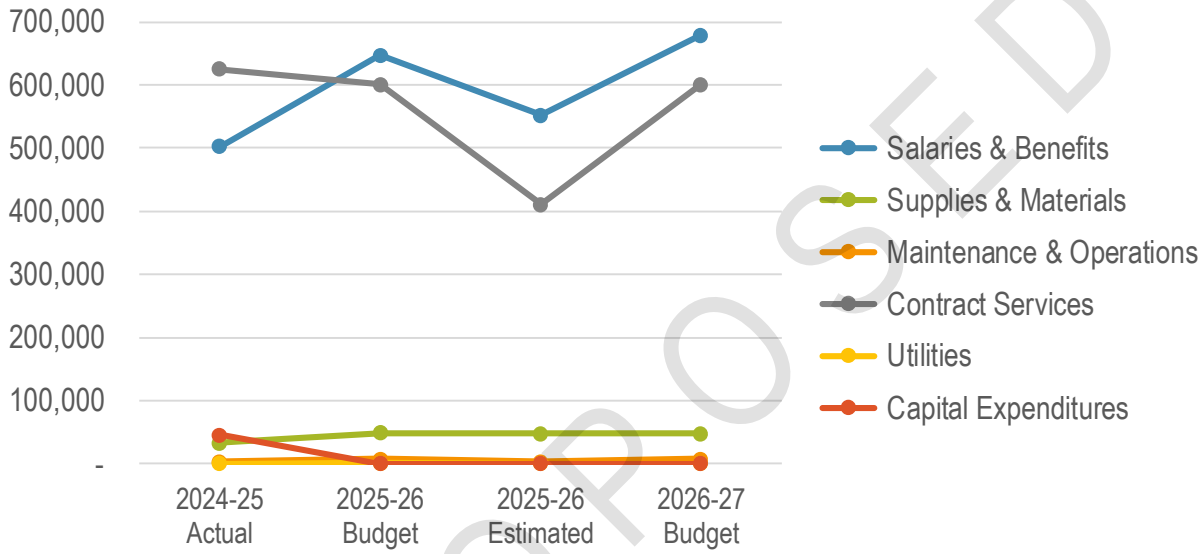
CITY COUNCIL GOAL Improve the visual appearance of Sanger				
DEPARTMENTAL OBJECTIVE				
Obtain community and owner support to abate properties not in compliance				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Total Cases	595	506	540	ⓘ
Pro-Active Cases	530	459	436	ⓘ
Complaint-Based Cases	65	47	104	ⓘ
Percent Voluntarily Abated	94%	94%	92%	96%
Percent with Citations Issued	8%	8%	9%	7%
Percent with Liens Filed	4%	6%	4%	3%
Average days to close a case	15	17	17	17
Percent of Brush Piles Removed in 1 week	95%	75%	85%	95%

PROPOSED

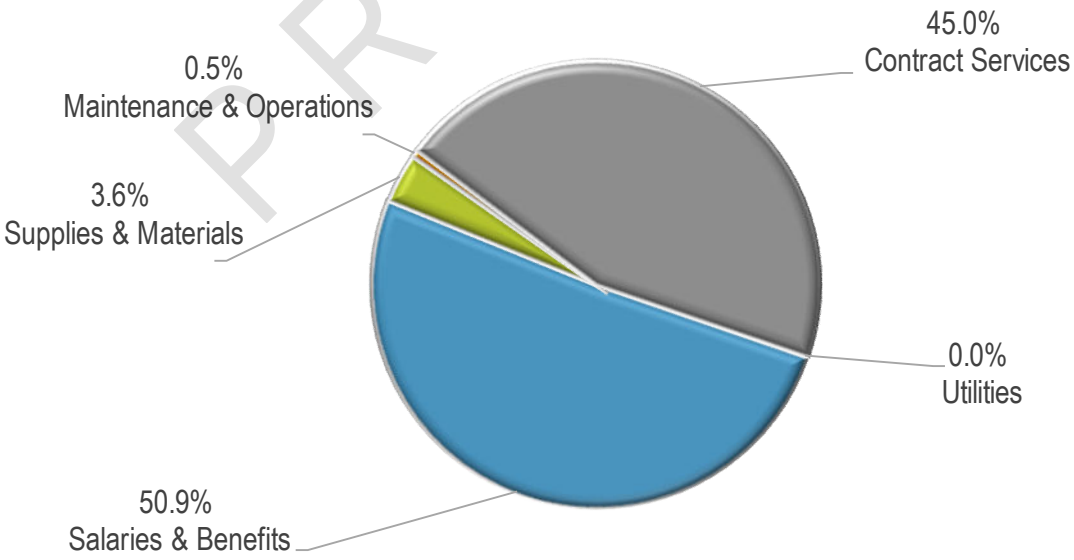
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	502,612	647,400	551,695	678,600	31,200	4.82%
Supplies & Materials	32,965	48,800	47,842	47,800	(1,000)	-2.05%
Maintenance & Operations	3,015	7,100	3,116	7,100	-	0.00%
Contract Services	624,237	600,300	411,066	600,300	-	0.00%
Utilities	396	1,000	396	500	400	66.67%
Capital Expenditures	45,160	-	-	-	-	-
Total	1,208,385	1,304,600	1,014,115	1,334,300	30,600	2.35%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

STREETS

OVERVIEW

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

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Provide a safe and prepared City.
- Improve Sanger's basic infrastructure.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- Coordination with TXDOT on I-35 project.
- Rebuilt subgrade and resurfaced 1.14 miles of asphalt streets.
- Replaced the asphalt cul-de-sac at Jennifer Court with concrete.
- Replaced a major drainage culvert beneath Marion Road.
- Replaced 20 concrete street panels on Baccarat Lane and 10 concrete street panels on North Keaton Road.

GOALS FOR FISCAL YEAR 2026-27

- Marion Road/Belz Road City/County project.
- Rebuild subgrade and resurface 1.2 miles of asphalt streets.
- Replace the cul-de-sac at South Park Court.
- Identify projects for the SUMP Program.
- Continue to coordinate with TXDOT on the I-35 project.

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Streets Superintendent	1	1	1
Foreman	1	1	1
Utility Worker	4	4	5
Total Budgeted Positions	6	6	7

PROPOSED

PERFORMANCE MEASURES

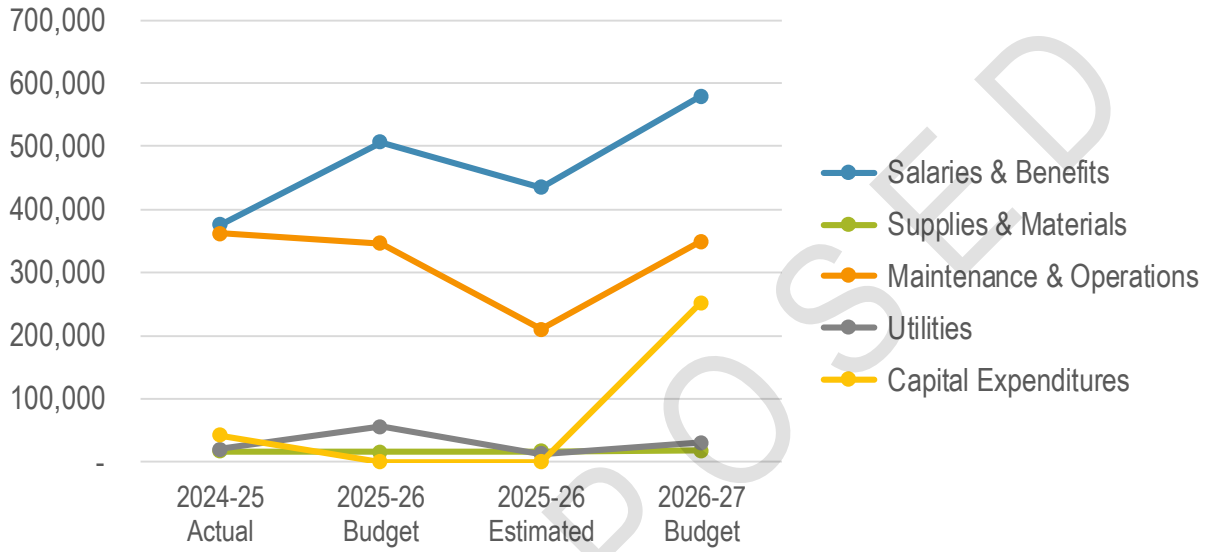
CITY COUNCIL GOAL Provide a safe and prepared City				
DEPARTMENTAL OBJECTIVE				
To maintain the City's infrastructure and visual appearance				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Percent of street signs repaired or replaced within two days of notification and traffic control (STOP) signs within one hour of notification	100%	71%	92%	100%
DEPARTMENTAL OBJECTIVE				
To maintain the City's infrastructure and visual appearance and provide unobstructed views				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Percent of tree limbs that impede driver visibility pruned within two days of notification	100%	50%	50%	100%

PROPOSED

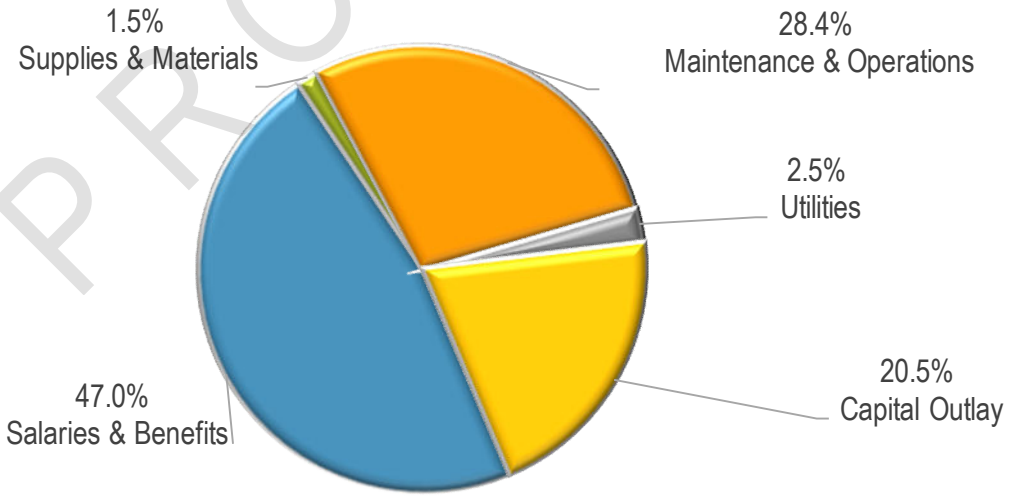
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	375,390	506,400	435,190	578,900	72,500	14.32%
Supplies & Materials	17,551	16,087	17,499	18,587	2,500	15.54%
Maintenance & Operations	362,146	346,703	210,099	349,703	3,000	0.87%
Utilities	19,805	56,000	13,294	31,000	(25,000)	-44.64%
Capital Expenditures	42,720	-	-	252,636	252,636	-
Total	817,612	925,190	676,082	1,230,826	305,636	33.03%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

PARKS & RECREATION

OVERVIEW

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

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Improve the visual appearance of Sanger.
- Promote cultural and recreational opportunities for locals and tourists.
- Improve staff efficiency through the use of technology and training.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- Continuing with the design of Porter Park Phase II.
- Replaced the chain link fencing and safety fence topper around the four Railroad Park ballfields.
- Resurfaced all four Railroad Park ballfields and installed new base anchors on two fields.
- Replaced all four scoreboards at Railroad Park.
- Added in-field dirt and replaced the pitching mound anchors at all three Porter Park ballfields.
- Increase mowing responsibilities to cut costs on contract mowing.
- Coordinated with the Sanger Farmer's Market to provide 23 Downtown Farmer's Markets in 2026.

GOALS FOR FISCAL YEAR 2026-27

- Streamline responsibilities for all City of Sanger Special Events.
- Replace outdated park signs at Quail Run Park, Railroad Park, and Switzer Park.
- Continue to upgrade city parks as the opportunity arises.
- Increase recreational programming by establishing a Youth Soccer league and a Coed Softball league.
- Improve departments' marketing efforts.

BUDGETED PERSONNEL SCHEDULE

Functions of the Facilities Department are handled by personnel in the Parks Department. Ten percent of salaries and benefits from Parks Department personnel are allocated to the Facilities Department.

Full-Time Positions	2024-25	2025-26	2026-27
Parks & Recreation Director	0.9	0.9	0
Recreation & Events Manager	1	1	1
Crew Leader	0.9	0.9	0.9
Grounds Maintenance Worker	3.6	3.6	4.5
Total Budgeted Positions	6.4	6.4	6.4

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Improve the visual appearance of Sanger				
DEPARTMENTAL OBJECTIVE				
Continue to upgrade our current parks system				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Comprehensive maintenance check list of the park system	10	3	6	6
Comprehensive maintenance checks of rental facilities	Ⓝ	7	10	12
Percent of parks signs replaced	Ⓝ	5%	10%	15%

CITY COUNCIL GOAL Promote cultural and recreational opportunities for locals and tourists				
DEPARTMENTAL OBJECTIVE				
Provide recreational programming to the citizens of Sanger				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Number of Parks Department-sponsored recreational opportunities.	Ⓝ	2	2	3
Number of special events held	6	10	30	30
Number of tournaments hosted	3	4	2	5

CITY COUNCIL GOAL Improve staff efficiency through the use of technology and training				
DEPARTMENTAL OBJECTIVE				
Digitize the Parks & Recreation processes				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Percent of Parks forms available online	30%	100%	100%	100%

SYMBOL KEY

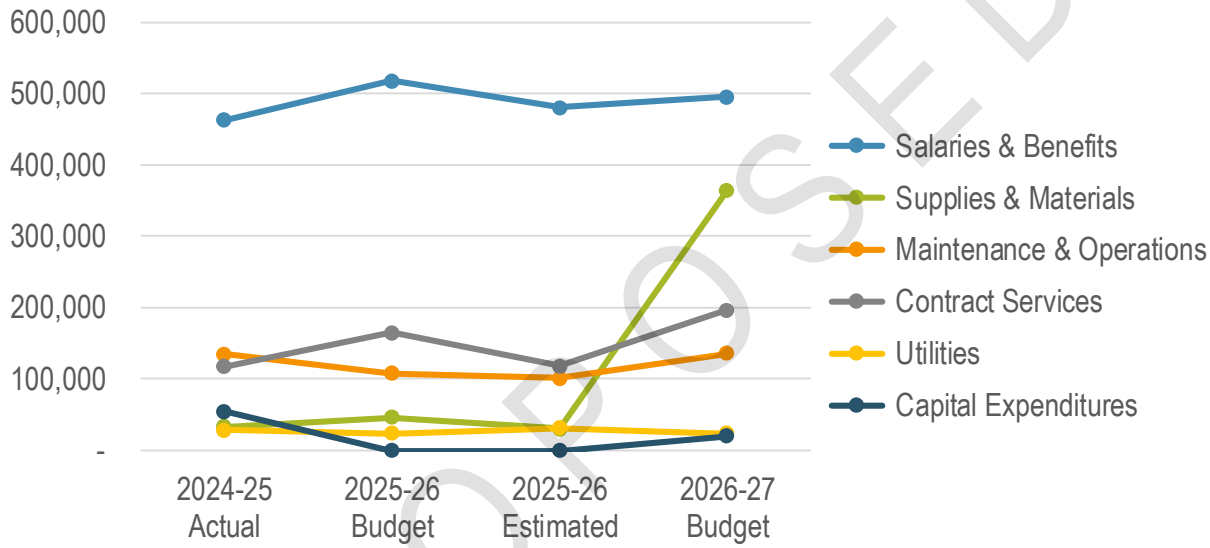
Ⓝ New activity measure

PROPOSED

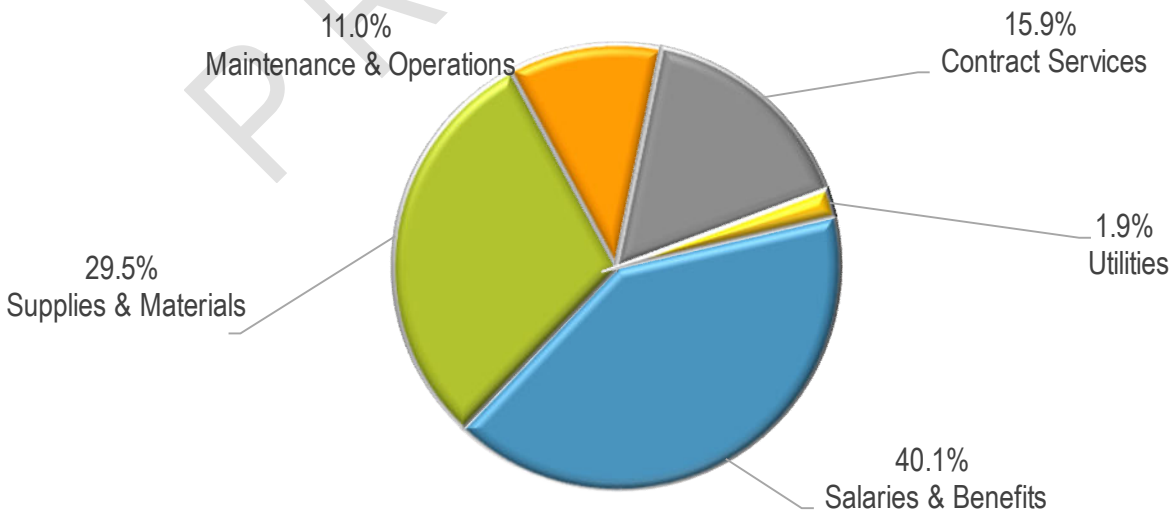
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	462,286	517,900	479,886	495,300	(22,600)	-4.36%
Supplies & Materials	33,384	45,900	30,476	364,650	318,750	694.44%
Maintenance & Operations	135,006	107,450	101,219	135,750	28,300	26.34%
Contract Services	116,781	164,600	117,766	196,600	32,000	19.44%
Utilities	28,849	24,200	31,734	23,600	(600)	-2.48%
Capital Expenditures	54,735	-	-	20,260	20,260	-
Total	831,041	860,050	761,081	1,236,160	376,110	43.73%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

LIBRARY

OVERVIEW

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

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Promote cultural and recreational opportunities for locals and tourists.
- Maintain excellent, conservative finances while delivering the services desired by its citizens.
- Promote economic development and a diversified economy.
- Improve the visual appearance of Sanger.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- Recipient of the Texas Municipal Library Directors Association Achievement of Excellence in Libraries Award for 2025. Of the 516 public libraries in Texas, only 101 received this award in 2025. Our library is within the top 20% of all public libraries in the state.
- We celebrated our annual City-wide Art Exhibition and contest with a total of 56 entries. We awarded artists in five age groups from ages 0-Adult.
- In late 2025, we partnered with local agencies to support our community. Throughout November and December, the Tarrant Area Food Bank distributed food and assisted with SNAP enrollment, while Denton County Public Health shared information on WIC and other local family services.
- Our 2nd annual Winter Reading Kick-off was a fantastic success! 97 attendees enjoyed storytime with Santa and festive drinks from Tom's coffee truck. The excitement carried over into program sign-ups, reaching 150 total registrants - a 10% overall increase, driven by a massive 54% spike in adult participation.

GOALS FOR FISCAL YEAR 2026-27

- Apply for and be awarded a grant for an outreach vehicle or other technology to support library engagement in our community for the 2026 -2027 fiscal year.
- Create a policy and procedure manual detailing all aspects of library services by August 2027.
- Integrate RFID technology by August 2027 to modernize materials collection workflows and streamline inventory management.

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Library Director	1	1	1
Assistant Library Director	0	0	1
Technical Services Specialist	1	1	1
Library Program & Data Support Specialis	1	1	1
Library Assistant	2	2	2
Total Budgeted Positions	5	5	6

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Maintain excellent, conservative finances while delivering the services desired by its citizens				
DEPARTMENTAL OBJECTIVE				
Secure funding, including grants, to support the community's educational, economic, recreational, and cultural needs				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Grant dollars awarded to Library	Awarded	$2,500	Not awarded	Awarded

CITY COUNCIL GOAL Improve the visual appearance of Sanger				
DEPARTMENTAL OBJECTIVE				
Create a welcoming, comfortable space that fosters community and makes it easy for visitors to find library materials				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
% of Library collection standardized	Ⓝ	14%	10%	10%

CITY COUNCIL GOAL Promote economic development and a diversified economy				
DEPARTMENTAL OBJECTIVE				
Support small business owners, students, and job seekers with current materials, digital resources, and programs				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Number of community outreach events and programs sponsored by the Library	2	5	11	15

CITY COUNCIL GOAL Promote cultural and recreational opportunities for locals and tourists					
DEPARTMENTAL OBJECTIVE					
Support lifelong learning for all ages with engaging programs					
	Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
ADULT	Increase number of yearly programs	29	41	50	55
	Increase avg. program attendance	8	8	9	10
	Total program attendance	227	285	432	475
TEEN	Increase number of yearly programs	11	25	28	31
	Increase avg. program attendance	7	8	9	10
	Total program attendance	65	198	250	263
CHILDRN	Increase number of yearly programs	78	94	13	147
	Increase avg. program attendance	19	24	22	23
	Total program attendance	1,452	2,215	2,914	3,206
FAMILY	Increase number of yearly programs	14	58	81	90
	Increase avg. program attendance	33	61	56	59
	Total program attendance	468	3,453	4,517	4,968
DEPARTMENTAL OBJECTIVE					
Increase awareness and use of in-person and online library services among Sanger and Denton County residents					
	Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
	Number of library visits	21,841	27,118	32,307	35,427
	Number of new cards	493	657	569	626
	Number of reactivated cards	Ⓝ	Ⓝ	412	453
	Circulation of library materials	23,124	28,744	33,053	36,358

SYMBOL KEY

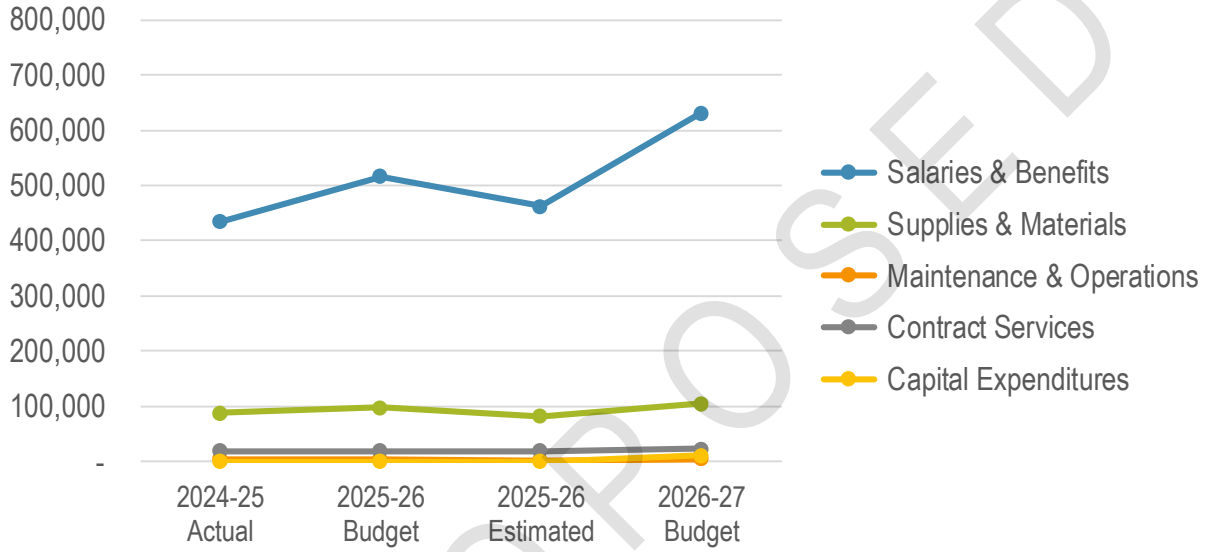
Ⓝ New activity measure

PROPOSED

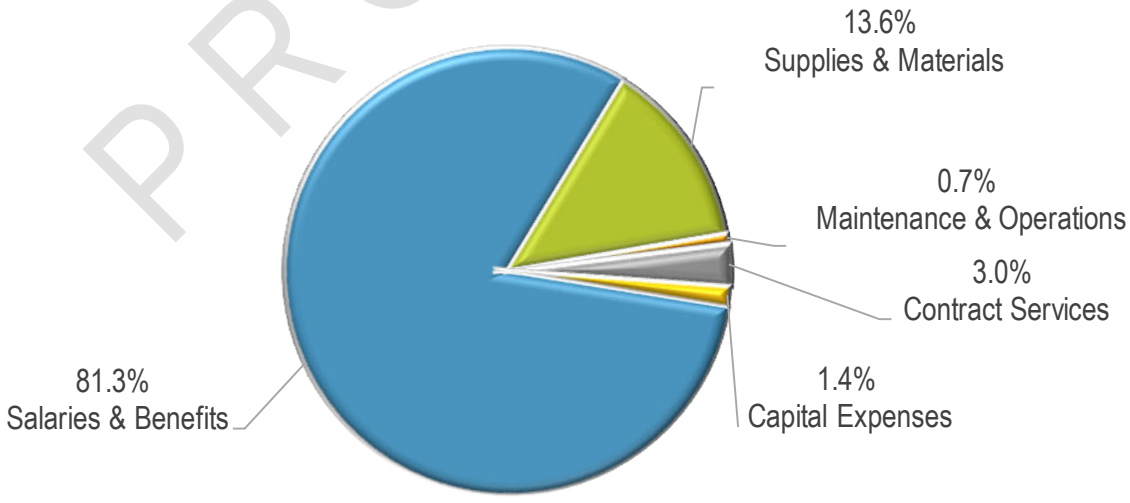
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	434,628	515,900	462,552	630,700	114,800	22.25%
Supplies & Materials	87,619	97,500	82,430	105,500	8,000	8.21%
Maintenance & Operations	4,695	5,500	4,282	5,500	-	0.00%
Contract Services	19,193	19,100	19,000	23,600	4,500	23.56%
Capital Expenditures	-	-	-	10,861	10,861	-
Total	546,135	638,000	568,264	776,161	138,161	21.66%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

SOLID WASTE

OVERVIEW

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

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain excellent, conservative finances while delivering the services desired by its citizens.
- Provide a safe and prepared City.

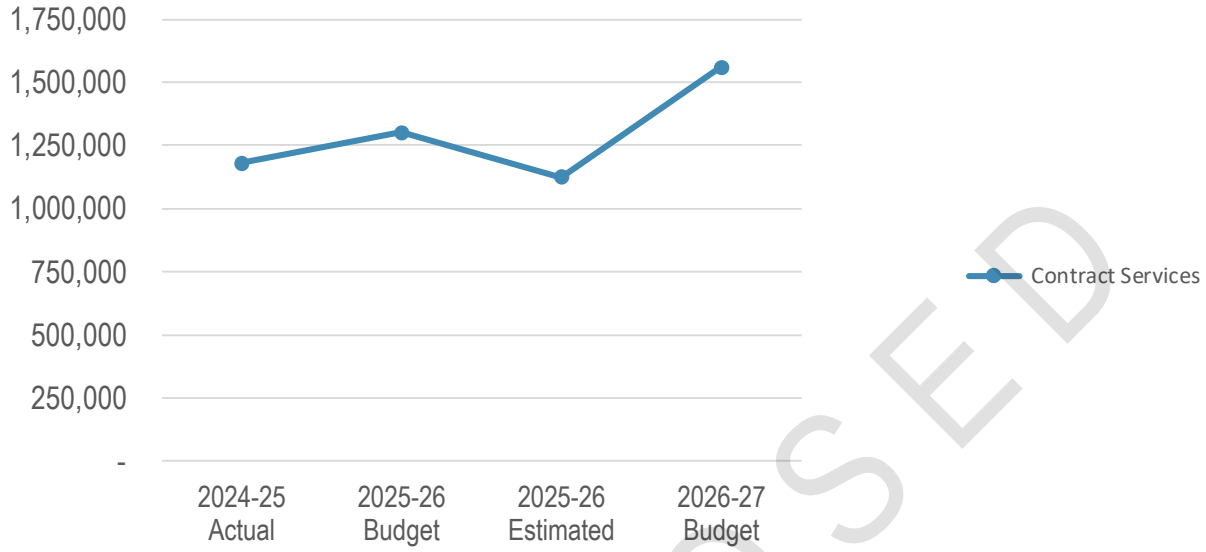
No personnel are budgeted in this department.

PROPOSED

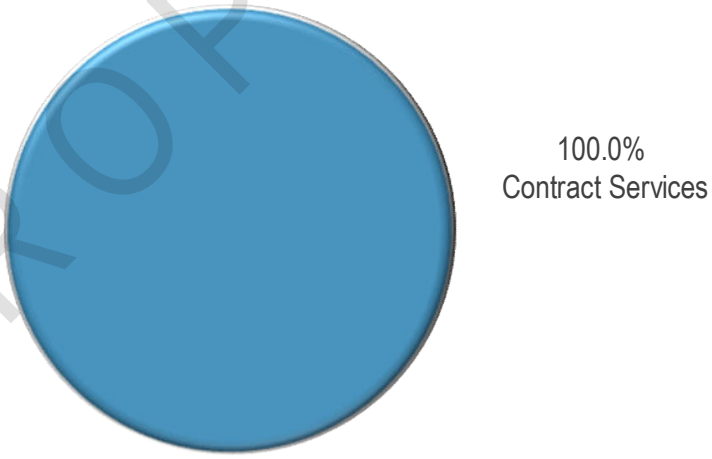
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Contract Services	1,178,781	1,300,000	1,124,449	1,560,000	260,000	20.00%
Total Solid Waste	1,178,781	1,300,000	1,124,449	1,560,000	260,000	20.00%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

TRANSFERS

OVERVIEW

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

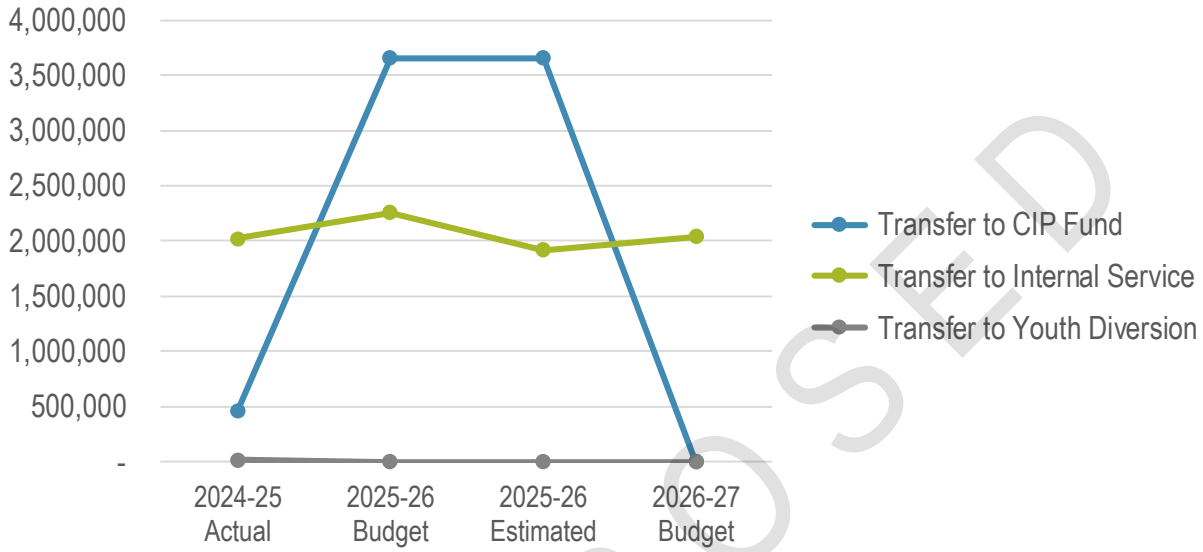
No personnel are budgeted in this department.

PROPOSED

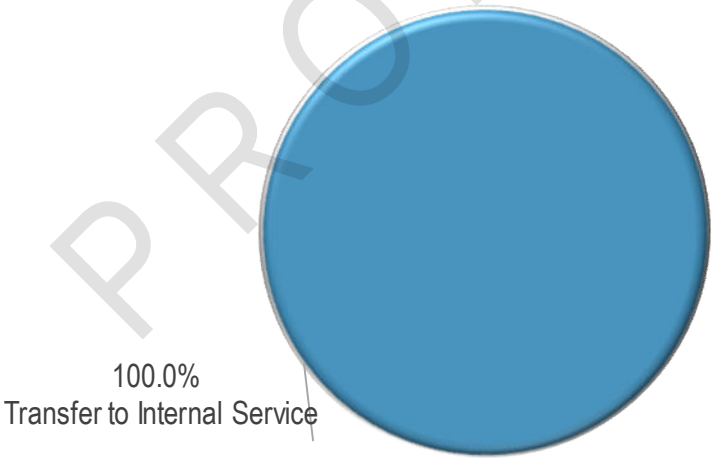
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Transfer to CIP Fund	457,194	3,652,985	3,652,985	-	(3,652,985)	-100.00%
Transfer to Internal Service	2,021,508	2,254,886	1,918,295	2,040,605	(214,281)	-9.50%
Transfer to Youth Diversion	18,269	-	-	-	-	-
Total	2,496,971	5,907,871	5,571,280	2,040,605	(3,867,266)	-65.46%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

NON-DEPARTMENTAL

OVERVIEW

The City of Sanger Non-Departmental Department budget accounts for expenses that cannot easily be attributed to any specific department.

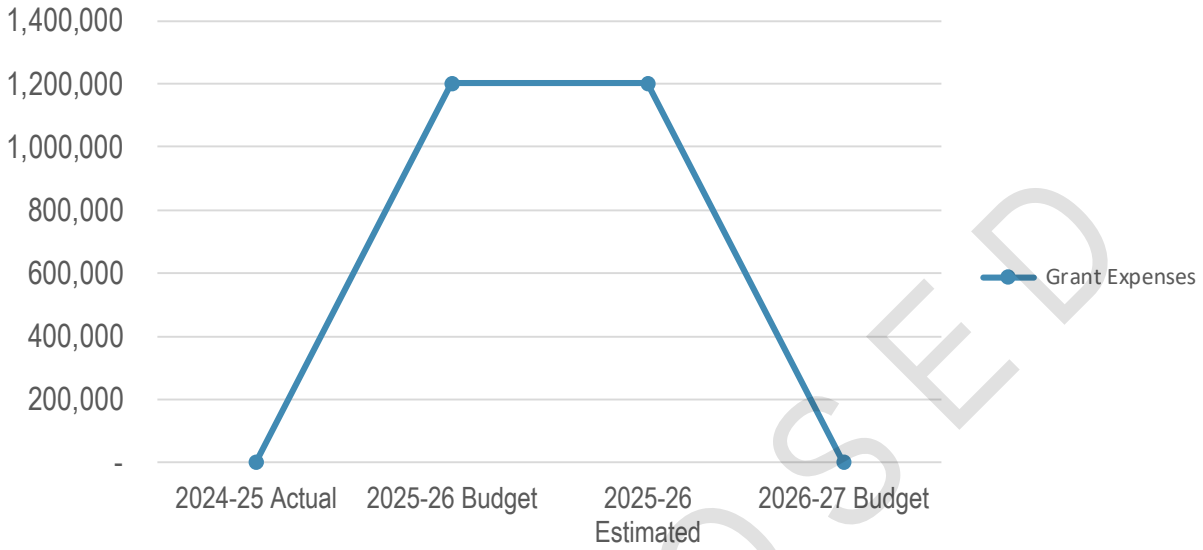
No personnel are budgeted in this department.

PROPOSED

DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Grant Expenses	-	1,200,000	1,200,000	-	(1,200,000)	-100.00%
Total	-	1,200,000	1,200,000	-	(1,200,000)	-100.00%

EXPENDITURE BY CATEGORY



PROPOSED

DEBT SERVICE FUND

OVERVIEW

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

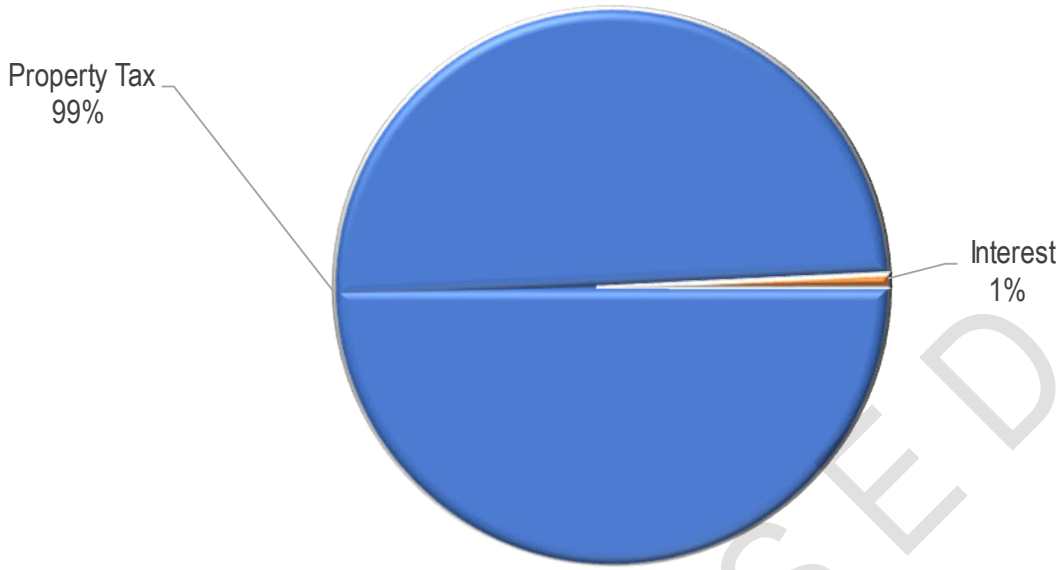
The City Charter of the City of Sanger, Texas, does not provide a debt limit. Under the provision of State law (Article XI, Section 5, of the State of Texas Constitution), the maximum tax rate is limited to $2.50 per $100 assessed valuation. For 2024-25, the City's adopted tax rate was $0.568912 per $100 assessed valuation for maintenance and operations plus $0.120835 per $100 assessed valuation for debt service, equaling $0.689747, which is well below the maximum rates allowed by law. For 2025-26, a tax rate of $0.689747 is proposed once again.

