

City of Yorktown Budget 2021-2022

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City of Yorktown, Texas
Annual Budget October 1, 2021 – September 30, 2022
ADOPTED ~ September 20, 2021.

This budget will raise less revenue from property taxes than last year’s budget by an amount of \$-163, which is a -0.03 percent decrease from last year’s budget. The property tax revenue to be raised from new property added to the tax roll this year is \$314.

THE MAYOR & CITY COUNCIL RECORD VOTE

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

FOR: Connie Hall, Travis Peyton, James “Jim” O’Connell, Miranda Arguellez, Lorene Migura

AGAINST:

PRESENT & NOT VOTING:

ABSENT:

Tax Rate Information

<u>Tax Rate Information</u>	<u>Adopted FY 20-21</u>	<u>Adopted FY 21-22</u>
Property Tax Rate	\$0.64161/100	\$0.56732/100
No-New-Revenue Tax Rate	\$0.64161/100	\$0.56732/100
No-New-Revenue M&O Tax Rate	\$0.27013/100	\$0.23146/100
Voter Approval Tax Rate	\$0.65768/100	\$0.58722/100
Debt Rate	\$0.37810/100	\$0.33586/100

Total debt obligation for the City of Yorktown secured by property taxes: \$3,367,204

Elected Officials

Bill B. Baker
Mayor

Travis Peyton
City Councilmember

Connie Hall
City Councilmember

James “Jim” O’Connell
City Councilmember

Lorene Alex Migura
City Councilmember

Miranda Arguellez
City Councilmember

Administration

City Administrator / City Secretary

John Barth

City Attorney
Cary Bovey

Municipal Court Judge
Peggy Mayer

Code Enforcement Official
Jack Andy Peroni

Building Inspector
Vacant

Utility Superintendent
Henry Amador

Finance Director
Michele Warwas

Utility Clerk
Gloria Torres

Municipal Court Clerk
Keli Faucet

ORDINANCE NO. 9-25-21

AN ORDINANCE ADOPTING A BUDGET FOR THE CITY OF YORKTOWN, TEXAS FOR THE FISCAL YEAR 2021-2022; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Yorktown, Texas, has prepared a budget for the fiscal year October 1, 2021 through September 30th, 2022 and has filed same with the City Secretary and has held a public hearing on same, all after due notice as required by statute.

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

SECTION

I.

That the City Council of the City of Yorktown, Texas does hereby adopt the Budget for the City of Yorktown, Texas, for the fiscal year October 1, 2021 through September 30, 2022 as shown in the attached Exhibit "A", which is incorporated herein as though copied herein verbatim.

SECTION

II.

This Ordinance shall become effective immediately upon its passage and adoption by the City Council.

PASSED AND ADOPTED on this the 20th day of September, 2021.



Hon. Bill Baker, Mayor

ATTEST:



John Barth, City Administrator/City Secretary

Tax Rate Calculation

2021 Tax Rate Calculation Worksheet

Date: 07/28/2021 12:44 PM

Taxing Units Other Than School Districts or Water Districts

City of Yorktown

361-564-2611

Taxing Unit Name

Phone (area code and number)

102 W Main St, PO Box 605 Yorktown, TX 78164

www.yorktowntx.com

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 Districts without Chapter 313 Agreements* or or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

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

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

SECTION 1: No-New-Revenue Tax Rate

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

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

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

No-New-Revenue Tax Rate Worksheet	Amount/Rate
1. 2020 total taxable value. Enter the amount of 2020 taxable value on the 2020 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹	\$86,243,074
2. 2020 tax ceilings. Counties, cities and junior college districts. Enter 2020 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing units adopted the tax ceiling provision in 2020 or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$0
3. Preliminary 2020 adjusted taxable value. Subtract Line 2 from Line 1.	\$86,243,074
4. 2020 total adopted tax rate.	\$0.64161/\$100
5. 2020 taxable value lost because court appeals of ARB decisions reduced 2020 appraised value.	
A. Original 2020 ARB values:	\$0

B. 2020 values resulting from final court decisions:	\$0
C. 2020 value loss. Subtract B from A. ³	\$0
6. 2020 taxable value subject to an appeal under Chapter 42, as of July 25.	
A. 2020 ARB certified value:	\$0
B. 2020 disputed value:	\$0
C. 2020 undisputed value. Subtract B from A. ⁴	\$0
7. 2020 Chapter 42 related adjusted values Add Line 5C and Line 6C.	\$0
8. 2020 taxable value, adjusted for actual and potential court-ordered reductions. Add Line 3 and Line 7.	\$86,243,074
9. 2020 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2020. Enter the 2020 value of property in deannexed territory. ⁵	\$0
10. 2020 taxable value lost because property first qualified for an exemption in 2021. 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 2021 does not create a new exemption or reduce taxable value.	
A. Absolute exemptions. Use 2020 market value:	\$3,200
B. Partial exemptions. 2021 exemption amount or 2021 percentage exemption times 2020 value:	\$70,920
C. Value loss. Add A and B. ⁵	\$74,120
11. 2020 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 2021. Use only properties that qualified in 2021 for the first time; do not use properties that qualified in 2020.	
A. 2020 market value:	\$0
B. 2021 productivity or special appraised value:	\$0
C. Value loss. Subtract B from A. ⁷	\$0
12. Total adjustments for lost value. Add lines 9, 10C and 11C.	\$74,120
13. 2020 captured value of property in a TIF. Enter the total value of 2020 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which 2020 taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$0
14. 2020 total value. Subtract Line 12 and Line 13 from Line 8.	\$86,168,954
15. Adjusted 2020 total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$552,868
16. Taxes refunded for years preceding tax year 2020. Enter the amount of taxes refunded	\$78

by the taxing unit for tax years preceding tax year 2020. 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 2020. This line applies only to tax years preceding tax year 2020. ⁸	
17. Adjusted 2020 levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$552,946
18. Total 2021 taxable value on the 2021 certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. ¹¹	
A. Certified values:	\$97,521,464
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 2021 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2021 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. ¹²	\$0
E. Total 2021 value. Add A and B, then subtract C and D.	\$97,521,464
19. Total value of properties under protest or not included on certified appraisal roll. ¹³	
A. 2021 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹⁴	\$0
B. 2021 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about, but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. ¹⁵	\$0
C. Total value under protest or not certified: Add A and B.	\$0
20. 2021 tax ceilings. Counties, cities and junior colleges enter 2021 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing units adopted the tax ceiling provision in 2020 or a prior year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$0
21. 2021 total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷	\$97,521,464

22. Total 2021 taxable value of properties in territory annexed after Jan. 1, 2020. Include both real and personal property. Enter the 2021 value of property in territory annexed. ¹⁸	\$0
23. Total 2021 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2020. 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, 2020, and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2021. ¹⁹	\$55,280
24. Total adjustments to the 2021 taxable value. Add Lines 22 and 23.	\$55,280
25. Adjusted 2021 taxable value. Subtract Line 24 from Line 21.	\$97,466,184
26. 2021 NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰	\$0.56732/\$100
27. COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2021 county NNR tax rate. ²¹	

¹Tex. Tax Code Section 26.012(14)

²Tex. Tax Code Section 26.012(14)

³Tex. Tax Code Section 26.012(13)

⁴Tex. Tax Code Section 26.012(13)

⁵Tex. Tax Code Section 26.012(15)

⁶Tex. Tax Code Section 26.012(15)

⁷Tex. Tax Code Section 26.012(13)

⁸Tex. Tax Code Section 26.012(13)

⁹Tex. Tax Code Section 26.03(c)

¹⁰Tex. Tax Code Section 26.012(13)

¹¹Tex. Tax Code Section 26.012,26.04(c-2)

¹²Tex. Tax Code Section 26.03(c)

¹³Tex. Tax Code Section 26.01(c) and (d)

¹⁴Tex. Tax Code Section 26.01(c)

¹⁵Tex. Tax Code Section 26.01(d)

¹⁶Tex. Tax Code Section 26.012(6)(b)

¹⁷Tex. Tax Code Section 26.012(6)

¹⁸Tex. Tax Code Section 26.012(17)

¹⁹Tex. Tax Code Section 26.012(17)

²⁰Tex. Tax Code Section 26.04(c)