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

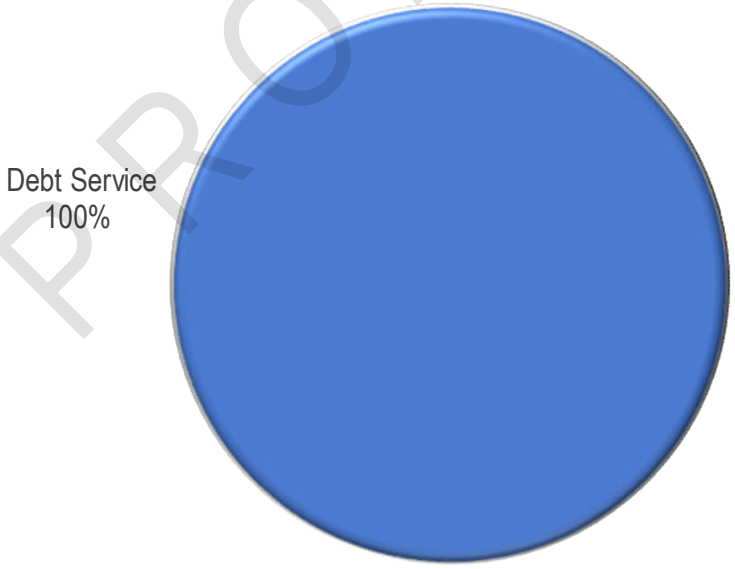
PROPOSED

DEBT SERVICE FUND BUDGET SUMMARY

DEBT SERVICE FUND REVENUES



DEBT SERVICE FUND EXPENDITURES



PROPOSED

DEBT SERVICE FUND BUDGET SUMMARY

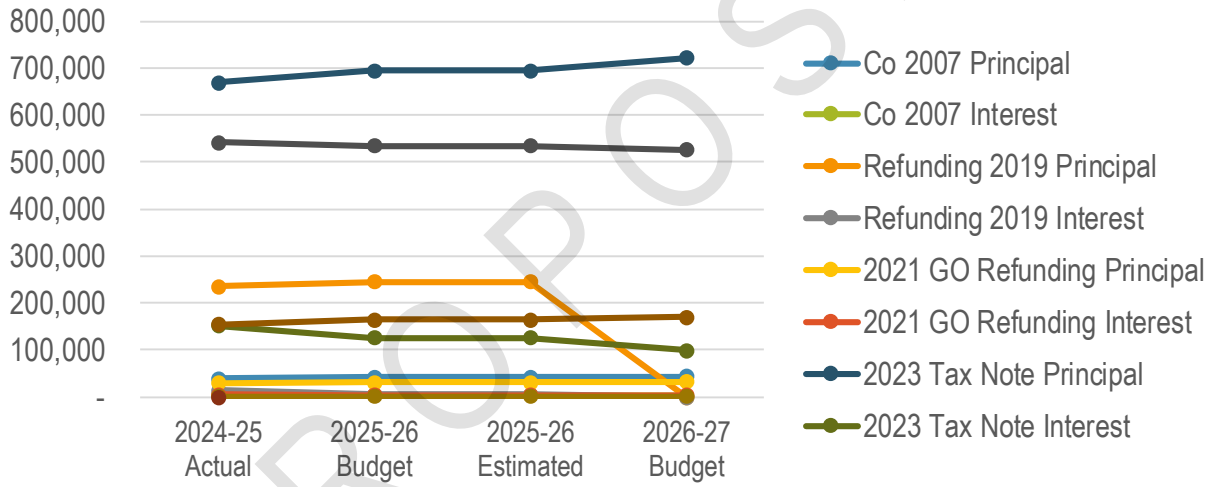
	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	335,225	306,933	306,933	305,158
Revenues				
Property Taxes	1,624,485	1,663,071	1,660,000	1,590,184
Interest Income	16,974	12,000	12,177	11,000
Transfers In	180,000	180,000	180,000	-
Total Revenues	1,821,459	1,855,071	1,852,177	1,601,184
Expenditures				
Debt Service	1,849,751	1,853,952	1,853,952	1,602,120
Total Expenditures	1,849,751	1,853,952	1,853,952	1,602,120
Net Revenues Over (Under) Expenditures	(28,292)	1,119	(1,775)	(936)
Ending Fund Balance	306,933	308,052	305,158	304,222

PROPOSED

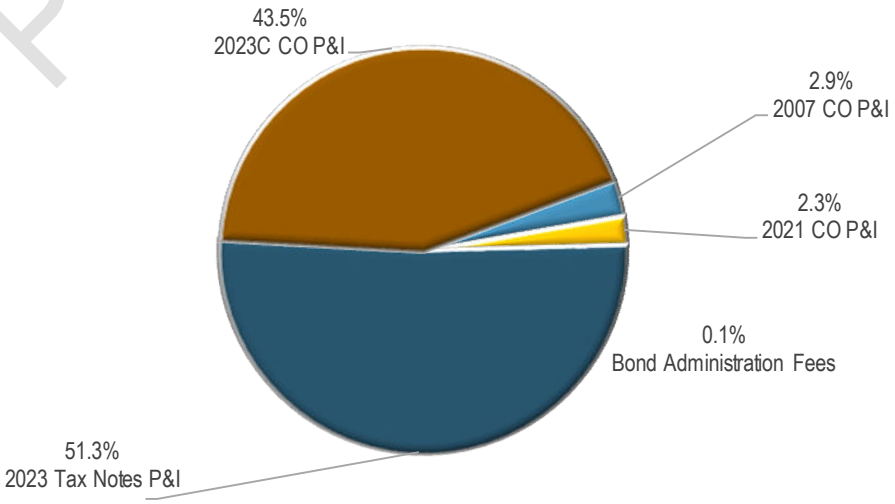
DEBT SERVICE FUND EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Co 2007 Principal	39,100	42,500	42,500	44,200	1,700	4.00%
Co 2007 Interest	5,536	3,815	3,815	1,945	(1,870)	-49.02%
Refunding 2019 Principal	235,000	245,000	245,000	-	(245,000)	-100.00%
Refunding 2019 Interest	14,300	4,900	4,900	-	(4,900)	-100.00%
2021 GO Refunding Principal	30,600	31,200	31,200	31,800	600	1.92%
2021 GO Refunding Interest	4,956	4,690	4,690	4,341	(349)	-7.44%
2023 Tax Note Principal	670,000	695,000	695,000	722,000	27,000	3.88%
2023 Tax Note Interest	151,108	125,586	125,586	99,641	(25,945)	-20.66%
CO 2023C Principal	155,000	165,000	165,000	170,000	5,000	3.03%
CO 2023C Interest	542,401	534,511	534,511	526,443	(8,068)	-1.51%
Bond Administration Fees	1,750	1,750	1,750	1,750	-	0.00%
Total Debt Service	1,849,751	1,853,952	1,853,952	1,602,120	(251,832)	-13.58%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



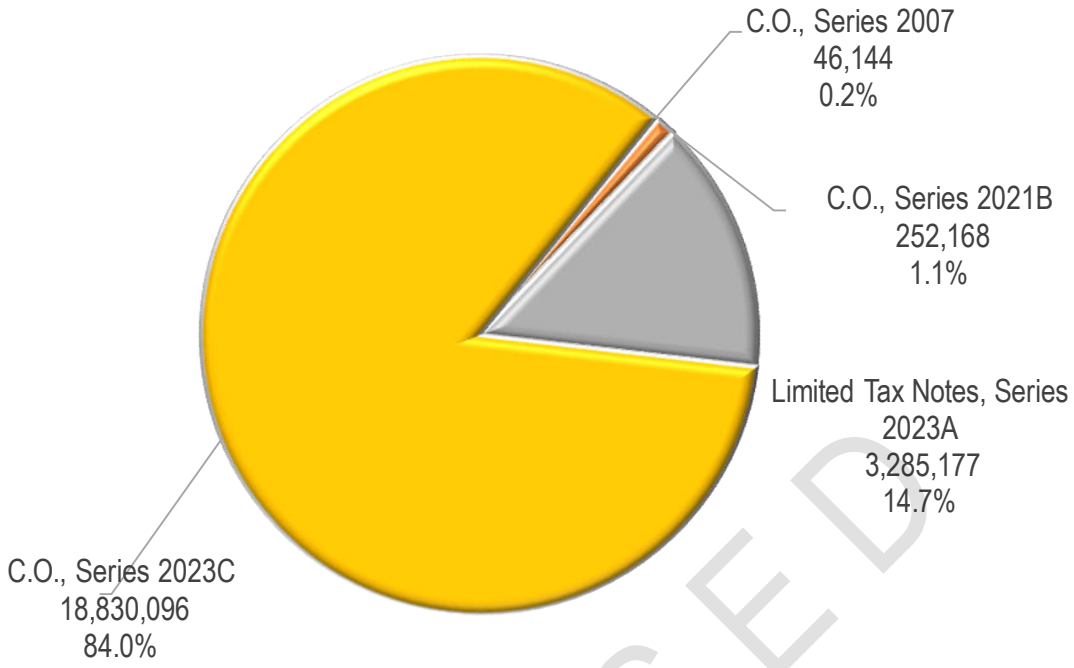
PROPOSED

DEBT SERVICE FUND REQUIREMENTS BY YEAR

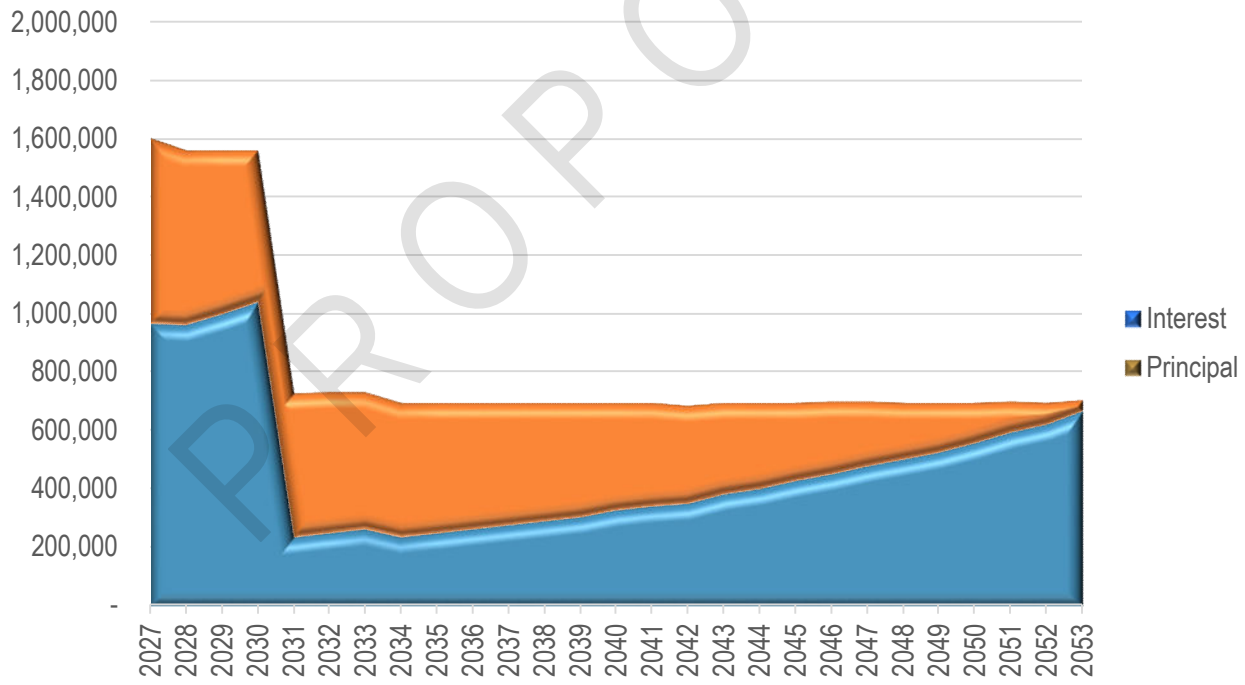
Fiscal Year	Principal	Interest	Total
2027	968,000	632,369	1,600,369
2028	960,800	594,446	1,555,246
2029	1,000,000	556,915	1,556,915
2030	1,039,000	517,524	1,556,524
2031	239,200	491,977	731,177
2032	254,800	481,049	735,849
2033	264,800	469,319	734,119
2034	240,000	457,078	697,078
2035	255,000	444,237	699,237
2036	265,000	430,595	695,595
2037	280,000	416,418	696,418
2038	295,000	401,438	696,438
2039	310,000	385,655	695,655
2040	330,000	368,756	698,756
2041	345,000	350,775	695,775
2042	356,000	331,973	687,973
2043	385,000	312,080	697,080
2044	405,000	291,098	696,098
2045	430,000	268,620	698,620
2046	455,000	244,755	699,755
2047	480,000	219,503	699,503
2048	505,000	192,862	697,862
2049	530,000	164,835	694,835
2050	560,000	135,420	695,420
2051	595,000	104,340	699,340
2052	625,000	71,318	696,318
2053	669,000	36,630	705,630
Total	**13,041,600**	**9,371,985**	**22,413,585**

PROPOSED

Total Debt Service Fund Debt by Obligation



Debt Service Fund Annual Debt Service Requirements



PROPOSED

ENTERPRISE FUND

OVERVIEW

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

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

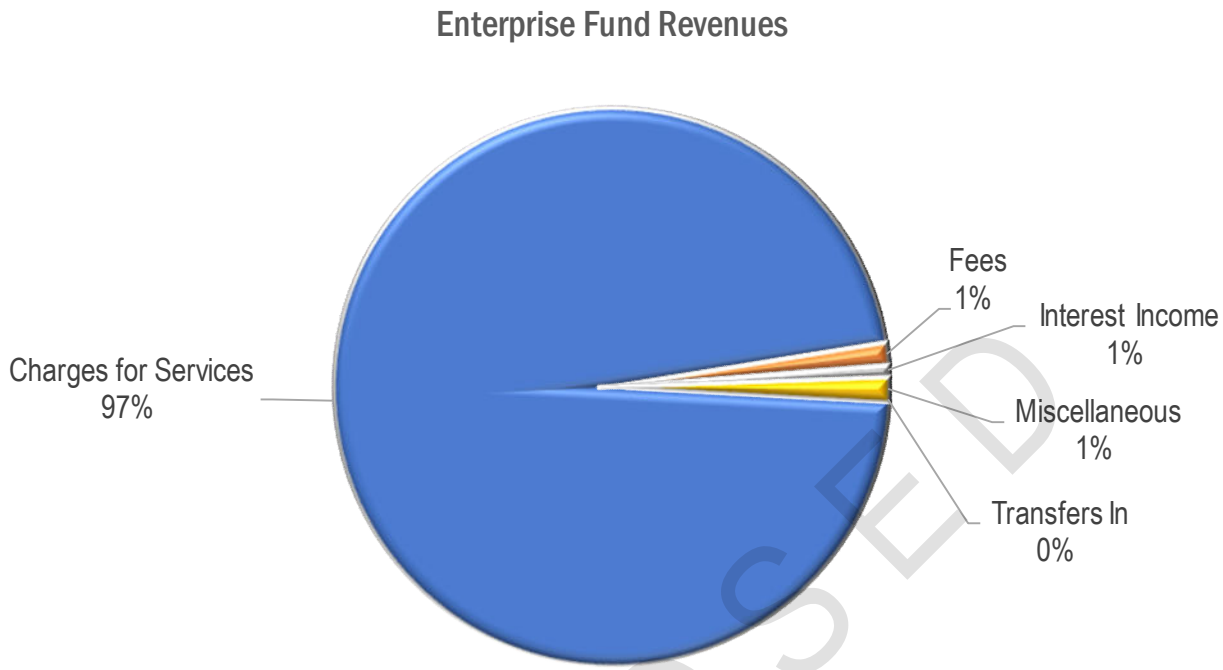
The Enterprise Fund includes these departments:

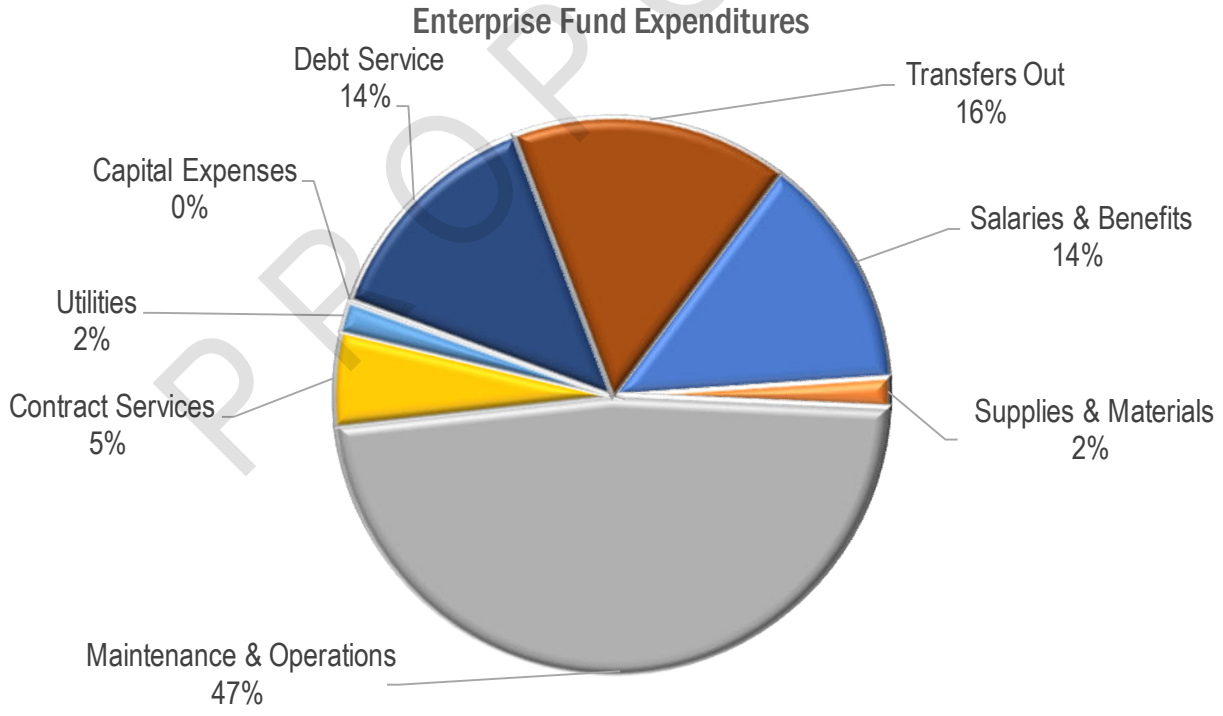
- Water
- Waste Water
- Electric
- Customer Service
- Debt Service

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

PROPOSED

ENTERPRISE FUND BUDGET SUMMARY





PROPOSED

ENTERPRISE FUND BUDGET SUMMARY

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	17,256,417	20,415,000	20,415,000	23,450,777
Revenues				
Water	3,008,960	3,564,849	3,552,000	3,946,573
Waste Water	2,892,557	3,516,596	3,500,000	4,070,751
Electric	9,252,816	9,793,739	9,759,000	9,945,788
Penalties and Fees	240,422	240,000	236,000	240,000
Interest Income	220,882	250,000	200,000	125,000
Miscellaneous	204,294	262,000	191,038	252,000
Transfers In	300,000	-	-	-
Total Revenues/Sources	16,119,931	17,627,184	17,438,038	18,580,112
Expenditures				
Salaries & Benefits	2,168,369	2,359,100	2,211,268	2,542,800
Supplies & Materials	169,573	280,420	183,398	325,990
Maintenance & Operations	6,285,276	8,618,981	6,637,086	8,830,480
Contract Services	612,505	966,800	329,430	1,016,800
Utilities	310,421	305,500	281,313	329,700
Capital Expenditures	-	129,625	129,625	27,200
Debt Service	1,298,696	2,430,156	2,430,132	2,523,207
Transfers Out	2,116,508	2,536,602	2,200,009	2,983,935
Total Expenses/Uses	12,961,348	17,627,184	14,402,261	18,580,112
Net Revenues Over (Under) Expenditures	3,158,583	-	3,035,777	-
Ending Fund Balance	20,415,000	20,415,000	23,450,777	23,450,777

PROPOSED

ENTERPRISE FUND 2023-2024 EXPENDITURES BY CATEGORY AND DEPARTMENT

Department	Expenditure Category								
	Salaries & Benefits	Supplies & Materials	Maintenance & Operations	Contract Services	Utilities	Capital Expenditures	Debt Service	Transfers	Total
Water	$ 814,100	$ 68,500	$1,535,226	$ 242,500	$152,100	$ 27,200	$ -	$ -	$ 2,839,626
Waste Water	355,500	24,500	627,438	43,000	175,000	-	-	-	1,225,438
Electric	1,115,900	157,320	6,667,816	478,800	2,000	-	7,500	-	8,429,336
Customer Service	257,300	75,670	-	252,500	600	-	-		586,070
Debt Service	-	-	-	-	-	-	2,515,707	-	2,515,707
Transfers	-	-	-	-	-	-	-	2,983,935	2,983,935
Total	$ 2,542,800	$325,990	$8,830,480	$ 1,016,800	$329,700	$ 27,200	$ 2,523,207	$ 2,983,935	$ 18,580,112

PROPOSED

WATER

OVERVIEW

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

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

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Improve Sanger's basic infrastructure.
- Provide a safe and prepared City.
- Maintain excellent, conservative finances while delivering the services desired by its citizens.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- Installed a new roof on the Acker booster pump station.
- Replaced the 6" check valves on the Acker well.
- Installed a new fall protection system on the Acker Elevated Storage Tank.
- Installed an exhaust fan on the cabinet for the variable frequency drive (VFD) at Well 9.
- Replaced the booster pump motor on Pump #2 at Cowling Road.
- Installed new level indicators on Acker, Cowling Road, and Utility Road Ground Storage Tanks.
- Installed one new pump, level transducer, and floats at South Bottom lift station.

GOALS FOR FISCAL YEAR 2026-27

- Continue exploring the possibility of converting to a chlorinated treatment process.
- Finalize future water storage and capacity needs.
- Upgrade the SCADA systems' wireless communication.
- Rebuild and upgrade chlorine and booster pump rooms.
- Upgrade chlorine scales at all chlorine locations.

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Water Superintendent	1	1	1
Water Foreman	1	1	1
Utility Worker	6	6	6
AMR Technician	1	1	1
Total Budgeted Positions	9	9	9

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Provide a safe and prepared City				
DEPARTMENTAL OBJECTIVE				
To inform citizens about the quality of water produced and distributed by the City of Sanger				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Complete and publish the Annual Water Quality Report by June 1st of the following year as required by the TCEQ	Achieved	Achieved	Achieved	Achieve
DEPARTMENTAL OBJECTIVE				
To maintain the freshness of our water.				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Flush all dead-end water mains every month	Achieved	Achieved	Achieved	Achieve

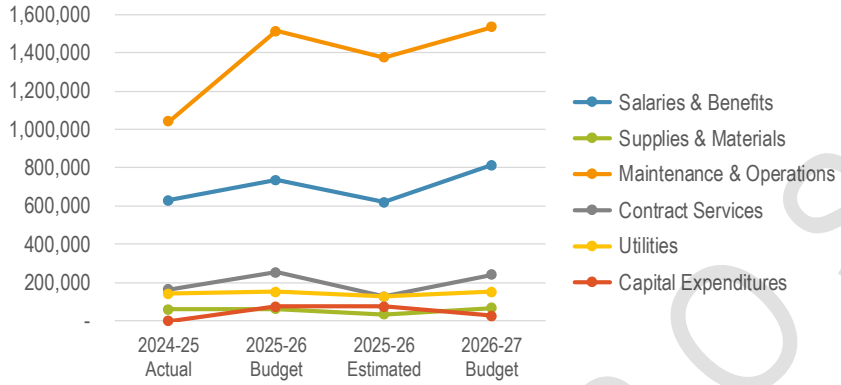
.

PROPOSED

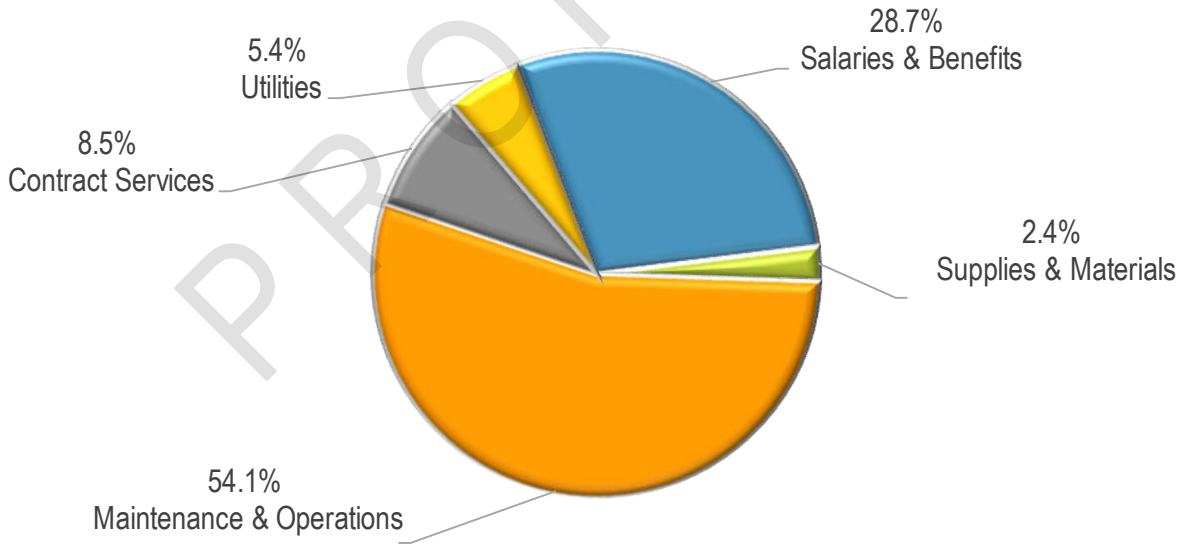
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	628,710	737,100	619,419	814,100	77,000	10.45%
Supplies & Materials	61,063	63,500	34,572	68,500	5,000	7.87%
Maintenance & Operations	1,042,917	1,511,839	1,375,393	1,535,226	23,387	1.55%
Contract Services	165,245	252,500	127,354	242,500	(10,000)	-3.96%
Utilities	142,581	152,100	128,493	152,100	-	0.00%
Capital Expenditures	-	75,000	75,000	27,200	(47,800)	-63.73%
Total	2,040,516	2,792,039	2,360,231	2,839,626	47,587	1.70%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

WASTE WATER

OVERVIEW

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

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Improve Sanger's basic infrastructure.
- Provide a safe and prepared City.
- Maintain excellent, conservative finances while delivering the services desired by its citizens.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- Consistently meeting all permit parameters.
- Completed the installation of a new Turbo Blower, which will allow the wastewater plant to go to a 1.86 MGD permit.
- Two plant operators were able to obtain their Class A Water Licenses.
- Ryan Welborn was awarded the "Operator of the Year" by the Texas Water Utilities Association.
- Rebuilt 30 hp influent submersible pump.
- Processed 504 tons of wastewater sludge.
- Upgraded the variable frequency drives (VFD's) that control the pumps at the influent pump station.

GOALS FOR FISCAL YEAR 2026-27

- Consistently meet all permit parameters.
- Rebuild an additional 30 hp influent submersible pump.
- Retrofit older turbo blowers with new motors and electrical components that have become obsolete.

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
WWTP Superintendent	1	1	1
Plant Operator	2	2	2
Total Budgeted Positions	3	3	3

PROPOSED

PERFORMANCE MEASURES

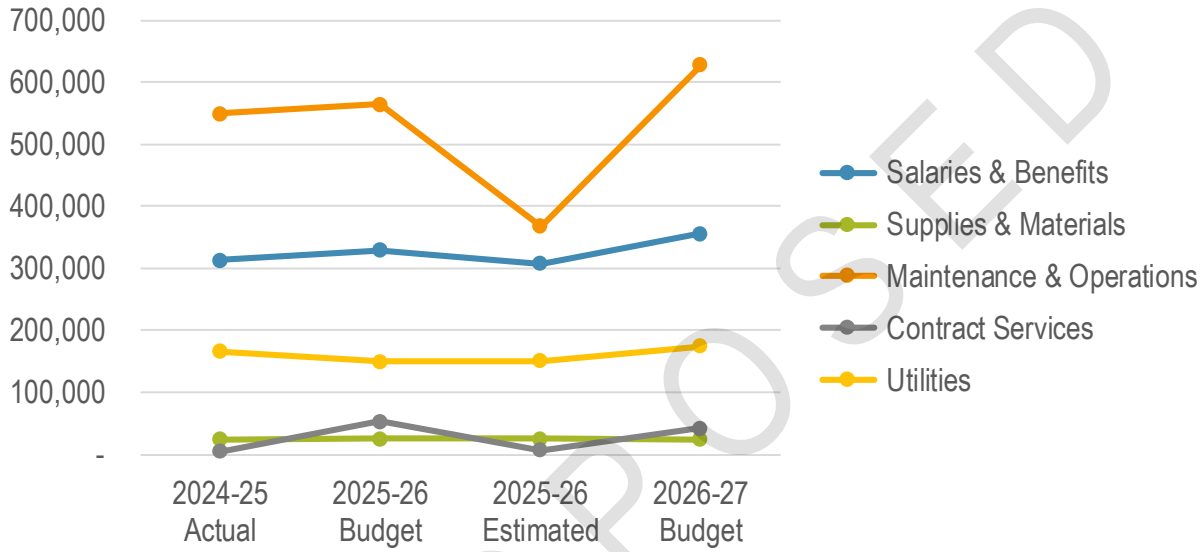
CITY COUNCIL GOAL Provide a safe and prepared City				
DEPARTMENTAL OBJECTIVE				
Ensure optimal wastewater treatment to produce a safe effluent				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Average monthly tons of waste sludge processed	63	95	62	75
DEPARTMENTAL OBJECTIVE				
Provide adequate treatment to ensure monthly parameters are being met in the removal of BOD, TSS, NH3, and E.coli				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Percentage of Discharge Monthly Reports in compliance with permit requirements	100%	100%	100%	100%

PROPOSED

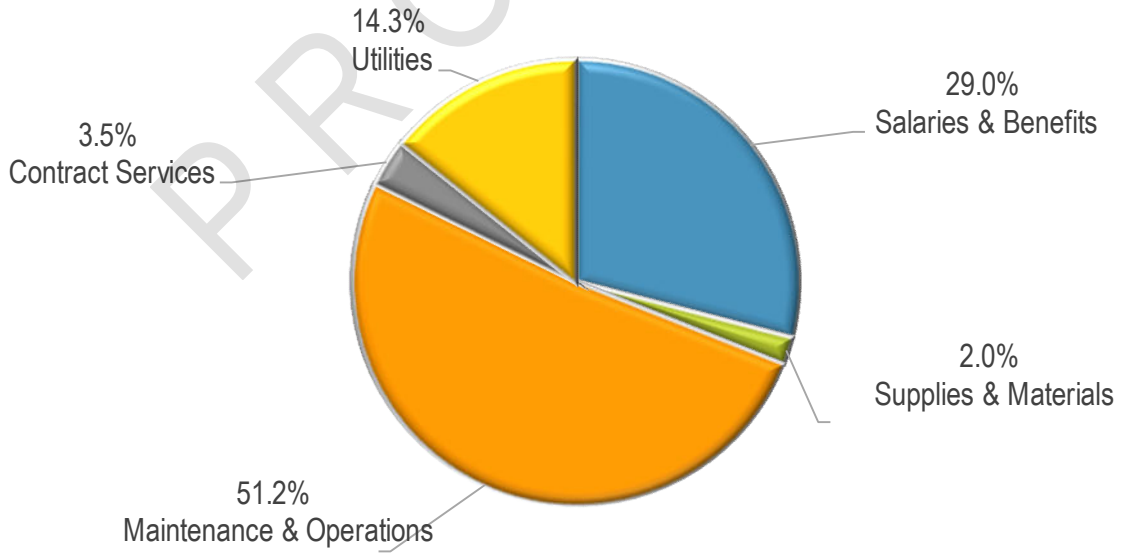
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	313,256	329,000	307,543	355,500	26,500	8.05%
Supplies & Materials	24,295	25,500	24,975	24,500	(1,000)	-3.92%
Maintenance & Operations	549,458	564,730	368,246	627,438	62,708	11.10%
Contract Services	4,439	53,000	6,984	43,000	(10,000)	-18.87%
Utilities	166,185	150,000	151,165	175,000	25,000	16.67%
Total	1,057,633	1,122,230	858,913	1,225,438	103,208	9.20%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

ELECTRIC

OVERVIEW

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

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Improve Sanger's basic infrastructure.
- Provide a safe and prepared City.
- Maintain excellent, conservative finances while delivering the services desired by its citizens.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- The new metering system is completed.
- 7 Brew Coffee completed.
- Club Car Wash completed.
- Sanger Family Medical completed.

GOALS FOR FISCAL YEAR 2026-27

- Substation Expansion and New Feeder Exits.
- Implementing the Distribution Pole Management and Inspection Plan.

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Director of Electric Utilities	1	1	1
Electric Superintendent	1	1	1
Electric Foreman	2	2	2
Electric Service Technician	1	1	1
Lineman	1	1	1
Electric Groundman	1	1	1
Administrative Assistant	1	1	1
Total Budgeted Positions	8	8	8

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Maintain excellent, conservative finances while delivering the services desired by its citizens				
DEPARTMENTAL OBJECTIVE				
Provide the most efficient electric service at the least cost to the rate payers				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Percent of work orders responded to within 48 hours	70%	82%	78%	90%
Percent of after-hours calls responded to within 30 minutes	89%	90%	92%	100%

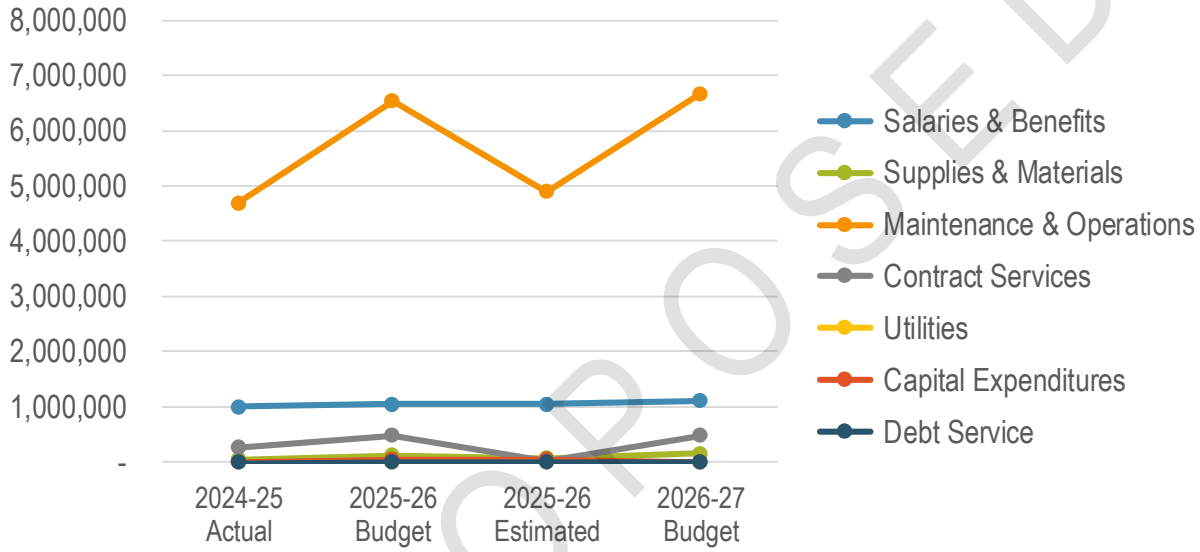
CITY COUNCIL GOAL Improve Sanger's basic infrastructure				
DEPARTMENTAL OBJECTIVE				
Strive to continuously update and maintain the electric infrastructure				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Clear 4.5 miles of distribution miles annually	1 mile	1 mile	4.2 miles	4.5 miles
Upgrading electric poles	82	102	125	10
Number of LED street light conversions completed	12	32	21	15

PROPOSED

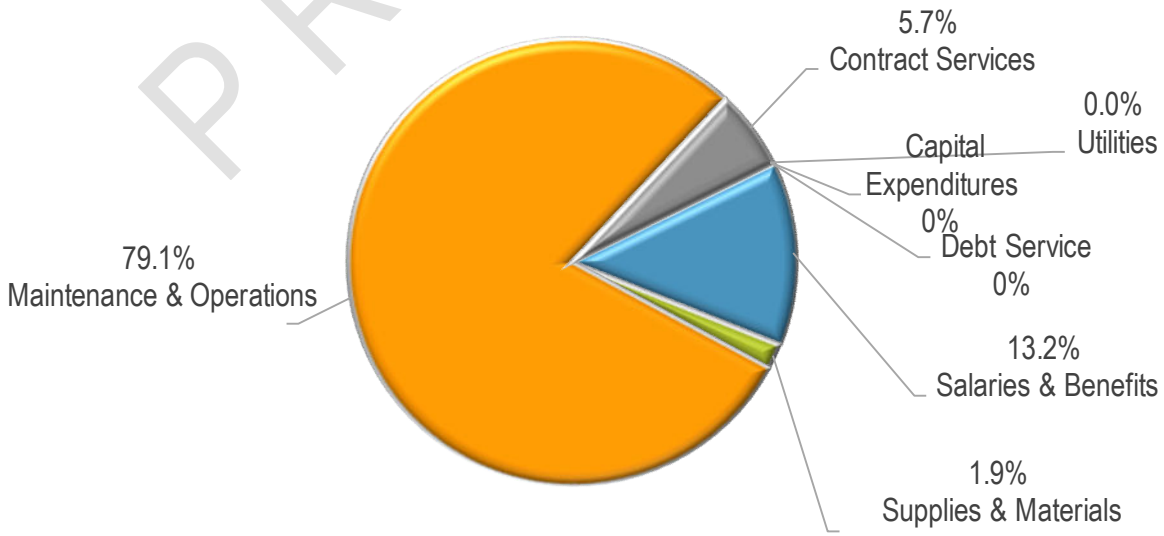
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	997,178	1,052,400	1,055,846	1,115,900	63,500	6.03%
Supplies & Materials	55,156	121,520	79,688	157,320	35,800	29.46%
Maintenance & Operations	4,692,835	6,541,812	4,892,944	6,667,816	126,004	1.93%
Contract Services	264,210	478,800	13,924	478,800	-	0.00%
Utilities	1,655	3,400	1,655	2,000	(1,400)	-41.18%
Capital Expenditures	-	54,625	54,625	-	(54,625)	-100.00%
Debt Service	5,290	7,500	7,476	7,500	-	0.00%
Total	6,016,324	8,260,057	6,106,158	8,429,336	169,279	2.05%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

CUSTOMER SERVICE

OVERVIEW

The City of Customer Service Department performs functions of utility billing and customer service to all of the City's residential and commercial utility customers. These functions were formerly in the Finance Department, and the new Customer Service Department was established for the 2023-2024 budget year. Three positions from Finance were reassigned to the new department.

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Improve staff efficiency through the use of technology and training.
- Maintain excellent, conservative finances while delivering the services desired by its citizens.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- Improved customer ease of connections and disconnects by implementing Docusign and online payment portal through CivicPlus.
- Reduce water waste and increase customer satisfaction by starting leak notifications to customers.
- Increased billing accuracy through AMI billing.

GOALS FOR FISCAL YEAR 2026-27

- Update the billing cycles to a week apart to streamline processes.
- Move read date closer to bill date to reduce unbilled usage.
- Promote self-service and efficiency through the release of the AMI customer portal.

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Customer Service Manager	1	1	1
Customer Service Representative	2	2	2
Total Budgeted Positions	3	3	3

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Improve staff efficiency through the use of technology and training				
DEPARTMENTAL OBJECTIVE				
To increase operational efficiency by incorporating electronic processes for the billing and paying of utility accounts				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Increase the number of accounts signed up for paperless billing - percent of accounts signed up for e-bills	5%	13%	21%	30%
Increase the number of payments processed through an automated process (draft, online, phone, or text) - percent of payments made via an automated process	54%	58%	61%	64%

CITY COUNCIL GOAL Maintain excellent, conservative finances while delivering the services desired by its citizens				
DEPARTMENTAL OBJECTIVE				
To provide exceptional service to utility billing customers, fostering a positive customer-centric atmosphere				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Percent of utility bills processed on time	100.0%	100.0%	100%	100%
Percent of utility bills processed without error due to the Customer Service Department	97.7%	99.8%	99.9%	100.0%

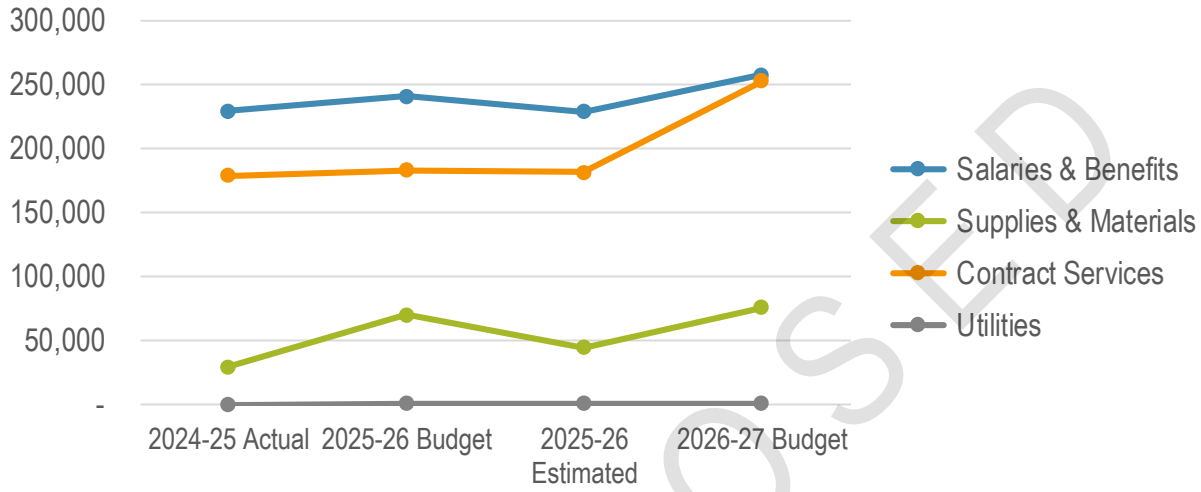
CITY COUNCIL GOAL Improve staff efficiency through the use of technology and training				
DEPARTMENTAL OBJECTIVE				
Implement Laserfiche to improve customer service efficiency				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Percent of utility customer account documents digitized	50%	100%	100%	100%

PROPOSED

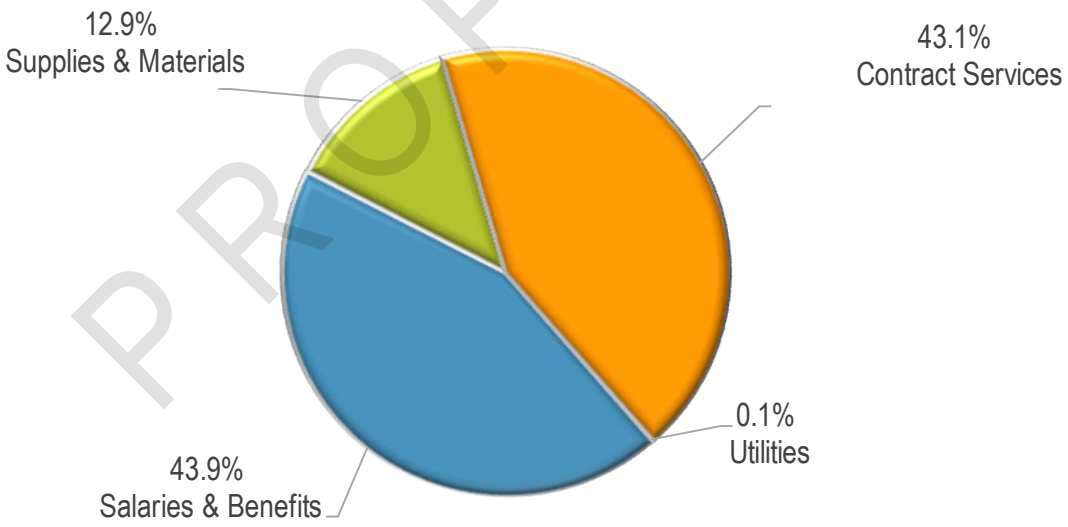
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	229,225	240,600	228,460	257,300	16,700	6.94%
Supplies & Materials	29,059	69,900	44,163	75,670	5,770	8.25%
Contract Services	178,611	182,500	181,168	252,500	70,000	38.36%
Utilities	66	600	503	600	-	0.00%
Total	436,961	493,600	454,294	586,070	92,470	18.73%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

DEBT SERVICE

OVERVIEW

Debt Service pays principal, interest, and bond fees on the City's Enterprise Fund Debt.

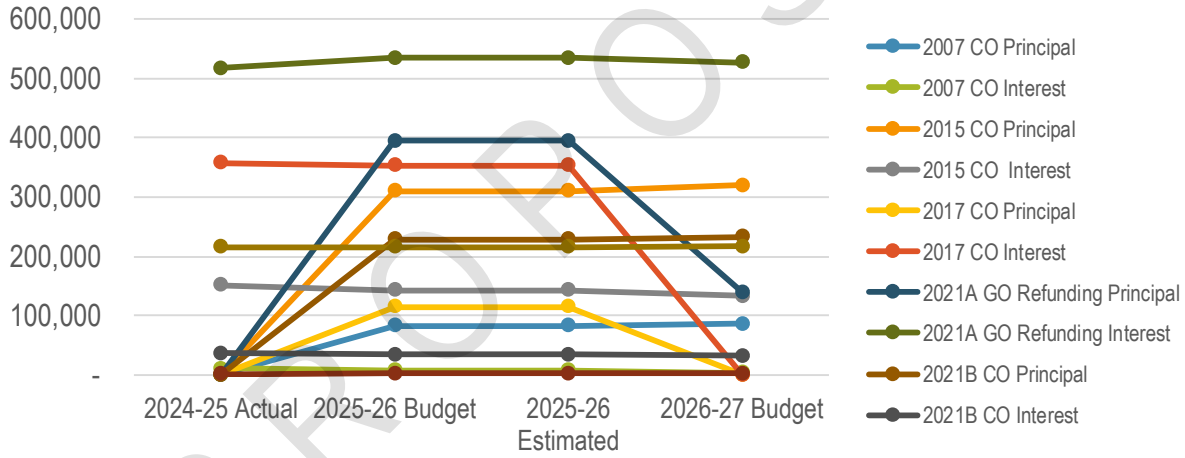
No personnel are budgeted in this department.