²¹Tex. Tax Code Section 26.04(d)

²²Reserved for expansion

SECTION 2: Voter-Approval Tax Rate

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

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

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

Voter-Approval Tax Rate Worksheet	Amount/Rate
28. 2020 M&O tax rate. Enter the 2020 M&O tax rate.	\$0.26351/\$100
29. 2020 taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$86,243,074
30. Total 2020 M&O levy. Multiply Line 28 by Line 29 and divide by \$100.	\$227,259
31. Adjusted 2020 levy for calculating NNR M&O rate.	
A. M&O taxes refunded for years preceding tax year 2020 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 2020. This line applies only to tax years preceding tax year 2020.	\$33
B. 2020 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 2021 captured appraised value in Line 18D, enter 0.	\$0
C. 2020 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. 2020 M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function.	\$33
E. Add Line 30 to 31D.	\$227,292
32. Adjusted 2020 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$97,466,184
33. 2021 NNR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100.	\$0.23320/\$100
34. Rate adjustment for state criminal justice mandate.²³	
A. 2021 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

<p>B. 2020 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.</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100.</p> <p>D. Enter the rate calculated in C. If not applicable, enter 0.</p>	<p>\$0</p> <p>\$0.00000/\$100</p> <p>\$0.00000/\$100</p>
<p>35. Rate adjustment for indigent health care expenditures.²⁴</p> <p>A. 2021 indigent health care expenditures: Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2020 and ending on June 30, 2021, less any state assistance received for the same purpose.</p> <p>B. 2020 indigent health care expenditures: Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state assistance received for the same purpose.</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100.</p> <p>D. Enter the rate calculated in C. If not applicable, enter 0.</p>	<p>\$0</p> <p>\$0</p> <p>\$0.00000/\$100</p> <p>\$0.00000/\$100</p>
<p>36. Rate adjustment for county indigent defense compensation.²⁵</p> <p>A. 2021 indigent defense compensation expenditures: Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2020 and ending on June 30, 2021, less any state grants received by the county for the same purpose.</p> <p>B. 2020 indigent defense compensation expenditures: Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state grants received by the county for the same purpose.</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100.</p> <p>D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100.</p> <p>E. Enter the lessor of C and D. If not applicable, enter 0.</p>	<p>\$0</p> <p>\$0</p> <p>\$0.00000/\$100</p> <p>\$0.00000/\$100</p> <p>\$0.00000/\$100</p>
<p>37. Rate adjustment for county hospital expenditures.²⁶</p> <p>A. 2021 eligible county hospital expenditures: Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2020 and ending on June 30, 2021.</p> <p>B. 2020 eligible county hospital expenditures: Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2019 and ending on June 30, 2020.</p>	<p>\$0</p> <p>\$0</p>

C. Subtract B from A and divide by Line 32 and multiply by \$100.	\$0.00000/\$100
D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100.	\$0.00000/\$100
E. Enter the lessor of C and D, if applicable. If not applicable, enter 0.	\$0.00000/\$100
38. Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code 26.0444 for more information.	\$0
A. Amount appropriated for public safety in 2020. 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 2020. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year.	
C. Subtract B from A and divide by Line 32 and multiply by \$100.	\$0.00000/\$100
D. Enter the rate calculated in C. If not applicable, enter 0.	\$0.00000/\$100
39. Adjusted 2021 NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	\$0.23320/\$100
40. Adjustment for 2020 sales tax specifically to reduce property values. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in 2020 should complete this line. These entities will deduct the sales tax gain rate for 2021 in Section 3. Other taxing units, enter zero.	\$0
A. Enter the amount of additional sales tax collected and spent on M&O expenses in 2020, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent.	\$0.00000
B. Divide Line 40A by Line 32 and multiply by \$100.	\$0.23320
C. Add Line 40B to Line 39.	
41. 2021 voter-approval M&O rate. Enter the rates as calculated by the scenario below. Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.	\$0.24136/\$100
D41. Disaster Line 41 (D41): 2021 voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval	\$0.00000/\$100

<p>tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of</p> <ol style="list-style-type: none"> 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. <p>If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08.²⁷ If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).</p>	
<p>42. Total 2021 debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that:</p> <ol style="list-style-type: none"> (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year and (4) are not classified in the taxing unit's budget as M&O expenses <p>A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here.²⁸ Enter debt amount.</p> <p>B. Subtract unencumbered fund amount used to reduce total debt.</p> <p>C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none)</p> <p>D. Subtract amount paid from other resources.</p> <p>E. Adjusted debt. Subtract B, C, and D from A.</p>	\$328,246
	\$0
	\$0
	\$0
	\$328,246
	\$0
43. Certified 2020 excess debt collections. Enter the amount certified by the collector. ²⁸	\$707
44. Adjusted 2021 debt. Subtract Line 43 from Line 42E.	\$327,539
<p>45. 2021 anticipated collection rate.</p> <p>A. Enter the 2021 anticipated collection rate certified by the collector:²⁹</p> <p>B. Enter the 2020 actual collection rate</p> <p>C. Enter the 2019 actual collection rate</p> <p>D. Enter the 2018 actual collection rate</p> <p>E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%.³¹</p>	100.00%
	100.00%
	98.00%
	95.20%
	100.00%
	100.00%
46. 2021 debt adjusted for collections. Divide Line 44 by Line 45E	\$327,539
47. 2021 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$97,521,464
48. 2021 debt tax rate. Divide Line 46 by Line 47 and multiply by \$100.	\$0.33586/\$100

49. 2021 voter-approval tax rate. Add Lines 41 and 48.	\$0.57722/\$100
D49. Disaster Line 49 (D49): 2021 voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	\$0.00000/\$100
50. COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the 2021 county voter-approval tax rate.	

²³Tex. Tax Code Section 26.044

²⁷Tex. Tax Code Section 26.04(c-1)

²⁴Tex. Tax Code Section 26.0442

²⁸Tex. Tax Code Section 26.012(10) and 26.04(b)

²⁵Tex. Tax Code Section 26.0442

²⁹Tex. Tax Code Section 26.04(b)

²⁶Tex. Tax Code Section 26.0443

³⁰Tex. Tax Code Section 26.04(b)

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

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

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

Additional Sales and Use Tax Worksheet	Amount/Rate
<p>51. Taxable Sales. For taxing units that adopted the sales tax in November 2020 or May 2021, enter the Comptroller's estimate of taxable sales for the previous four quarters.²⁰ Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2020, enter 0.</p>	\$0
<p>52. Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue.³³</p> <p>Taxing units that adopted the sales tax in November 2020 or in May 2021. Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95.³⁴</p> <p style="text-align: center;">- or -</p> <p>Taxing units that adopted the sales tax before November 2020. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.</p>	\$0
<p>53. 2021 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>.</p>	\$97,521,464
<p>54. Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.</p>	\$0.00000/\$100
<p>55. 2021 NNR tax rate, unadjusted for sales tax.³⁵ Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i>.</p>	\$0.56732/\$100
<p>56. 2021 NNR tax rate, adjusted for sales tax.</p> <p>Taxing units that adopted the sales tax in November 2020 or in May 2021. Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2020.</p>	\$0.56732/\$100
<p>57. 2021 voter-approval tax rate, unadjusted for sales tax.³⁶ Enter the rate from Line 49, Line D49 (disaster), or Line 50 (counties), as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i>.</p>	\$0.57722/\$100
<p>58. 2021 voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.</p>	\$0.57722/\$100

³¹Reserved for expansion

³⁴Tex. Tax Code Section 26.041(d)

³²Tex. Tax Code Section 26.041(d)

³⁵Tex. Tax Code Section 26.04(c)

³³Tex. Tax Code Section 26.041(i)

³⁶Tex. Tax Code Section 26.04(c)

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

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

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

Voter-Approval Protection for Pollution Control Worksheet	Amount/Rate
59. Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ³⁷ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ³⁸	\$0
60. 2021 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$97,521,464
61. Additional rate for pollution control. Divide Line 59 by Line 60 and multiply by \$100.	\$0.00000/\$100
62. 2021 voter-approval tax rate, adjusted for pollution control. Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	\$0.57722/\$100

³⁷Tex. Tax Code Section 26.045(d)

³⁸Tex. Tax Code Section 26.045(i)