PROPOSED

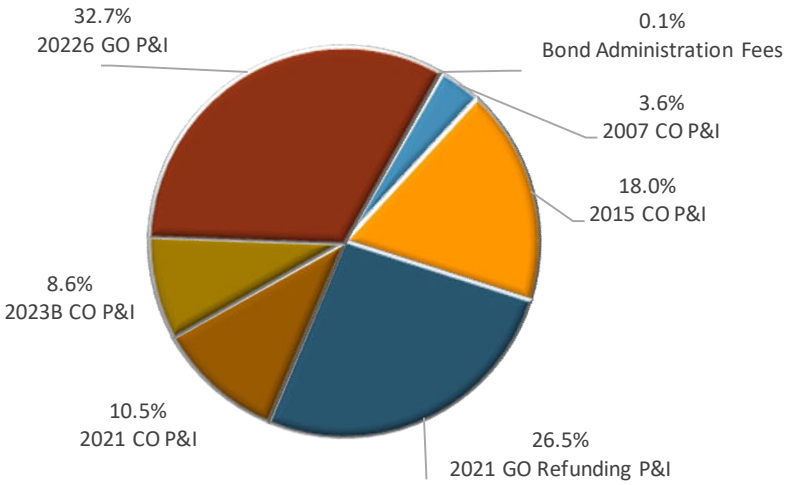
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
2007 CO Principal	-	82,500	82,500	85,800	3,300	4.00%
2007 CO Interest	10,744	7,405	7,405	3,775	(3,630)	-49.02%
2015 CO Principal	-	310,000	310,000	320,000	10,000	3.23%
2015 CO Interest	151,900	142,750	142,750	132,900	(9,850)	-6.90%
2017 CO Principal	-	115,000	115,000	-	(115,000)	-100.00%
2017 CO Interest	357,600	353,000	353,000	-	(353,000)	-100.00%
2021A GO Refunding Principal	-	395,000	395,000	140,000	(255,000)	-64.56%
2021A GO Refunding Interest	517,508	534,250	534,250	526,350	(7,900)	-1.48%
2021B CO Principal	-	228,800	228,800	233,200	4,400	1.92%
2021B CO Interest	36,348	34,395	34,395	31,833	(2,562)	-7.45%
2023B CO Interest	217,056	217,056	217,056	217,057	1	0.00%
2026 GO Refunding Principal	-	-	-	290,000	-	-
2026 GO Refunding Interest	-	-	-	532,292	-	-
Bond Administration Fees	2,250	2,500	2,500	2,500	-	0.00%
Total	1,293,406	2,422,656	2,422,656	2,515,707	(729,241)	-30.10%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



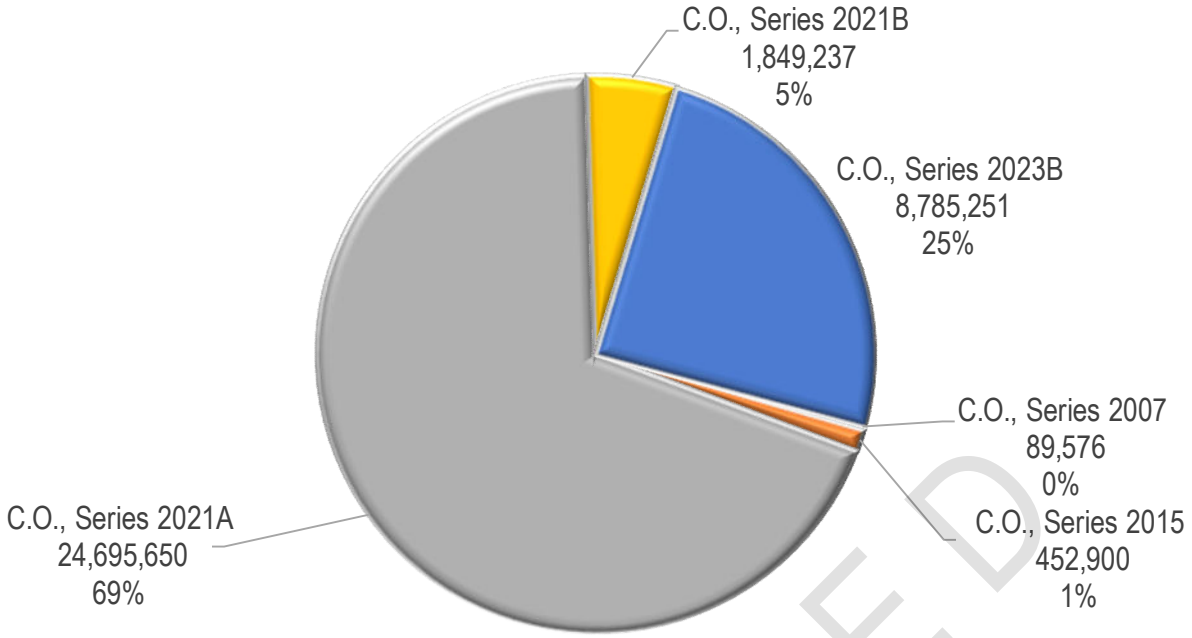
PROPOSED

ENTERPRISE DEBT SERVICE REQUIREMENTS BY YEAR

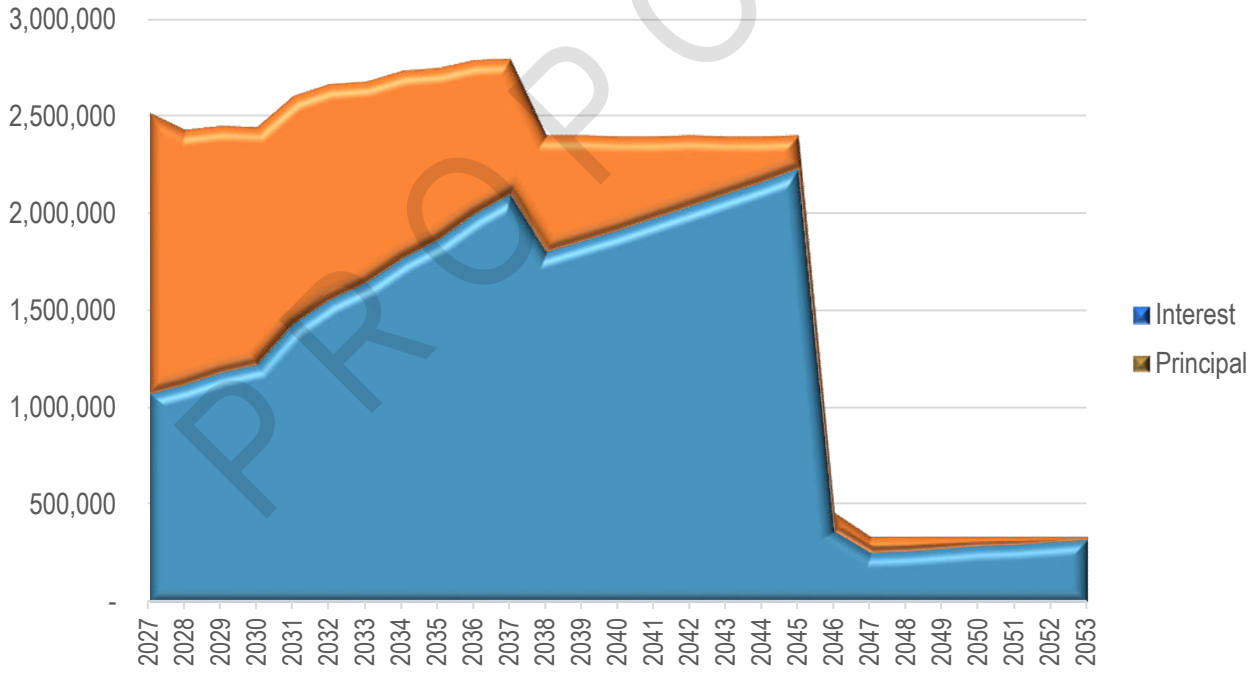
Fiscal Year	Principal	Interest	Total
2027	1,069,000	1,447,207	2,516,207
2028	1,118,200	1,308,377	2,426,577
2029	1,182,000	1,263,166	2,445,166
2030	1,227,000	1,214,937	2,441,937
2031	1,430,800	1,164,217	2,595,017
2032	1,555,200	1,103,951	2,659,151
2033	1,640,200	1,036,192	2,676,392
2034	1,765,000	964,406	2,729,406
2035	1,865,000	879,056	2,744,056
2036	1,995,000	789,006	2,784,006
2037	2,095,000	696,656	2,791,656
2038	1,800,000	599,806	2,399,806
2039	1,855,000	542,206	2,397,206
2040	1,910,000	482,756	2,392,756
2041	1,970,000	423,506	2,393,506
2042	2,035,000	362,356	2,397,356
2043	2,095,000	299,156	2,394,156
2044	2,160,000	234,106	2,394,106
2045	2,230,000	167,006	2,397,006
2046	370,000	97,706	467,706
2047	260,000	84,106	344,106
2048	270,000	73,706	343,706
2049	280,000	62,906	342,906
2050	295,000	51,356	346,356
2051	305,000	39,188	344,188
2052	315,000	26,606	341,606
2053	330,000	13,613	343,613
Total	**35,422,400**	**15,427,256**	**50,849,656**

PROPOSED

Total Enterprise Debt Service Debt by Obligation



Enterprise Debt Service Annual Debt Service Requirements



PROPOSED

TRANSFERS

OVERVIEW

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

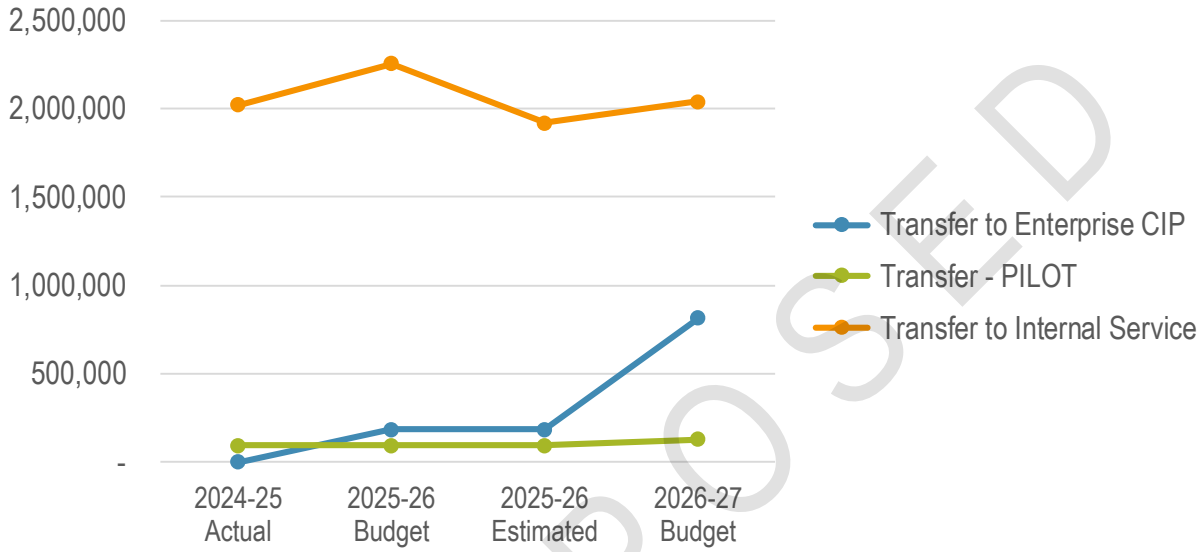
No personnel are budgeted in this department.

PROPOSED

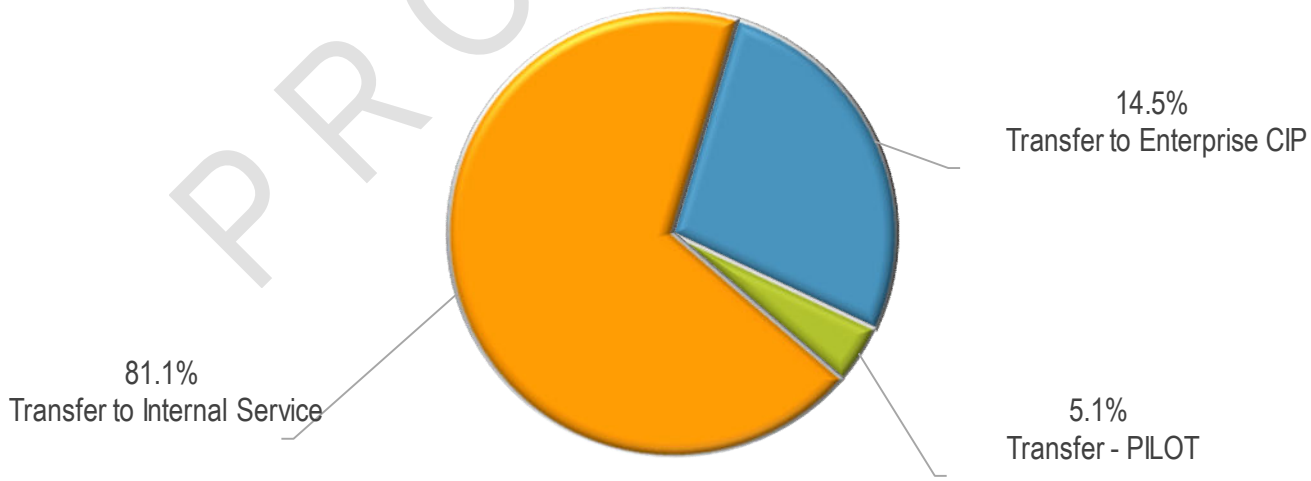
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Transfer to Enterprise CIP	-	186,715	186,715	813,330		
Transfer - PILOT	95,000	95,000	95,000	130,000	35,000	36.84%
Transfer to Internal Service	2,021,508	2,254,887	1,918,294	2,040,605	(214,282)	-9.50%
Total	2,116,508	2,536,602	2,200,009	2,983,935	(179,282)	-7.07%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

INTERNAL SERVICE FUND

OVERVIEW

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

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

The Internal Service Fund includes these departments:

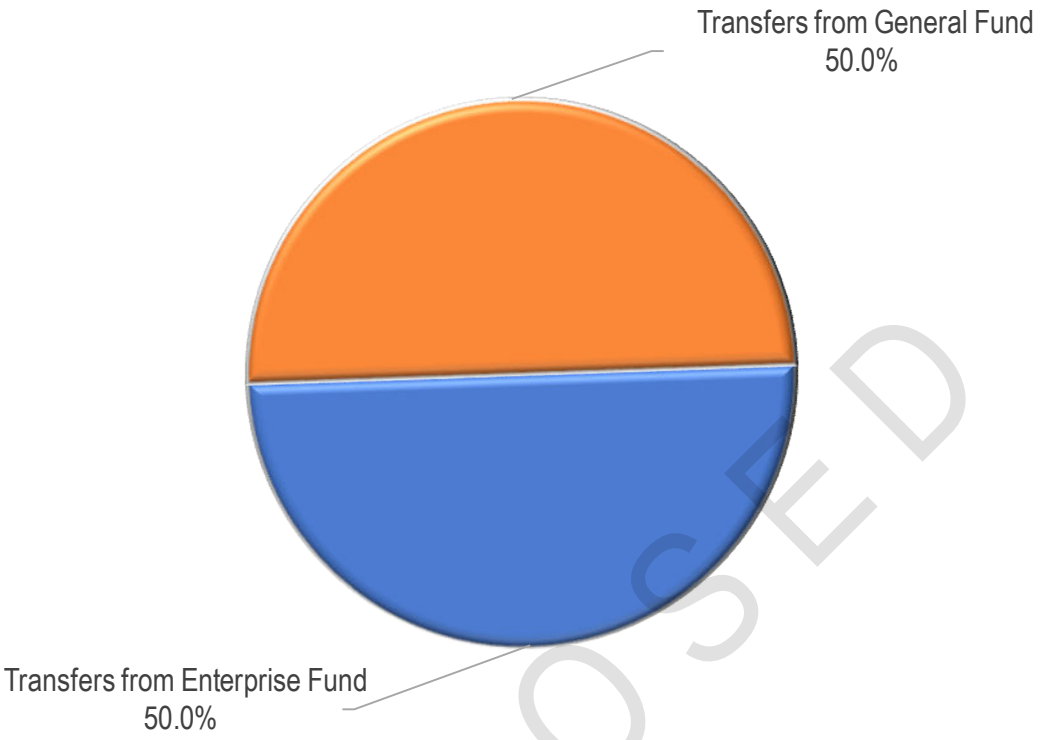
- City Council
- Administration
- City Secretary
- Public Works Administration
- Finance
- Human Resources
- Marketing
- Facilities
- Non-Departmental

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

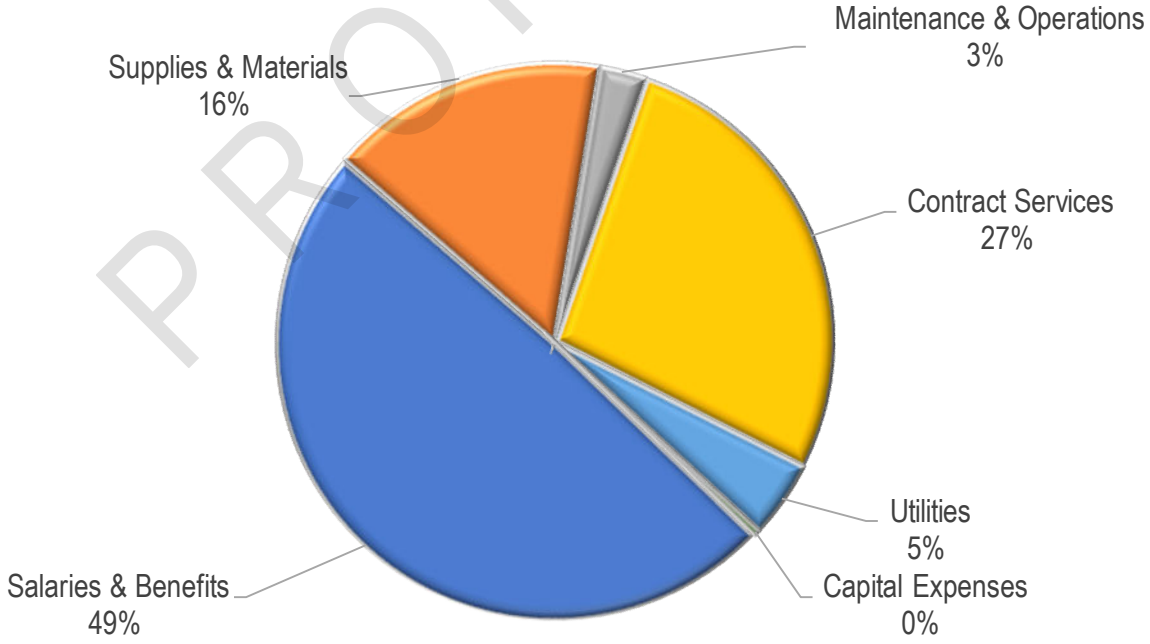
PROPOSED

INTERNAL SERVICE FUND BUDGET SUMMARY

Internal Service Fund Revenues



Internal Service Fund Expenditures



PROPOSED

INTERNAL SERVICE FUND BUDGET SUMMARY

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	-	536,036	536,036	536,036
Revenues				
Transfers from Enterprise Fund	2,021,508	2,254,886	1,918,294	2,040,605
Transfers from General Fund	2,021,508	2,254,887	1,918,295	2,040,605
Transfers from 4A	15,000	15,000	15,000	-
Transfers from 4B	15,000	15,000	15,000	-
Total Revenues	4,073,016	4,539,773	3,866,589	4,081,210
Expenditures				
Salaries & Benefits	1,762,666	1,921,230	1,784,619	2,005,100
Supplies & Materials	748,772	896,237	660,088	663,960
Maintenance & Operations	97,082	91,500	85,336	109,500
Contract Services	689,209	1,197,170	1,071,738	1,108,400
Utilities	196,726	185,651	184,368	180,750
Capital Expenditures	42,525	248,250	80,440	13,500
Total Expenditures	3,536,980	4,540,038	3,866,589	4,081,210
Net Revenues Over (Under) Expenditures	536,036	(265)	-	-
Ending Fund Balance	536,036	535,771	536,036	536,036

PROPOSED

INTERNAL SERVICE FUND 2023-2024 EXPENDITURES BY CATEGORY AND DEPARTMENT

Department	Expenditure Category: Salaries & Benefits	Supplies & Materials	Maintenance & Operations	Contract Services	Utilities	Capital Expenditures	Total
City Council	$ -	$ 20,775	$ -	$ 70,500	$ 2,450	$ -	$ 93,725
Administration	429,700	47,970	88,000	162,000	1,900	-	729,570
City Secretary	164,000	52,350	-	6,700	500	-	223,550
Public Works	459,200	53,550	2,500	25,500	-	-	540,750
Finance	511,900	141,395	-	7,500	900	-	661,695
Human Resources	277,600	77,400	-	138,700	1,000	13,500	508,200
Marketing	107,300	150,600	1,500	32,500	-	-	291,900
Facilities	55,400	23,420	-	65,000	174,000	-	317,820
Non - Departmental	-	96,500	17,500	600,000	-	-	714,000
Total	$ 2,005,100	$ 663,960	$ 109,500	$ 1,108,400	$ 180,750	$ 13,500	$ 4,081,210

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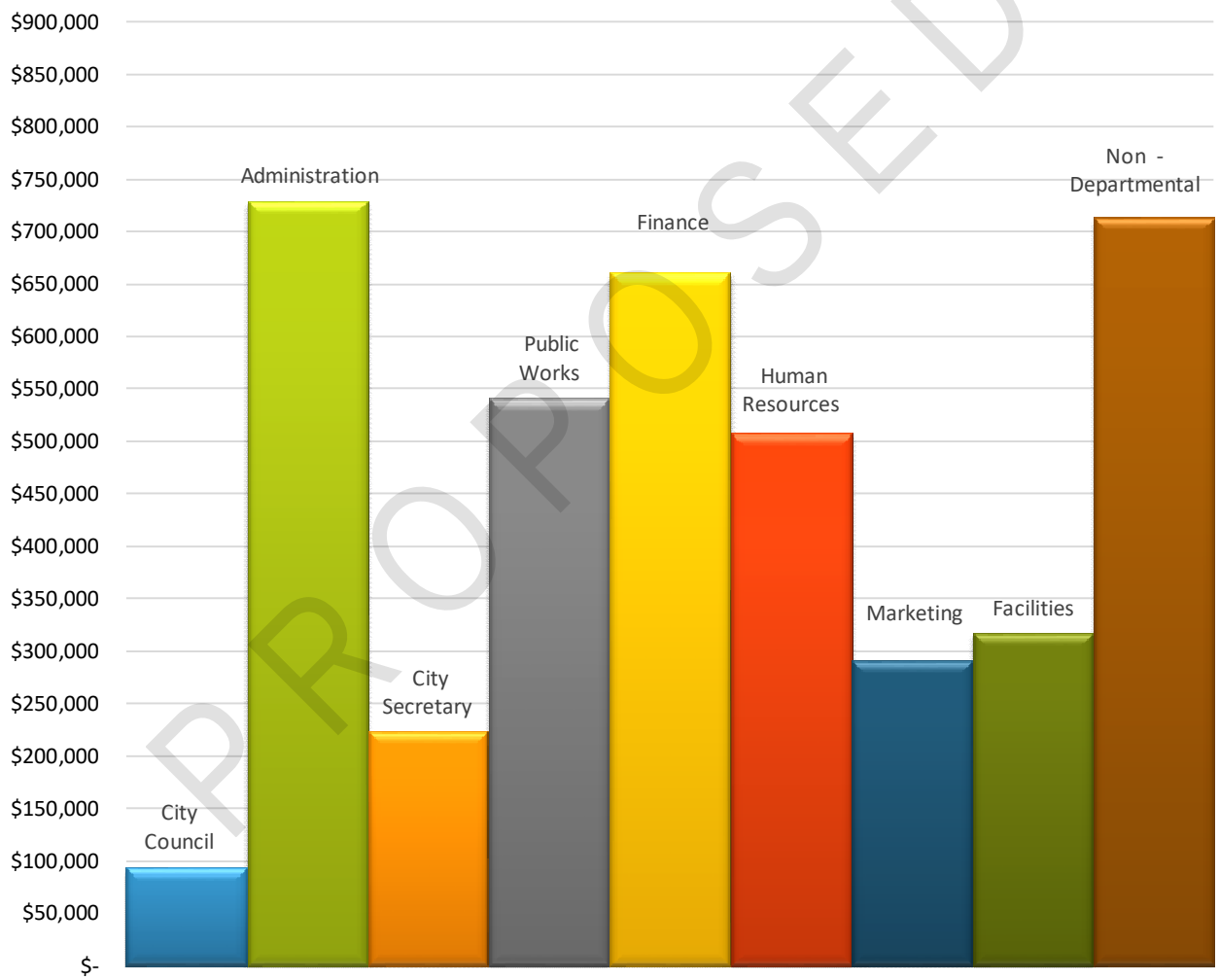


PROPOSED

CITY COUNCIL

OVERVIEW

The City of Sanger City Council is elected by the people and is responsible for setting general policy and direction for city government. The Council's budget includes funds to pay for items such as audit services and City elections.

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Improve staff efficiency through the use of technology and training.
- Maintain excellent, conservative finances while delivering the services desired by its citizens.
- Improve Sanger's basic infrastructure.
- Improve the visual appearance of Sanger.
- Promote economic development and a diversified economy.
- Provide a safe and prepared City.
- Promote cultural and recreational opportunities for locals and tourists.

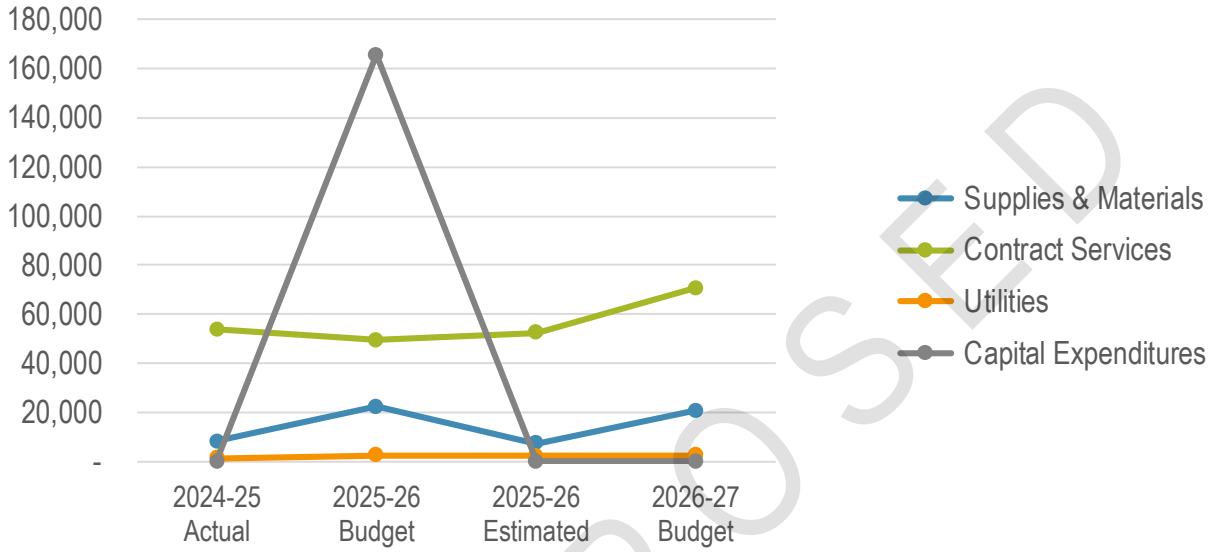
No personnel are budgeted in this department.

PROPOSED

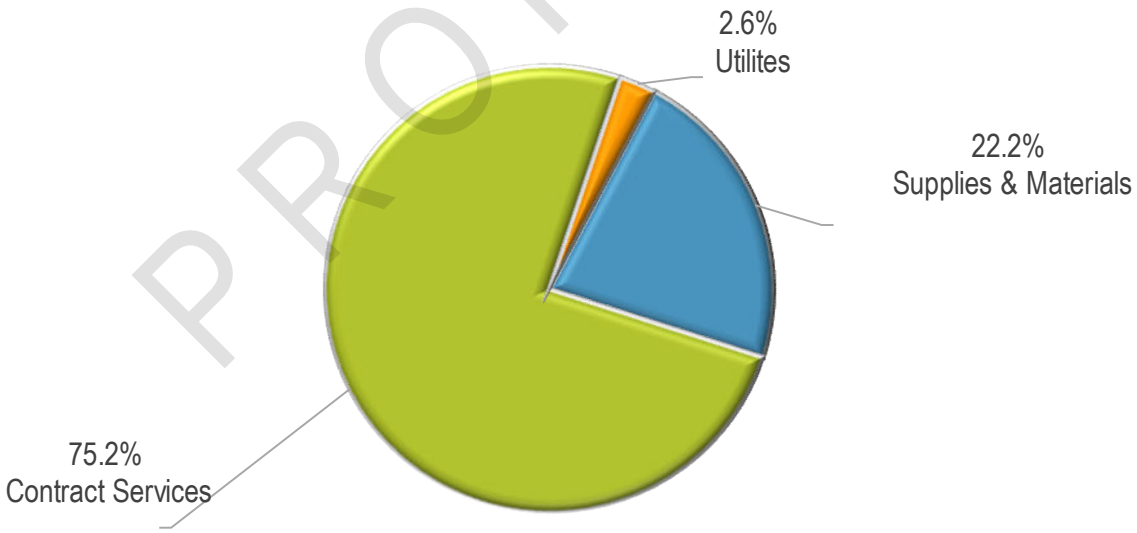
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Supplies & Materials	8,150	22,400	7,397	20,775	(1,625)	-7.25%
Contract Services	53,855	49,500	52,342	70,500	21,000	42.42%
Utilities	1,302	2,450	2,160	2,450	-	-
Capital Expenditures	-	165,500	-	-	(165,500)	(1)
Total	63,307	239,850	61,899	93,725	(146,125)	-60.92%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

ADMINISTRATION

OVERVIEW

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

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Improve staff efficiency through the use of technology and training.
- Maintain excellent, conservative finances while delivering the services desired by its citizens.
- Improve Sanger's basic infrastructure.
- Improve the visual appearance of Sanger.
- Promote economic development and a diversified economy.
- Provide a safe and prepared City.
- Promote cultural and recreational opportunities for locals and tourists.

BUDGETED PERSONNEL SCHEDULE

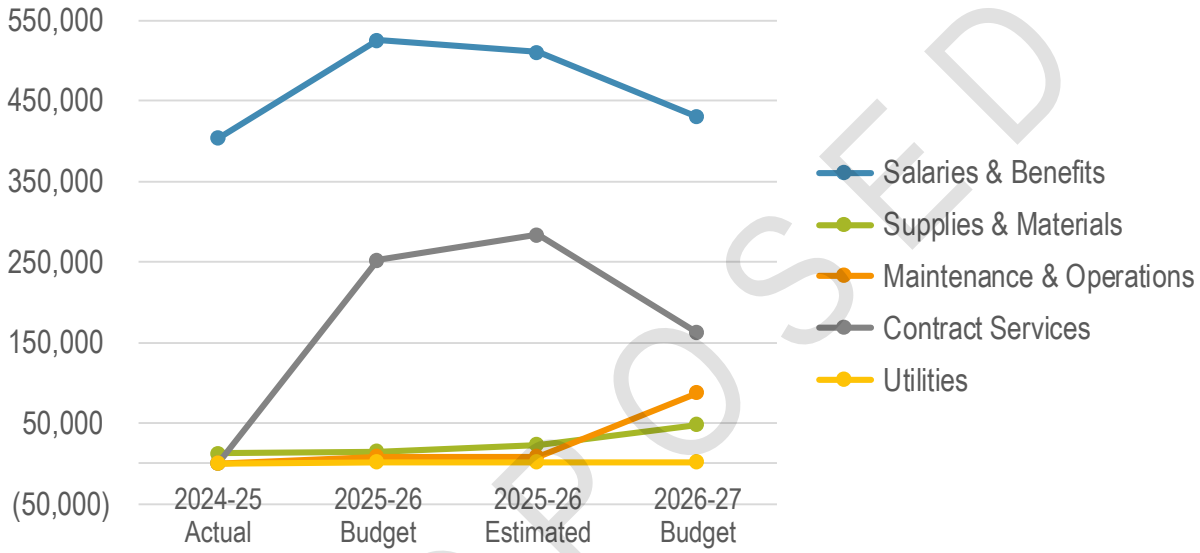
Full-Time Positions	2024-25	2025-26	2026-27
City Manager	1	1	1
Executive Assistant	1	1	1
Capital Projects Manager	1	1	0
Total Budgeted Positions	3	3	2

PROPOSED

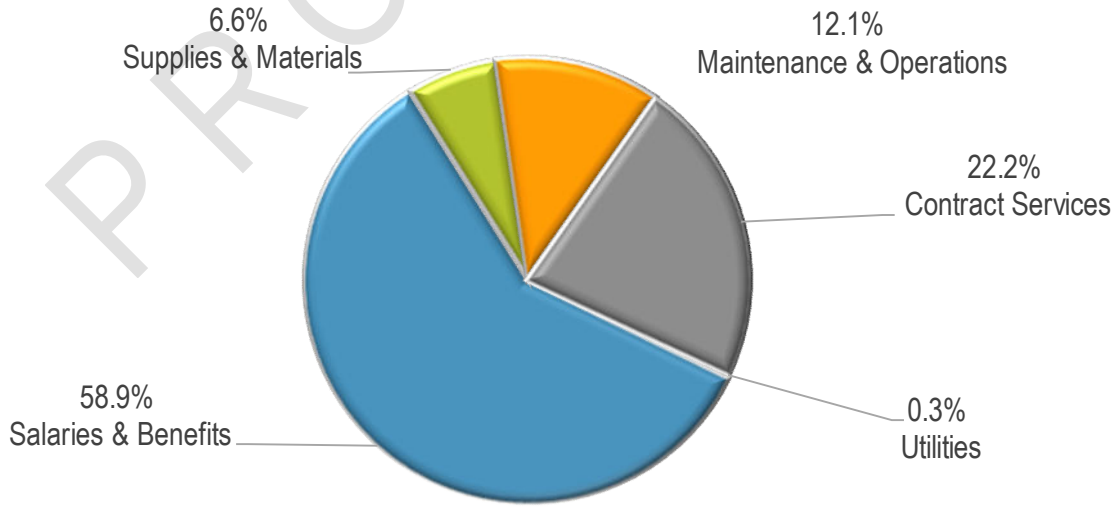
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	403,846	525,200	509,712	429,700	(95,500)	-18.18%
Supplies & Materials	12,969	15,380	23,512	47,970	32,590	211.90%
Maintenance & Operations	-	9,000	9,000	88,000	79,000	877.78%
Contract Services	295	252,590	283,816	162,000	(90,590)	-35.86%
Utilities	1,205	1,900	1,898	1,900	-	0.00%
Capital Expenditures	42,525	-	-	-	-	-
Total	460,840	804,070	827,938	729,570	(74,500)	-9.27%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

CITY SECRETARY

OVERVIEW

The City of Sanger City Secretary Department is responsible for implementing policies and procedures for disseminating information to the Sanger City Council, City staff, and citizens of Sanger. The City Secretary's core services include elections, preparing City Council meeting packets and meeting minutes, records management, processing Public Information Act requests, and maintaining the City's Code of Ordinances.

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Improve staff efficiency through the use of technology and training.
- Maintain excellent, conservative finances while delivering the services desired by its citizens.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- Managed the May 2026 General Election
- Completed TMCA Advanced Institute professional training
- Revised the Solicitors ordinance
- Created a Proclamation Policy
- Completed the Police Department records management workflow in Laserfiche
- Received the Municipal Clerk's Office Achievement of Excellence award

GOALS FOR FISCAL YEAR 2026-27

- Manage the May 2027 General Election.
- Complete an annual records destruction.
- Collaborate with Human Resources on the electronic application management.
- Collaborate with Municipal Court on electronic citation management.

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
City Secretary	1	1	1
Total Budgeted Positions	1	1	1

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Maintain excellent, conservative finances while delivering the services desired by its citizens				
DEPARTMENTAL OBJECTIVE				
Increase government transparency by providing timely public access to City Council agendas and legislative action taken by City Council in the minutes				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
City Council agendas posted 72 hours before meeting	100%	100%	100%	100%

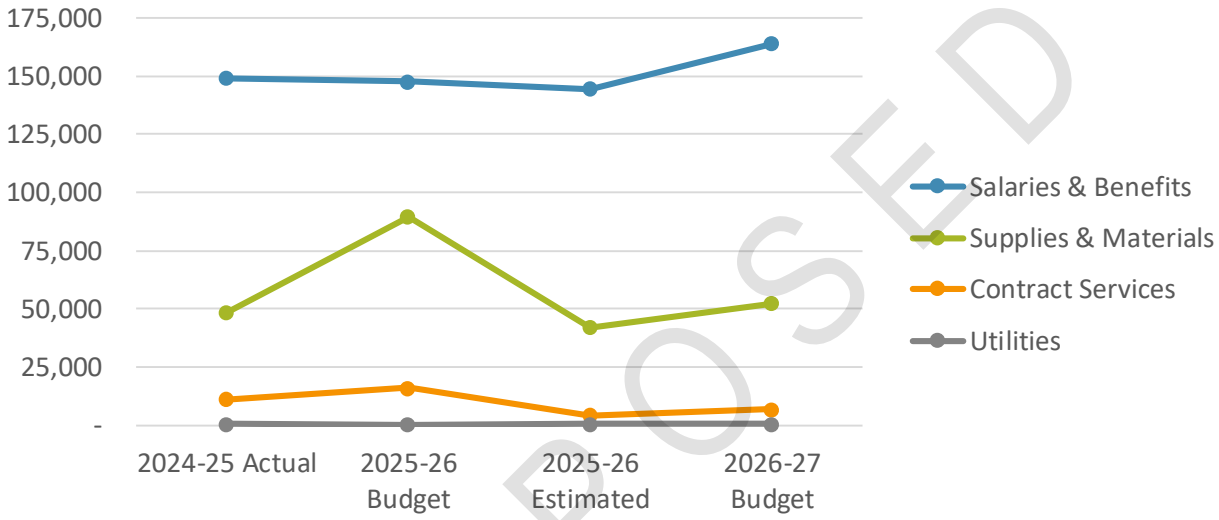
CITY COUNCIL GOAL Improve staff efficiency through the use of technology and training				
DEPARTMENTAL OBJECTIVE				
Utilization of software and process workflows to increase staff efficiency and effectiveness responding to requests				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Percent of Public Information Act (PIA) requests processed within statute timeframe	100%	100%	100%	100%

PROPOSED

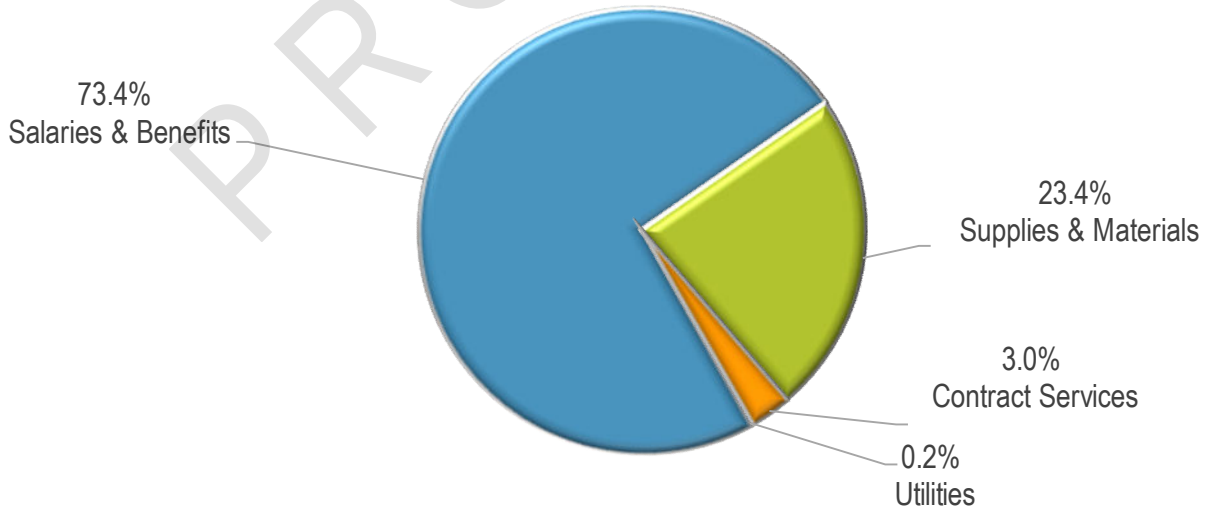
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	148,979	147,700	144,608	164,000	16,300	11.04%
Supplies & Materials	48,435	89,630	41,904	52,350	(37,280)	-41.59%
Contract Services	11,106	16,000	4,111	6,700	(9,300)	-58.13%
Utilities	472	436	472	500	64	0.146789
Total	208,992	253,766	191,095	223,550	(30,280)	-11.93%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

PUBLIC WORKS

OVERVIEW

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

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Improve the visual appearance of Sanger.
- Improve Sanger's basic infrastructure.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- Coordination with TXDOT on the I-35 projects.
- Completed a Water Site Study.
- Completed a Property Boundary Study on the former Riley property.
- Entered into a Voluntary Advanced Funding Agreement with TXDOT for aesthetic improvements on the I-35 soundwall.

GOALS FOR FISCAL YEAR 2026-27

- Marion Road City/County project.
- Receive reimbursements from TXDOT for the FM 455 project.
- Begin SUMP Program projects.
- Continue to coordinate with TXDOT on the I-35 project.

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Public Works Director	1	1	1
Capital Projects Manager	0	0	1
Operations Coordinator	1	1	0
Administrative Assistant	1	1	2
Total Budgeted Positions	3	3	4

PROPOSED

PERFORMANCE MEASURES

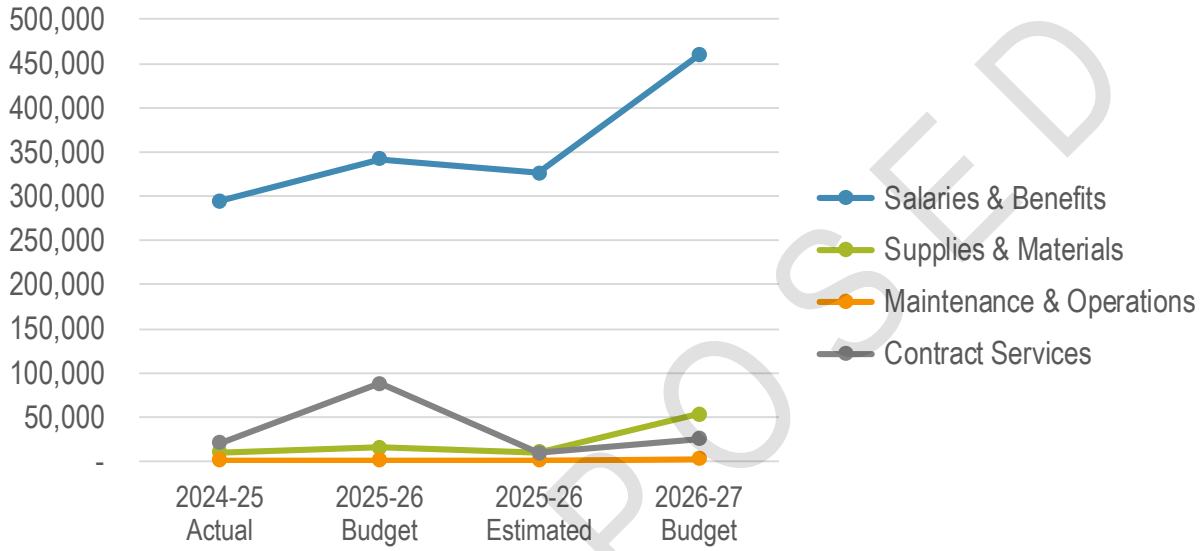
CITY COUNCIL GOAL Improve the visual appearance of Sanger				
DEPARTMENTAL OBJECTIVE				
To provide an aesthetically pleasing community				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Remove 95% of brush and limb piles within one week of notification	94%	99%	96%	100%

PROPOSED

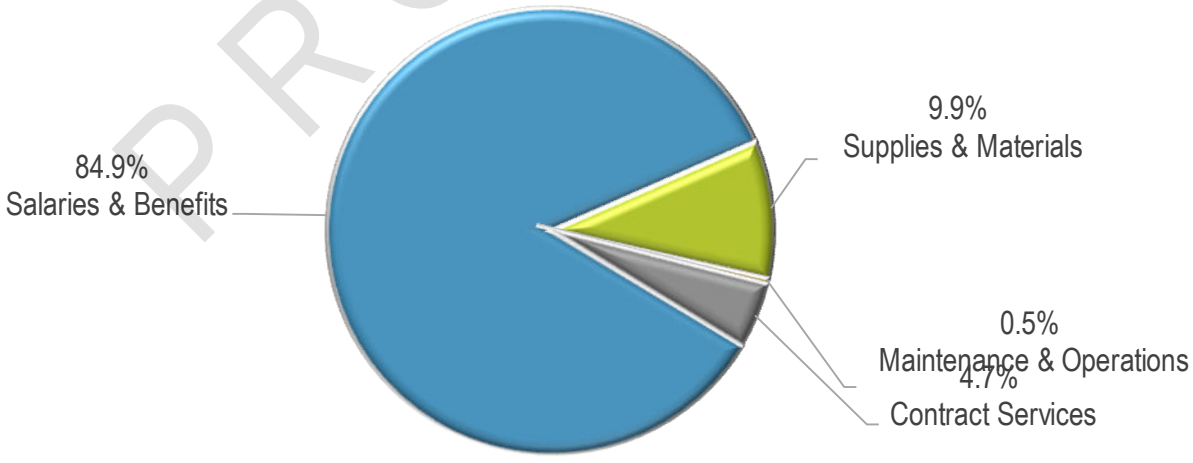
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	294,539	341,700	326,244	459,200	117,500	34.39%
Supplies & Materials	10,659	15,300	10,027	53,550	38,250	250.00%
Maintenance & Operations	1,186	1,500	1,416	2,500	1,000	66.67%
Contract Services	21,076	88,000	9,493	25,500	(62,500)	-71.02%
Total	327,460	446,500	347,180	540,750	94,250	21.11%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

FINANCE

OVERVIEW

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

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain excellent, conservative finances while delivering the services desired by its citizens.
- Improve staff efficiency through the use of technology and training.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- Received an unmodified opinion on the City's annual financial audit.
- Received an unmodified opinion on the City's Single Audit.
- Received the GFOA Distinguished Budget Presentation Award.
- Prepared 100% of payroll items without error due to departmental processing.
- Implemented a new online procurement system to handle Requests for Proposals, Requests for Qualifications, and Contracts.