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

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

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

- a tax year before 2020; and⁴⁰
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴¹ or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.⁴²

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

Unused Increment Rate Worksheet	Amount/Rate
63. 2020 unused increment rate. Subtract the 2020 actual tax rate and the 2020 unused increment rate from the 2020 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	\$0.01000
64. 2019 unused increment rate. Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	\$0
65. 2018 unused increment rate. Subtract the 2018 actual tax rate and the 2018 unused increment rate from the 2018 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	\$0.00000
66. 2021 unused increment rate. Add Lines 63, 64 and 65.	\$0.01000/\$100
67. 2021 voter-approval tax rate, adjusted for unused increment rate. ²³ Add Line 66 to one of the following lines (as applicable): Line 49, Line D49(disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control).	\$0.58722/\$100

³⁹Tex. Tax Code Section 26.013(a)

⁴⁰Tex. Tax Code Section 26.013(c)

⁴¹Tex. Tax Code Section 26.063(a)(1)

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.⁴²

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.⁴³

De Minimis Rate Worksheet	Amount/Rate
68. Adjusted 2021 NNR M&O tax rate. Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i>	\$0.23320/\$100
69. 2021 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$97,521,464
70. Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 69 and multiply by \$100.	\$0.51270
71. 2021 debt rate. Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$0.33586/\$100
72. De minimis rate. ²³ Add Lines 68, 70 and 71.	\$1.08176/\$100

⁴²Tex. Tax Code Section 26.012(8-a)

⁴³Tex. Tax Code Section 26.063(a)(1)

⁴⁴Tex. Tax Code Section 26.04(c)

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

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

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

NOTE: This section will not apply to any taxing units in 2021. It is added to implement Senate Bill 1438 (87th Regular Session) and does not apply to a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a declared disaster in 2020, as provided for in the recently repealed Tax Code Sections 26.04(c-1) and 26.041(c-1).

In future tax years, 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.

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

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

Emergency Revenue Rate Worksheet	Amount/Rate
<p>73. 2020 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i>.</p>	N/A
<p>74. Adjusted 2020 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line.</p> <p>If a disaster occurred in 2020 and the taxing unit calculated its 2020 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2020 worksheet due to a disaster, enter the 2020 voter-approval tax rate as calculated using a multiplier of 1.035 from Line 49.</p> <p>- or -</p> <p>- or - If a disaster occurred prior to 2020 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2020, complete the separate <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2020 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the year(s) following the disaster.⁴⁸ Enter the final adjusted 2020 voter-approval tax rate from the worksheet.</p> <p>If the taxing unit adopted a tax rate above the 2020 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.</p>	N/A
<p>75. Increase in 2020 tax rate due to disaster. Subtract Line 74 from Line 73.</p>	N/A
<p>76. Adjusted 2020 taxable value. Enter the amount in Line 13 of the <i>No-New-Revenue Tax Rate Worksheet</i>.</p>	N/A
<p>77. Emergency revenue. Multiply Line 75 by Line 76 and divide by \$100.</p>	N/A

78. Adjusted 2021 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	N/A
79. Emergency revenue rate. Divide Line 77 by Line 78 and multiply by \$100. ⁴⁹	N/A
80. 2021 voter-approval tax rate, adjusted for emergency revenue. Subtract Line 79 from one of the following lines (as applicable): Line 49, Line D49(disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 67 (taxing units with the unused increment rate).	N/A

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-New-Revenue tax rate

As applicable, enter the 2021 NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax). \$0.56732/\$100

Indicate the line number used: 26

Voter-Approval tax rate

As applicable, enter the 2021 voter-approval tax rate from: Line 49, Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 67 (adjusted for unused increment), or Line 80 (adjusted for emergency revenue). \$0.58722/\$100

Indicate the line number used: 67

De minimis rate

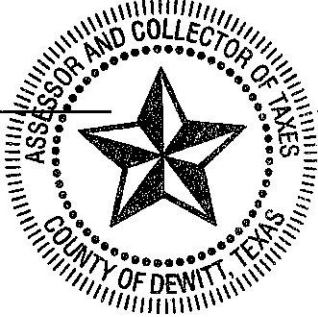
If applicable, enter the de minimis rate from Line 70. \$1.08176/\$100

SECTION 9: Taxing Unit Representative Name and Signature

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

print here Ashley D Mraz
Printed Name of Taxing Unit Representative

sign here Ashley D Mraz
Taxing Unit Representative



07/28/2021
Date

Overview of Funds

General Fund

The General Fund is the City's largest and primary operating fund. The General Fund provides for the City's administration, public safety, the public library, streets and parks, and the Municipal Court. Primary revenue sources for the general fund include property tax, sales tax, use taxes, franchise fees, license and permit fees and fines.

Debt Service Fund

The Debt Service fund provides monies necessary to meet the debt service obligations of the City. The primary revenue source for debt service is the City's Interest & Sinking property tax revenues.

Proprietary / Enterprise Fund

The Water, Sewer, and Sanitation funds operates as an enterprise fund and provides for the operation of the City's water and wastewater facilities. Revenues for the general include water, trash, and sewer usage charges and other fees.

Special Revenue Fund

The Special Revenue and Grants Fund accounts for specific revenue and grants that are restricted to expenditures for specific purposes. The fund includes Municipal Court Technology and Municipal Court Security revenues.

Overview of Funds

~Continued~

Capital Improvement Fund

The Capital Improvement Fund is designed to account and maintain records of funds used to improve capital structures and projects throughout the City. Capital projects are related to streets, drainage, sewer and water operations, parks, and out municipal facilities. The Capital Improvement Fund is accompanied by a Capital Improvement Plan (CIP), the plan and the fund are intended to identify funding sources, document scheduled debt payments, and to identify projects for investment.

Economic Development Fund (YEDC)

The City also collects a .25% sales tax to be reimbursed back to the Yorktown Economic Development Corporation which is also accounted for in this fund. The Yorktown Economic Development Corporation is designed to promote, retain, and attract business to the City of Yorktown to increase the quality of life in the City.

Tourism Fund

The Tourism fund provides for the promotion of the City's tourism. Revenue for the tourism fund is provided by the city's Hotel/Motel tax. The City distributes all hotel motel taxes to both the Yorktown Chamber of Commerce and the Yorktown Historical Society.

Government Structure

The legislature and governing body of the City is the City Council, which consists of a Mayor and five Council Members. The Mayor and Council members are elected at-large for two year-terms. The City of Yorktown is a Type A General-Law City.

The City Council meets once a month to transact the business of the City and its citizens. All legislation enacted by Council is in the form of Ordinances.

The City Council appoints a City Administrator who shall be the Chief Administrative Officer of the City and be responsible for the administration of all affairs of the City. The City Administrator directs and supervises the administration of all city departments. The City Administrator attends council meetings however he may not vote.