GOALS FOR FISCAL YEAR 2026-27

- Receive an unmodified opinion on the City's annual audit.
- Receive the GFOA Distinguished Budget Presentation Award.
- Upgrade the City's financial management software from Tyler ERP Pro 9 to Tyler ERP Pro 10.
- Prepare 100% of payroll items without error due to departmental processing.
- Update the City's Purchasing Policy and Procedures Manual.
- Update the City's Travel Policy.

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Chief Financial Officer	1	1	1
Controller	1	1	1
Accountant	1	1	1
Accounting Technician	1	1	1
Total Budgeted Positions	4	4	4

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Maintain excellent, conservative finances while delivering the services desired by its citizens				
DEPARTMENTAL OBJECTIVE				
To prepare financial and budgetary documents of the highest quality that evidence the spirit of transparency and full disclosure				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Maintain or increase the City's S&P bond rating	AA+	AA+	AA+	AA+
Receive an unmodified opinion on the City's annual audit	Received	Received	Received	Receive
Receive the GFOA Distinguished Budget Presentation Award	Awarded	Awarded	Awarded	Awarded
Monthly Financial reports provided to City Council	12	12	12	ⓘ
Biweekly Financial reports provided to City Departments	26	26	26	ⓘ
DEPARTMENTAL OBJECTIVE				
To provide timely an accurate payments to vendors and employees				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Percent of accounts payable transactions processed within 30 days	93%	93%	92%	95%
Percent of employee payroll items prepared without processing errors	100%	100%	100%	100%
Number of accounts payable invoices processed	6,696	6,857	7,271	ⓘ
Number of Purchase Orders issued	528	314	301	ⓘ

CITY COUNCIL GOAL Improve staff efficiency through the use of technology and training				
DEPARTMENTAL OBJECTIVE				
Implement Laserfiche to improve Accounts Payable efficiency				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Percent of Accounts Payable documents digitized	100%	52%	100%	100%
Number of vendor payments made by ACH	385	496	717	850
Number of Purchase card transactions	774	970	1,570	2,000
Percent of employee payroll payments made by Direct Deposit	99.87%	99.92%	99.93%	100.00%

SYMBOL KEY

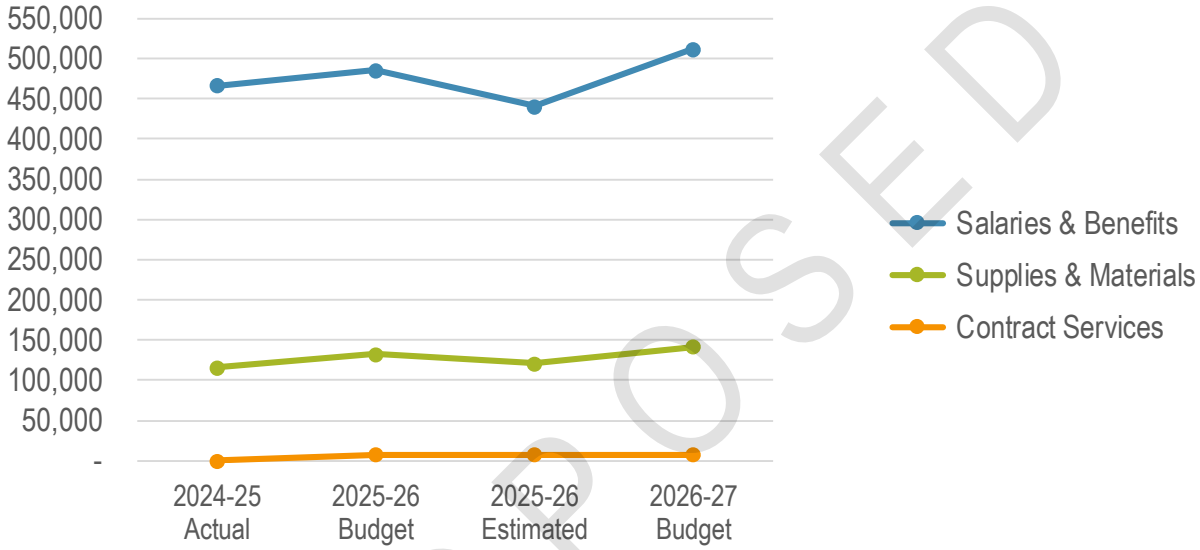
ⓘActivity measures that are informational only

PROPOSED

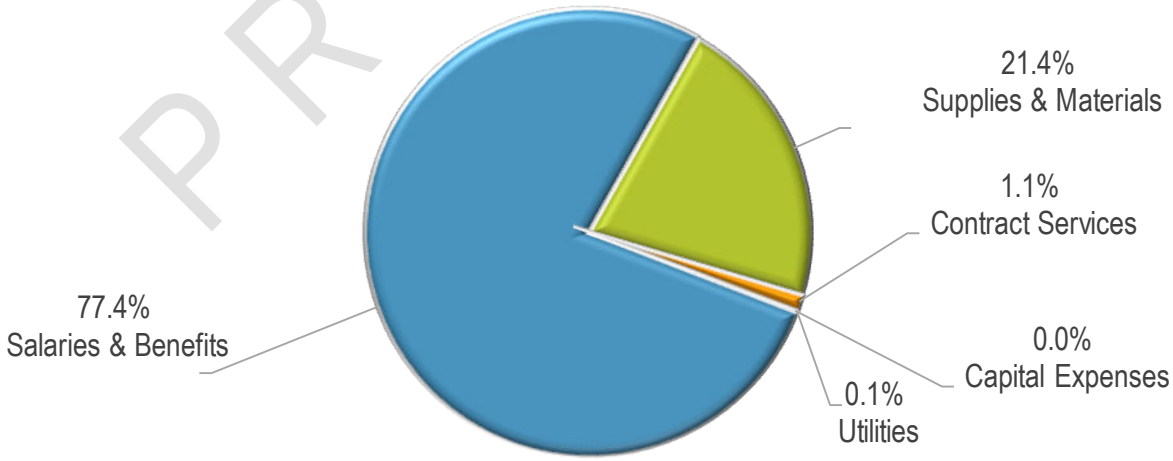
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	466,949	486,000	440,831	511,900	25,900	5.33%
Supplies & Materials	116,162	132,900	121,254	141,395	8,495	6.39%
Contract Services	-	7,500	7,452	7,500	-	0.00%
Utilities	96	865	863	900	35	4.05%
Capital Expenditures	-	69,250	69,250	-	(69,250)	-100.00%
Total	583,207	696,515	639,650	661,695	(34,820)	-5.00%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

HUMAN RESOURCES

OVERVIEW

The City of Sanger Human Resources Department is responsible for providing support to City departments, current employees, and job applicants and providing expertise on salaries, benefits, training, and employee relations.

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain excellent, conservative finances while delivering the services desired by its citizens.
- Improve staff efficiency through the use of technology and training.
- Provide a safe and prepared City.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- Policy and Compliance: Completed and implemented the updated Personnel Policy Manual for all employees.
- Employee Development: Hosted an in-person TEEX FEMA NIMS 300 and 400 training for City employees.
- Employee Engagement: Organized and hosted seven employee appreciation events to promote employee recognition and strengthen connections across departments.
- Employee Feedback: Conducted a citywide employee engagement survey and provided targeted supervisor training based on the results.
- Professional Certification: Achieved 100% TMHRA certification within the Human Resources Department, with the Director earning certification in November and the HR Generalist earning certification in May.
- Compensation and Equity: Completed a citywide salary survey to evaluate compensation competitiveness and promote internal equity.

GOALS FOR FISCAL YEAR 2026-27

- Leadership Development: Provide leadership development training for supervisors and managers.
- Succession Planning: Develop a city-wide succession plan.
- Technology: Implement Human Resources software to improve efficiency and streamline HR processes.
- Employee Feedback: Conduct a city-wide employee benefits survey.
- Employee Health & Wellness: Implement a physical testing and health screening program for emergency services personnel in partnership with the Fire Department.

PROPOSED

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Human Resources Director	1	1	1
Human Resources Generalist	1	1	1
Total Budgeted Positions	2	2	2

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Provide a safe and prepared City				
DEPARTMENTAL OBJECTIVE				
Staffing and Turnover				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Positions Filled	33	25	22	20
Time to fill a position	3-4 weeks	2-3 weeks	2-3 weeks	2-3 weeks
Employee Turnover/Retirement	26	17	18	15
DEPARTMENTAL OBJECTIVE				
Enriching Employees lives with Resources				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Wellness Events and Education	4	3	2	3
Flu Shot Clinic	2	2	1	1
Wellness Expo and Health Screening	0	1	1	2

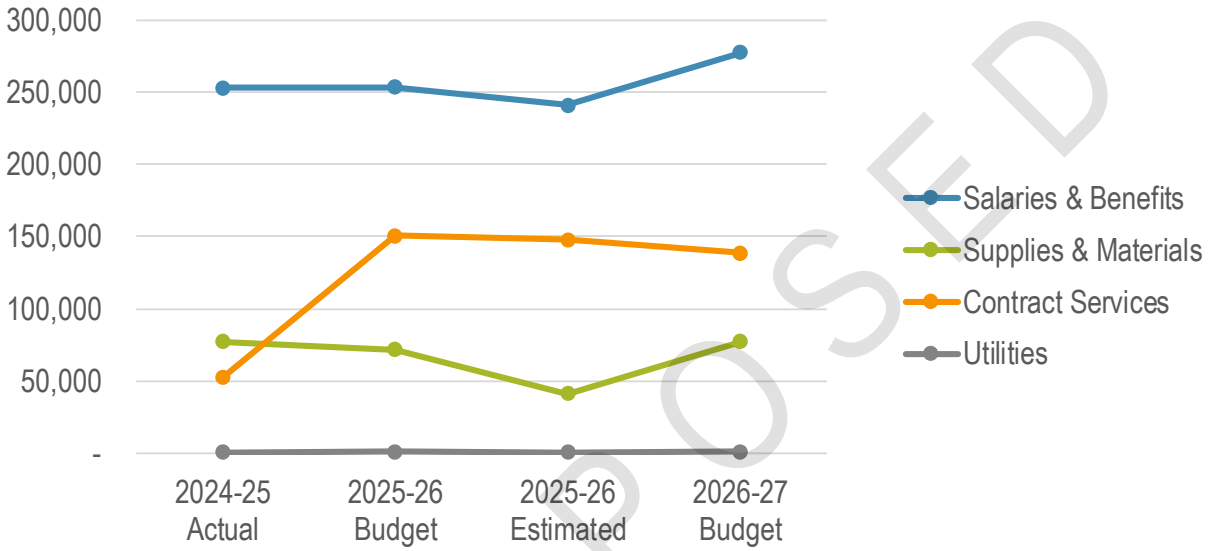
CITY COUNCIL GOAL Improve staff efficiency through the use of technology and training				
DEPARTMENTAL OBJECTIVE				
Human Resources Sponsored Training Events				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Leadership Training	2	4	5	5
Teex's/FEMA Training	0	1	0	2
General Safety Training	0	2	4	5
DEPARTMENTAL OBJECTIVE				
Implement Laserfiche				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Moving active and inactive employee files to streamline processes and reduce the carbon footprint	16%	52%	80%	100%
DEPARTMENTAL OBJECTIVE				
On-site Training Hub with TML				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Securing the classification as a TML approved training Hub to offer more in person training opportunities to staff and surrounding Cities at a zero or minimal cost	85%	100%	100%	100%

PROPOSED

DEPARTMENTAL EXPENDITURES

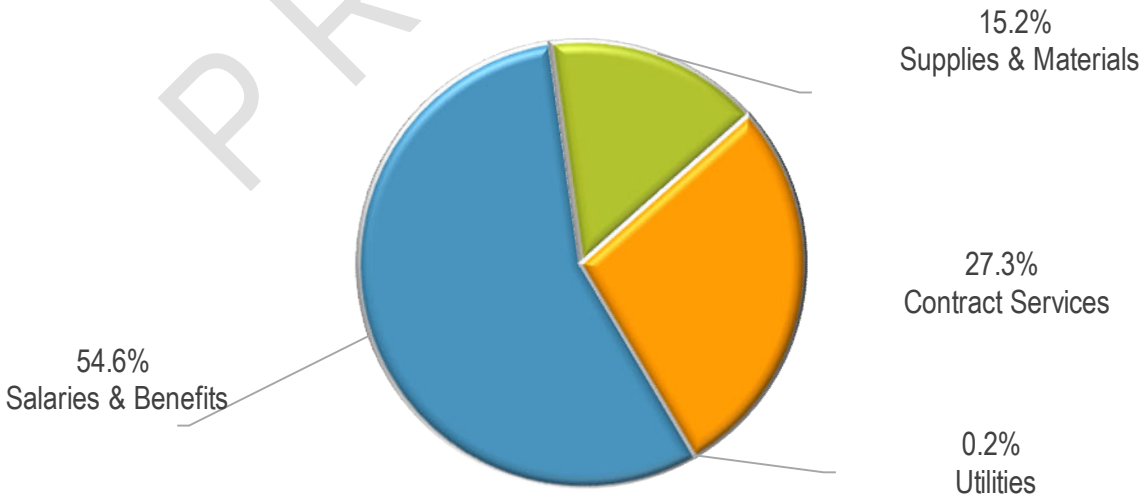
Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	253,155	253,330	241,181	277,600	24,270	9.58%
Supplies & Materials	77,405	71,700	41,411	77,400	5,700	7.95%
Contract Services	52,260	150,500	148,001	138,700	(11,800)	-7.84%
Utilities	949	1,000	975	1,000	-	0.00%
Capital Expenditures	-	-	-	13,500	13,500	-
Total	383,769	476,530	431,568	508,200	31,670	6.65%

EXPENDITURE BY CATEGORY



PROPOSED

EXPENDITURE ALLOCATION



MARKETING

OVERVIEW

The City of Sanger Marketing Department is responsible for promoting and marketing the City of Sanger and informing citizens about the City's services, programs, and special events.

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Promote cultural and recreational opportunities for locals and tourists.
- Provide a safe and prepared City.
- Promote economic development and a diversified economy.
- Improve staff efficiency through the use of technology and training.

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Marketing Director	1	1	0
Marketing/Civic Engagement Manager	0	0	1
Total Budgeted Positions	1	1	1

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Promote cultural and recreational opportunities for locals and tourists				
DEPARTMENTAL OBJECTIVE				
Expand our current events to attract tourism and provide a statement event for Sanger				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Maintain the three current City events - Christmas on the Square, Freedom Fest, and Old Bolivar Street Festival	Maintained - Won Stevie Award for best municipal event	Maintained - Freedom Fest had >5,000 attendees	Maintained - Won Stevie Award for best recurring event	Maintain

CITY COUNCIL GOAL Provide a safe and prepared City				
DEPARTMENTAL OBJECTIVE				
Provide opportunities for Community Engagement and interaction				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Community Engagement	Added Coffee with a cop, City Showcase 3CM, 1Cop	1 Coffee with City Manager, 3 Police Department events	Coffee with City Manger, National Night Out, Cones with Cops events	Expand events to include department heads and City Council.
Provide monthly Council Recaps through videos with the Mayor	Achieved	Achieved	Achieved	Achieve
Create a monthly letter and video from the CM to residents	Videos added / high click rate	1,600 views	1,394 views	Increase views by 10%

CITY COUNCIL GOAL Improve staff efficiency through the use of technology and training				
DEPARTMENTAL OBJECTIVE				
Communicate with Sanger residents and businesses through the use of social media				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Increase Facebook followers/likes	9,132 Followers	Followers up 11%	Followers up 10.6%	Increase followers by 10%
Maintain updated city website	3.9k New Users in 2023	Done	New users up 35.1%	Grow new users by 10%

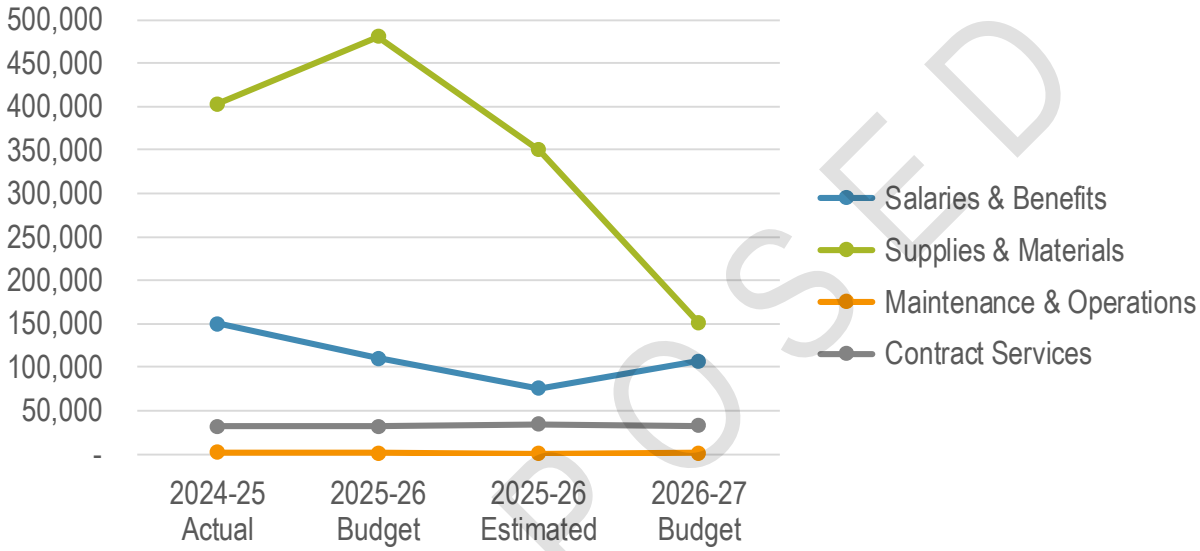
CITY COUNCIL GOAL Promote economic development and a diversified economy				
DEPARTMENTAL OBJECTIVE				
Promote the City through newsletters, websites, and connections to the community				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Maintain updated website DiscoverSanger.com	10,667 Unique Visits	11,780 unique visitors - up 10.4%	8,771 unique visitors - down 27%	Increase unique visitors by 10%

PROPOSED

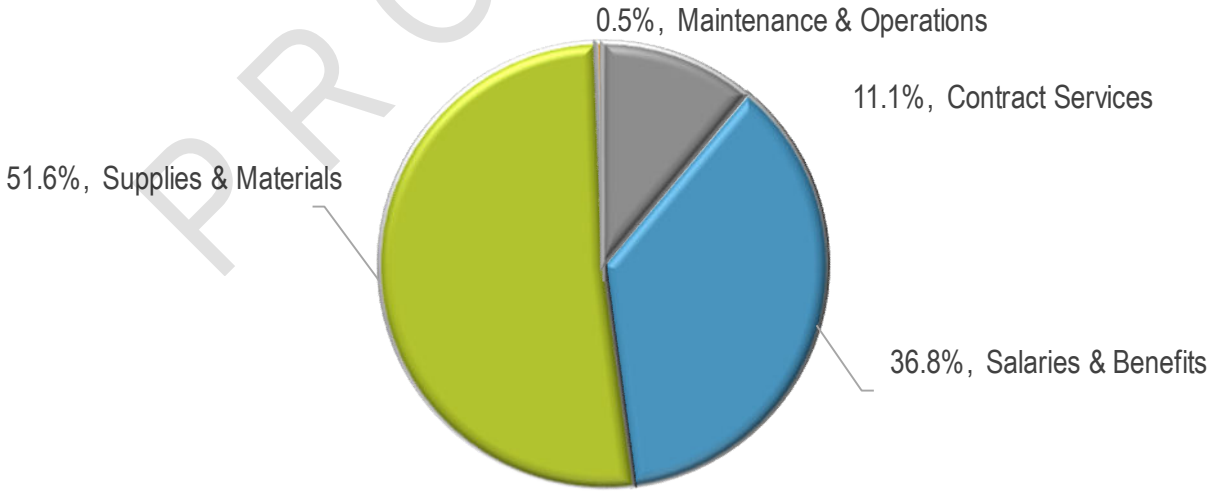
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	149,960	109,800	75,491	107,300	(2,500)	-2.28%
Supplies & Materials	402,981	480,400	349,995	150,600	(329,800)	-68.65%
Maintenance & Operations	1,623	1,500	1,127	1,500	-	0.00%
Contract Services	31,521	32,100	34,219	32,500	400	1.25%
Total	586,085	623,800	460,832	291,900	(331,900)	-53.21%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

FACILITIES

OVERVIEW

The City of Sanger Facilities Department provides for the maintenance and operations of City-owned buildings. This includes repairs, janitorial services and utilities.

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Maintain excellent, conservative finances while delivering the services desired by its citizens.
- Promote cultural and recreational opportunities for locals and tourists.
- Provide a safe and prepared City.

BUDGETED PERSONNEL SCHEDULE

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

Full-Time Positions	2024-25	2025-26	2026-27
Crew Leader	0.1	0.1	0.1
Grounds Maintenance Worker	0.4	0.4	0.5
Total Budgeted Positions	0.5	0.5	0.6

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Provide a safe and prepared City				
DEPARTMENTAL OBJECTIVE				
Current facility upgrades (Safety and Security)				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Number of safety upgrades	15	4	3	3
Number of security system upgrades	Ⓝ	3	1	1

CITY COUNCIL GOAL Improve the visual appearance of Sanger				
DEPARTMENTAL OBJECTIVE				
Improve the customers experience				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Number of visual upgrades added to city facilities	10	6	6	4

SYMBOL KEY

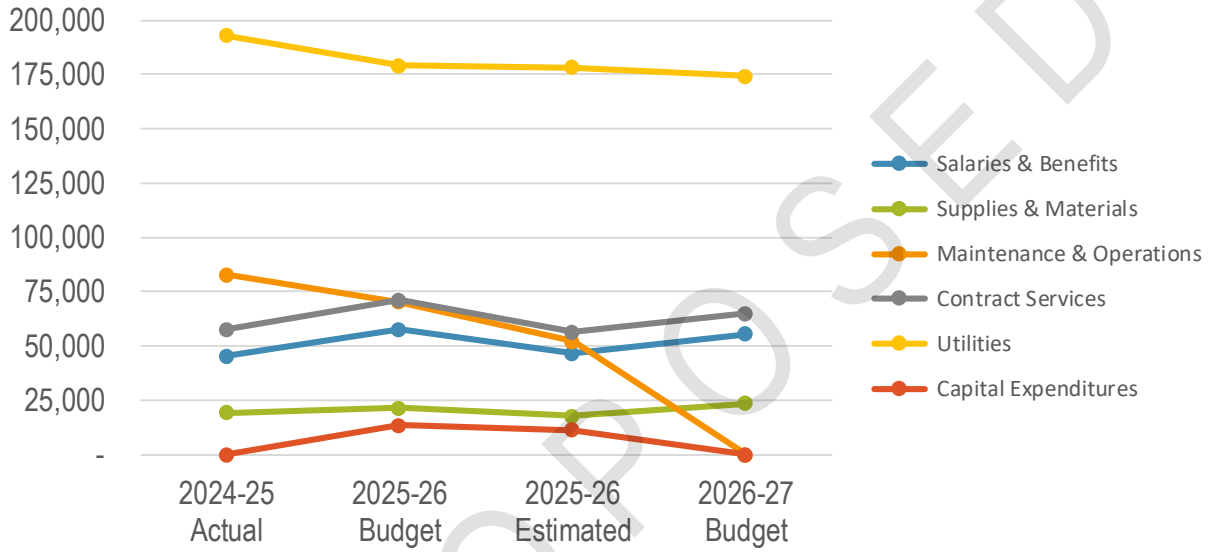
Ⓝ New activity measure

PROPOSED

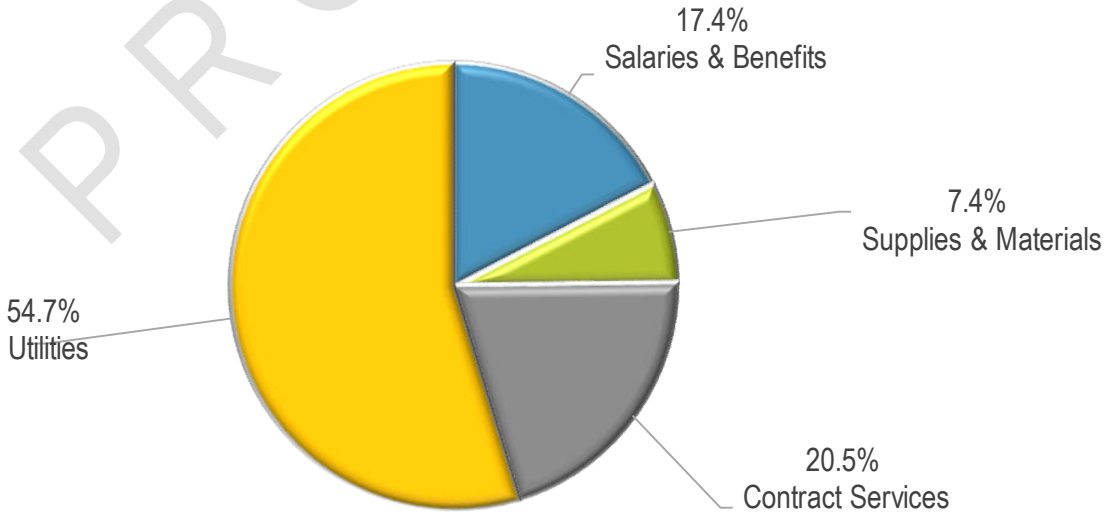
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	45,238	57,500	46,552	55,400	(2,100)	-3.65%
Supplies & Materials	19,150	21,420	17,684	23,420	2,000	9.34%
Maintenance & Operations	82,597	70,000	52,156	-	(70,000)	-100.00%
Contract Services	57,471	70,980	56,263	65,000	(5,980)	-8.42%
Utilities	192,702	179,000	178,000	174,000	(5,000)	-2.79%
Capital Expenditures	-	13,500	11,190	-	(13,500)	-100.00%
Total	397,158	412,400	361,845	317,820	(94,580)	-22.93%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

NON-DEPARTMENTAL

OVERVIEW

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

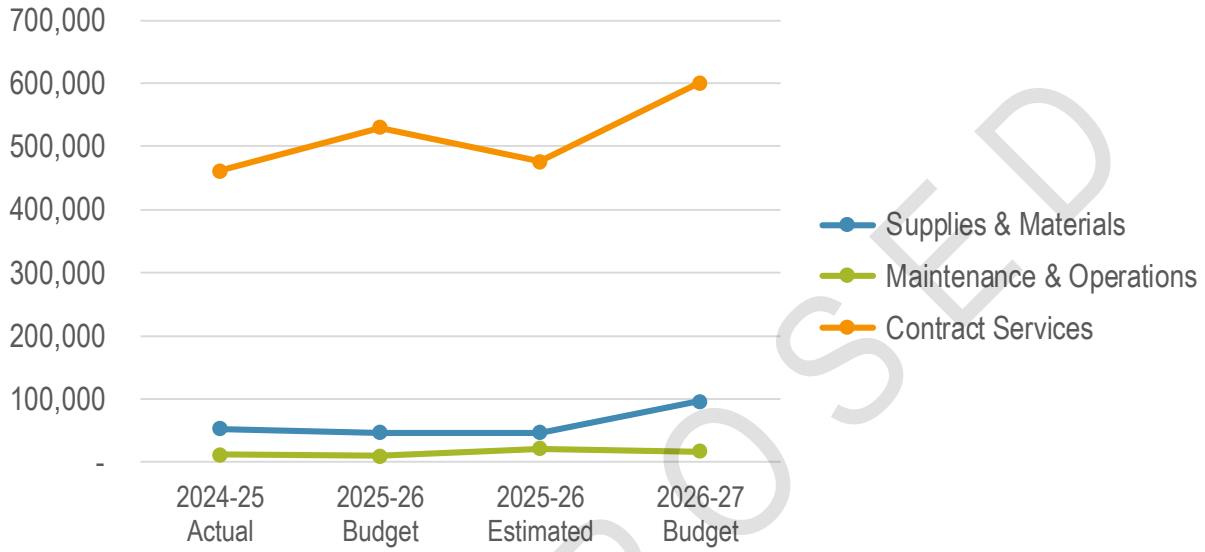
No personnel are budgeted in this department.

PROPOSED

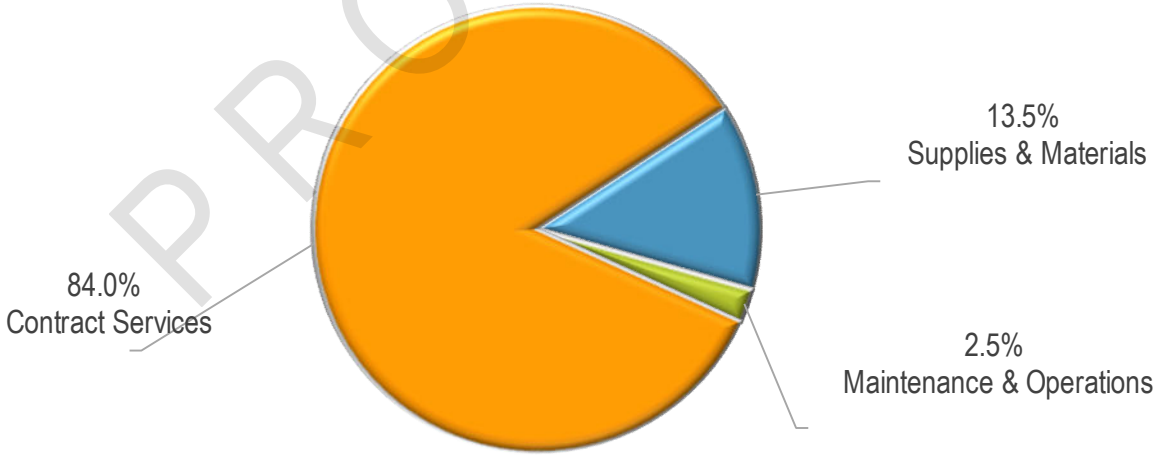
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Supplies & Materials	52,861	47,107	46,904	96,500	49,393	104.85%
Maintenance & Operations	11,676	9,500	21,637	17,500	8,000	84.21%
Contract Services	461,625	530,000	476,041	600,000	70,000	13.21%
Total	526,162	586,607	544,582	714,000	127,393	21.72%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

PROPOSED

4A CORPORATION FUND

OVERVIEW

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

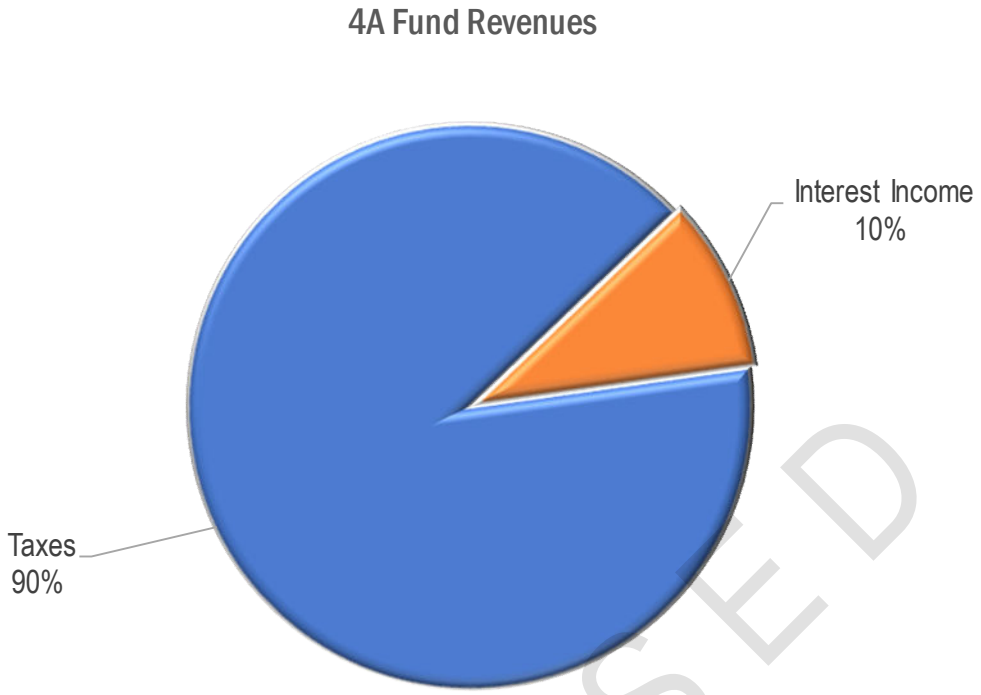
The mission of the Sanger Economic Development Corporation is to continually expand our property and sales tax base, encourage creation of jobs, promote tourism, improve the quality of life, and facilitate a self-sustaining local economy for the City by attracting, assisting, and retaining businesses,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

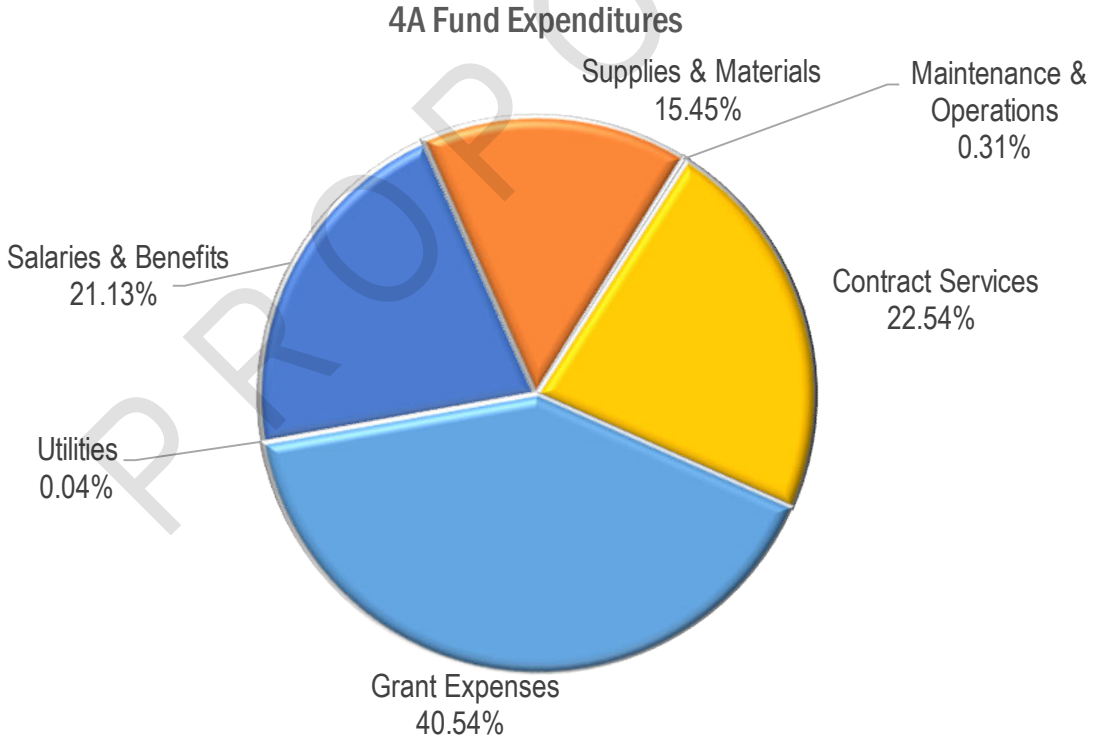
The Sanger Texas Industrial Development Corporation is governed by a board of five directors, all of whom are appointed by the City Council of the City of Sanger. The 4A Fund was incorporated in the state of Texas as a non-profit industrial development corporation under section 4A of the Development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

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

PROPOSED

4A CORPORATION FUND BUDGET SUMMARY





PROPOSED

4A CORPORATION FUND BUDGET SUMMARY

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	5,827,419	6,472,672	6,472,672	7,282,765
Revenues				
Sales Tax	890,167	962,500	1,076,716	1,087,500
Interest Income	148,564	95,000	115,000	118,750
Total Revenues	1,038,731	1,057,500	1,191,716	1,206,250
Expenditures				
Salaries & Benefits	86,702	123,500	119,148	130,300
Supplies & Materials	54,457	95,250	60,402	95,250
Maintenance & Operations	812	1,900	721	1,900
Contract Services	2,400	139,000	86,102	139,000
Grant Expenses	234,075	250,000	100,000	250,000
Utilities	32	250	250	250
Transfers Out	15,000	15,000	15,000	-
Total Expenditures	393,478	624,900	381,623	616,700
Net Revenues Over (Under) Expenditures	645,253	432,600	810,093	589,550
Ending Fund Balance	6,472,672	6,905,272	7,282,765	7,872,315

PROPOSED

ECONOMIC DEVELOPMENT

OVERVIEW

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

CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Promote economic development and a diversified economy.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

- **Business Attraction & Expansion**: Supported the recruitment and expansion of several new businesses representing approximately 295 new jobs through incentives, development assistance, business recruitment, and promotional outreach.
- **Business Support**: Invested in existing businesses through property enhancement incentives and promotional initiatives to support business retention and encourage private investment.
- **Porter Park Phase II Design**: Funded the design of Phase II, including a Miracle League Field to expand inclusive recreation opportunities.
- **Workforce Grant (SWAG)**: Launched a grant to support Career and Technical Education at Sanger High School.
- **Community Engagement**: Supported community events and partnerships that strengthen workforce development, quality of life, and community connections.
- **Professional Recognition**: The EDC Director earned the CTED designation and was part of the program's inaugural graduating class, and the EDC Coordinator completed the Basic Economic Development Certification and Business Retention and Expansion Coordinator Certification.
- **Recognition & Awards**: Received the 2025 Economic Excellence Award from the Texas Economic Development Council, the 2025 Award of Honor from the Texas Association of Municipal Information Officers, and the Visionary Award from the Sanger Area Chamber of Commerce. The EDC was also recognized for its partnership with Sanger ISD through the Sanger Workforce Achievement Grant initiative.
- **Staff Expansion**: Added an Economic Development Coordinator position to support business retention, expansion, and marketing efforts.

GOALS FOR FISCAL YEAR 2026-27

- **Complete Strategic Plan**: Finalize the City's first Economic Development Strategic Plan and begin implementation of key initiatives.
- **Attract More Businesses**: Continue recruiting new businesses and supporting opportunities that create jobs and investment in Sanger.
- **Retail Recruitment**: Hire a retail recruitment firm to help attract new retail and restaurant options.
- **Support Local Businesses**: Continue providing incentives, grants, and resources to support existing businesses and encourage investment.

PROPOSED

- **Workforce Development**: Continue partnerships with schools, colleges, and employers to support workfo needs.
- **Marketing & Promotion**: Launch a comprehensive marketing campaign to promote Sanger as a great place to live and work.
- **Community Investment**: Support projects and partnerships that improve quality of life and strengthen the community.
- **Staff Development**: Provide ongoing training and professional development opportunities for EDC staff.

BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Director of Economic Development	0.5	0.5	0.5
Economic Development Coordinator	0.5	0.5	0.5
Total Budgeted Positions	1	1	1

**Departmental personnel are split 50/50 between the 4A and 4B Funds.*

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Promote economic development and a diversified economy				
DEPARTMENTAL OBJECTIVE				
Build Awareness of Community Assets				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Number of trade show events attended to market Sanger to brokers, developers, and national retailers	2	2	1	2
Number of targeted retailers engaged at Trade Shows	Ⓝ	8	25	10
Number of active prospects	Ⓝ	9	10	10
Number of events sponsored by the EDC	6	5	6	5
Number of conference attended to engage with other EDOs (TEDC, IEDC, SEDC.)	4	4	4	4
Number of Site Selection/Networking Events attended outside the metroplex area and in Texas to increase awareness of Sanger	7	3	10	10
DEPARTMENTAL OBJECTIVE				
Foster Strong Relationships with Existing Businesses				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Total annual local business visits	16	16	10	10
Number of questionnaires/surveys as means of keeping in touch with local businesses	1	1	0	1
Number of request for small business assistance	Ⓝ	5 (Façade Grants & Spotlight Videos)	3	3
DEPARTMENTAL OBJECTIVE				
Create and Promote Sanger Using an Integrated Marketing & Communication Strategy				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Number of visitors to the Economic Development Website	3,000	5,100	746,000	720000
Number of followers on social media	1,400	2,175	2,500	2720
Number of ads in regional publications to market Sanger for tourism and promote business expansion	5	4	3	Ⓡ
Number of subscribers to the quarterly Economic Development newsletter.	245	318	352	387

PROPOSED

SYMBOL KEY

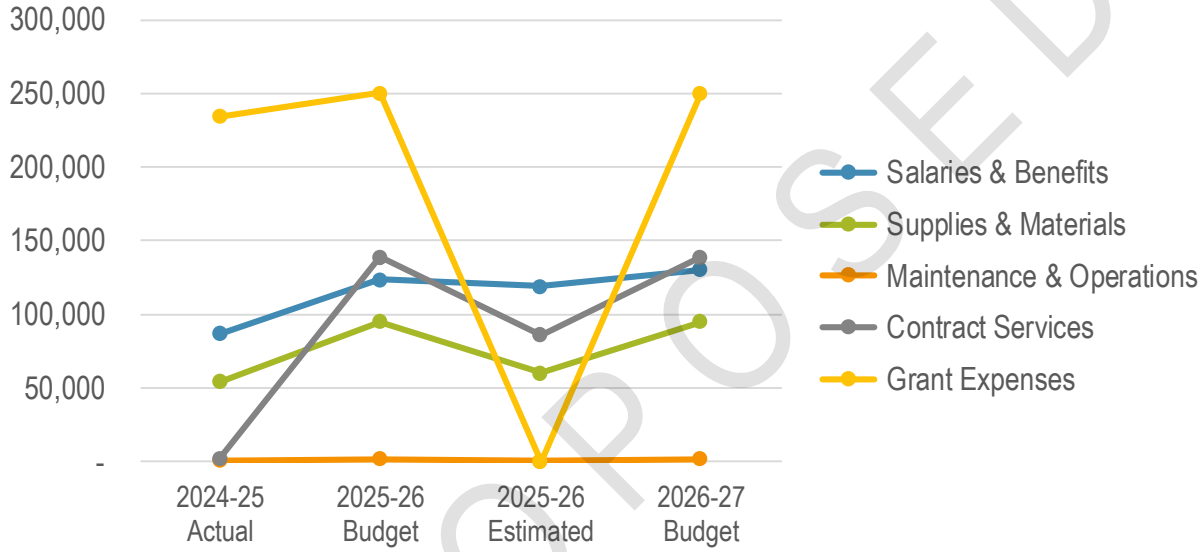
Ⓝ New activity measure

Ⓡ Retired measure

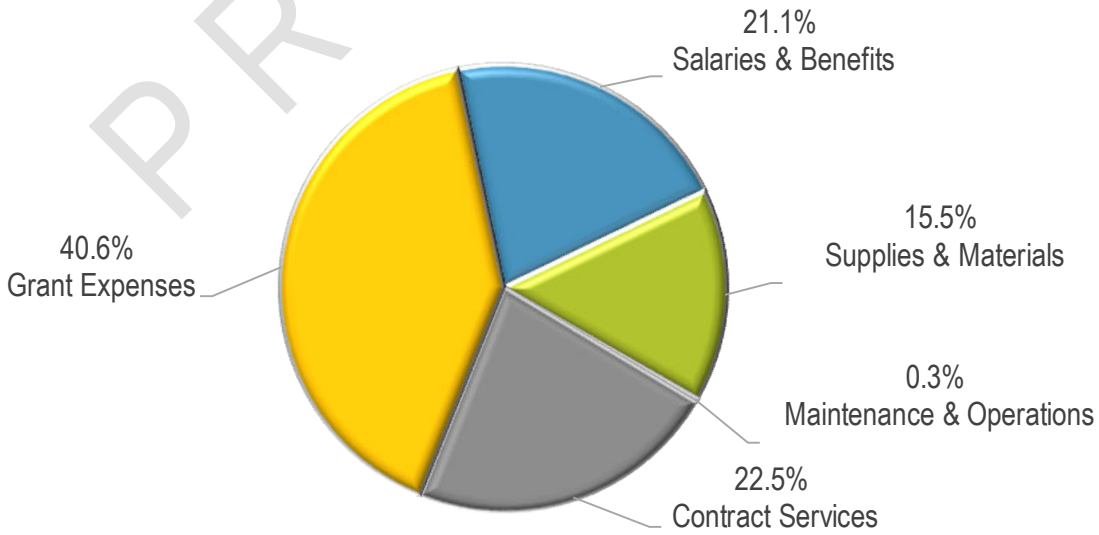
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	86,702	123,500	119,148	130,300	6,800	5.51%
Supplies & Materials	54,457	95,250	60,402	95,250	-	0.00%
Maintenance & Operations	812	1,900	721	1,900	-	0.00%
Contract Services	2,400	139,000	86,102	139,000	-	0.00%
Grant Expenses	234,075	250,000	-	250,000	-	0.00%
Utilities	32	250	250	250	-	0.00%
Transfers Out	15,000	15,000	15,000	-	(15,000)	-100.00%
Total	393,478	624,900	281,623	616,700	(8,200)	-1.31%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

PROPOSED

4B CORPORATION FUND

OVERVIEW

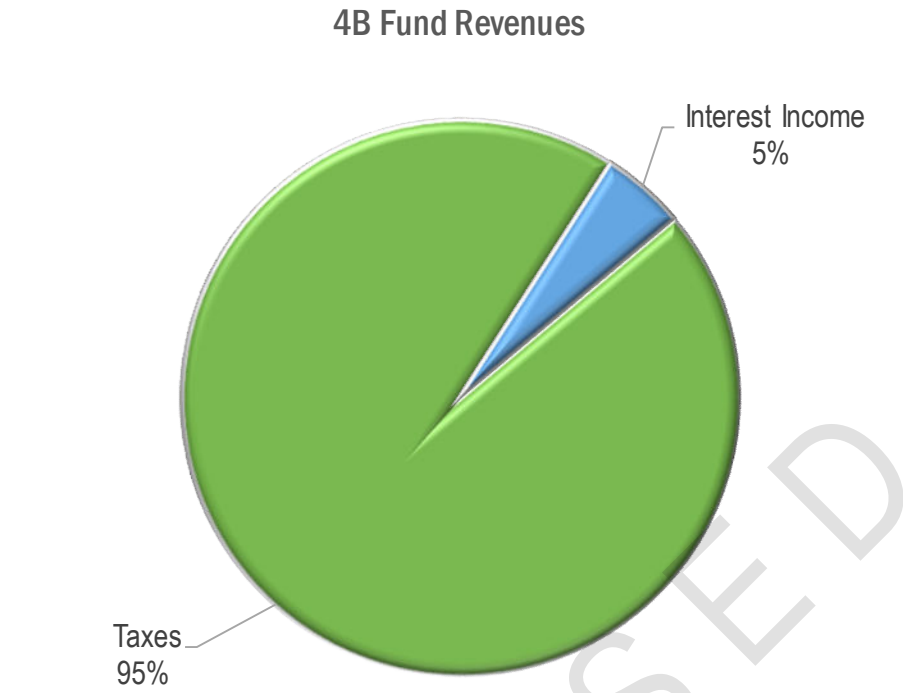
The Sanger Texas Economic Development Corporation (4B Fund) is funded by a 1/2 cent sales tax. It is used to enhance the local economy by improving the quality of life. This includes park improvements, downtown streetscaping and other projects that make living in Sanger enjoyable.

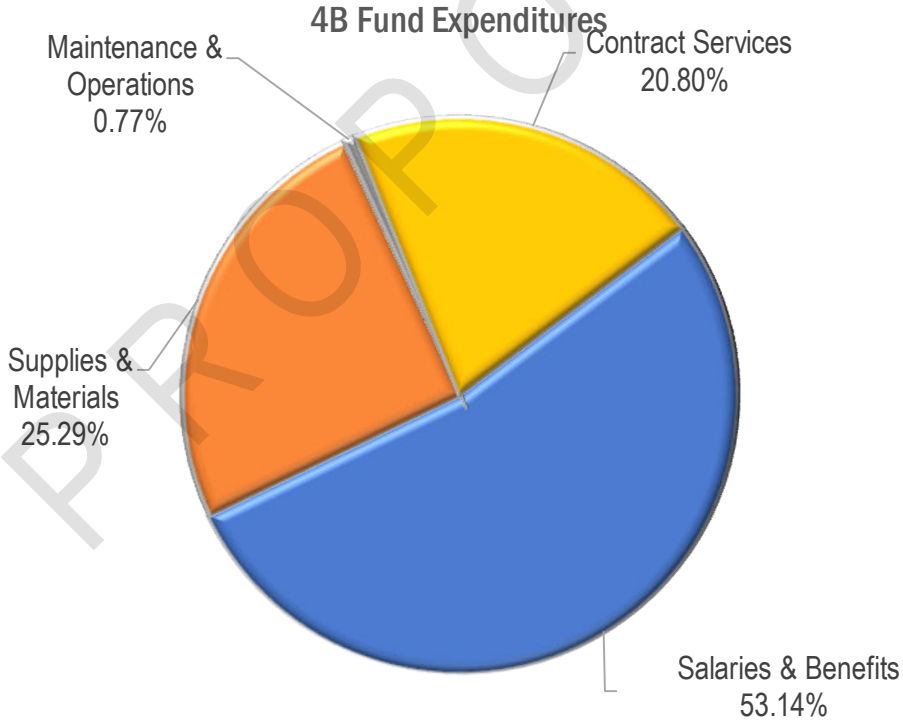
The Sanger Texas Economic Development Corporation is governed by a board of seven directors, all of whom are appointed by the City Council of the City of Sanger. The 4B Fund was incorporated in the state of Texas as a nonprofit industrial development corporation under Section 4B of the Development Corporation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

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

PROPOSED

4B CORPORATION FUND BUDGET SUMMARY





PROPOSED

4B CORPORATION FUND BUDGET SUMMARY

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	2,879,865	3,499,015	3,499,015	3,069,301
Revenues				
Sales Tax	890,167	962,500	1,076,716	1,087,500
Interest Income	77,502	44,000	46,989	55,000
Total Revenues	967,669	1,006,500	1,123,705	1,142,500
Expenditures				
Salaries & Benefits	86,207	123,500	118,610	130,300
Supplies & Materials	52,685	61,750	58,022	62,000
Maintenance & Operations	812	1,900	721	1,900
Contract Services	11,618	51,000	70,715	51,000
Utilities	32	250	251	250
Grant Expenses	2,165	1,060,000	30,000	110,000
Transfers Out	195,000	1,275,100	1,275,100	-
Total Expenditures	348,519	2,573,500	1,553,419	355,450
Net Revenues Over (Under) Expenditures	619,150	(1,567,000)	(429,714)	787,050
Ending Fund Balance	3,499,015	1,932,015	3,069,301	3,856,351

PROPOSED

ECONOMIC DEVELOPMENT

OVERVIEW

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CITY COUNCIL STRATEGIC PLAN GOALS SUPPORTED THROUGH OPERATIONS

- Promote economic development and a diversified economy

ACCOMPLISHMENTS FOR FISCAL YEAR 2025-26

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GOALS FOR FISCAL YEAR 2026-27

- **Complete Strategic Plan**: Finalize the City's first Economic Development Strategic Plan and begin implementation of key initiatives.
- **Attract More Businesses**: Continue recruiting new businesses and supporting opportunities that create jobs and investment in Sanger.
- **Retail Recruitment**: Hire a retail recruitment firm to help attract new retail and restaurant options.
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PROPOSED

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BUDGETED PERSONNEL SCHEDULE

Full-Time Positions	2024-25	2025-26	2026-27
Director of Economic Development	0.5	0.5	0.5
Economic Development Coordinator	0.5	0.5	0.5
Total Budgeted Positions	1	1	1

**Departmental personnel are split 50/50 between the 4A and 4B Funds.*

PROPOSED

PERFORMANCE MEASURES

CITY COUNCIL GOAL Promote economic development and a diversified economy				
DEPARTMENTAL OBJECTIVE				
Build Awareness of Community Assets				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
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Number of targeted retailers engaged at Trade Shows	Ⓝ	8	25	10
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Number of events sponsored by the EDC	6	5	6	5
Number of conference attended to engage with other EDOs (TEDC, IEDC, SEDC.)	4	4	4	4
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DEPARTMENTAL OBJECTIVE				
Foster Strong Relationships with Existing Businesses				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Total annual local business visits	16	16	10	10
Number of questionnaires/surveys as means of keeping in touch with local businesses	1	1	0	1
Number of request for small business assistance	Ⓝ	5 (Façade Grants & Spotlight Videos)	3	3
DEPARTMENTAL OBJECTIVE				
Create and Promote Sanger Using an Integrated Marketing & Communication Strategy				
Strategy / Measure	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Target
Number of visitors to the Economic Development Website	3,000	5,100	746,000	720000
Number of followers on social media	1,400	2,175	2,500	2720
Number of ads in regional publications to market Sanger for tourism and promote business expansion	5	4	3	Ⓡ
Number of subscribers to the quarterly Economic Development newsletter.	245	318	352	387

PROPOSED

SYMBOL KEY

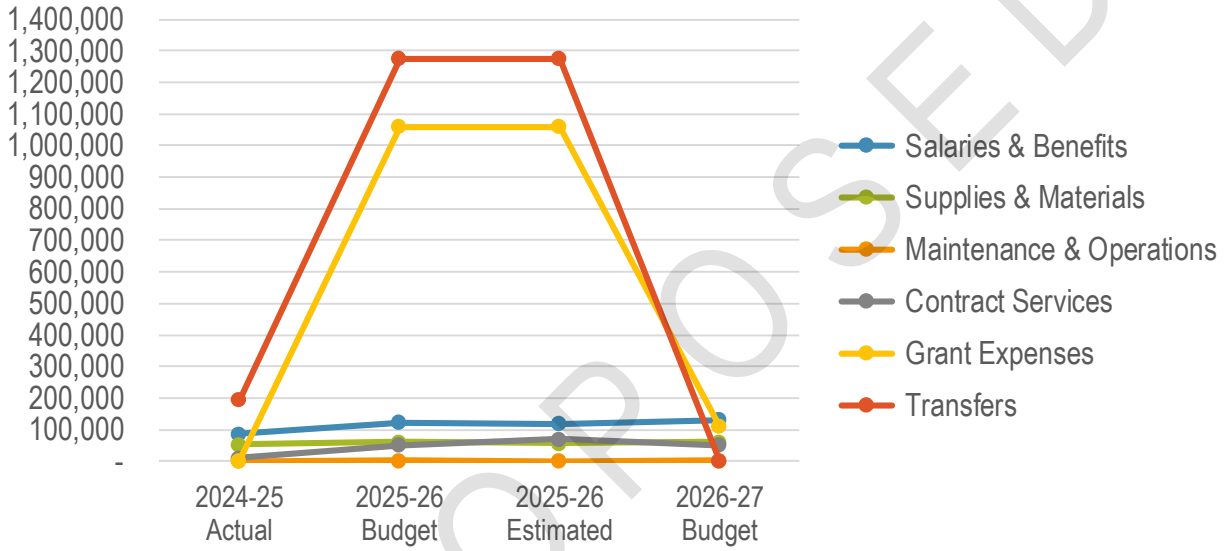
Ⓝ New activity measure

Ⓡ Retired measure

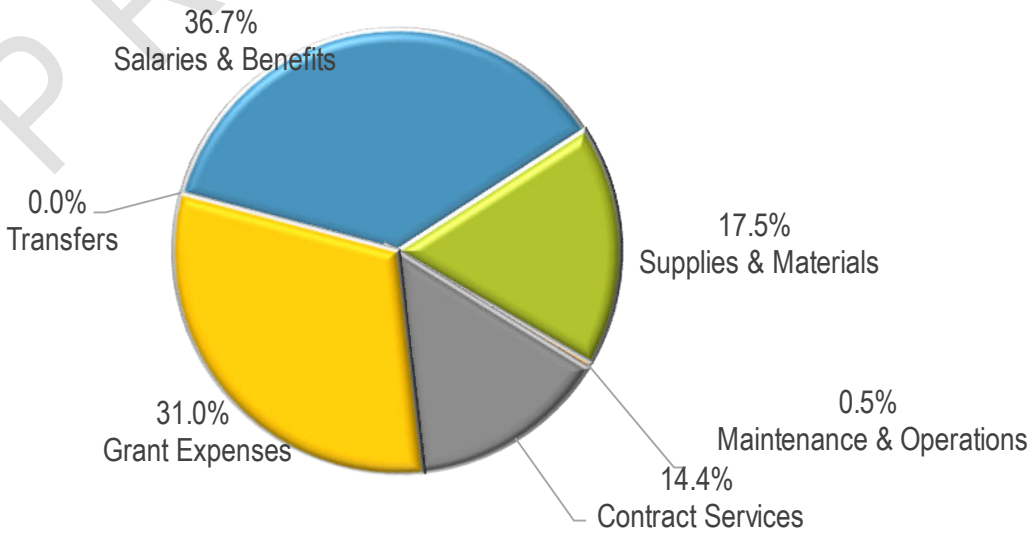
DEPARTMENTAL EXPENDITURES

Category	2024-25 Actual	2025-26 Budget	2025-26 Estimated	2026-27 Budget	Difference	% Change
Salaries & Benefits	86,207	123,500	118,610	130,300	6,800	5.51%
Supplies & Materials	52,685	61,750	58,022	62,000	250	0.40%
Maintenance & Operations	812	1,900	721	1,900	-	0.00%
Contract Services	11,618	51,000	70,715	51,000	-	0.00%
Grant Expenses	2,165	1,060,000	1,060,000	110,000	(950,000)	-89.62%
Utilities	32	250	251	250	-	0.00%
Transfers	195,000	1,275,100	1,275,100	-	(1,275,100)	-100.00%
Total	348,519	2,573,500	2,583,419	355,450	(2,218,050)	-86.19%

EXPENDITURE BY CATEGORY



EXPENDITURE ALLOCATION



PROPOSED

PROPOSED

SPECIAL REVENUE FUNDS

OVERVIEW

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

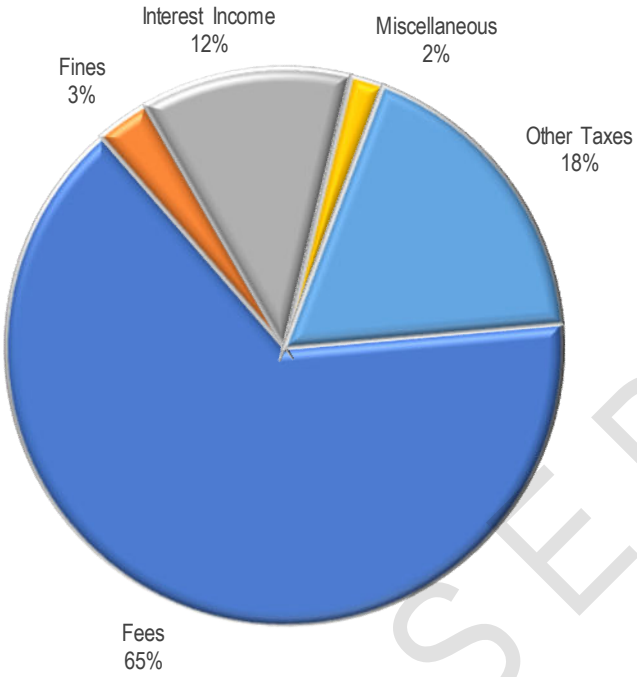
- Hotel Occupancy Tax Fund
- General Storm Recovery Fund
- Electric Storm Recovery Fund
- Police Grant Fund
- Fire Grant Fund
- Library Grant Fund
- Beautification Fund
- Library Restricted Fund
- Parkland Dedication Fund
- Roadway Impact Fee Fund
- Court Security Fund
- Court Technology Fund
- Youth Diversion Fund
- Court Security/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.

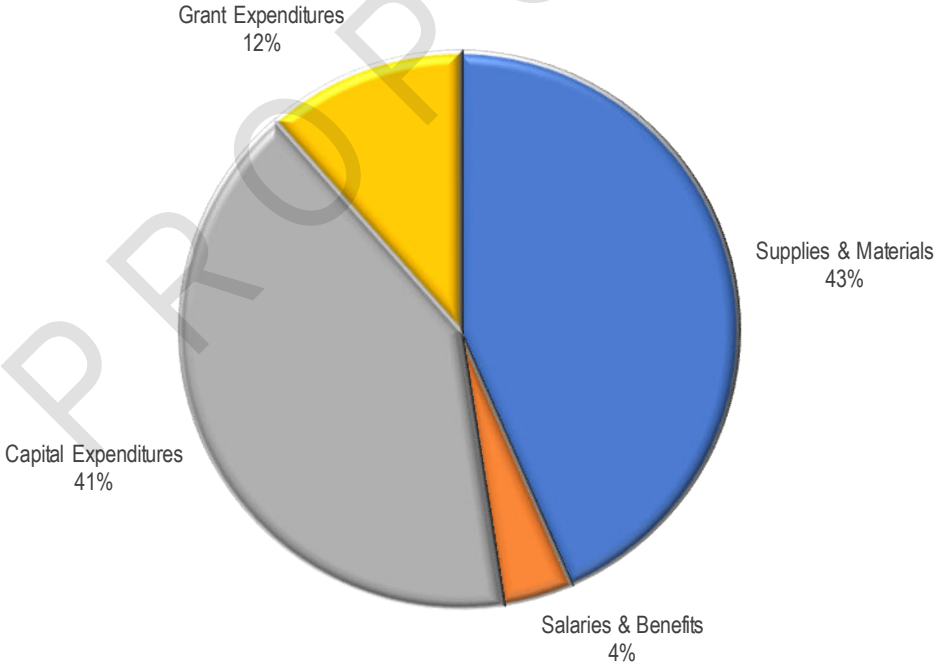
PROPOSED

SPECIAL REVENUE FUNDS BUDGET SUMMARY

Special Revenue Funds Revenues



Special Revenue Funds Expenditures



PROPOSED

COMBINED SCHEDULE OF ALL SPECIAL REVENUE FUNDS

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**4,693,511**	**5,132,029**	**5,132,029**	**6,225,968**
Revenues				
Taxes	116,850	140,000	106,079	140,000
Fees	793,197	105,000	865,061	510,000
Fines	35,723	13,500	24,793	24,000
Interest Income	107,973	90,185	80,530	94,810
Grant Revenue	28,720	-	6,667	5,500
Miscellaneous	7,790	5,250	31,918	10,000
Total Revenues	**1,090,253**	**353,935**	**1,115,048**	**784,310**
Expenditures				
Salaries & Benefits	594	400	722	20,000
Supplies & Materials	3,839	104,000	387	211,800
Contract Services	15,000	20,000	20,000	-
Grant Expenses	1,642	57,500	-	55,800
Capital Expenditures	-	-	-	200,000
Transfers	630,660	-	-	-
Total Expenditures	**651,735**	**181,900**	**21,109**	**487,600**
Net Revenues Over (Under) Expenditures	**438,518**	**172,035**	**1,093,939**	**296,710**
Ending Fund Balance	**5,132,029**	**5,304,064**	**6,225,968**	**6,522,678**

PROPOSED

HOTEL OCCUPANCY TAX FUND

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

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**300,256**	**410,033**	**410,033**	**502,158**
Revenues				
Hotel Occupancy Tax	169,455	175,000	187,826	175,000
Tax Abatements	(52,605)	(35,000)	(81,747)	(35,000)
Interest Income	7,927	5,000	6,046	5,000
Total Revenues	**124,777**	**145,000**	**112,125**	**145,000**
Expenditures				
Contract Services	15,000	20,000	20,000	-
Total Expenditures	**15,000**	**20,000**	**20,000**	**-**
Net Revenues Over (Under) Expenditures	**109,777**	**125,000**	**92,125**	**145,000**
Ending Fund Balance	**410,033**	**535,033**	**502,158**	**647,158**

GENERAL STORM RECOVERY FUND

The General Storm Recovery Fund is utilized to account for funds to repair storm damage within the City.

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**1,028,794**	**748,618**	**748,618**	**759,495**
Revenues/Other Sources				
Interest	19,824	18,000	10,877	12,000
Total Revenues	**19,824**	**18,000**	**10,877**	**12,000**
Expenditures				
Tranfers to General Fund	300,000	-	-	-
Total Expenditures	**300,000**	**-**	**-**	**-**
Net Revenues Over (Under) Expenditures	**(280,176)**	**18,000**	**10,877**	**12,000**
Ending Fund Balance	**748,618**	**766,618**	**759,495**	**771,495**

PROPOSED

Electric Storm Recovery Fund

The Electric Storm Recovery Fund is utilized to account for funds to repair the City's electric system following storms and other weather events.

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**1,277,474**	**965,358**	**965,358**	**980,358**
Revenues/Other Sources				
Interest	18,544	17,500	15,000	17,500
Total Revenues	**18,544**	**17,500**	**15,000**	**17,500**
Expenditures				
Tranfers to Enterprise Fund	330,660	-	-	-
Total Expenditures	**330,660**	**-**	**-**	**-**
Net Revenues Over (Under) Expenditures	**(312,116)**	**17,500**	**15,000**	**17,500**
Ending Fund Balance	**965,358**	**982,858**	**980,358**	**997,858**

Police Grant Fund

The Police Grant Fund is utilized to account for grant funds for the Sanger Police Department

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**4,920**	**5,036**	**5,036**	**5,109**
Revenues/Other Sources				
Interest Income	116	100	73	100
Total Revenues	**116**	**100**	**73**	**100**
Expenditures				
Grant Expenditures	-	4,500	-	5,000
Total Expenditures	**-**	**4,500**	**-**	**5,000**
Net Revenues Over (Under) Expenditures	**116**	**(4,400)**	**73**	**(4,900)**
Ending Fund Balance	**5,036**	**636**	**5,109**	**209**

PROPOSED

Fire Grant Fund

The Fire Grant Fund is utilized to account for grant funds for the Sanger Fire Department.

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**136,392**	**168,774**	**168,774**	**177,955**
Revenues/Other Sources				
Interest Income	3,662	1,500	2,514	2,000
Grant Revenues	28,720	-	6,667	5,000
Total Revenues	**32,382**	**1,500**	**9,181**	**7,000**
Expenditures				
Grant Expenditures	-	50,000	-	50,000
Total Expenditures	**-**	**50,000**	**-**	**50,000**
Net Revenues Over (Under) Expenditures	**32,382**	**(48,500)**	**9,181**	**(43,000)**
Ending Fund Balance	**168,774**	**120,274**	**177,955**	**134,955**

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Library Grant Fund

The Library Grant Fund is utilized to account for grant funds for the Sanger Public Library.

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**2,514**	**913**	**913**	**927**
Revenues/Other Sources				
Interest Income	41	25	14	25
Grant Revenue	-	-	-	500
Total Revenues	**41**	**25**	**14**	**525**
Expenditures				
Grant Expenditures	1,642	3,000	-	800
Total Expenditures	**1,642**	**3,000**	**-**	**800**
Net Revenues Over (Under) Expenditures	**(1,601)**	**(2,975)**	**14**	**(275)**
Ending Fund Balance	**913**	**(2,062)**	**927**	**652**

PROPOSED

BEAUTIFICATION FUND

The Beautification Fund accounts for revenue sources dedicated to beautifying City-owned parks by the Parks Department.

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**5,687**	**5,821**	**5,821**	**5,906**
Revenues				
Interest	134	100	85	75
Miscellaneous	-	500	-	500
Total Revenues	**134**	**600**	**85**	**575**
Expenditures				
Supplies & Materials	-	5,000	-	5,000
Total Expenditures	**-**	**5,000**	**-**	**5,000**
Net Revenues Over (Under) Expenditures	**134**	**(4,400)**	**85**	**(4,425)**
Ending Fund Balance	**5,821**	**1,421**	**5,906**	**1,481**

LIBRARY RESTRICTED FUND

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

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**101,893**	**105,190**	**105,190**	**107,698**
Revenues				
Interest Income	3,297	2,500	2,508	2,500
Total Revenues	**3,297**	**2,500**	**2,508**	**2,500**
Ending Fund Balance	**105,190**	**107,690**	**107,698**	**110,198**

PROPOSED

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.

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**107,472**	**110,012**	**110,012**	**122,626**
Revenues				
Parkland Dedication Fee	-	5,000	10,960	10,000
Interest	2,540	2,000	1,654	12,500
Total Revenues	**2,540**	**7,000**	**12,614**	**22,500**
Expenditures				
Capital Expenditures	-	-	-	100,000
Total Expenditures	**-**	**-**	**-**	**100,000**
Net Revenues Over (Under) Expenditures	**2,540**	**7,000**	**12,614**	**(77,500)**
Ending Fund Balance	**110,012**	**117,012**	**122,626**	**45,126**

PROPOSED

ROADWAY IMPACT FEE FUND

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

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**1,571,746**	**2,412,863**	**2,412,863**	**3,305,564**
Revenues				
Roadway Impact Fee	793,197	100,000	854,101	500,000
Interest	47,920	40,000	38,600	40,000
Total Revenues	**841,117**	**140,000**	**892,701**	**540,000**
Expenditures				
Capital Expenditures	-	-	-	100,000
Total Expenditures	**-**	**-**	**-**	**100,000**
Net Revenues Over (Under) Expenditures	**841,117**	**140,000**	**892,701**	**440,000**
Ending Fund Balance	**2,412,863**	**2,552,863**	**3,305,564**	**3,745,564**

COURT SECURITY FUND

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

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**20,056**	**22,052**	**22,052**	**21,650**
Revenues				
Fines	2,094	-	4	-
Interest	496	400	316	250
Total Revenues	**2,590**	**400**	**320**	**250**
Expenditures				
Salaries & Benefits	594	400	722	20,000
Total Expenditures	**594**	**400**	**722**	**20,000**
Net Revenues Over (Under) Expenditures	**1,996**	**-**	**(402)**	**(19,750)**
Ending Fund Balance	**22,052**	**22,052**	**21,650**	**1,900**

PROPOSED

COURT TECHNOLOGY FUND

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

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**2,066**	**-**	**-**	**-**
Revenues				
Fines	1,722	-	5	-
Interest	51	-	-	-
Total Revenues	**1,773**	**-**	**5**	**-**
Expenditures				
Supplies & Materials	3,839	-	5	-
Total Expenditures	**3,839**	**-**	**5**	**-**
Net Revenues Over (Under) Expenditures	**(2,066)**	**-**	**-**	**-**
Ending Fund Balance	**-**	**-**	**-**	**-**

YOUTH DIVERSION FUND

The Youth Diversion Fund accounts for Youth Diversion Fees imposed on convictions by the Sanger Municipal Court.

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**-**	**20,308**	**20,308**	**24,434**
Revenues				
Fines	20,196	1,500	3,818	4,000
Interest	112	250	308	250
Total Revenues	**20,308**	**1,750**	**4,126**	**4,250**
Expenditures				
Supplies & Materials	-	7,500	-	22,500
Total Expenditures	**-**	**7,500**	**-**	**22,500**
Net Revenues Over (Under) Expenditures	**20,308**	**(5,750)**	**4,126**	**(18,250)**
Ending Fund Balance	**20,308**	**14,558**	**24,434**	**6,184**

COURT SECURITY/TECHNOLOGY FUND

The Court Security/Technology Fund accounts for Court Security/Technology Fees imposed on convictions by the Sanger Municipal Court. As of 2025, this fund replaces the individual Security and Technology funds.

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**-**	**1,293**	**1,293**	**8,012**
Revenues				
Fines	1,290	2,000	6,677	7,500
Interest	3	250	42	100
Total Revenues	**1,293**	**2,250**	**6,719**	**7,600**
Expenditures				
Supplies & Materials	-	2,000	-	7,000
Total Expenditures	**-**	**2,000**	**-**	**7,000**
Net Revenues Over (Under) Expenditures	**1,293**	**250**	**6,719**	**600**
Ending Fund Balance	**1,293**	**1,543**	**8,012**	**8,612**

PROPOSED

CHILD SAFETY FUND

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

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**86,867**	**99,518**	**99,518**	**115,385**
Revenues				
Fines	10,421	10,000	14,289	12,500
Interest	2,230	1,750	1,578	1,500
Total Revenues	**12,651**	**11,750**	**15,867**	**14,000**
Expenditures				
Supplies & Materials	-	45,000	-	100,000
Total Expenditures	**-**	**45,000**	**-**	**100,000**
Net Revenues Over (Under) Expenditures	**12,651**	**(33,250)**	**15,867**	**(86,000)**
Ending Fund Balance	**99,518**	**66,268**	**115,385**	**29,385**

FORFEITED PROPERTY FUND

The Forfeited Property Fund accounts for forfeited property collected by the Sanger Police Department.

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**3,610**	**3,695**	**3,695**	**5,284**
Revenues				
Interest	85	100	63	100
Miscellaneous	-	-	1,908	-
Total Revenues	**85**	**100**	**1,971**	**100**
Expenditures				
Supplies & Materials	-	3,500	382	4,500
Total Expenditures	**-**	**3,500**	**382**	**4,500**
Net Revenues Over (Under) Expenditures	**85**	**(3,400)**	**1,589**	**(4,400)**
Ending Fund Balance	**3,695**	**295**	**5,284**	**884**

PROPOSED

Police Donations Fund

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

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**285**	**292**	**292**	**364**
Revenues				
Interest	7	10	5	10
Miscellaneous	-	2,500	67	500
Total Revenues	**7**	**2,510**	**72**	**510**
Expenditures				
Supplies & Materials	-	2,500	-	300
Total Expenditures	**-**	**2,500**	**-**	**300**
Net Revenues Over (Under) Expenditures	**7**	**10**	**72**	**210**
Ending Fund Balance	**292**	**302**	**364**	**574**

Fire Donations Fund

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

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**21,728**	**22,743**	**22,743**	**27,086**
Revenues				
Interest	515	300	343	350
Miscellaneous	500	1,000	4,000	3,000
Total Revenues	**1,015**	**1,300**	**4,343**	**3,350**
Expenditures				
Supplies & Materials	-	20,000	-	25,000
Total Expenditures	**-**	**20,000**	**-**	**25,000**
Net Revenues Over (Under) Expenditures	**1,015**	**(18,700)**	**4,343**	**(21,650)**
Ending Fund Balance	**22,743**	**4,043**	**27,086**	**5,436**

PROPOSED

Park Donations Fund

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

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**14,214**	**21,602**	**21,602**	**35,275**
Revenues				
Interest	388	250	340	400
Miscellaneous	7,000	1,000	13,333	1,000
Total Revenues	**7,388**	**1,250**	**13,673**	**1,400**
Expenditures				
Supplies & Materials	-	12,500	-	30,000
Total Expenditures	**-**	**12,500**	**-**	**30,000**
Net Revenues Over (Under) Expenditures	**7,388**	**(11,250)**	**13,673**	**(28,600)**
Ending Fund Balance	**21,602**	**10,352**	**35,275**	**6,675**

Library Donations Fund

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

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	**7,537**	**7,908**	**7,908**	**20,682**
Revenues				
Interest	81	150	164	150
Miscellaneous	290	250	12,610	5,000
Total Revenues	**371**	**400**	**12,774**	**5,150**
Expenditures				
Supplies & Materials	-	6,000	-	17,500
Total Expenditures	**-**	**6,000**	**-**	**17,500**
Net Revenues Over (Under) Expenditures	**371**	**(5,600)**	**12,774**	**(12,350)**
Ending Fund Balance	**7,908**	**2,308**	**20,682**	**8,332**

PROPOSED

PROPOSED

CAPITAL PROJECTS

PROPOSED

CAPITAL PROJECTS FUNDS

OVERVIEW

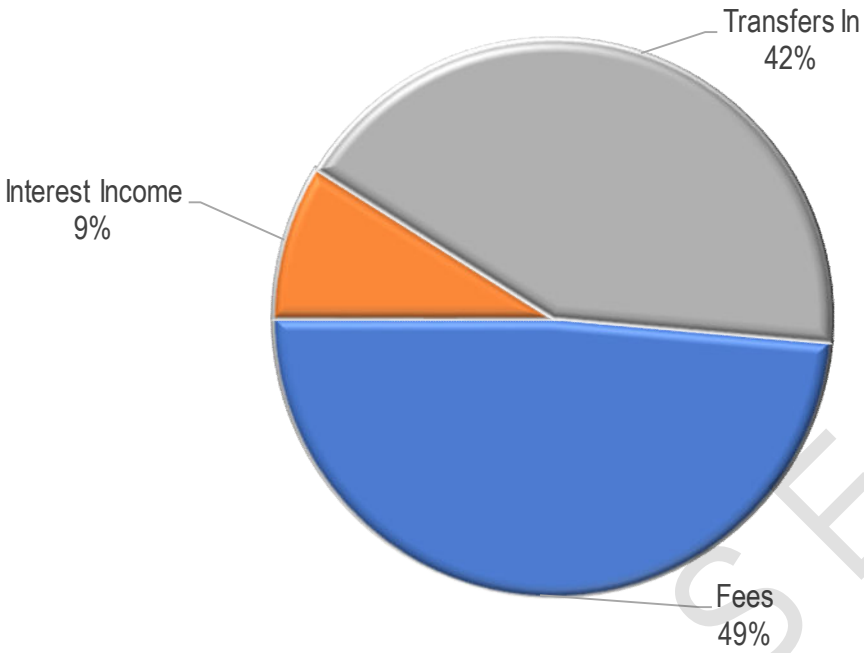
The City maintains two separate funds for capital projects. The Capital Projects Fund was established to account for general capital projects and the Enterprise Projects Fund was established to account for those capital projects specifically related to the water, wastewater and electric utility.

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

PROPOSED

COMBINED CAPITAL PROJECTS FUNDS BUDGET SUMMARY

Combined Capital Projects Funds Revenues



Combined Capital Projects Funds Expenditures

PROPOSED

CAPITAL PROJECTS FUND

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	1,567,159	637,131	637,131	13,739,441
Revenues				
Interest Income	35,392	50,000	7,000	15,000
Transfers from General Fund	457,194	3,652,985	3,678,483	-
Transfer from 4B	-	1,080,100	1,080,100	-
Intergovernmental Revenue	155,053	-	214,929	-
Proceeds from Sale of Real Property	-	-	10,000,000	-
Bond Proceeds	-	15,000,000	-	7,500,000
Total Revenues	647,639	19,783,085	14,980,512	7,515,000
Expenditures				
I-35 Aesthetics	327,534	150,000	2,000	-
Senior Center Improvements	253,008	-	303,091	-
Porter Park Phase II	-	1,680,100	175,000	-
Raidroad Park Improvements	-	-	174,072	-
Community Center Renovation	-	500,000	50,000	-
Annual Street Rehab Project	586,891	512,000	512,000	716,754
Street/Utility Maintenance Program	410,234	2,000,000	412,039	878,232
Downtown Improvements	-	20,000	-	-
Fire Station I Renovation	-	250,000	250,000	5,000,000
Switzer Park Renovations	-	100,000	-	-
Joint Public Safety Facility	-	800,000	-	-
Total Expenditures	1,577,667	6,012,100	1,878,202	6,594,986
Net Revenues Over (Under) Expenditures	(930,028)	13,770,985	13,102,310	920,014
Ending Fund Balance	637,131	14,408,116	13,739,441	14,659,455

PROPOSED

ENTERPRISE CAPITAL PROJECTS FUND

	2024-2025	2025-2026		2026-2027
	Actual	Budget	Estimated	Budget
Beginning Fund Balance	7,230,369	6,984,002	6,984,002	14,647,565
Revenues				
Water Tap Fees	155,063	375,000	389,535	425,000
Sewer Tap Fees	217,750	375,000	545,053	475,000
Interest Income	149,593	200,000	125,738	150,000
Transfer from Enterprise Fund	-	186,715	186,715	813,330
Intergovernmental Revenue	3,750,153	2,500,000	7,812,467	-
Total Revenues	4,272,559	3,636,715	9,059,508	1,863,330
Expenditures				
Relocation of Utilities along FM 455	45,022	-	-	-
Relocation of Utilities along I-35	3,957,948	-	129,074	-
Automated Metering System	276,889	-	35,226	-
Riley Property Purchase	-	-	133,241	-
WWTP Site Study	110,927	-	-	-
WWTP Blowers	128,140	160,000	165,285	-
Electric System Improvements	-	1,000,000	933,119	1,000,000
Water Site Study	-	70,000	-	-
WWTP Clarifiers	-	150,000	-	1,350,000
Water System Cell Communication	-	83,500	-	-
Return Activated Sludge Pump	-	15,760	-	-
Total Expenditures	4,518,926	1,479,260	1,395,945	2,350,000
Net Revenues Over (Under) Expenditures	(246,367)	2,157,455	7,663,563	(486,670)
Ending Fund Balance	6,984,002	9,141,457	14,647,565	14,160,895

PROPOSED

CAPITAL IMPROVEMENT PLAN

INTRODUCTION

This Capital Improvement Plan identifies the City of Sanger's capital improvement needs over the next five years and outlines the funding sources for projects planned for Fiscal Year 2026–2027.

Infrastructure continues to be a top priority for the City of Sanger. Over the past several years, the City has dedicated increasing resources to the maintenance, rehabilitation, and replacement of critical infrastructure, resulting in the completion of several significant projects. While the annual Street Rehabilitation Program continues to provide funding for routine street maintenance and roadway resurfacing, the City has also initiated the planning and design of the more comprehensive Street and Utility Maintenance Program (SUMP).

The Street and Utility Maintenance Program is a long-term initiative that will systematically replace aging streets, water distribution lines, wastewater collection systems, and storm drainage infrastructure through a coordinated and strategic approach. By addressing multiple infrastructure systems simultaneously, the program will improve efficiency, reduce long-term costs, and provide a sustainable foundation to meet the community's needs for decades to come.

As Sanger continues to experience rapid growth, the City's focus remains on expanding and improving the infrastructure necessary to support future development. In 2023, the City Council authorized the issuance of $15,215,000 in debt to acquire approximately 450 acres for future development, including the expansion of the City's water, wastewater, and electric utility systems. Initial site selection for future water and wastewater facilities has been completed, and planning efforts will continue. Over the next several fiscal years, the City will begin the design and construction planning necessary to develop these critical public infrastructure improvements.

The City of Sanger remains committed to enhancing public safety and preserving the high quality of life enjoyed by our community. While many of the capital improvement projects funded by the City Council are not highly visible to residents, they play a critical role in providing reliable utility services, maintaining safe and well-maintained streets, and ensuring adequate public facilities to support our growing community.

Like all municipalities, the City must continually balance infrastructure needs with available financial resources. Our ongoing commitment is to maintain and improve existing facilities and infrastructure, prepare for future growth, and make strategic investments that enhance the quality of life for current and future residents.

The following pages provide detailed information on the projects planned within both the General Capital Projects Fund and the Enterprise Capital Projects Fund. Following the individual project descriptions, five-year capital improvement plans are presented for each fund, outlining planned projects and anticipated funding over the planning period.

PROPOSED

Porter Park Phase II: Miracle Field

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
	Public Works	Design/Const Docs.	Jul-26

STRATEGIC PLAN GOALS SUPPORTED	
X	Promote cultural and recreational opportunities for locals as well as tourist
X	Improve the Visual Appearance of Sanger

DESCRIPTION

Porter Park Phase II: Miracle Field is a collaborative project with the EDC in order to develop a miracle league field and potentially other additional baseball fields for recreational and league usage.

JUSTIFICATION

The Miracle Field provides a unique opportunity for the city's inclusiveness to ADA needs for not only our community but the surrounding area to come and use facilities specifically designed for that purpose.

Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Design / Engineering	$ 1,080,000	$ -	$ -	$ -	$ -	$ -	$ 1,080,000
Property Acquisition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Construction	$ -	$ -	$ -	$ 1,000,000	$ 1,500,000	$ 1,500,000	$ 4,000,000
Totals	$ 1,080,000	$ -	$ -	$ 1,000,000	$ 1,500,000	$ 1,500,000	$ 5,080,000

Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund	$ 1,080,000	$ -	$ -	$ -	$ -	$ -	$ 1,080,000
Bond Proceeds	$ -	$ -	$ -	$ 1,000,000	$ 1,500,000	$ 1,500,000	$ 4,000,000
Totals	$ 1,080,000	$ -	$ -	$ 1,000,000	$ -	$ 1,500,000	$ 5,080,000

PROPOSED

Community Center Remodel

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
	Public Works	Quote for Design	N/A

STRATEGIC PLAN GOALS SUPPORTED	
X	Promote cultural and recreational opportunities for locals as well as tourist
X	Maintain excellent, conservative finances while delivering the services desired by citizens.

DESCRIPTION

The Sanger Community Center Remodel will include ADA compliance along with updated electrical and restrooms.

JUSTIFICATION

The Sanger Community Center is one of the most rented indoor facilities by the city. Additionally it serves as the polling station making voting for our residents convenient. The facility see approximately 5000 visitors a year. This high demand for use had led to old and outdated equipment that requires constant repair.

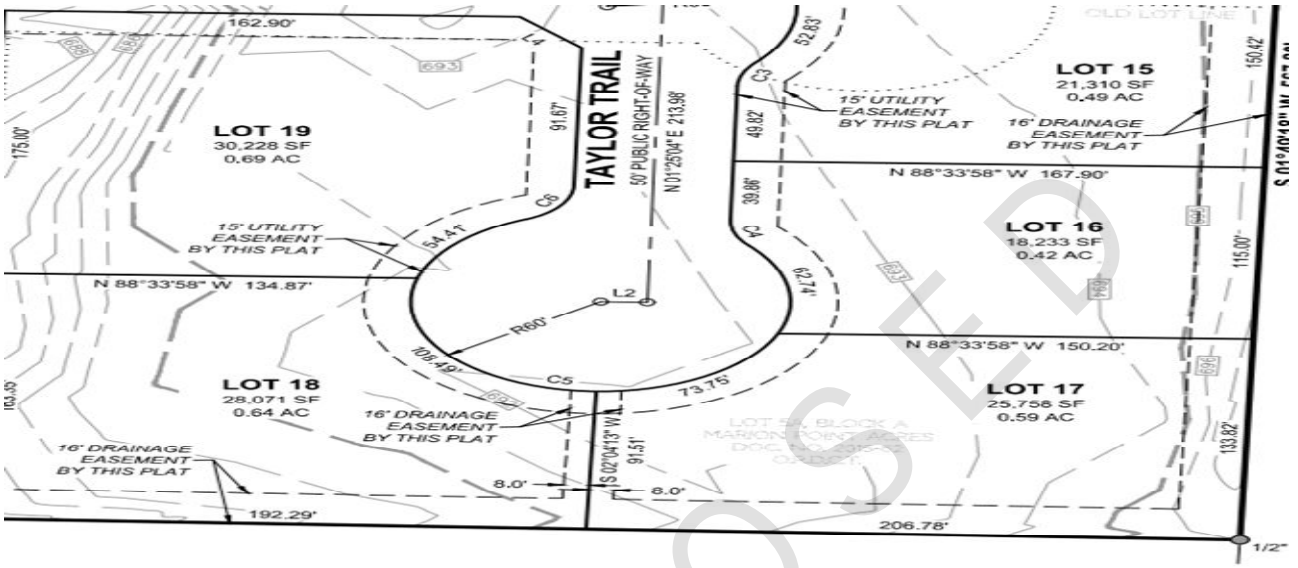
Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Design / Engineering	$ 50,000	$ -	$ -	$ -	$ -	$ -	$ 50,000
Property Acquisition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Construction	$ -	$ -	$ 350,000	$ -	$ -	$ -	$ 350,000
Totals	$ 50,000	$ -	$ 350,000	$ -	$ -	$ -	$ 400,000

Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund	$ 50,000	$ -	$ 350,000	$ -	$ -	$ -	$ 400,000
Bond Proceeds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Totals	$ 50,000	$ -	$ 350,000	$ -	$ -	$ -	$ 400,000

Annual Street Rehab

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
123-456	Public Works	Ongoing	FY Continued

STRATEGIC PLAN GOALS SUPPORTED	
X	Provide a safe and prepared city.
X	Improve sanger's basic infrastructure.



DESCRIPTION
The Annual Street Rehab Program addresses our streets as they currently exist, filling pot holes, overlaying and chip sealing to maintain the viability of the streets.

JUSTIFICATION
The program allows us to maintain streets rather than rehab or rebuild them which can be much more costly and time consuming.

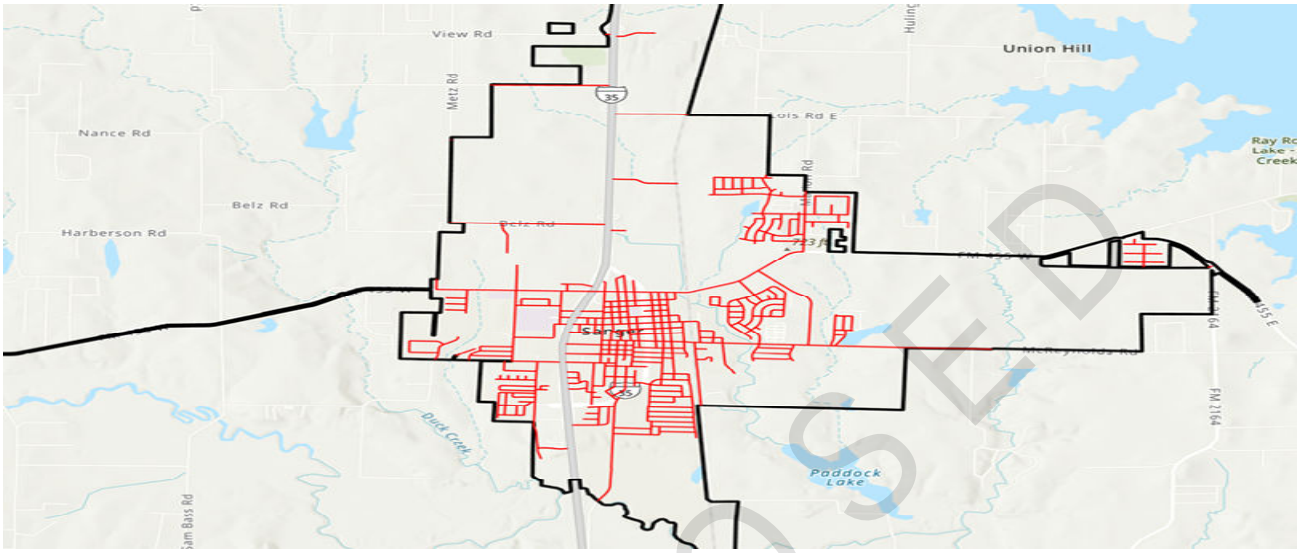
Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Construction	$ 512,000	$ 716,754	$ 871,862	$ 500,000	$ 500,000	$ -	$ 3,100,616
Totals	$ 512,000	$ 716,754	$ 871,862	$ 500,000	$ 500,000	$ -	$ 3,100,616

Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund	$ 512,000	$ 716,754	$ 871,862	$ 500,000	$ 500,000	$ -	$ 3,100,616
Bond Proceeds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Totals	$ 512,000	$ 716,754	$ 871,862	$ 500,000	$ 500,000	$ -	$ 3,100,616

Street Utility Maintenance Program: SUMP

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
	Public Works	In Development	Ongoing

STRATEGIC PLAN GOALS SUPPORTED	
X	Provide a safe and prepared city.
X	Improve sanger's basic infrastructure.



DESCRIPTION

The goal for the Street Utility Maintenance Program (SUMP) is to create a systematic approach to street and infrastructure maintenance and rehabilitation. A properly planned approach helps preserve pavement conditions and extend pavement lifespan while reducing the city's financial impact.

JUSTIFICATION

For FY 27/28, the City has allocated $7,000,000 in anticipation of developing a comprehensive program to proactively address the City's infrastructure needs. An additional $6,000,000 is expected to be allocated for FY 29-30.

Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Design / Engineering	$ 822,273	$ 878,265	$ -	$ -	$ -	$ -	$ 1,700,538
Property Acquisition	$ -	$ -	$ 819,426	$ -	$ -	$ -	$ 819,426
Construction	$ -	$ -	$ 7,000,000	$ 6,000,000	$ -	$ -	$ 13,000,000
Totals	$ 822,273	$ 878,265	$ 7,819,426	$ 6,000,000	$ -	$ -	$ 15,519,964

Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund	$ 822,273	$ 878,232	$ 7,819,426	$ -	$ -	$ -	$ 9,519,931
Bond Proceeds	$ -	$ -	$ -	$ 6,000,000	$ -	$ -	$ 6,000,000
Totals	$ 822,273	$ 878,232	$ 7,819,426	$ 6,000,000	$ -	$ -	$ 15,519,931

PROPOSED

Fire Station Renovation

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
	Fire	Design/Const Docs.	Oct-27

STRATEGIC PLAN GOALS SUPPORTED	
X	Provide a safe and prepared city.
X	Improve sanger's basic infrastructure.

DESCRIPTION

The fire station renovation will be a complete remodel of the fire station above the foundation, with 3 bays and staff living quarters, equipment storage and facilities for employee's of the Sanger fire Department.

JUSTIFICATION

The original station was built by volunteers and was not designed for occupancy. The current building is sub-standard when it comes to electrical needs and codes and is not ADA compliant. The remodel will provide a building that is up to date with modern technology and the needs of a fire department to function in day to day operations.

PROPOSED

Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Design / Engineering	$ 250,000	$ -	$ -	$ -	$ -	$ -	$ 250,000
Property Acquisition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Construction	$ -	$ 5,000,000	$ -	$ -	$ -	$ -	$ 5,000,000
Totals	$ 250,000	$ 5,000,000	$ -	$ -	$ -	$ -	$ 5,250,000

Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund	$ 250,000	$ 5,000,000	$ -	$ -	$ -	$ -	$ 5,250,000
Bond Proceeds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Totals	$ 250,000	$ 5,000,000	$ -	$ -	$ -	$ -	$ 5,250,000

Joint Public Safety Facility

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
	Public Works	Proposed	N/A

STRATEGIC PLAN GOALS SUPPORTED	
X	Provide a safe and prepared city.
X	Improve sanger's basic infrastructure.

DESCRIPTION

The Joint Public Safety Facility will be an all safety services facility housing the Fire Department, Police Station, and Potential Jail Facilities.

JUSTIFICATION

The Building offers up to date facilities bringing Sanger's safety needs to meet the growing demand as the city increases in population

Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Design / Engineering	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property Acquisition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Construction	$ -	$ -	$ -	$ -	$ 4,300,000	$ 4,300,000	$ 8,600,000
Totals	$ -	$ -	$ -	$ -	$ 4,300,000	$ 4,300,000	$ 8,600,000

Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Bond Proceeds	$ -	$ -	$ -	$ -	$ 4,300,000	$ 4,300,000	$ 8,600,000
Totals	$ -	$ -	$ -	$ -	$ 4,300,000	$ 4,300,000	$ 8,600,000

PROPOSED

New Downtown Park

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
123-456	Parks & Recreation	Ongoing	FY 2030-31

STRATEGIC PLAN GOALS SUPPORTED	
X	Improve the visual appearance of Sanger.
X	Promote cultural and recreational opportunities for locals & tourists.

DESCRIPTION

The goal for the Sanger Downtown Park is to create an extension of the current downtown that would be flexible for both large events and daily use. Working from the Sanger 2040 Comprehensive Pan and the location of the site, the long-term vision for the project is to be a catalyst for future downtown development.

JUSTIFICATION

During FY 2022-23, the City purchased property totaling $1.7M in anticipation of developing a new downtown park as a part of the Sanger 2040 Comprehensive Plan. Design and planning are scheduled to begin in FY 2026-27 with construction beginning the same year and running through FY 2028-29.

Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Design / Engineering	$ -	$ -	$ -	$ 1,000,000	$ -	$ -	$ 1,000,000
Property Acquisition	$ 1,712,135	$ -	$ -	$ -	$ -	$ -	$ 1,712,135
Construction	$ -	$ -	$ -	$ -	$ 1,500,000	$ 1,500,000	$ 3,000,000
Totals	$ 1,712,135	$ -	$ -	$ 1,000,000	$ 1,500,000	$ 1,500,000	$ 5,712,135

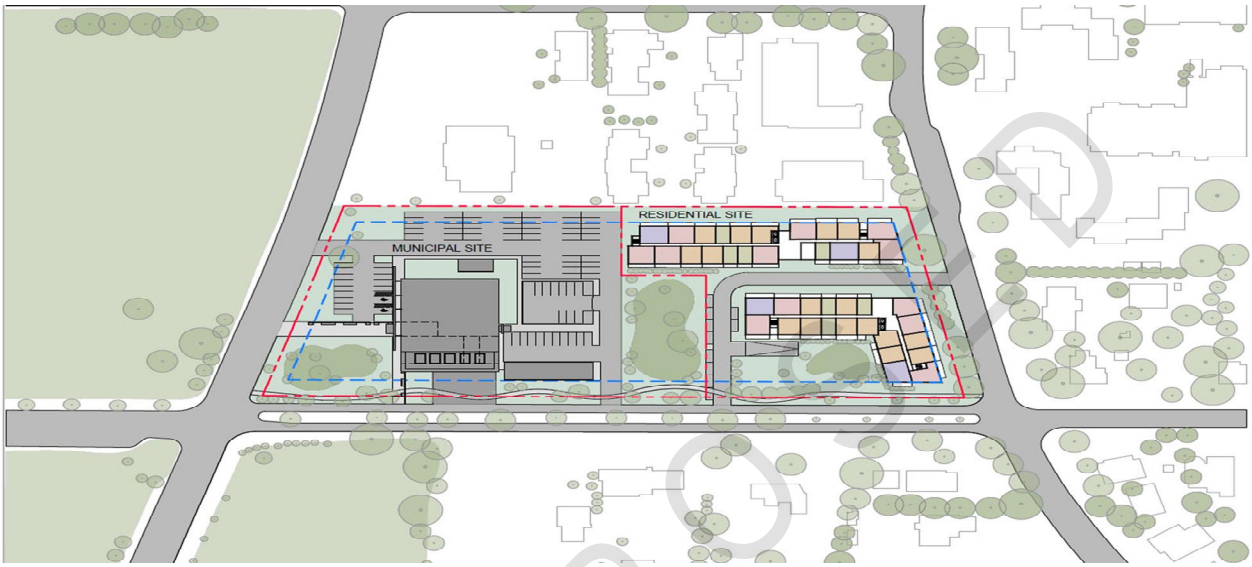
Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund	$ 1,712,135	$ -	$ -	$ -	$ -	$ -	$ 1,712,135
Bond Proceeds	$ -	$ -	$ -	$ 1,000,000	$ 1,500,000	$ 1,500,000	$ 4,000,000
Totals	$ 1,712,135	$ -	$ -	$ 2,000,000	$ 1,500,000	$ 3,000,000	$ 5,712,135

PROPOSED

Municipal Complex

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
	Public Works	Proposed	N/A

STRATEGIC PLAN GOALS SUPPORTED	
X	Provide a safe and prepared city.
X	Improve the visual appearance of Sanger.



DESCRIPTION

The Municipal Complex would be an all encompassing Government building for the City of Sanger, Consisting of city offices, Courts and other facilities as designed.

JUSTIFICATION

Sangers current government offices are in older building that have been continually modified and maintained. A new complex would potentially benefit the city financially and reliably when it comes to government business.

Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Design / Engineering	$ -	$ -	$ -	$ -	$ -	$ 1,000,000	$ 1,000,000
Property Acquisition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Construction	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Totals	$ -	$ -	$ -	$ -	$ -	$ 1,000,000	$ 1,000,000

Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Bond Proceeds	$ -	$ -	$ -	$ -	$ -	$ 1,000,000	$ 1,000,000
Totals	$ -	$ -	$ -	$ -	$ -	$ 1,000,000	$ 1,000,000

PROPOSED

ENTERPRISE CAPITAL PROJECTS

IH-35 System Feeder Upgrade

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
2026-2030	Electric	Ongoing	FY 2026-2030

STRATEGIC PLAN GOALS SUPPORTED	
X	Provide a safe and prepared city.
X	Improve sanger's basic infrastructure.

JUSTIFICATION

The project will increase feeder capacity from 600 amps to 900 amps to align with the new substation relay settings. This upgrade includes upsizing the conductor from 477 kcmil to 795 kcmil and replacing poles that are more than 20 years old to improve system reliability and support the increased load capacity.

PROJECT STATUS

The project is an ongoing system capacity upgrade scheduled from 2026 through completion in 2030.

PROPOSED

Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Design / Engineering		$ 10,000	$ 10,000	$ 10,000	$ 10,000		$ 40,000
Materials		$ 143,611	$ 143,611	$ 143,611	$ 143,611		$ 574,444
Construction		$ 846,389	$ 846,389	$ 846,389	$ 846,389		$ 3,385,556
Totals	$ -	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ -	$ 4,000,000

Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund		$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000		$ 4,000,000
Bond Proceeds							$ -
Totals	$ -	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ -	$ 4,000,000

WWTP Clarifiers

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
1416-010-01	Public Works	proposed	N/A

STRATEGIC PLAN GOALS SUPPORTED	
X	Provide a safe and prepared city.
X	Improve sanger's basic infrastructure.

DESCRIPTION

The WWTP Clarifier project would be an addition of clarifiers to the city's current waste water treatment facility.

JUSTIFICATION

The city currently is permitted at 1.2 MGD in its treatment of waste water and sewage. This project would increase capacity for water treatment, ensuring a cleaner and ecologically safer environment for the city of Sanger and it water shed area.

PROPOSED

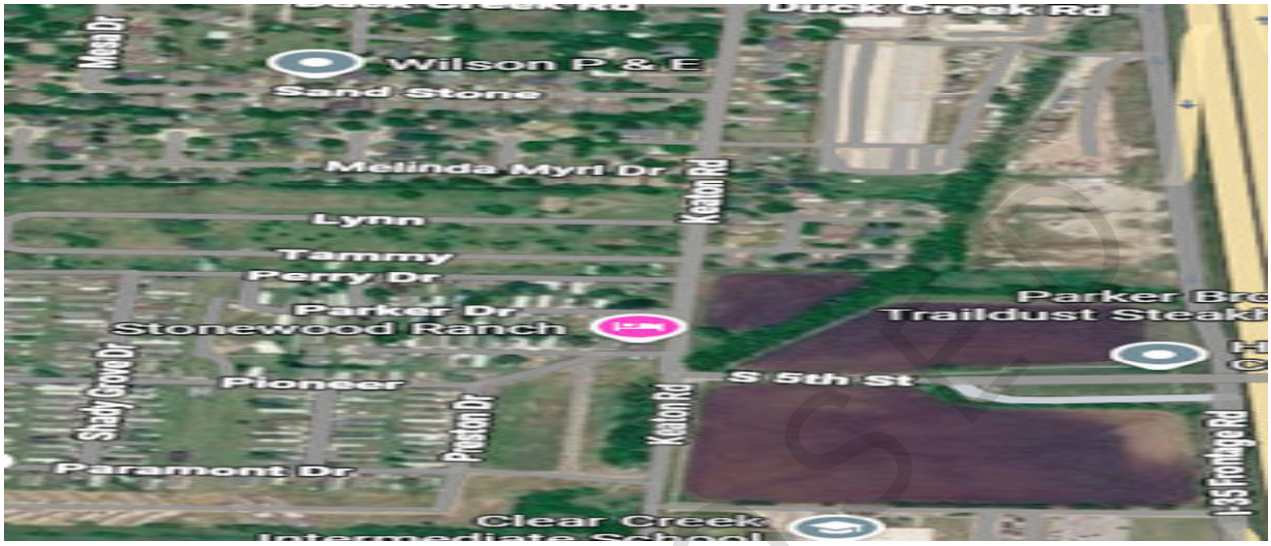
Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Design / Engineering	$ -	$ 1,350,000	$ -	$ 1,500,000	$ 1,500,000	$ -	$ 4,350,000
Property Acquisition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Construction	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Totals	$ -	$ 1,350,000	$ -	$ 1,500,000	$ 1,500,000	$ -	$ 4,350,000

Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund	$ -	$ 1,350,000	$ -	$ -	$ -	$ -	$ 1,350,000
Bond Proceeds	$ -	$ -	$ -	$ 1,500,000	$ 1,500,000	$ -	$ 3,000,000
Totals	$ -	$ 1,350,000	$ -	$ 1,500,000	$ 1,500,000	$ -	$ 4,350,000

Keaton Road Sewer Line

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
	Public Works	Proposed	N/A

STRATEGIC PLAN GOALS SUPPORTED	
X	Provide a safe and prepared city.
X	Improve sanger's basic infrastructure.



DESCRIPTION

The project aims to pipe burst an existing undersized sewer line along Keaton Road.

JUSTIFICATION

The current sewer line along this portion of Keaton Road is creating a pinch point inhibiting flow. A bigger line will allow for efficacy within the Sanger waste water system.

Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Design / Engineering	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property Acquisition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Construction	$ -	$ -		$ 500,000	$ -	$ -	$ 500,000
Totals	$ -	$ -	$ -	$ 500,000	$ -	$ -	$ 500,000

Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund	$ -	$ -	$ -	$ 500,000	$ -	$ -	$ 500,000
Bond Proceeds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Totals	$ -	$ -	$ -	$ 500,000	$ -	$ -	$ 500,000

PROPOSED

Railroad Lift Station

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
	Public Works	Proposed	N/A

STRATEGIC PLAN GOALS SUPPORTED	
X	Provide a safe and prepared city.
X	Improve sanger's basic infrastructure.

DESCRIPTION

The Railroad lift station would elevate sewage flow to allow for proper sewage flow within the City of Sanger waste water treatment system.

JUSTIFICATION

Current flow would not be stuffiest to proposed system upgrades. A lift station would be necessary and efficient to meet flow standards in the future.

Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Design / Engineering	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property Acquisition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Construction	$ -	$ -	$ -	$ 1,750,000	$ -	$ -	$ 1,750,000
Totals	$ -	$ -	$ -	$ 1,750,000	$ -	$ -	$ 1,750,000

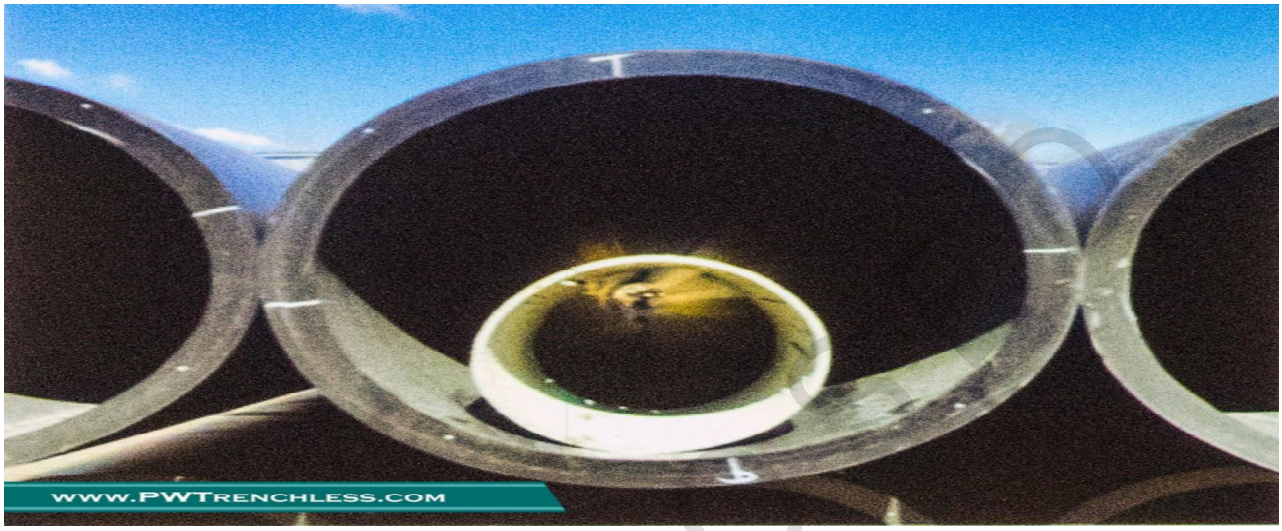
Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Bond Proceeds	$ -	$ -	$ -	$ 1,750,000	$ -	$ -	$ 1,750,000
Totals	$ -	$ -	$ -	$ 1,750,000	$ -	$ -	$ 1,750,000

PROPOSED

Pipe Bursting

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
	Public Works	Contingent	FY 27/28

STRATEGIC PLAN GOALS SUPPORTED	
X	Provide a safe and prepared city.
X	Improve sanger's basic infrastructure.



DESCRIPTION

The goal of this project is to increase capacity in the city's main arterial sewer line. Pipe bursting allows a larger-diameter, seamless pipe to be installed in place of the existing line without the need for trenching.

JUSTIFICATION

This sewer line was originally installed in 1985 and labeled the East Sewer Outfall, and extended from the Wastewater Treatment Plant northward to near FM 455. With additional extensions through the years, the line now extends to View Road. Increased growth has created the need to add additional capacity to the original portion of this line. During FY 27/28 the City has allocated $3,000,000 to address this need.

Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Design / Engineering	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property Acquisition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Construction	$ -	$ -	$ 3,000,000	$ -	$ -	$ -	$ -
Totals	$ -	$ -	$ 3,000,000	$ -	$ -	$ -	$ -

Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund	$ -	$ -	$ 3,000,000	$ -	$ -	$ -	$ 3,000,000
Bond Proceeds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Totals	$ -	$ -	$ 3,000,000	$ -	$ -	$ -	$ 3,000,000

PROPOSED

New WWTP Engineering

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
	Public Works	Proposed	N/A

STRATEGIC PLAN GOALS SUPPORTED	
X	Provide a safe and prepared city.
X	Improve sanger's basic infrastructure.

DESCRIPTION

This is a proposed project to build a new waste water treatment plant on the acquired property currently south of the existing treatment plant.

JUSTIFICATION

A the City of Sanger continues to develop and Expand, waste water treatment needs will have to be met in volume and environmental compliance. A new treatment plant would accomplish these needs for decades to come.

Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Design / Engineering	$ -	$ -	$ -	$10,000,000	$10,000,000	$10,000,000	$ 30,000,000
Property Acquisition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Construction	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Totals	$ -	$ -	$ -	$10,000,000	$10,000,000	$10,000,000	$ 30,000,000

Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Bond Proceeds	$ -	$ -	$ -	$10,000,000	$10,000,000	$10,000,000	$ 30,000,000
Totals	$ -	$ -	$ -	$10,000,000	$10,000,000	$10,000,000	$ 30,000,000

PROPOSED

Elevated Water Storage

PROJECT NUMBER	LEAD DEPARTMENT	PROJECT STATUS	ESTIMATED COMPLETION
	Public Works	Proposed	N/A

STRATEGIC PLAN GOALS SUPPORTED	
X	Provide a safe and prepared city.
X	Improve sanger's basic infrastructure.

DESCRIPTION

This Proposed Project would build new elevated water storage for the City of Sanger

JUSTIFICATION

Current water demand and Pressure is met within the city, however, as Sanger grows and expands the water storage and pressure needs will have to be addressed. New elevated storage accomplishes meeting these issues and will ensure the reliability of the city water system.

Expenditure Category	Prior Years Expenditures	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Design / Engineering	$ -	$ -	$ 750,000	$ -	$ -	$ -	$ 750,000
Property Acquisition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Construction	$ -	$ -	$ -	$ 6,000,000	$ 6,000,000	$ -	$ 12,000,000
Totals	$ -	$ -	$ 750,000	$ 6,000,000	$ 6,000,000	$ -	$ 12,750,000

Source of Funds	Prior Years Allocations	FY 2026-27	FY 2027-28	FY 2028-29	FY2029-30	FY 2030-31	Totals
Capital Projects Fund	$ -	$ -	$ 750,000	$ 6,000,000	$ 6,000,000	$ -	$ 12,750,000
Bond Proceeds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Totals	$ -	$ -	$ 750,000	$ 6,000,000	$ 6,000,000	$ -	$ 12,750,000

PROPOSED

CAPITAL PROJECTS FIVE YEAR SUMMARY

General Capital Projects

	2024-2025 Actual	2025-2026 Estimate	2026-2027 Budget
Capital Projects Fund Balance	**1,567,159**	**637,131**	**13,739,441**
Project Funding			
Interest Income	35,392	7,000	15,000
Transfers from General Fund	457,194	3,678,483	-
Transfers from 4B	-	1,080,100	-
Intergovernmental Revenue	155,053	214,929	-
Proceeds from Sale of Real Property	-	10,000,000	-
Bond Proceeds	-	-	7,500,000
Total Funding Sources	647,639	14,980,512	7,515,000
Expenditures			
I-35 Aesthetics	327,534	2,000	-
Senior Center Renovation	253,008	303,091	
Porter Park Phase II	-	175,000	-
Railroad Park Improvements	-	174,072	
Community Center Renovation	-	50,000	-
Annual Street Rehab Project	586,891	512,000	716,754
Street/Utility Maintenance Program	410,234	412,039	878,232
Fire Station I Renovation	-	250,000	5,000,000
Joint Public Safety Facility	-	-	-
New Downtown Park	-	-	-
Municipal Complex	-	-	-
Total Expenditures	1,577,667	1,878,202	6,594,986
Funding Sources less Expenditures	(930,028)	13,102,310	920,014
Capital Projects Fund Balance	**637,131**	**13,739,441**	**14,659,455**

PROPOSED

	2027-2028 Projected	2028-2029 Projected	2029-2030 Projected	2030-2031 Projected
	14,659,455	**16,138,167**	**8,158,167**	**8,378,167**
Project Funding				
Interest Income	20,000	20,000	20,000	20,000
Transfers from General Fund	500,000	500,000	500,000	500,000
Transfers from 4B	-	-	-	-
Intergovernmental Revenue	-	-	-	-
Proceeds from Sale of Real Property	-	-	-	-
Bond Proceeds	10,000,000	-	7,500,000	-
Total Funding Sources	10,520,000	520,000	8,020,000	520,000
Expenditures				
I-35 Aesthetics	-	-	-	-
Senior Center Renovation				
Porter Park Phase II	-	1,000,000	1,500,000	1,500,000
Railroad Park Improvements				
Community Center Renovation	350,000	-	-	-
Annual Street Rehab Project	871,862	500,000	500,000	-
Street/Utility Maintenance Program	7,819,426	6,000,000	-	-
Fire Station I Renovation	-	-	-	-
Joint Public Safety Facility	-	-	4,300,000	4,300,000
New Downtown Park	-	1,000,000	1,500,000	1,500,000
Municipal Complex	-	-	-	1,000,000
Use of Bond Proceeds	9,041,288	8,500,000	7,800,000	8,300,000
Funding Sources less Expenditures	1,478,712	(7,980,000)	220,000	(7,780,000)
	16,138,167	**8,158,167**	**8,378,167**	**598,167**

PROPOSED

CAPITAL PROJECTS FIVE YEAR SUMMARY
Enterprise Capital Projects

	2024-2025 Actual	2025-2026 Estimate	2026-2027 Budget
Capital Projects Fund Balance	**7,230,369**	**6,984,002**	**14,647,565**
Project Funding			
Water Tap Fees	155,063	389,535	425,000
Sewer Tap Fees	217,750	545,053	475,000
Interest Income	149,593	125,738	150,000
Intergovernmental Income (TXDOT)	3,750,153	7,812,467	-
Transfer from Enterprise Fund	-	186,715	813,330
Bond Funds	-	-	-
Total Funding Sources	4,272,559	9,059,508	1,863,330
Expenditures			
Relocation of Utilities along FM 455	45,022	-	-
Relocation of Utilities along I-35	3,957,948	129,074	-
Automated Metering System	276,889	35,226	-
Riley Property Purchase	106,837	133,241	-
WWTP Site Study	4,090	-	-
WWTP Blowers	128,140	165,285	-
Water System Improvements	-	-	-
I-35 System Feeder Electric Improvements	-	933,119	1,000,000
WWTP Clarifiers	-	-	1,350,000
Keaton Road Sewer Line	-	-	-
Railroad Lift Station	-	-	-
Pipe Bursting North Trunk Line			
New WWTP Engineering	-	-	-
Elevated Water Storage	-	-	-
Total Expenditures	4,518,926	1,395,945	2,350,000
Funding Sources less Expenditures	(246,367)	7,663,563	(486,670)
Capital Projects Fund Balance	**6,984,002**	**14,647,565**	**14,160,895**

PROPOSED

	2027-2028 Projected	2028-2029 Projected	2029-2030 Projected	2030-2031 Projected
	14,133,805	**10,333,805**	**18,108,805**	**1,208,805**
Project Funding				
Water Tap Fees	450,000	475,000	500,000	525,000
Sewer Tap Fees	500,000	550,000	600,000	625,000
Interest Income	250,000	250,000	250,000	250,000
Intergovernmental Income (TXDOT)	-	-	-	-
Transfer from Enterprise Fund	250,000	250,000	250,000	250,000
Bond Funds	-	27,500,000	-	10,000,000
Total Funding Sources	1,450,000	29,025,000	1,600,000	11,650,000
Expenditures				
Relocation of Utilities along FM 455	-	-	-	-
Relocation of Utilities along I-35	-	-	-	-
Automated Metering System	-	-	-	-
Riley Property Purchase	-	-	-	-
WWTP Site Study	-	-	-	-
WWTP Blowers	-	-	-	-
Water System Improvements	500,000	500,000	-	-
I-35 System Feeder Electric Improvements	1,000,000	1,000,000	1,000,000	-
WWTP Clarifiers	-	1,500,000	1,500,000	-
Keaton Road Sewer Line	-	500,000	-	-
Railroad Lift Station	-	1,750,000	-	-
Pipe Bursting North Trunk Line	3,000,000			
New WWTP Engineering	-	10,000,000	10,000,000	10,000,000
Elevated Water Storage	750,000	6,000,000	6,000,000	-
Total Expenditures	5,250,000	21,250,000	18,500,000	10,000,000
Funding Sources less Expenditures	(3,800,000)	7,775,000	(16,900,000)	1,650,000
	10,333,805	**18,108,805**	**1,208,805**	**2,858,805**

PROPOSED

PROPOSED

APPENDIX

PROPOSED

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. A review of the items includes a discussion of any available alternatives to the requested items.

In requesting a capital item, Directors must tie the request to the City's Organizational Goals, explain the objective of the request, offer alternatives to funding the request, and document the expected impact of not funding the item.

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

PROPOSED

2026-2027 BUDGET CAPITAL REQUEST FORM

DEPARTMENT: Police

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST

THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $5,000

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: 2026 Toyota Camry LE

VENDOR QUOTED: Silsbee Toyota (TIPS 240901) QUOTE EXPIRATION DATE:

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [x] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [ ] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [x] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [x] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [x] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [x] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$34,851	ANNUAL CONTRACT RENEWAL	$0
DELIVERY & INSTALLATION	$525	SUPPLIES, FUEL, ETC.	$0
ALL OTHER ACQUISITION COSTS*	$5,023	ALL OTHER OPERATING COSTS*	$0
TOTAL	$40,399	TOTAL	$0

* EXPLANATION OF "OTHER" COSTS

Routine maintenance and fuel for vehicle

DOES THIS REPLACE ANY EQUIPMENT? Yes AGE OF ITEM BEING REPLACED? 14 Years

WHAT IS BEING REPLACED? 2012 Chevrolet Tahoe CID vehicle (Totaled in crash 10/30/25)

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

New detective vehicle to replace the 2012 Tahoe that was totaled in a crash on 10/30/2025. Going with a lower cost sedan to lessen overall cost, fuel expenses, and maintenance costs. The sedan also blends in better with normal traffic allowing for surveillance when needed. The vehicle will be outfitted with covert lighting and siren for emergency operation if absolutely needed in emergency situations.

ALTERNATIVES TO THIS REQUEST:

Operating with no spare vehicles in the criminal investigations division.

IMPACT OF NOT FUNDING THIS REQUEST:

Continue to be a vehicle short in CID. A detective would have to drive a marked patrol unit (if available) or their personal car when any assigned detective vehicle is down for any time.

APPROVED FOR FUNDING ✓ YES ____ NO

John Nobiitt, City Manager

PROPOSED

2026-2027 BUDGET CAPITAL REQUEST FORM

DEPARTMENT: Police

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST

THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $5,000

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: 2026 Toyota Camry

VENDOR QUOTED: Silsbee Toyota (TIPS 240901) QUOTE EXPIRATION DATE:

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [x] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [ ] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [x] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [x] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [x] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [x] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$34,851	ANNUAL CONTRACT RENEWAL	$0
DELIVERY & INSTALLATION	$525	SUPPLIES, FUEL, ETC.	$0
ALL OTHER ACQUISITION COSTS*	$5,023	ALL OTHER OPERATING COSTS*	$0
TOTAL	$40,399	TOTAL	$0

* EXPLANATION OF "OTHER" COSTS

Routine maintenance and fuel for vehicle

DOES THIS REPLACE ANY EQUIPMENT? No AGE OF ITEM BEING REPLACED? NA

WHAT IS BEING REPLACED? New vehicle for newly requested CID Sergeant Position

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

New vehicle for new CID Sergeant position being requested in this budget. Going with a lower cost sedan versus a police package Tahoe or F150 to lessen fuel expenses, maintenance and repair, and overall costs . The sedan also blends in better with normal traffic allowing for surveillance when needed. The vehicle will be outfitted with covert lighting and siren for emergency operation if absolutely needed in emergency situations.

ALTERNATIVES TO THIS REQUEST:

Operate one vehicle short in the criminal investigations division with no spare vehicles.

IMPACT OF NOT FUNDING THIS REQUEST:

If the requested CID Sergeant position is approved and funded, this vehicle would be needed to have an adequate fleet for the detectives. If the new position is funded, but the vehicle is not, the CID lieutenant would have to drive an extra marked patrol unit (if available) or their personal car daily.

APPROVED FOR FUNDING ✓ YES ____ NO

John Noblitt, City Manager

PROPOSED

2026-2027 BUDGET CAPITAL REQUEST FORM

DEPARTMENT: Police

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST

THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $5,000

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: 2026 Chevrolet Traverse LT AWD - Community Police Officer

VENDOR QUOTED: Lake Country Chevrolet (TIPS 240901) QUOTE EXPIRATION DATE:

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [x] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [ ] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [x] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [x] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [x] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [x] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$43,120	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION	$438	SUPPLIES, FUEL, ETC.	
ALL OTHER ACQUISITION COSTS*	$6,715	ALL OTHER OPERATING COSTS*	
TOTAL	$50,272	TOTAL	$0

* EXPLANATION OF "OTHER" COSTS

Emergency equipment upfitting

DOES THIS REPLACE ANY EQUIPMENT? No AGE OF ITEM BEING REPLACED? N/A

WHAT IS BEING REPLACED?

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

This vehicle is being requested for the Community Police Officer position being requested. Because this is primarily an administrative position, a traditional police patrol vehicle is not needed. Going with a mid-size civilian SUV lessens overall cost by approximately $35-40k, fuel expenses, and maintenance costs. The vehicle will be outfitted with covert lighting and siren for emergency operation if needed in emergency situations.

ALTERNATIVES TO THIS REQUEST:

Using a fully-outfitted patrol vehicle.

IMPACT OF NOT FUNDING THIS REQUEST:

Increased cost of an additional fully-outfitted patrol unit to go to patrol because this position would utilize a current patrol unit.

APPROVED FOR FUNDING ✓ YES ____ NO

John Noblitt, City Manager

PROPOSED

2026-2027 BUDGET CAPITAL REQUEST FORM

DEPARTMENT: Police

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST

THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $5,000

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: Patrol Tahoe

VENDOR QUOTED: Lake Country Chev, Defender, Stolz

QUOTE EXPIRATION DATE:

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [x] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [ ] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [x] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [x] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [x] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [x] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$57,505	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION	$600	SUPPLIES, FUEL, ETC.	
ALL OTHER ACQUISITION COSTS*	$33,140	ALL OTHER OPERATING COSTS*	
TOTAL	$91,244	TOTAL	$0

* EXPLANATION OF "OTHER" COSTS

Radio and Vehicle upfitting of emergeny and police equipment

DOES THIS REPLACE ANY EQUIPMENT? Yes

AGE OF ITEM BEING REPLACED? 10 Years

WHAT IS BEING REPLACED? 2016 Patrol Tahoe

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

Replacement of aged fleet patrol vehicle. This cost includes new radio and new radar system since older equipment has reached end of life cycle.

ALTERNATIVES TO THIS REQUEST:

Continue to operate old and outdated police patrol equipment.

IMPACT OF NOT FUNDING THIS REQUEST:

Continued rise in current vehicle maintenance costs as old parts break due to police operation of vehicles. Vehicle shortage as older units are down for longer times with more repairs.

APPROVED FOR FUNDING ✓ YES ____ NO

John Noblitt, City Manager

PROPOSED

2026-2027 BUDGET CAPITAL REQUEST FORM

DEPARTMENT: Police

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST

THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $5,000

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: Patrol Tahoe

VENDOR QUOTED: Lake Country Chev, Defender, Stolz

QUOTE EXPIRATION DATE:

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [x] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [ ] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [x] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [x] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [x] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [x] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$57,505	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION	$600	SUPPLIES, FUEL, ETC.	
ALL OTHER ACQUISITION COSTS*	$33,140	ALL OTHER OPERATING COSTS*	
TOTAL	$91,244	TOTAL	$0

* EXPLANATION OF "OTHER" COSTS

Radio and Vehicle upfitting of emergeny and police equipment

DOES THIS REPLACE ANY EQUIPMENT? Yes

AGE OF ITEM BEING REPLACED? 8 Years

WHAT IS BEING REPLACED? 2018 Patrol Tahoe

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

Replacement of aged fleet patrol vehicle. This cost includes new radio and new radar system since older equipment has reached end of life cycle.

ALTERNATIVES TO THIS REQUEST:

Continue to operate old and outdated police patrol equipment.

IMPACT OF NOT FUNDING THIS REQUEST:

Continued rise in current vehicle maintenance costs as old parts break due to police operation of vehicles. Vehicle shortage as older units are down for longer times with more repairs.

APPROVED FOR FUNDING ✓ YES ____ NO

John Nobitt, City Manager

PROPOSED

2026-2027 BUDGET CAPITAL REQUEST FORM

DEPARTMENT: Police

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST

THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $5,000

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: Patrol Tahoe

VENDOR QUOTED: Lake Country Chev, Defender, Stolz

QUOTE EXPIRATION DATE:

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [x] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [ ] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [x] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [x] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [x] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [x] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$57,505	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION	$600	SUPPLIES, FUEL, ETC.	
ALL OTHER ACQUISITION COSTS*	$33,140	ALL OTHER OPERATING COSTS*	
TOTAL	$91,244	TOTAL	$0

* EXPLANATION OF "OTHER" COSTS

Radio and Vehicle upfitting of emergeny and police equipment

DOES THIS REPLACE ANY EQUIPMENT? Yes

AGE OF ITEM BEING REPLACED? 8 Years

WHAT IS BEING REPLACED? 2018 Patrol Tahoe

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

Replacement of aged fleet patrol vehicle. This cost includes new radio and new radar system since older equipment has reached end of life cycle.

ALTERNATIVES TO THIS REQUEST:

Continue to operate old and outdated police patrol equipment.

IMPACT OF NOT FUNDING THIS REQUEST:

Continued rise in current vehicle maintenance costs as old parts break due to police operation of vehicles. Vehicle shortage as older units are down for longer times with more repairs.

APPROVED FOR FUNDING ✓ YES ____ NO

John Noblitt, City Manager

PROPOSED

2026-2027 BUDGET CAPITAL REQUEST FORM

DEPARTMENT: Police

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST

THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $5,000

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: Patrol Tahoe

VENDOR QUOTED: Lake Country Chev, Defender, Stolz

QUOTE EXPIRATION DATE:

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [x] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [ ] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [x] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [x] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [x] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [x] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$57,505	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION	$600	SUPPLIES, FUEL, ETC.	
ALL OTHER ACQUISITION COSTS*	$33,140	ALL OTHER OPERATING COSTS*	
TOTAL	$91,244	TOTAL	$0

* EXPLANATION OF "OTHER" COSTS

Radio and Vehicle upfitting of emergeny and police equipment

DOES THIS REPLACE ANY EQUIPMENT? Yes

AGE OF ITEM BEING REPLACED? 8 Years

WHAT IS BEING REPLACED? 2018 Patrol Tahoe

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

Replacement of aged fleet patrol vehicle. This cost includes new radio and new radar system since older equipment has reached end of life cycle.

ALTERNATIVES TO THIS REQUEST:

Continue to operate old and outdated police patrol equipment.

IMPACT OF NOT FUNDING THIS REQUEST:

Continued rise in current vehicle maintenance costs as old parts break due to police operation of vehicles. Vehicle shortage as older units are down for longer times with more repairs.

APPROVED FOR FUNDING ✓ YES ____ NO

John Noblitt, City Manager

PROPOSED

2026-27 BUDGET CAPITAL REQUEST FORM

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST
THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $10,000

DEPARTMENT: Fire

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: Type I Engine NTX Spartan

VENDOR QUOTED: [redacted] QUOTE EXPIRATION DATE: [redacted]

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [x] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [ ] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [ ] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [ ] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [ ] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [ ] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$1,320,500.00	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION		SUPPLIES, FUEL, ETC.	$2,300.00
ALL OTHER ACQUISITION COSTS*	$200,000.00	ALL OTHER OPERATING COSTS*	
TOTAL	$1,520,500.00	TOTAL	$2,300.00

* EXPLANATION OF "OTHER" COSTS

Cost of SCBA, hose, nozzles, Thermal Imagining camera, Rescue tools

DOES THIS REPLACE ANY EQUIPMENT? IF SO, EXPLAIN BELOW

Yes, a 1995 Spartan Apparatus

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

Replacing a 31-year-old fire apparatus is a crucial step to ensure that your fire department can meet current ISO standards and maintain the safety of the community. Since the unit has reached its life expectancy, it's no longer providing the necessary benefits under the ISO standards, which could have significant consequences for both safety and the local economy.

ALTERNATIVES TO THIS REQUEST:

Continue to use the 31 year old Engine we are currently using.

IMPACT OF NOT FUNDING THIS REQUEST:

If we cannot replace the outdated apparatus, we will continue to lose ratings on our ISO standards. This has the potential to raise insurance premiums for businesses in the area. It also has the potential to not attract new business to our local area. Also, the cost of repairs for this unit has increased since parts are not as readily available.

APPROVED FOR FUNDING ✓ YES ____ NO

John Noblitt, City Manager

PROPOSED

2026-27 BUDGET CAPITAL REQUEST FORM

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST

THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $10,000

DEPARTMENT: Fire

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: Life Pak 15 V4 and the Lucas

VENDOR QUOTED: yes

QUOTE EXPIRATION DATE: 05/25/2026

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [x] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [ ] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [ ] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [ ] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [ ] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [ ] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$148,738.80	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION		SUPPLIES, FUEL, ETC.	
ALL OTHER ACQUISITION COSTS*		ALL OTHER OPERATING COSTS*	
TOTAL	$148,738.80	TOTAL	$0.00

* EXPLANATION OF "OTHER" COSTS

DOES THIS REPLACE ANY EQUIPMENT? IF SO, EXPLAIN BELOW

yes, our two oldest LifePak and our two out of service plan LUCAS devices.

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

We need to replace the two oldest LifePak 15 cardiac monitors/defibrillators, as they are no longer covered under a serviceable manufacturer contract. Without an active service agreement, repair costs increase significantly and turnaround times may impact frontline readiness.

Additionally, our LUCAS chest compression devices have gone out of their serviceable contract this year. If any of these devices experience a software malfunction or mechanical issue, they must now be sent to a third-party vendor for repair. This process increases downtime and can delay returning critical life-saving equipment to service.

Under the ProCare service contract, the devices are fully serviceable by Stryker and can often be repaired on-site. This ensures faster turnaround, reduced operational disruption, and maintains compliance with manufacturer standards.

Maintaining reliable cardiac monitors and mechanical CPR devices is essential to life safety, operational readiness, and risk reduction for the City.

ALTERNATIVES TO THIS REQUEST:

continue using the current devices and assume the risk that they do not experience any mechanical or software failures requiring repair. However, this approach carries significant operational risk.

If a LifePak 15 monitor or LUCAS device fails while out of contract:

Repairs would likely require third-party servicing

Turnaround times could remove the unit from service for an extended period

Costs would be unpredictable and potentially higher

Frontline apparatus could be left without critical life-saving equipment

IMPACT OF NOT FUNDING THIS REQUEST:

These devices are essential for cardiac arrest management and advanced life support operations. Relying on out-of-contract equipment increases the risk of downtime, liability exposure, and potential impact to patient outcomes.

While continuing to operate the equipment without service coverage reduces immediate budget impact, it shifts the risk to operational readiness and emergency response capability.

APPROVED FOR FUNDING ✓ YES ____ NO

John Noblitt, City Manager

PROPOSED

2026-27 BUDGET CAPITAL REQUEST FORM

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST
THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $10,000

DEPARTMENT: Streets

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: 2026 Ford Super Cab F250 Flatbed

VENDOR QUOTED: Glenn Polk Autoplex

QUOTE EXPIRATION DATE: 04/12/2026

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [x] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [x] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [ ] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [ ] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [ ] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [ ] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$92,228.00	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION		SUPPLIES, FUEL, ETC.	$5,000.00
ALL OTHER ACQUISITION COSTS*		ALL OTHER OPERATING COSTS*	
TOTAL	$92,228.00	TOTAL	$5,000.00

* EXPLANATION OF "OTHER" COSTS

DOES THIS REPLACE ANY EQUIPMENT? IF SO, EXPLAIN BELOW

Yes. This truck replaces a 1999 Ford 550 flatbed that will be auctioned because we can't find replacement parts.

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

This vehicle will be used for multiple functions such as hauling coldlay while fixing potholes, transporting trailered equipment, and employee transportation.

ALTERNATIVES TO THIS REQUEST:

None

IMPACT OF NOT FUNDING THIS REQUEST:

Continue in current status.

APPROVED FOR FUNDING ✓ YES ____ NO

John Noblitt, City Manager

PROPOSED

2026-27 BUDGET CAPITAL REQUEST FORM

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST
THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $10,000

DEPARTMENT: Streets

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: 2026 Ford Super Cab F250 Flatbed

VENDOR QUOTED: Glenn Polk Autoplex

QUOTE EXPIRATION DATE: 04/12/2026

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [x] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [x] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [ ] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [ ] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [ ] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [ ] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$62,844.56	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION		SUPPLIES, FUEL, ETC.	$5,000.00
ALL OTHER ACQUISITION COSTS*		ALL OTHER OPERATING COSTS*	
TOTAL	$62,844.56	TOTAL	$5,000.00

* EXPLANATION OF "OTHER" COSTS

DOES THIS REPLACE ANY EQUIPMENT? IF SO, EXPLAIN BELOW

Yes. This truck replaces a 2005 Chevy Duramax that is out of service and scheduled to be auctioned.

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

This vehicle will be used for transporting trailered equipment, and employee transportation.

ALTERNATIVES TO THIS REQUEST:

None

IMPACT OF NOT FUNDING THIS REQUEST:

Continue in current status.

APPROVED FOR FUNDING ✓ YES ____ NO

John Noblitt, City Manager

PROPOSED

2026-27 BUDGET CAPITAL REQUEST FORM

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST
THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $10,000

DEPARTMENT: Streets

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: Equipment Storage Structure Extension

VENDOR QUOTED: Clayton Custom Services

QUOTE EXPIRATION DATE: 04/12/2026

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [ ] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [x] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [ ] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [x] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [ ] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [ ] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$64,600.00	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION		SUPPLIES, FUEL, ETC.	
ALL OTHER ACQUISITION COSTS*		ALL OTHER OPERATING COSTS*	
TOTAL	$64,600.00	TOTAL	$0.00

* EXPLANATION OF "OTHER" COSTS

DOES THIS REPLACE ANY EQUIPMENT? IF SO, EXPLAIN BELOW

No

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

This is an extension to enlarge the current equipment storage structure so that we can store current and additional equipment in a more protected environment.

ALTERNATIVES TO THIS REQUEST:

Store some of our equipment out in the open.

IMPACT OF NOT FUNDING THIS REQUEST:

Faster degradation of equipment.

APPROVED FOR FUNDING ✓ YES ____ NO

John Roblitt, City Manager

PROPOSED

2026-27 BUDGET CAPITAL REQUEST FORM

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST
THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $10,000

DEPARTMENT: Streets

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: Carmanah Solar Crosswalk Flashers

VENDOR QUOTED: Mobotrex

QUOTE EXPIRATION DATE: 4/30/2026

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [ ] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [x] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [ ] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [x] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [ ] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [ ] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	17028	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION		SUPPLIES, FUEL, ETC.	
ALL OTHER ACQUISITION COSTS*		ALL OTHER OPERATING COSTS*	
TOTAL	17028	TOTAL	0

* EXPLANATION OF "OTHER" COSTS

DOES THIS REPLACE ANY EQUIPMENT? IF SO, EXPLAIN BELOW

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

Two of these lights will be installed near Chisolm Trail Elementary, one on FM 455, and one at Serendipity/Keaton. The other two lights will be installed on 7th Street near the old 6th Grade Center.

ALTERNATIVES TO THIS REQUEST:

None

IMPACT OF NOT FUNDING THIS REQUEST:

Fund from System Maintence line item.

APPROVED FOR FUNDING ✓ YES ____ NO

John Noblitt, City Manager

PROPOSED

2026-27 BUDGET CAPITAL REQUEST FORM

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST
THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $10,000

DEPARTMENT: Streets

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: Linedriver Attachement for Striping

VENDOR QUOTED: Sherwin Williams

QUOTE EXPIRATION DATE: 04/30/2026

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [ ] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [x] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [x] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [x] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [ ] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [ ] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$15,935.00	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION		SUPPLIES, FUEL, ETC.	
ALL OTHER ACQUISITION COSTS*		ALL OTHER OPERATING COSTS*	
TOTAL	$15,935.00	TOTAL	$0.00

* EXPLANATION OF "OTHER" COSTS

DOES THIS REPLACE ANY EQUIPMENT? IF SO, EXPLAIN BELOW

No

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

This piece of equipment will be utilized when striping larger projects like Lois Road or Indian Lane that we currently contract out because of their length. It couples to the striping machine and enables the operator to "ride" while painting. It is much faster and easier than walking and pushing the striping machine while performing the work.

ALTERNATIVES TO THIS REQUEST:

None

IMPACT OF NOT FUNDING THIS REQUEST:

Continue to contract out larger jobs.

APPROVED FOR FUNDING ✓ YES ____ NO

John Noblitt, City Manager

PROPOSED

2026-27 BUDGET CAPITAL REQUEST FORM

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST
THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $10,000

DEPARTMENT: Parks & Recreation

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: 72" Zero Turn Mower

VENDOR QUOTED: United Ag & Turf QUOTE EXPIRATION DATE: 04/09/2026

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [x] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [ ] 2. PROVIDE A SAFE AND PREPARED CITY
- [x] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [ ] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [x] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [ ] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [ ] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$20,249.09	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION		SUPPLIES, FUEL, ETC.	
ALL OTHER ACQUISITION COSTS*		ALL OTHER OPERATING COSTS*	
TOTAL	$20,249.09	TOTAL	$0.00

* EXPLANATION OF "OTHER" COSTS

DOES THIS REPLACE ANY EQUIPMENT? IF SO, EXPLAIN BELOW

Yes , Two, 2015 Bobcat mowers that are no longer working.

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

The Parks Department received two 2015 Bobcat mowers from the Streets and Wastewater Treatment divisions in 2019. However, both units are aging and have proven to be unreliable. To keep one mower operational, staff have been using parts from the second unit, resulting in increased maintenance costs. At this time, both mowers are inoperable, making the replacement of at least one mower a operational need.

ALTERNATIVES TO THIS REQUEST:

NA

IMPACT OF NOT FUNDING THIS REQUEST:

If the mower is not replaced, we will need to add additional mowing areas to our contract mowing responsibilities to ensure all areas are maintained at a high standard.

APPROVED FOR FUNDING ✓ YES ____ NO

John Noblitt, City Manager

PROPOSED

2026-27 BUDGET CAPITAL REQUEST FORM

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST
THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $10,000

DEPARTMENT: Library

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: Storage Shed

VENDOR QUOTED: $9,887.00 (Discounted) $10,537 Regular QUOTE EXPIRATION DATE: 07/09/2026

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [x] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [ ] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [ ] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [x] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [ ] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [x] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$9,378.00	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION	$1,028.00	SUPPLIES, FUEL, ETC.	
ALL OTHER ACQUISITION COSTS*	$455.00	ALL OTHER OPERATING COSTS*	
TOTAL	$10,861.00	TOTAL	$0.00

* EXPLANATION OF "OTHER" COSTS

Permits and engineering costs

DOES THIS REPLACE ANY EQUIPMENT? IF SO, EXPLAIN BELOW

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

We are running out of room in the library. Our existing shed is leaking and too small to be useful. A larger shed would help us store items related to programming and library operations, freeing up valuable space within the library. We are currently using the building next door to store book sale books and furniture which may change if the building is rented out. Staff areas are cramped due to storing all these items. The public areas at times can also be cramped, and while we make every effort to have a clean appearance, it can look a bit cluttered during our busier times.

ALTERNATIVES TO THIS REQUEST:

Storing off site at another city building.

IMPACT OF NOT FUNDING THIS REQUEST:

The library will continue to struggle storing items related to programming and day to day library operations. Space will be cluttered and both public and staff areas will lose efficiencies allowing them to do their jobs.

APPROVED FOR FUNDING ✓ YES ____ NO

John Noblitt, City Manager

PROPOSED

2026-27 BUDGET CAPITAL REQUEST FORM

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST
THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $10,000

DEPARTMENT: Water

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: Cellular Communication System for Lift Stations SCADA System

VENDOR QUOTED: RLC Controls

QUOTE EXPIRATION DATE: 04/01/2026

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [ ] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [x] 2. PROVIDE A SAFE AND PREPARED CITY
- [x] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [x] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [ ] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [ ] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [ ] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$27,200.00	ANNUAL CONTRACT RENEWAL	
DELIVERY & INSTALLATION		SUPPLIES, FUEL, ETC.	
ALL OTHER ACQUISITION COSTS*	$0.00	ALL OTHER OPERATING COSTS*	$5,000.00
TOTAL	$27,200.00	TOTAL	$5,000.00

* EXPLANATION OF "OTHER" COSTS

I'm not sure how much the monthly cellular costs will be. I put $5,000 for a year of service as an estimate.

DOES THIS REPLACE ANY EQUIPMENT? IF SO, EXPLAIN BELOW

No

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

We are having a difficult time with our SCADA system being able to communicate in between our lift stations and the master location at Well 6. This communication is by line-of-sight and has progressively gotten worse as trees and other vegetation mature and block the communication pathways. We have trimmed back trees where we can, but the trees that are now causing issues are on private property.

ALTERNATIVES TO THIS REQUEST:

This is the best alternative moving forward.

IMPACT OF NOT FUNDING THIS REQUEST:

Continude reduction in SCADA communication.

APPROVED FOR FUNDING ✓ YES ____ NO

John Nobitt, City Manager

PROPOSED

2026-27 BUDGET CAPITAL REQUEST FORM

A VENDOR QUOTE MUST BE SUBMITTED FOR EACH CAPITAL REQUEST
THIS FORM IS ONLY FOR ITEMS COSTING MORE THAN $10,000

DEPARTMENT: Human Resources

SECTION A (ALL ITEMS MUST BE COMPLETED)

DESCRIPTION: DocuNav- Laserfiche Human Resources Employee Application Build

VENDOR QUOTED: CoduNav

QUOTE EXPIRATION DATE: 03/11/2027

ORGANIZATIONAL GOALS SUPPORTED BY FUNDING THIS ACQUISITION:

- [x] 1. MAINTAIN EXCELLENT, CONSERVATIVE FINANCES WHILE DELIVERING THE SERVICES DESIRED BY CITIZENS
- [ ] 2. PROVIDE A SAFE AND PREPARED CITY
- [ ] 3. IMPROVE SANGER'S BASIC INFRASTRUCTURE
- [x] 4. IMPROVE STAFF EFFICIENCY THROUGH THE USE OF TECHNOLOGY & TRAINING
- [ ] 5. IMPROVE THE VISUAL APPEARANCE OF SANGER
- [ ] 6. PROMOTE ECONOMIC DEVELOPMENT AND A DIVERSIFIED ECONOMY
- [ ] 7. PROMOTE CULTURAL AND RECREATIONAL OPPORTUNITIES FOR LOCALS AND TOURISTS

SECTION B

COST OF ACQUISITION		OPERATING BUDGET IMPACT	
PURCHASE PRICE	$13,500.00	ANNUAL CONTRACT RENEWAL	$0.00
DELIVERY & INSTALLATION		SUPPLIES, FUEL, ETC.	
ALL OTHER ACQUISITION COSTS*		ALL OTHER OPERATING COSTS*	
TOTAL	$13,500.00	TOTAL	$0.00

* EXPLANATION OF "OTHER" COSTS

N/A

DOES THIS REPLACE ANY EQUIPMENT? IF SO, EXPLAIN BELOW

Yes, This will replace the physical paper packet currently being used.

SECTION C (ALL ITEMS MUST BE COMPLETED)

PURPOSE/OBJECTIVE OF THIS REQUEST:

The purpose of this request is to implement an electronic employment application solution through DocuNav that integrates with Laserfiche. This system will allow the City to replace manual or static application processes with a structured digital form that automatically routes submissions, improves record retention, and enhances efficiency in the recruitment and hiring process. The implementation will support improved applicant accessibility, standardized data collection, and secure storage of employment records.

ALTERNATIVES TO THIS REQUEST:

Alternatives include continuing to utilize the City's existing application submission methods, such as paper forms or fillable documents submitted via email. While these methods are functional, they require manual tracking, filing, and distribution of applications, which can create inefficiencies and increase administrative workload. Without the implementation of a structured digital form through DocuNav within Laserfiche, the City will continue to rely on manual processes that do not fully leverage existing document management capabilities.

IMPACT OF NOT FUNDING THIS REQUEST:

If this request is not funded, the City will continue utilizing manual or partially digital processes for employment applications that require significant administrative oversight and manual handling of records. This can result in longer processing times, increased workload for HR staff, and potential inconsistencies in record management. Without implementing a structured digital application through DocuNav within Laserfiche, the City will not fully leverage its existing document management system to improve efficiency, accessibility, and long-term records organization.

APPROVED FOR FUNDING ✓ YES ____ NO

John Noblitt, City Manager

PROPOSED

FINANCIAL MANAGEMENT POLICY

**The Sanger City Council approved the City's Financial Management Policy on September 2, 2025*

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.

PROPOSED

3. The City Manager's budget should assume, for each fund, operating revenues that are equal to or exc 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

PROPOSED

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

PROPOSED

or any of its officers and shall report directly to the Council. Upon completion of the audit, a summary of 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

PROPOSED

   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.

PROPOSED

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.

PROPOSED

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.

PROPOSED

INVESTMENT POLICY

**The Sanger City Council approved the City's Investment Policy on September 2, 2025*

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.

PROPOSED

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.

PROPOSED

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.

PROPOSED

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 patters.

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.

PROPOSED

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.

PROPOSED

DEBT SERVICE SCHEDULES

Certificates of Obligation, Series 2007

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

Fiscal	General Fund 34%			Enterprise Fund: 66%			Total		
Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2027	44,200	1,944	46,144	85,800	3,776	89,576	130,000	5,720	135,720
Total	44,200	1,944	46,144	85,800	3,776	89,576	130,000	5,720	135,720

Certificates of Obligation, Series 2015

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

Fiscal	General Fund: 0%			Enterprise Fund: 100%			Total		
Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2027	-	-	-	320,000	132,900	452,900	320,000	132,900	452,900
Total	-	-	-	320,000	132,900	452,900	320,000	132,900	452,900

Certificates of Obligation, Series 2021A

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

Fiscal	General Fund: 0%			Enterprise Fund: 100%			Total		
Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2027	-	-	-	140,000	526,350	666,350	140,000	526,350	666,350
2028	-	-	-	135,000	523,550	658,550	135,000	523,550	658,550
2029	-	-	-	160,000	519,500	679,500	160,000	519,500	679,500
2030	-	-	-	160,000	514,700	674,700	160,000	514,700	674,700
2031	-	-	-	185,000	509,900	694,900	185,000	509,900	694,900
2032	-	-	-	260,000	504,350	764,350	260,000	504,350	764,350
2033	-	-	-	290,000	493,950	783,950	290,000	493,950	783,950
2034	-	-	-	290,000	482,350	772,350	290,000	482,350	772,350
2035	-	-	-	320,000	470,750	790,750	320,000	470,750	790,750
2036	-	-	-	370,000	457,950	827,950	370,000	457,950	827,950
2037	-	-	-	395,000	446,850	841,850	395,000	446,850	841,850
2038	-	-	-	1,620,000	435,000	2,055,000	1,620,000	435,000	2,055,000
2039	-	-	-	1,665,000	386,400	2,051,400	1,665,000	386,400	2,051,400
2040	-	-	-	1,715,000	336,450	2,051,450	1,715,000	336,450	2,051,450
2041	-	-	-	1,765,000	285,000	2,050,000	1,765,000	285,000	2,050,000
2042	-	-	-	1,820,000	232,050	2,052,050	1,820,000	232,050	2,052,050
2043	-	-	-	1,875,000	177,450	2,052,450	1,875,000	177,450	2,052,450
2044	-	-	-	1,930,000	121,200	2,051,200	1,930,000	121,200	2,051,200
2045	-	-	-	1,990,000	63,300	2,053,300	1,990,000	63,300	2,053,300
2046	-	-	-	120,000	3,600	123,600	120,000	3,600	123,600
Total	-	-	-	17,205,000	7,490,650	24,695,650	17,205,000	7,490,650	24,695,650

PROPOSED

Certificates of Obligation, Series 2021B

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

Fiscal	General Fund: 0%			Enterprise Fund: 100%			Total		
Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2027	31,800	4,341	36,141	233,200	31,833	265,033	265,000	36,174	301,174
2028	31,800	3,889	35,689	233,200	28,521	261,721	265,000	32,410	297,410
2029	33,000	3,390	36,390	242,000	24,860	266,860	275,000	28,250	303,250
2030	33,000	2,786	35,786	242,000	20,431	262,431	275,000	23,217	298,217
2031	34,200	2,149	36,349	250,800	15,761	266,561	285,000	17,910	302,910
2032	34,800	1,472	36,272	255,200	10,795	265,995	290,000	12,267	302,267
2033	34,800	741	35,541	255,200	5,436	260,636	290,000	6,177	296,177
Total	233,400	18,768	252,168	1,711,600	137,637	1,849,237	1,945,000	156,405	2,101,405

Limited Tax Notes, Series 2023A

Purpose: to purchase vehicles, equipment, real property for use by the City

Fiscal	General Fund: 100%			Enterprise Fund: 0%			Total		
Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2027	722,000	99,641	821,641	-	-	-	722,000	99,641	821,641
2028	749,000	72,428	821,428	-	-	-	749,000	72,428	821,428
2029	777,000	44,197	821,197	-	-	-	777,000	44,197	821,197
2030	806,000	14,911	820,911	-	-	-	806,000	14,911	820,911
Total	3,054,000	231,177	3,285,177	-	-	-	3,054,000	231,177	3,285,177

Certificates of Obligation, Series 2023B

Purpose: purchase of real property for use by water, wastewater, and electric improvements.

Fiscal	General Fund: 0%			Enterprise Fund: 100%			Total		
Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2027	-	-	-	-	217,056	217,056	-	217,056	217,056
2028	-	-	-	-	217,056	217,056	-	217,056	217,056
2029	-	-	-	-	217,056	217,056	-	217,056	217,056
2030	-	-	-	-	217,056	217,056	-	217,056	217,056
2031	-	-	-	130,000	217,056	347,056	130,000	217,056	347,056
2032	-	-	-	135,000	210,556	345,556	135,000	210,556	345,556
2033	-	-	-	140,000	203,806	343,806	140,000	203,806	343,806
2034	-	-	-	150,000	196,806	346,806	150,000	196,806	346,806
2035	-	-	-	155,000	189,306	344,306	155,000	189,306	344,306
2036	-	-	-	165,000	181,556	346,556	165,000	181,556	346,556
2037	-	-	-	170,000	173,306	343,306	170,000	173,306	343,306
2038	-	-	-	180,000	164,806	344,806	180,000	164,806	344,806
2039	-	-	-	190,000	155,806	345,806	190,000	155,806	345,806
2040	-	-	-	195,000	146,306	341,306	195,000	146,306	341,306
2041	-	-	-	205,000	138,506	343,506	205,000	138,506	343,506
2042	-	-	-	215,000	130,306	345,306	215,000	130,306	345,306
2043	-	-	-	220,000	121,706	341,706	220,000	121,706	341,706
2044	-	-	-	230,000	112,906	342,906	230,000	112,906	342,906
2045	-	-	-	240,000	103,706	343,706	240,000	103,706	343,706
2046	-	-	-	250,000	94,106	344,106	250,000	94,106	344,106
2047	-	-	-	260,000	84,106	344,106	260,000	84,106	344,106
2048	-	-	-	270,000	73,706	343,706	270,000	73,706	343,706
2049	-	-	-	280,000	62,906	342,906	280,000	62,906	342,906
2050	-	-	-	295,000	51,356	346,356	295,000	51,356	346,356
2051	-	-	-	305,000	39,188	344,188	305,000	39,188	344,188
2052	-	-	-	315,000	26,606	341,606	315,000	26,606	341,606
2053	-	-	-	330,000	13,613	343,613	330,000	13,613	343,613
Total	-	-	-	5,025,000	3,760,251	8,785,251	5,025,000	3,760,251	8,785,251

PROPOSED

Certificates of Obligation, Series 2023C

Purpose: purchase of real property for future development by the City.

Fiscal	General Fund: 100%			Enterprise Fund: 0%			Total		
Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2027	170,000	526,443	696,443	-	-	-	170,000	526,443	696,443
2028	180,000	518,129	698,129	-	-	-	180,000	518,129	698,129
2029	190,000	509,328	699,328	-	-	-	190,000	509,328	699,328
2030	200,000	499,827	699,827	-	-	-	200,000	499,827	699,827
2031	205,000	489,828	694,828	-	-	-	205,000	489,828	694,828
2032	220,000	479,577	699,577	-	-	-	220,000	479,577	699,577
2033	230,000	468,578	698,578	-	-	-	230,000	468,578	698,578
2034	240,000	457,078	697,078	-	-	-	240,000	457,078	697,078
2035	255,000	444,237	699,237	-	-	-	255,000	444,237	699,237
2036	265,000	430,595	695,595	-	-	-	265,000	430,595	695,595
2037	280,000	416,418	696,418	-	-	-	280,000	416,418	696,418
2038	295,000	401,438	696,438	-	-	-	295,000	401,438	696,438
2039	310,000	385,655	695,655	-	-	-	310,000	385,655	695,655
2040	330,000	368,756	698,756	-	-	-	330,000	368,756	698,756
2041	345,000	350,775	695,775	-	-	-	345,000	350,775	695,775
2042	356,000	331,973	687,973	-	-	-	356,000	331,973	687,973
2043	385,000	312,080	697,080	-	-	-	385,000	312,080	697,080
2044	405,000	291,098	696,098	-	-	-	405,000	291,098	696,098
2045	430,000	268,620	698,620	-	-	-	430,000	268,620	698,620
2046	455,000	244,755	699,755	-	-	-	455,000	244,755	699,755
2047	480,000	219,503	699,503	-	-	-	480,000	219,503	699,503
2048	505,000	192,862	697,862	-	-	-	505,000	192,862	697,862
2049	530,000	164,835	694,835	-	-	-	530,000	164,835	694,835
2050	560,000	135,420	695,420	-	-	-	560,000	135,420	695,420
2051	595,000	104,340	699,340	-	-	-	595,000	104,340	699,340
2052	625,000	71,318	696,318	-	-	-	625,000	71,318	696,318
2053	669,000	36,630	705,630	-	-	-	669,000	36,630	705,630
Total	9,710,000	9,120,096	18,830,096	-	-	-	9,710,000	9,120,096	18,830,096

General Obligation Refunding Bonds, Series 2026

Purpose: to refund certain obligations (Certificates of Obligations, Series 2015 & 2017) of the City, and professional services related thereto.

Fiscal	General Fund: 0%			Enterprise Fund: 100%			Total		
Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2027	-	-	-	290,000	535,292	825,292	290,000	535,292	825,292
2028	-	-	-	750,000	539,250	1,289,250	750,000	539,250	1,289,250
2029	-	-	-	780,000	501,750	1,281,750	780,000	501,750	1,281,750
2030	-	-	-	825,000	462,750	1,287,750	825,000	462,750	1,287,750
2031	-	-	-	865,000	421,500	1,286,500	865,000	421,500	1,286,500
2032	-	-	-	905,000	378,250	1,283,250	905,000	378,250	1,283,250
2033	-	-	-	955,000	333,000	1,288,000	955,000	333,000	1,288,000
2034	-	-	-	1,325,000	285,250	1,610,250	1,325,000	285,250	1,610,250
2035	-	-	-	1,390,000	219,000	1,609,000	1,390,000	219,000	1,609,000
2036	-	-	-	1,460,000	149,500	1,609,500	1,460,000	149,500	1,609,500
2037	-	-	-	1,530,000	76,500	1,606,500	1,530,000	76,500	1,606,500
Total	-	-	-	11,075,000	3,902,042	14,977,042	11,075,000	3,902,042	14,977,042

PROPOSED

Total Debt

Fiscal	General Fund			Enterprise Fund			Total		
Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2027	968,000	632,369	1,600,369	1,069,000	1,447,207	2,516,207	2,037,000	2,079,576	4,116,576
2028	960,800	594,446	1,555,246	1,118,200	1,308,377	2,426,577	2,079,000	1,902,823	3,981,823
2029	1,000,000	556,915	1,556,915	1,182,000	1,263,166	2,445,166	2,182,000	1,820,081	4,002,081
2030	1,039,000	517,524	1,556,524	1,227,000	1,214,937	2,441,937	2,266,000	1,732,461	3,998,461
2031	239,200	491,977	731,177	1,430,800	1,164,217	2,595,017	1,670,000	1,656,194	3,326,194
2032	254,800	481,049	735,849	1,555,200	1,103,951	2,659,151	1,810,000	1,585,000	3,395,000
2033	264,800	469,319	734,119	1,640,200	1,036,192	2,676,392	1,905,000	1,505,511	3,410,511
2034	240,000	457,078	697,078	1,765,000	964,406	2,729,406	2,005,000	1,421,484	3,426,484
2035	255,000	444,237	699,237	1,865,000	879,056	2,744,056	2,120,000	1,323,293	3,443,293
2036	265,000	430,595	695,595	1,995,000	789,006	2,784,006	2,260,000	1,219,601	3,479,601
2037	280,000	416,418	696,418	2,095,000	696,656	2,791,656	2,375,000	1,113,074	3,488,074
2038	295,000	401,438	696,438	1,800,000	599,806	2,399,806	2,095,000	1,001,244	3,096,244
2039	310,000	385,655	695,655	1,855,000	542,206	2,397,206	2,165,000	927,861	3,092,861
2040	330,000	368,756	698,756	1,910,000	482,756	2,392,756	2,240,000	851,512	3,091,512
2041	345,000	350,775	695,775	1,970,000	423,506	2,393,506	2,315,000	774,281	3,089,281
2042	356,000	331,973	687,973	2,035,000	362,356	2,397,356	2,391,000	694,329	3,085,329
2043	385,000	312,080	697,080	2,095,000	299,156	2,394,156	2,480,000	611,236	3,091,236
2044	405,000	291,098	696,098	2,160,000	234,106	2,394,106	2,565,000	525,204	3,090,204
2045	430,000	268,620	698,620	2,230,000	167,006	2,397,006	2,660,000	435,626	3,095,626
2046	455,000	244,755	699,755	370,000	97,706	467,706	825,000	342,461	1,167,461
2047	480,000	219,503	699,503	260,000	84,106	344,106	740,000	303,609	1,043,609
2048	505,000	192,862	697,862	270,000	73,706	343,706	775,000	266,568	1,041,568
2049	530,000	164,835	694,835	280,000	62,906	342,906	810,000	227,741	1,037,741
2050	560,000	135,420	695,420	295,000	51,356	346,356	855,000	186,776	1,041,776
2051	595,000	104,340	699,340	305,000	39,188	344,188	900,000	143,528	1,043,528
2052	625,000	71,318	696,318	315,000	26,606	341,606	940,000	97,924	1,037,924
2053	669,000	36,630	705,630	330,000	13,613	343,613	999,000	50,243	1,049,243
Total	13,041,600	9,371,985	22,413,585	35,422,400	15,427,256	50,849,656	48,464,000	24,799,241	73,263,241

PROPOSED

STANDARD & POORS RATING REPORT

S&P Global
Ratings

RatingsDirect®

Sanger, TX Series 2026 GO Bonds Rated 'AA+'; Outlook Stable

March 2, 2026

- S&P Global Ratings assigned its 'AA+' long-term rating to the City of Sanger, Texas' anticipated $10.9 million series 2026 general obligation (GO) refunding bonds.
- We also affirmed our 'AA+' rating on the city's existing GO debt.
- The outlook is stable.

ENGLEWOOD (S&P Global Ratings) March 2, 2026--S&P Global Ratings today took the rating actions listed above.

The rating incorporates our view of Sanger's environmental, social, and governance risks relative to the city's economy, management, financial measures, and debt and liability profile, which we view as neutral to our credit analysis. We understand the city also maintains an electric storm recovery fund and general storm recovery fund, funded to a combined $1.7 million.

The stable outlook reflects our expectation that Sanger will continue to manage its budget to support growth-driven operating and capital needs while maintaining reserves significantly above its reserve policy.

We could lower the rating if budgetary performance were to experience sustained imbalance, leading to significantly deteriorated reserves below the city's long-term goal of 25% of expenditures.

Although unlikely during the two-year outlook period, we could raise the rating if ongoing economic expansion were to improve income and property values to levels we consider in line with those of higher-rated peers.

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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 https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/504352. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings referenced herein can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.

The City of Sanger was assigned a rating of AA+/Stable upon the issuance of the series 2026 GO refunding bonds.

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Sanger, TX Series 2026 GO Bonds Rated 'AA+'; Outlook Stable

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2026 TAX RATE CALCULATION WORKSHEET

2026 Tax Rate Calculation Worksheet
Taxing Units Other Than School Districts or Water Districts

Form 50-856

CITY OF SANGER
Taxing Unit Name

Phone *(area code and number)*

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

Taxing Unit's Website Address

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

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

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

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

Taxing units must include a hyperlink to a document that evidences the accuracy of each entry in the worksheet other than an entry making a mathematical calculation.[1] Source materials must contain data for all worksheets used, including supplemental worksheets.

Insert hyperlink:

https://www.dentoncounty.gov/DocumentCenter/Index/855

SECTION 1: No-New-Revenue Tax Rate

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

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

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

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	**Prior year total taxable value.** Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17).[2]	$ 1,409,859,795
2.	**Prior year tax ceilings.** Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step.[3]	$ 0
3.	**Preliminary prior year adjusted taxable value.** Subtract Line 2 from Line 1.	$ 1,409,859,795
4.	**Prior year total adopted tax rate.**	$ 0.689747 /$100
5.	**Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value.**	
	A. **Original prior year ARB values:** $ 53,028,930	
	B. **Prior year values resulting from final court decisions:** - $ 47,754,204	
	C. **Prior year value loss.** Subtract B from A.[4]	$ 5,274,726

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

[1] Tex. Tax Code §§5.07(g)(4) and 26.04(d-1)
[2] Tex. Tax Code §26.012(14)
[3] Tex. Tax Code §26.012(14)
[4] Tex. Tax Code §26.012(13)

Form developed by: Texas Comptroller of Public Accounts, Property Tax Assistance Division

For additional copies, visit: comptroller.texas.gov/taxes/property-tax

50-856 • 5-26/15

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2026 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts — Form 50-856

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
6.	**Prior year taxable value subject to an appeal under Chapter 42, as of July 25.** A. **Prior year ARB certified value:** $ 12,867,394 B. **Prior year disputed value:** - $ 2,573,479 C. **Prior year undisputed value.** Subtract B from A.[5]	$ 10,293,915
7.	**Prior year Chapter 42 related adjusted values.** Add Line 5C and Line 6C.	$ 15,568,641
8.	**Prior year taxable value, adjusted for actual and potential court-ordered adjustments.** Add Line 3 and Line 7.	$ 1,425,428,436
9.	**Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1 of the prior year.** Enter the prior year value of property in deannexed territory.[6]	$ 0
10.	**Prior year taxable value lost because property first qualified for an exemption in the current year.** If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. A. **Absolute exemptions.** Use prior year market value: $ 260,205 B. **Partial exemptions.** Current year exemption amount or current year percentage exemption times prior year value: + $ 14,044,608 C. **Value loss.** Add A and B.[7]	$ 14,304,813
11.	**Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/ scenic appraisal or public access airport special appraisal in the current year.** Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. A. **Prior year market value:** $ 0 B. **Current year productivity or special appraised value:** - $ 0 C. **Value loss.** Subtract B from A.[8]	$ 0
12.	**Total adjustments for lost value.** Add Lines 9, 10C and 11C.	$ 14,304,813
13.	**Prior year captured value of property in a TIF.** Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund.[9] If the taxing unit has no captured appraised value in line 18D, enter 0.	$ 0
14.	**Prior year total value.** Subtract Line 12 and Line 13 from Line 8.	$ 1,411,123,623
15.	**Adjusted prior year total levy.** Multiply Line 4 by Line 14 and divide by $100.	$ 9,733,182
16.	**Taxes refunded for years preceding the prior tax year.** Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year.[10]	$ 21,096
17.	**Adjusted prior year levy with refunds.** Add Lines 15 and 16.[11]	$ 9,754,278

PROPOSED

[5] Tex. Tax Code §26.012(13)
[6] Tex. Tax Code §26.012(15)
[7] Tex. Tax Code §26.012(15)
[8] Tex. Tax Code §26.012(15)
[9] Tex. Tax Code §26.03(c)
[10] Tex. Tax Code §26.012(13)
[11] Tex. Tax Code §26.012(13) and (15)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
18.	**Total current year taxable value on the current year certified appraisal roll today.** This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. [12] **A. Certified values:** $ 1,481,171,899 **B. Counties:** Include railroad rolling stock values certified by the Comptroller's office: + $ 0 **C. Pollution control and energy storage system exemption:** Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - $ 0 **D. Tax increment financing:** Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment reinvestment zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 24 below. [13] Adjustments to the taxable value must be calculated separately for each reinvestment zone using Form 50-110.[14] Enter the total from Form 50-110 - $ 0 **E. Total current year value.** Add A and B, then subtract C and D.	$ 1,481,171,899
19.	**Total value of properties under protest or not included on certified appraisal roll.** [15] **A. Current year taxable value of properties under protest.** The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. [16] $ 10,135,080 **B. Current year value of properties not under protest or included on certified appraisal roll.** The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. [17] + $ 0 **C. Total value under protest or not certified.** Add A and B.	$ 10,135,080
20.	**Current year tax ceilings.** Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step.[18]	$ 0
21.	**Anticipated contested value.** Affected taxing units enter the contested taxable value for all property that is subject to anticipated substantial litigation. [19] An affected taxing unit is wholly or partly located in a county that has a population of less than 500,000 and is located on the Gulf of Mexico.[20] If completing this line, the taxing unit must include supporting documentation in Section 9.[21] Taxing units that are not affected, enter 0.	$ 0
22.	**Current year total taxable value.** Add Lines 18E and 19C, then subtract Lines 20 and 21.[22]	$ 1,491,306,979
23.	**Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year.** Include both real and personal property. Enter the current year value of property in territory annexed. [23]	$ 0
24.	**Total current year taxable value of new improvements and new personal property located in new improvements.** New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements **do** include property on which a tax abatement agreement has expired for the current year. [24]	$ 70,609,686

[12] Tex. Tax Code §§26.012(6) and 26.04(c-2)
[13] Tex. Tax Code §26.03(c)
[14] Tex. Tax Code §26.03(e)
[15] Tex. Tax Code §26.01(c) and (d)
[16] Tex. Tax Code §26.01(c)
[17] Tex. Tax Code §26.01(d)
[18] Tex. Tax Code §26.012(6)(B)
[19] Tex. Tax Code §§26.012(6)(C) and 26.012(1-b)
[20] Tex. Tax Code §26.012(1-a)
[21] Tex. Tax Code §26.04(d-3)
[22] Tex. Tax Code §26.012(6)
[23] Tex. Tax Code §26.012(17)
[24] Tex. Tax Code §26.012(17)

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Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
25.	**Total adjustments to the current year taxable value.** Add Lines 23 and 24.	$ 70,609,686
26.	**Adjusted current year taxable value.** Subtract Line 25 from Line 22.	$ 1,420,697,293
27.	**Current year NNR tax rate.** Divide Line 17 by Line 26 and multiply by $100.[25]	$ 0.686583 /$100
28.	**COUNTIES ONLY.** Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate.[26]	$ /$100

Voter Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the tax rate. The type of taxing unit will determine the rate components that apply to a taxing units' overall voter-approval tax rate.

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

SECTION 2: Maintenance and Operations (M&O) and Debt Tax Rate Worksheet

This section calculates two components of the voter-approval tax rate:

1. **Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
2. **Debt Rate:** The debt rate includes the minimum dollar amount required to be paid toward debt service for the current year.[27] This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

Line	M&O and Debt Tax Rate Worksheet	Amount/Rate
29.	**Prior year M&O tax rate.** Enter the prior year M&O tax rate.	$ 0.573485 /$100
30.	**Prior year taxable value, adjusted for actual and potential court-ordered adjustments.** Enter the amount in Line 8 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,425,428,436
31.	**Total prior year M&O levy.** Multiply Line 29 by Line 30 and divide by $100.	$ 8,174,618
32.	**Adjusted prior year levy for calculating NNR M&O rate.** **A. M&O taxes refunded for years preceding the prior tax year.** Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2025. This line applies only to tax years preceding the prior tax year. + $ 17,397 **B. Prior year taxes in TIF.** Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0. – $ 0 **C. Prior year transferred function.** If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- $ 0 **D. Prior year M&O levy adjustments.** Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. $ 17,397 **E.** Add Line 31 to 32D.	$ 8,192,015
33.	**Adjusted current year taxable value.** Enter the amount in Line 26 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,420,697,293
34.	**Current year NNR M&O rate (unadjusted).** Divide Line 32E by Line 33 and multiply by $100.	$ 0.576619 /$100

[25] Tex. Tax Code §26.04(c)
[26] Tex. Tax Code §26.04(d)
[27] Tex. Tax Code §26.012(3)

PROPOSED

Line	M&O and Debt Tax Rate Worksheet	Amount/Rate
35.	**Rate adjustment for state criminal justice mandate.** [28]	
	A. Current year state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. $ 0	
	B. Prior year state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. – $ 0	
	C. Subtract B from A and divide by Line 33 and multiply by $100. $ 0.000000 /$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.	$ 0.000000 /$100
36.	**Rate adjustment for indigent health care expenditures.** [29]	
	A. Current year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose. $ 0	
	B. Prior year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2024 and ending on June 30, 2025, less any state assistance received for the same purpose. – $ 0	
	C. Subtract B from A and divide by Line 33 and multiply by $100. $ 0.000000 /$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.	$ 0.000000 /$100
37.	**Rate adjustment for county indigent defense compensation.** [30]	
	A. Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30,of the current tax year, less any state grants received by the county for the same purpose. $ 0	
	B. Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2024 and ending on June 30, 2025, less any state grants received by the county for the same purpose. $ 0	
	C. Subtract B from A and divide by Line 33 and multiply by $100. $ 0.000000 /$100	
	D. Multiply B by 0.05 and divide by Line 33 and multiply by $100. $ 0.000000 /$100	
	E. Enter the lesser of C and D. If not applicable, enter 0.	$ 0.000000 /$100
38.	**Rate adjustment for county hospital expenditures.** [31]	
	A. Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year. $ 0	
	B. Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2024 and ending on June 30, 2025. $ 0	
	C. Subtract B from A and divide by Line 33 and multiply by $100. $ 0.000000 /$100	
	D. Multiply B by 0.08 and divide by Line 33 and multiply by $100. $ 0.000000 /$100	
	E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.	$ 0.000000 /$100

PROPOSED

[28] Tex. Tax Code §26.044
[29] Tex. Tax Code §26.0441
[30] Tex. Tax Code §26.0442
[31] Tex. Tax Code §26.0443

Line	M&O and Debt Tax Rate Worksheet	Amount/Rate
39.	**Rate adjustment for defunding municipality.** This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information. **A.** **Amount appropriated for public safety in the prior year.** Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year. ..... $ 0 **B.** **Expenditures for public safety in the prior year.** Enter the amount of money spent by the municipality for public safety during the preceding fiscal year ..... $ 0 **C.** Subtract B from A and divide by Line 33 and multiply by $100 ..... $ 0.000000 /$100 **D.** Enter the rate calculated in C. If not applicable, enter 0.	$ 0.000000 /$100
40.	**Adjusted current year NNR M&O rate.** Add Lines 34, 35D, 36D, 37E, and 38E. Subtract Line 39D.	$ 0.576619 /$100
41.	**Adjustment for prior year sales tax specifically to reduce property taxes.** Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero. **A.** Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent ..... $ 0 **B.** Divide Line 41A by Line 33 and multiply by $100 ..... $ 0.000000 /$100 **C.** Add Line 41B to Line 40.	$ 0.576619 /$100
42.	**Current year voter-approval M&O rate.** Enter the rate as calculated by the appropriate scenario below. **Special Taxing Unit.** If the taxing unit qualifies as a special taxing unit, multiply Line 41C by 1.08. **- or -** **Other Taxing Unit.** If the taxing unit does not qualify as a special taxing unit, multiply Line 41C by 1.035.	$ 0.596800 /$100
D42.	***Disaster Line 42 (D42):* Current year voter-approval M&O rate for taxing unit affected by disaster declaration.** [32] If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate a rate equal to the lesser of: **A.** The voter-approval tax rate calculated in the manner provided for a special taxing unit. Multiply line 41C by 1.08 [33] ..... $ 0.000000 /$100 **- or -** **B.** The voter-approval M&O tax rate calculated in the manner provided for a taxing unit other than a special taxing unit plus the disaster relief rate. [34] Complete Section 5 through Line 68 to complete D42(B). a. Enter the **disaster relief cost.** ..... $ 0 b. **Disaster relief rate.** Divide Line D42(B)(a) by Line 26 and multiply by 100 ..... $ 0.000000 /$100 c. Add Line D42(B)(b) to Line 42. ..... $ 0.000000 /$100 d. Enter the **current year unused increment rate** from Line 68 ..... $ 0.000000 /$100 e Add Line D42(c) to Line D42(d). ..... $ 0.000000 /$100 The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of: 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred; or 2) the third tax year after the tax year in which the disaster occurred. **C.** Enter Line D42(A) if less than Line D42(B)(e). If Line D42(B)(e) is less than line D42(A), enter Line D42(B)(c). [35] If the taxing unit does not qualify, do not complete Disaster Line 42 (Line D42).	$ 0.000000 /$100

[32] Tex. Tax Code §26.042
[33] Tex. Tax Code §26.042(a-2)(1)
[34] Tex. Tax Code §§26.042(a-1) and 26.042(a-2)(2)
[35] Tex. Tax Code §26.042(a-2)

PROPOSED

Line	M&O and Debt Tax Rate Worksheet	Amount/Rate
43.	**Total current year debt to be paid with property taxes and additional sales tax revenue.** Debt means the interest and principal that will be paid on debts that: **(1)** are paid by property taxes; **(2)** are secured by property taxes; **(3)** are scheduled for payment over a period longer than one year; and **(4)** are not classified in the taxing unit's budget as M&O expenses. **A. Debt** also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. [36] Enter debt amount ..... $ 1,602,118 **B.** Subtract **unencumbered fund amount** used to reduce total debt. ..... – $ 10,000 **C.** Subtract **certified amount spent from sales tax to reduce debt** (enter zero if none) ..... – $ 0 **D.** Subtract **amount paid** from other resources ..... – $ 0 **E. Adjusted debt.** Subtract B, C and D from A.	$ 1,592,118
44.	**Certified prior year excess debt collections.** Enter the amount certified by the collector. [37]	$ 3,452
45.	**Adjusted current year debt.** Subtract Line 44 from Line 43E.	$ 1,588,666
46.	**Current year anticipated collection rate.** **A.** Enter the current year anticipated collection rate certified by the collector. [38] ..... 100.00 % **B.** Enter the prior year actual collection rate ..... 100.23 % **C.** Enter the 2024 actual collection rate. ..... 98.80 % **D.** Enter the 2023 actual collection rate. ..... 100.55 % **E.** If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. [39]	100.00 %
47.	**Current year debt adjusted for collections.** Divide Line 45 by Line 46E.	$ 1,588,666
48.	**Current year total taxable value.** Enter the amount on Line 22 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,491,306,979
49.	**Current year debt rate.** Divide Line 47 by Line 48 and multiply by $100.	$ 0.106528 /$100
50.	**Current year voter-approval M&O rate plus current year debt rate.** Add Lines 42 and 49.	$ 0.703328 /$100
D50.	***Disaster Line 50 (D50):* Current year voter-approval M&O and debt tax rate for taxing unit affected by disaster declaration.** Complete this line if the taxing unit calculated the voter-approval M&O tax rate in the manner provided by Line D42. Add Line D42(C) and 49.	$ 0.000000 /$100
51.	**COUNTIES ONLY.** Add together the voter-approval M&O and debt tax rates for each type of tax the county levies. The total is the current year county voter-approval M&O and debt tax rate.	$ /$100

PROPOSED

[36] Tex. Tax Code §26.012(7)
[37] Tex. Tax Code §§26.012(10) and 26.04(b)
[38] Tex. Tax Code §26.04(b)
[39] Tex. Tax Code §26.04(h), (h-1) and (h-2)

SECTION 3: Adjustments for Additional Sales Tax to Reduce Property Taxes

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

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

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
52.	**Taxable Sales.** For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters.[40] Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	$ 0
53.	**Estimated sales tax revenue.** Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue.[41] **Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year.** Multiply the amount on Line 52 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95.[42] **- or -** **Taxing units that adopted the sales tax before November of the prior year.** Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	$ 0
54.	**Current year total taxable value.** Enter the amount from Line 22 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,491,306,979
55.	**Sales tax adjustment rate.** Divide Line 53 by Line 54 and multiply by $100.	$ 0.000000 /$100
56.	**Current year NNR tax rate, unadjusted for sales tax.**[43] Enter the rate from Line 27 or 28, as applicable, on the *No-New-Revenue Tax Rate Worksheet.*	$ 0.686583 /$100
57.	**Current year NNR tax rate, adjusted for sales tax.** **Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year.** Subtract Line 55 from Line 56. Skip to Line 58 if you adopted the additional sales tax before November of the prior tax year.	$ 0.686583 /$100
58.	**Current year voter-approval tax rate, unadjusted for sales tax.**[44] Enter the rate from Line 50, Line D50 (disaster) or Line 51 (counties) as applicable, of the *M&O and Debt Tax Rate Worksheet.*	$ 0.703328 /$100
59.	**Current year voter-approval tax rate, adjusted for sales tax.** Subtract Line 55 from Line 58.	$ 0.703328 /$100

SECTION 4: Adjustment for Pollution Control

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

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

Line	Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
60.	**Certified expenses from the Texas Commission on Environmental Quality (TCEQ).** Enter the amount certified in the determination letter from TCEQ.[45] The taxing unit shall provide its tax assessor-collector with a copy of the letter.[46]	$ 0
61.	**Current year total taxable value.** Enter the amount from Line 22 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,491,306,979
62.	**Additional rate for pollution control.** Divide Line 60 by Line 61 and multiply by $100.	$ 0.000000 /$100
63.	**Current year voter-approval tax rate, adjusted for pollution control.** Add Line 62 to one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties) or Line 59 (taxing units with the additional sales tax).	$ 0.703328 /$100

[40] Tex. Tax Code §26.041(d)
[41] Tex. Tax Code §26.041(i)
[42] Tex. Tax Code §26.041(d)
[43] Tex. Tax Code §26.04(c)
[44] Tex. Tax Code §26.04(c)
[45] Tex. Tax Code §26.045(d)
[46] Tex. Tax Code §26.045(i)

PROPOSED

SECTION 5: Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value.[47] The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value.[48]

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

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042;[49]
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);[50] or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.[51]

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.[52]

Line	Unused Increment Rate Worksheet	Amount/Rate
64.	**Year 3 Foregone Revenue Amount. Subtract the 2025 unused increment rate and 2025 actual tax rate from the 2025 voter-approval tax rate. Multiply the result by the 2025 current total value**	
	A. Voter-approval tax rate (Line 69)	$ 0.691010 /$100
	B. Unused increment rate (Line 68)	$ 0.000000 /$100
	C. Subtract B from A	$ 0.691010 /$100
	D. Adopted Tax Rate	$ 0.689747 /$100
	E. Subtract D from C	$ 0.001263 /$100
	F. 2025 Total Taxable Value (Line 61)	$ 1,431,000,299
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero.	$ 18,073
65.	**Year 2 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value**	
	A. Voter-approval tax rate (Line 68)	$ 0.681570 /$100
	B. Unused increment rate (Line 67)	$ 0.000000 /$100
	C. Subtract B from A	$ 0.681570 /$100
	D. Adopted Tax Rate	$ 0.689747 /$100
	E. Subtract D from C	$ -0.008177 /$100
	F. 2024 Total Taxable Value (Line 60)	$ 1,373,144,623
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero.	$ 0
66.	**Year 1 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value**	
	A. Voter-approval tax rate (Line 67)	$ 0.669136 /$100
	B. Unused increment rate (Line 66)	$ 0.000000 /$100
	C. Subtract B from A	$ 0.669136 /$100
	D. Adopted Tax Rate	$ 0.689747 /$100
	E. Subtract D from C	$ -0.020611 /$100
	F. 2023 Total Taxable Value (Line 60)	$ 1,285,880,641
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero.	$ 0
67.	**Total Foregone Revenue Amount.** Add Lines 64G, 65G and 66G	$ 18,073
68.	**2026 Unused Increment Rate.** Divide Line 67 by Line 22 of the *No-New-Revenue Rate Worksheet*. Multiply the result by 100	$ 0.001211 /$100
69.	**Total 2026 voter-approval tax rate.** Add Line 68 to one of the following lines (as applicable): Line 50, Line D50 (only if Line D42(B) was used), Line 51 (counties), Line 59 (taxing units with additional sales tax) or Line 63 (taxing units with pollution)	$ 0.704539 /$100

[47] Tex. Tax Code §26.013(b)
[48] Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)
[49] Tex. Tax Code §§26.04(c)(2)(A) and 26.042(a)
[50] Tex. Tax Code §26.0501(a) and (c)
[51] Tex. Local Gov't Code §120.007(d)
[52] Tex. Local Gov't Code §26.04(c)(2)(B)

PROPOSED

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise $500,000, and the current debt rate for a taxing unit. [53]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [54]

Line	De Minimis Rate Worksheet	Amount/Rate
70.	**Adjusted current year NNR M&O tax rate.** Enter the rate from Line 40 of the *M&O and Debt Tax Rate Worksheet.*	$ 0.576619 /$100
71.	**Current year total taxable value.** Enter the amount on Line 22 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,491,306,979
72.	**Rate necessary to impose $500,000 in taxes.** Divide $500,000 by Line 71 and multiply by $100.	$ 0.033527 /$100
73.	**Current year debt rate.** Enter the rate from Line 49 of the *M&O and Debt Tax Rate Worksheet.*	$ 0.106528 /$100
74.	**De minimis rate.** Add Lines 70, 72 and 73.	$ 0.716674 /$100

SECTION 7: Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year. [55]

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

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

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

Line	Emergency Revenue Rate Worksheet	Amount/Rate
75.	**2025 adopted tax rate.** Enter the rate in Line 4 of the *No-New-Revenue Tax Rate Worksheet.*	$ 0.689747 /$100
76.	**Adjusted 2025 voter-approval tax rate.** Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. [56] If a disaster occurred in 2025 and the taxing unit calculated its 2025 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 42 (D42) of the 2025 worksheet due to a disaster, complete the applicable sections or lines of *Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet.* **- or -** If a disaster occurred prior to 2025 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 42 (D42) in 2025, complete form 50-856-a, *Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet* to recalculate the voter-approval tax rate the taxing unit would have calculated in 2025 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. [57] Enter the final adjusted 2025 voter-approval tax rate from the worksheet.	$ 0.000000 /$100
77.	**Increase in 2025 tax rate due to disaster.** Subtract Line 76 from Line 75.	$ 0.000000 /$100
78.	**Adjusted 2025 taxable value.** Enter the amount in Line 14 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,411,123,623
79.	**Emergency revenue.** Multiply Line 77 by Line 78 and divide by $100.	$ 0
80.	**Adjusted current year taxable value.** Enter the amount in Line 26 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,420,697,293
81.	**Emergency revenue rate.** Divide Line 79 by Line 80 and multiply by $100. [58]	$ 0.000000 /$100
82.	**Current year voter-approval tax rate, adjusted for emergency revenue.** Subtract Line 81 from one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (taxing units with the additional sales tax), Line 63 (taxing units with pollution control) or Line 69 (taxing units with the unused increment rate).	$ 0.704539 /$100

[53] Tex. Tax Code §26.012(8-a)
[54] Tex. Tax Code §26.063(a)(1)
[55] Tex. Tax Code §26.042(b)
[56] Tex. Tax Code §26.042(c)
[57] Tex. Tax Code §26.042(b)
[58] Tex. Tax Code §26.042(b)

PROPOSED

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. ..... $ 0.686583 /$100
As applicable, enter the current year NNR tax rate from: Line 27, Line 28 (counties), or Line 57 (adjusted for sales tax).

Indicate the line number used: 27.000

Voter-approval tax rate. ..... $ 0.704539 /$100
As applicable, enter the current year voter-approval tax rate from: Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (adjusted for sales tax), Line 63 (adjusted for pollution control), Line 69 (adjusted for unused increment), or Line 82 (adjusted for emergency revenue).

Indicate the line number used: 69

De minimis rate. ..... $ 0.716674 /$100
If applicable, enter the current year de minimis rate from Line 74.

SECTION 9: Addendum

An affected taxing unit that enters an amount described by Tax Code Section 26.012(6)(C) in line 21 must include the following as an addendum:

1. Documentation that supports the exclusion of value under Tax Code Section 26.012(6)(C); and
2. Each statement submitted to the designated officer or employee by the property owner or entity as required by Tax Code Section 41.48(c)(2) for that tax year.

Insert hyperlinks to supporting documentation:

SECTION 10: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.[59]

print here

Printed Name of Taxing Unit Representative

sign here

Taxing Unit Representative Date

PROPOSED

[59] Tex. Tax Code §26.04(c-2) and (d-2)

Notice About 2026 Tax Rates

Property tax rates in CITY OF SANGER.

This notice concerns the 2026 property tax rates for CITY OF SANGER. This notice provides information about two tax rates used in adopting the current tax year's tax rate. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. In most cases, the voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per $100 of property value.

This year's no-new-revenue tax rate	$0.686583/$100
This year's voter-approval tax rate	$0.704539/$100

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

Unencumbered Fund Balance

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

Type of Fund	Balance
GENERAL FUND	17,286,349
DEBT SERVICE FUND	305,158

Current Year Debt Service

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

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
CERTIFICATES OF OBLIGATION, SERIES 2007	44,200	1,944	0	46,144
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021B	31,800	4,340	0	36,140
LIMITED TAX NOTES, SERIES 2023A	722,000	99,641	0	821,641
CERTIFICATES OF OBLIGATION, SERIES 2023C TAXABLE BOND	170,000	526,443	0	696,443
ADMINISTRATION FEES	0	0	1,750	1,750

Total required for 2026 debt service	$1,602,118
- Amount (if any) paid from funds listed in unencumbered funds	$10,000
- Amount (if any) paid from other resources	$0
- Excess collections last year	$3,452
= Total to be paid from taxes in 2026	$1,588,666
+ Amount added in anticipation that the unit will collect only 100.00% of its taxes in 2026	$0
= Total debt levy	$1,588,666

This notice contains a summary of actual no-new-revenue and voter-approval calculations as certified by Dawn Waye, Denton County Tax Assessor/Collector on 07/27/2026 .

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

PROPOSED

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

PROPOSED

GLOSSARY OF TERMS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CIP
Acronym for Capital Improvement Plan.

PROPOSED

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

DATCU
Acronym for Denton Area Teachers Credit Union.

Debt Service
Payment of interest and repayment of principle to holders of a government's debt instruments.

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

DFW
Acronym for The Dallas - Fort Worth area.

EMS
Acronym for Emergency Medical Services.

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

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

ERCOT
Acronym for Electric Reliability Council of Texas.

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

FM
Designation for Farm to Market road.

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

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

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

FY
Acronym for Fiscal Year.

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

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

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

PROPOSED

GFOA
Acronym for the Government Finance Officers Association. Founded in 1906, GFOA represents public finance officials throughout the United States and Canada. The association's more than 20,000 members are federal, state/provincial, and local finance officials deeply involved in planning, financing, and implementing thousands of governmental operations in each of their jurisdictions. GFOA's mission is to advance excellence in public finance.

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 & Investme Funds are internal service funds.

MICU
Acronym for Mobile Intensive Care Unit.

M&O
Acronym for Maintenance & Operations

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

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

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

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

P&Z
Acronym for Planning & Zoning.

PROPOSED

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

R&M
Acronym for Repairs & Maintenance.

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

SCBA
Self-contained Breathing Apparatus

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

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

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

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

TBD
Acronym for To Be Determined.

TXDOT Acronym for Texas Department of Transportation.

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

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

WW
Acronym for Waste Water.

WWTP
Abbreviation for Waste Water Treatment Plant.

PROPOSED

PROPOSED

SANGER CITY COUNCIL COMMUNICATION

DATE: August 10, 2026

FROM: Clayton Gray, Chief Financial Officer

AGENDA ITEM: Conduct a public hearing for the City of Sanger's proposed property tax rate.

SUMMARY:

- For fiscal year 2026-2027, the City if proposing a property tax rate of $0.689747 per $100 of valuation. This rate is unchanged from the current (2025-2026 year) property tax rate.
- The following tax rates were presented to City Council on August 3, 2026
  - No New Revenue Rate $0.686583 / $100 valuation
  - Voter Approval Rate $0.704539 / $100 valuation
  - De Minimis Rate $0.716674 / $100 valuation
- Notice of a public hearing was published in the Denton Record-Chronicle and posted on the City's website.

FISCAL INFORMATION:

Budgeted: N/A Amount: N/A GL Account: N/A

RECOMMENDED MOTION OR ACTION:

- **The City Council is required to announce at the public hearing the date, time, and place of the meeting at which it will vote on the proposed tax rate.** This vote is scheduled for Monday, August 17, 2026 at 7:00 PM.

ATTACHMENTS:

- Notice of public hearing on tax rate
- 2026 Tax Rate Calculation Worksheet

NOTICE OF PUBLIC HEARING ON TAX INCREASE

A tax rate of $0.689747 per $100 valuation has been proposed by the governing body of CITY OF SANGER.

PROPOSED TAX RATE	$0.689747 per $100
NO-NEW-REVENUE TAX RATE	$0.686583 per $100
VOTER-APPROVAL TAX RATE	$0.704539 per $100

The no-new-revenue tax rate is the tax rate for the 2026 tax year that will raise the same amount of property tax revenue for CITY OF SANGER from the same properties in both the 2025 tax year and the 2026 tax year.

The voter-approval rate is the highest tax rate that CITY OF SANGER may adopt without holding an election to seek voter approval of the rate.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that CITY OF SANGER is proposing to increase property taxes for the 2026 tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON August 10, 2026 AT 7:00 PM AT 403 N 7th Street, Sanger, TX 76266.

The proposed tax rate is not greater than the voter-approval tax rate. As a result, CITY OF SANGER is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the Sanger City Council of CITY OF SANGER at their offices or by attending the public hearing mentioned above.

YOUR TAXES OWED UNDER ANY OF THE RATES MENTIONED ABOVE CAN BE CALCULATED AS FOLLOWS:

Property tax amount= (tax rate) x (taxable value of your property)/100

FOR the proposal:	Mark Bulger	Josh Burrus
	Margie Tisdale	Victor Gann
AGAINST the proposal:	None	
PRESENT and not voting:	Mayor Gary Bileu (only votes in case of a tie)	
ABSENT:	Marissa Newton	

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

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by CITY OF SANGER last year to the taxes proposed to be imposed on the average residence homestead by CITY OF SANGE

this year.

	2025	2026	Change
Total tax rate (per $100 of value)	$0.689747	$0.689747	increase of 0.000000 per $100, or 0.00%
Average homestead taxable value	$294,826	$282,633	decrease of $-4.14%
Tax on average homestead	$2,033.55	$1,949.45	decrease of $-84.10, or -4.14%
Total tax levy on all properties	$9,852,946	$10,286,245	increase of $433,299, or 4.40%

For assistance with tax calculations, please contact the tax assessor for CITY OF SANGER at 940-458-7930 or , or visit www.sangertexas.org for more information.

2026 Tax Rate Calculation Worksheet
Taxing Units Other Than School Districts or Water Districts

Form 50-8

CITY OF SANGER

Taxing Unit Name

Phone *(area code and number)*

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

Taxing Unit's Website Address

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

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

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

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

Taxing units must include a hyperlink to a document that evidences the accuracy of each entry in the worksheet other than an entry making a mathematical calculation.[1] Source materials must contain data for all worksheets used, including supplemental worksheets.

Insert hyperlink:

https://www.dentoncounty.gov/DocumentCenter/Index/855

SECTION 1: No-New-Revenue Tax Rate

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

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

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

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	**Prior year total taxable value.** Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17).[2]	$ 1,409,859,795
2.	**Prior year tax ceilings.** Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step.[3]	$ 0
3.	**Preliminary prior year adjusted taxable value.** Subtract Line 2 from Line 1.	$ 1,409,859,795
4.	**Prior year total adopted tax rate.**	$ 0.689747 /$100
5.	**Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value.** **A. Original prior year ARB values:** ..... $ 53,028,930 **B. Prior year values resulting from final court decisions:** ..... - $ 47,754,204 **C. Prior year value loss.** Subtract B from A.[4]	$ 5,274,726

[1] Tex. Tax Code §§5.07(g)(4) and 26.04(d-1)
[2] Tex. Tax Code §26.012(14)
[3] Tex. Tax Code §26.012(14)
[4] Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/
6.	**Prior year taxable value subject to an appeal under Chapter 42, as of July 25.** **A. Prior year ARB certified value:** $ 12,867,394 **B. Prior year disputed value:** - $ 2,573,479 **C. Prior year undisputed value.** Subtract B from A. [5]	$ 10,293,915
7.	**Prior year Chapter 42 related adjusted values.** Add Line 5C and Line 6C.	$ 15,568,641
8.	**Prior year taxable value, adjusted for actual and potential court-ordered adjustments.** Add Line 3 and Line 7.	$ 1,425,428,436
9.	**Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1 of the prior year.** Enter the prior year value of property in deannexed territory. [6]	$ 0
10.	**Prior year taxable value lost because property first qualified for an exemption in the current year.** If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. **A. Absolute exemptions.** Use prior year market value: $ 260,205 **B. Partial exemptions.** Current year exemption amount or current year percentage exemption times prior year value: + $ 14,044,608 **C. Value loss.** Add A and B. [7]	$ 14,304,813
11.	**Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/ scenic appraisal or public access airport special appraisal in the current year.** Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. **A. Prior year market value:** $ 0 **B. Current year productivity or special appraised value:** - $ 0 **C. Value loss.** Subtract B from A. [8]	$ 0
12.	**Total adjustments for lost value.** Add Lines 9, 10C and 11C.	$ 14,304,813
13.	**Prior year captured value of property in a TIF.** Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. [9] If the taxing unit has no captured appraised value in line 18D, enter 0.	$ 0
14.	**Prior year total value.** Subtract Line 12 and Line 13 from Line 8.	$ 1,411,123,623
15.	**Adjusted prior year total levy.** Multiply Line 4 by Line 14 and divide by $100.	$ 9,733,182
16.	**Taxes refunded for years preceding the prior tax year.** Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. [10]	$ 21,096
17.	**Adjusted prior year levy with refunds.** Add Lines 15 and 16. [11]	$ 9,754,278

[5] Tex. Tax Code §26.012(13)
[6] Tex. Tax Code §26.012(15)
[7] Tex. Tax Code §26.012(15)
[8] Tex. Tax Code §26.012(15)
[9] Tex. Tax Code §26.03(c)
[10] Tex. Tax Code §26.012(13)
[11] Tex. Tax Code §26.012(13) and (15)

Line	No-New-Revenue Tax Rate Worksheet	Amount/
18.	**Total current year taxable value on the current year certified appraisal roll today.** This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. [12]	
	A. Certified values: ..... $ 1,481,171,899	
	B. Counties: Include railroad rolling stock values certified by the Comptroller's office: ..... + $ 0	
	C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: ..... - $ 0	
	D. Tax increment financing: Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment reinvestment zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 24 below. [13] Adjustments to the taxable value must be calculated separately for each reinvestment zone using Form 50-110.[14] Enter the total from Form 50-110 ..... - $ 0	
	E. Total current year value. Add A and B, then subtract C and D.	$ 1,481,171,899
19.	**Total value of properties under protest or not included on certified appraisal roll.** [15]	
	A. Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. [16] ..... $ 10,135,080	
	B. Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. [17] ..... + $ 0	
	C. Total value under protest or not certified. Add A and B.	$ 10,135,080
20.	**Current year tax ceilings.** Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step.[18]	$ 0
21.	**Anticipated contested value.** Affected taxing units enter the contested taxable value for all property that is subject to anticipated substantial litigation. [19] An affected taxing unit is wholly or partly located in a county that has a population of less than 500,000 and is located on the Gulf of Mexico.[20] If completing this line, the taxing unit must include supporting documentation in Section 9.[21] Taxing units that are not affected, enter 0.	$ 0
22.	**Current year total taxable value.** Add Lines 18E and 19C, then subtract Lines 20 and 21.[22]	$ 1,491,306,979
23.	**Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year.** Include both real and personal property. Enter the current year value of property in territory annexed. [23]	$ 0
24.	**Total current year taxable value of new improvements and new personal property located in new improvements.** New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements **do** include property on which a tax abatement agreement has expired for the current year. [24]	$ 70,609,686

[12] Tex. Tax Code §§26.012(6) and 26.04(c-2)
[13] Tex. Tax Code §26.03(c)
[14] Tex. Tax Code §26.03(e)
[15] Tex. Tax Code §26.01(c) and (d)
[16] Tex. Tax Code §26.01(c)
[17] Tex. Tax Code §26.01(d)
[18] Tex. Tax Code §26.012(6)(B)
[19] Tex. Tax Code §§26.012(6)(C) and 26.012(1-b)
[20] Tex. Tax Code §26.012(1-a)
[21] Tex. Tax Code §26.04(d-3)
[22] Tex. Tax Code §26.012(6)
[23] Tex. Tax Code §26.012(17)
[24] Tex. Tax Code §26.012(17)

Line	No-New-Revenue Tax Rate Worksheet	Amount/
25.	**Total adjustments to the current year taxable value.** Add Lines 23 and 24.	$ 70,609,686
26.	**Adjusted current year taxable value.** Subtract Line 25 from Line 22.	$ 1,420,697,293
27.	**Current year NNR tax rate.** Divide Line 17 by Line 26 and multiply by $100. [25]	$ 0.686583 /$100
28.	**COUNTIES ONLY.** Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. [26]	$ /$100

Voter Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the tax rate. The type of taxing unit will determine the rate components that apply to a taxing units' overall voter-approval tax rate.

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

SECTION 2: Maintenance and Operations (M&O) and Debt Tax Rate Worksheet

This section calculates two components of the voter-approval tax rate:

1. **Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
2. **Debt Rate:** The debt rate includes the minimum dollar amount required to be paid toward debt service for the current year.[27] This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

Line	M&O and Debt Tax Rate Worksheet	Amount/Rate
29.	**Prior year M&O tax rate.** Enter the prior year M&O tax rate.	$ 0.573485 /$100
30.	**Prior year taxable value, adjusted for actual and potential court-ordered adjustments.** Enter the amount in Line 8 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,425,428,436
31.	**Total prior year M&O levy.** Multiply Line 29 by Line 30 and divide by $100.	$ 8,174,618
32.	**Adjusted prior year levy for calculating NNR M&O rate.** **A.** **M&O taxes refunded for years preceding the prior tax year.** Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2025. This line applies only to tax years preceding the prior tax year. + $ 17,397 **B.** **Prior year taxes in TIF.** Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0. – $ 0 **C.** **Prior year transferred function.** If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- $ 0 **D.** **Prior year M&O levy adjustments.** Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. $ 17,397 **E.** Add Line 31 to 32D.	$ 8,192,015
33.	**Adjusted current year taxable value.** Enter the amount in Line 26 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,420,697,293
34.	**Current year NNR M&O rate (unadjusted).** Divide Line 32E by Line 33 and multiply by $100.	$ 0.576619 /$100

[25] Tex. Tax Code §26.04(c)
[26] Tex. Tax Code §26.04(d)
[27] Tex. Tax Code §26.012(3)

Line	M&O and Debt Tax Rate Worksheet		Amount/
35.	**Rate adjustment for state criminal justice mandate.** [28]		
	A. Current year state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.	$ 0	
	B. Prior year state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies.	– $ 0	
	C. Subtract B from A and divide by Line 33 and multiply by $100.	$ 0.000000 /$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.		$ 0.000000 /$100
36.	**Rate adjustment for indigent health care expenditures.** [29]		
	A. Current year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose.	$ 0	
	B. Prior year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2024 and ending on June 30, 2025, less any state assistance received for the same purpose.	– $ 0	
	C. Subtract B from A and divide by Line 33 and multiply by $100.	$ 0.000000 /$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.		$ 0.000000 /$100
37.	**Rate adjustment for county indigent defense compensation.** [30]		
	A. Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30,of the current tax year, less any state grants received by the county for the same purpose.	$ 0	
	B. Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2024 and ending on June 30, 2025, less any state grants received by the county for the same purpose.	$ 0	
	C. Subtract B from A and divide by Line 33 and multiply by $100.	$ 0.000000 /$100	
	D. Multiply B by 0.05 and divide by Line 33 and multiply by $100.	$ 0.000000 /$100	
	E. Enter the lesser of C and D. If not applicable, enter 0.		$ 0.000000 /$100
38.	**Rate adjustment for county hospital expenditures.** [31]		
	A. Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year.	$ 0	
	B. Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2024 and ending on June 30, 2025.	$ 0	
	C. Subtract B from A and divide by Line 33 and multiply by $100.	$ 0.000000 /$100	
	D. Multiply B by 0.08 and divide by Line 33 and multiply by $100.	$ 0.000000 /$100	
	E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.		$ 0.000000 /$100

[28] Tex. Tax Code §26.044
[29] Tex. Tax Code §26.0441
[30] Tex. Tax Code §26.0442
[31] Tex. Tax Code §26.0443

Line	M&O and Debt Tax Rate Worksheet	Amount/
39.	**Rate adjustment for defunding municipality.** This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information. **A.** **Amount appropriated for public safety in the prior year.** Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year. $ 0 **B.** **Expenditures for public safety in the prior year.** Enter the amount of money spent by the municipality for public safety during the preceding fiscal year $ 0 **C.** Subtract B from A and divide by Line 33 and multiply by $100 $ 0.000000 /$100 **D.** Enter the rate calculated in C. If not applicable, enter 0.	$ 0.000000 /$100
40.	**Adjusted current year NNR M&O rate.** Add Lines 34, 35D, 36D, 37E, and 38E. Subtract Line 39D.	$ 0.576619 /$100
41.	**Adjustment for prior year sales tax specifically to reduce property taxes.** Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero. **A.** Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent $ 0 **B.** Divide Line 41A by Line 33 and multiply by $100 $ 0.000000 /$100 **C.** Add Line 41B to Line 40.	$ 0.576619 /$100
42.	**Current year voter-approval M&O rate.** Enter the rate as calculated by the appropriate scenario below. **Special Taxing Unit.** If the taxing unit qualifies as a special taxing unit, multiply Line 41C by 1.08. **- or -** **Other Taxing Unit.** If the taxing unit does not qualify as a special taxing unit, multiply Line 41C by 1.035.	$ 0.596800 /$100
D42.	***Disaster Line 42 (D42):* Current year voter-approval M&O rate for taxing unit affected by disaster declaration.** [32] If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate a rate equal to the lesser of: **A.** The voter-approval tax rate calculated in the manner provided for a special taxing unit. Multiply line 41C by 1.08 [33] $ 0.000000 /$100 **- or -** **B.** The voter-approval M&O tax rate calculated in the manner provided for a taxing unit other than a special taxing unit plus the disaster relief rate. [34] Complete Section 5 through Line 68 to complete D42(B). a. Enter the **disaster relief cost.** $ 0 b. **Disaster relief rate**. Divide Line D42(B)(a) by Line 26 and multiply by 100 $ 0.000000 /$100 c. Add Line D42(B)(b) to Line 42. $ 0.000000 /$100 d. Enter the **current year unused increment rate** from Line 68 $ 0.000000 /$100 e Add Line D42(c) to Line D42(d). $ 0.000000 /$100 The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of: 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred; or 2) the third tax year after the tax year in which the disaster occurred. **C.** Enter Line D42(A) if less than Line D42(B)(e). If Line D42(B)(e) is less than line D42(A), enter Line D42(B)(c). [35] If the taxing unit does not qualify, do not complete Disaster Line 42 (Line D42).	$ 0.000000 /$100

[32] Tex. Tax Code §26.042
[33] Tex. Tax Code §26.042(a-2)(1)
[34] Tex. Tax Code §§26.042(a-1) and 26.042(a-2)(2)
[35] Tex. Tax Code §26.042(a-2)

Line	M&O and Debt Tax Rate Worksheet	Amount/
43.	**Total current year debt to be paid with property taxes and additional sales tax revenue.** Debt means the interest and principal that will be paid on debts that: **(1)** are paid by property taxes; **(2)** are secured by property taxes; **(3)** are scheduled for payment over a period longer than one year; and **(4)** are not classified in the taxing unit's budget as M&O expenses. **A. Debt** also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. [36] Enter debt amount ..... $ 1,602,118 **B.** Subtract **unencumbered fund amount** used to reduce total debt. ..... – $ 10,000 **C.** Subtract **certified amount spent from sales tax to reduce debt** (enter zero if none) ..... – $ 0 **D.** Subtract **amount paid** from other resources ..... – $ 0 **E. Adjusted debt.** Subtract B, C and D from A.	$ 1,592,118
44.	**Certified prior year excess debt collections.** Enter the amount certified by the collector. [37]	$ 3,452
45.	**Adjusted current year debt.** Subtract Line 44 from Line 43E.	$ 1,588,666
46.	**Current year anticipated collection rate.** **A.** Enter the current year anticipated collection rate certified by the collector. [38] ..... 100.00 % **B.** Enter the prior year actual collection rate. ..... 100.23 % **C.** Enter the 2024 actual collection rate. ..... 98.80 % **D.** Enter the 2023 actual collection rate. ..... 100.55 % **E.** If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. [39]	100.00 %
47.	**Current year debt adjusted for collections.** Divide Line 45 by Line 46E.	$ 1,588,666
48.	**Current year total taxable value.** Enter the amount on Line 22 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,491,306,979
49.	**Current year debt rate.** Divide Line 47 by Line 48 and multiply by $100.	$ 0.106528 /$100
50.	**Current year voter-approval M&O rate plus current year debt rate.** Add Lines 42 and 49.	$ 0.703328 /$100
D50.	***Disaster Line 50 (D50):* Current year voter-approval M&O and debt tax rate for taxing unit affected by disaster declaration.** Complete this line if the taxing unit calculated the voter-approval M&O tax rate in the manner provided by Line D42. Add Line D42(C) and 49.	$ 0.000000 /$100
51.	**COUNTIES ONLY.** Add together the voter-approval M&O and debt tax rates for each type of tax the county levies. The total is the current year county voter-approval M&O and debt tax rate.	$ _____ /$100

[36] Tex. Tax Code §26.012(7)
[37] Tex. Tax Code §§26.012(10) and 26.04(b)
[38] Tex. Tax Code §26.04(b))
[39] Tex. Tax Code §26.04(h), (h-1) and (h-2)

SECTION 3: Adjustments for Additional Sales Tax to Reduce Property Taxes

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

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

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
52.	**Taxable Sales.** For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters.[40] Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	$ 0
53.	**Estimated sales tax revenue.** Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. [41] **Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year.** Multiply the amount on Line 52 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. [42] **- or -** **Taxing units that adopted the sales tax before November of the prior year.** Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	$ 0
54.	**Current year total taxable value.** Enter the amount from Line 22 of the *No-New-Revenue Tax Rate Worksheet*.	$ 1,491,306,979
55.	**Sales tax adjustment rate.** Divide Line 53 by Line 54 and multiply by $100.	$ 0.000000 /$100
56.	**Current year NNR tax rate, unadjusted for sales tax.**[43] Enter the rate from Line 27 or 28, as applicable, on the *No-New-Revenue Tax Rate Worksheet*.	$ 0.686583 /$100
57.	**Current year NNR tax rate, adjusted for sales tax.** **Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year.** Subtract Line 55 from Line 56. Skip to Line 58 if you adopted the additional sales tax before November of the prior tax year.	$ 0.686583 /$100
58.	**Current year voter-approval tax rate, unadjusted for sales tax.**[44] Enter the rate from Line 50, Line D50 (disaster) or Line 51 (counties) as applicable, of the *M&O and Debt Tax Rate Worksheet*.	$ 0.703328 /$100
59.	**Current year voter-approval tax rate, adjusted for sales tax.** Subtract Line 55 from Line 58.	$ 0.703328 /$100

SECTION 4: Adjustment for Pollution Control

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

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

Line	Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
60.	**Certified expenses from the Texas Commission on Environmental Quality (TCEQ).** Enter the amount certified in the determination letter from TCEQ. [45] The taxing unit shall provide its tax assessor-collector with a copy of the letter. [46]	$ 0
61.	**Current year total taxable value.** Enter the amount from Line 22 of the *No-New-Revenue Tax Rate Worksheet*.	$ 1,491,306,979
62.	**Additional rate for pollution control.** Divide Line 60 by Line 61 and multiply by $100.	$ 0.000000 /$100
63.	**Current year voter-approval tax rate, adjusted for pollution control.** Add Line 62 to one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties) or Line 59 (taxing units with the additional sales tax).	$ 0.703328 /$100

[40] Tex. Tax Code §26.041(d)
[41] Tex. Tax Code §26.041(i)
[42] Tex. Tax Code §26.041(d)
[43] Tex. Tax Code §26.04(c)
[44] Tex. Tax Code §26.04(c)
[45] Tex. Tax Code §26.045(d)
[46] Tex. Tax Code §26.045(i)

SECTION 5: Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value. [47] The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value. [48]

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

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042; [49]
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a); [50] or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval. [51]

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit. [52]

Line	Unused Increment Rate Worksheet	Amount/Rate
64.	**Year 3 Foregone Revenue Amount. Subtract the 2025 unused increment rate and 2025 actual tax rate from the 2025 voter-approval tax rate. Multiply the result by the 2025 current total value**	
	A. Voter-approval tax rate (Line 69)	$ 0.691010 /$100
	B. Unused increment rate (Line 68)	$ 0.000000 /$100
	C. Subtract B from A	$ 0.691010 /$100
	D. Adopted Tax Rate	$ 0.689747 /$100
	E. Subtract D from C	$ 0.001263 /$100
	F. 2025 Total Taxable Value (Line 61)	$ 1,431,000,299
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero.	$ 18,073
65.	**Year 2 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value**	
	A. Voter-approval tax rate (Line 68)	$ 0.681570 /$100
	B. Unused increment rate (Line 67)	$ 0.000000 /$100
	C. Subtract B from A	$ 0.681570 /$100
	D. Adopted Tax Rate	$ 0.689747 /$100
	E. Subtract D from C	$ -0.008177 /$100
	F. 2024 Total Taxable Value (Line 60)	$ 1,373,144,623
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero.	$ 0
66.	**Year 1 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value**	
	A. Voter-approval tax rate (Line 67)	$ 0.669136 /$100
	B. Unused increment rate (Line 66)	$ 0.000000 /$100
	C. Subtract B from A	$ 0.669136 /$100
	D. Adopted Tax Rate	$ 0.689747 /$100
	E. Subtract D from C	$ -0.020611 /$100
	F. 2023 Total Taxable Value (Line 60)	$ 1,285,880,641
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero.	$ 0
67.	**Total Foregone Revenue Amount.** Add Lines 64G, 65G and 66G	$ 18,073
68.	**2026 Unused Increment Rate.** Divide Line 67 by Line 22 of the *No-New-Revenue Rate Worksheet*. Multiply the result by 100	$ 0.001211 /$100
69.	**Total 2026 voter-approval tax rate.** Add Line 68 to one of the following lines (as applicable): Line 50, Line D50 (only if Line D42(B) was used), Line 51 (counties), Line 59 (taxing units with additional sales tax) or Line 63 (taxing units with pollution)	$ 0.704539 /$100

[47] Tex. Tax Code §26.013(b)
[48] Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)
[49] Tex. Tax Code §§26.04(c)(2)(A) and 26.042(a)
[50] Tex. Tax Code §26.0501(a) and (c)
[51] Tex. Local Gov't Code §120.007(d)
[52] Tex. Local Gov't Code §26.04(c)(2)(B)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise $500,000, and the current debt rate for a taxing unit. [53]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [54]

Line	De Minimis Rate Worksheet	Amount/Rate
70.	**Adjusted current year NNR M&O tax rate.** Enter the rate from Line 40 of the *M&O and Debt Tax Rate Worksheet.*	$ 0.576619 /$100
71.	**Current year total taxable value.** Enter the amount on Line 22 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,491,306,979
72.	**Rate necessary to impose $500,000 in taxes.** Divide $500,000 by Line 71 and multiply by $100.	$ 0.033527 /$100
73.	**Current year debt rate.** Enter the rate from Line 49 of the *M&O and Debt Tax Rate Worksheet.*	$ 0.106528 /$100
74.	**De minimis rate.** Add Lines 70, 72 and 73.	$ 0.716674 /$100

SECTION 7: Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year. [55]

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

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

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

Line	Emergency Revenue Rate Worksheet	Amount/Rate
75.	**2025 adopted tax rate.** Enter the rate in Line 4 of the *No-New-Revenue Tax Rate Worksheet.*	$ 0.689747 /$100
76.	**Adjusted 2025 voter-approval tax rate.** Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. [56] If a disaster occurred in 2025 and the taxing unit calculated its 2025 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 42 (D42) of the 2025 worksheet due to a disaster, complete the applicable sections or lines of *Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet.* **- or -** If a disaster occurred prior to 2025 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 42 (D42) in 2025, complete form 50-856-a, *Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet* to recalculate the voter-approval tax rate the taxing unit would have calculated in 2025 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. [57] Enter the final adjusted 2025 voter-approval tax rate from the worksheet.	$ 0.000000 /$100
77.	**Increase in 2025 tax rate due to disaster.** Subtract Line 76 from Line 75.	$ 0.000000 /$100
78.	**Adjusted 2025 taxable value.** Enter the amount in Line 14 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,411,123,623
79.	**Emergency revenue.** Multiply Line 77 by Line 78 and divide by $100.	$ 0
80.	**Adjusted current year taxable value.** Enter the amount in Line 26 of the *No-New-Revenue Tax Rate Worksheet.*	$ 1,420,697,293
81.	**Emergency revenue rate.** Divide Line 79 by Line 80 and multiply by $100. [58]	$ 0.000000 /$100
82.	**Current year voter-approval tax rate, adjusted for emergency revenue.** Subtract Line 81 from one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (taxing units with the additional sales tax), Line 63 (taxing units with pollution control) or Line 69 (taxing units with the unused increment rate).	$ 0.704539 /$100

[53] Tex. Tax Code §26.012(8-a)
[54] Tex. Tax Code §26.063(a)(1)
[55] Tex. Tax Code §26.042(b)
[56] Tex. Tax Code §26.042(c)
[57] Tex. Tax Code §26.042(b)
[58] Tex. Tax Code §26.042(b)

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. ..... $ 0.686583 /$100
As applicable, enter the current year NNR tax rate from: Line 27, Line 28 (counties), or Line 57 (adjusted for sales tax).

Indicate the line number used: 27.000

Voter-approval tax rate ..... $ 0.704539 /$100
As applicable, enter the current year voter-approval tax rate from: Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (adjusted for sales tax), Line 63 (adjusted for pollution control), Line 69 (adjusted for unused increment), or Line 82 (adjusted for emergency revenue).

Indicate the line number used: 69

De minimis rate. ..... $ 0.716674 /$100
If applicable, enter the current year de minimis rate from Line 74.

SECTION 9: Addendum

An affected taxing unit that enters an amount described by Tax Code Section 26.012(6)(C) in line 21 must include the following as an addendum:

1. Documentation that supports the exclusion of value under Tax Code Section 26.012(6)(C); and
2. Each statement submitted to the designated officer or employee by the property owner or entity as required by Tax Code Section 41.48(c)(2) for that tax year.

Insert hyperlinks to supporting documentation:

SECTION 10: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code. [59]

print here

Printed Name of Taxing Unit Representative

sign here

Taxing Unit Representative

Date

[59] Tex. Tax Code §26.04(c-2) and (d-2)

Notice About 2026 Tax Rates

Property tax rates in CITY OF SANGER.

This notice concerns the 2026 property tax rates for CITY OF SANGER. This notice provides information about two tax rates used in adopting the current tax year's tax rate. The no-new-revenue tax rate would Impose the same amount of taxes as last year if you compare properties taxed in both years. In most cases, the voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per $100 of property value.

This year's no-new-revenue tax rate	$0.686583/$100
This year's voter-approval tax rate	$0.704539/$100

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

Unencumbered Fund Balance

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

Type of Fund	Balance
GENERAL FUND	17,286,349
DEBT SERVICE FUND	305,158

Current Year Debt Service

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

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
CERTIFICATES OF OBLIGATION, SERIES 2007	44,200	1,944	0	46,144
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021B	31,800	4,340	0	36,140
LIMITED TAX NOTES, SERIES 2023A	722,000	99,641	0	821,641
CERTIFICATES OF OBLIGATION, SERIES 2023C TAXABLE BOND	170,000	526,443	0	696,443
ADMINISTRATION FEES	0	0	1,750	1,750

Total required for 2026 debt service	$1,602,118
- Amount (if any) paid from funds listed in unencumbered funds	$10,000
- Amount (if any) paid from other resources	$0
- Excess collections last year	$3,452
= Total to be paid from taxes in 2026	$1,588,666
+ Amount added in anticipation that the unit will collect only 100.00% of its taxes in 2026	$0
= Total debt levy	$1,588,666

This notice contains a summary of actual no-new-revenue and voter-approval calculations as certified by Dawn Waye, Denton County Tax Assessor/Collector on 07/27/2026 .

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

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.