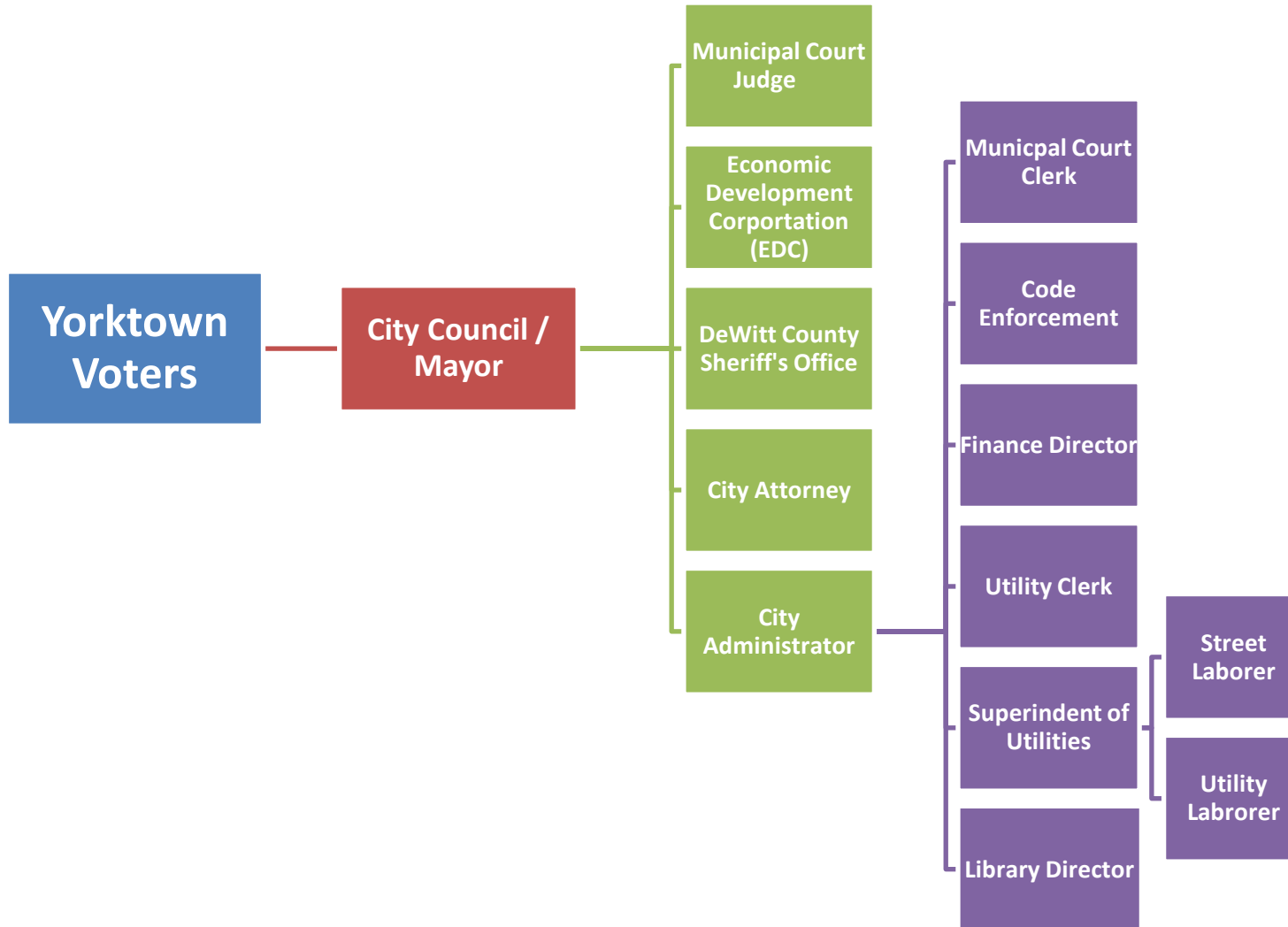
In addition to the City Administrator, the City Council appoints the City's Municipal Court Judge and the City Attorney.

The City Administrator Position:

Milton Ludwick	Sept 1980 - Dec 2005
Ronald Weischwill	Feb 2005 – Feb 2006
Loretta Thiele	Sept 2006 – Oct 2008
Larry Lancaster	Nov 2008 – Nov 2009
Marcus Puente	Nov 2009 – Nov 2010
Robert Mendez	Dec 2010 – Dec 2016
John Barth	Feb 2017 - Present

Organizational Chart

City of Yorktown



Budget Overview

Community Description

The City of Yorktown, Texas was incorporated 1871 as a Texas General Law City (Type A). Yorktown is located in Southwestern DeWitt County. State Highways 72 and 119 intersect on the Western side of town. Highway 72 leads northeast 16 miles to Cuero, and southwest 25 miles to Kenedy. Highway 119 leads northwest 35 miles to Stockdale and south 25 miles to Goliad.

In the Honor of Captain John York, a famous Indian fighter and Texas Revolutionary veteran, the town was named Yorktown. For his military services, York received many acres of land in the Coletto Creek area. Captain York died in October 1848 in a battle with Indians who had raided the settlement of Yorktown. Yorktown is located at 28°59'00"N 97°30'09" W Coordinates: 28°59'00"N 97°30'09"W (28.983196, -97.502415). As of the 2010 census, the population was 2,092 and has a total land area of 1.7 square miles.

Purpose

The City's budget is the most important working policy and planning tool used by the City Council and staff to provide city services. The budget reflects the goals and objectives set forth by the City Council.

Yorktown's FY2022 budget is developed and administered to deliver the services and programs citizens deem important to them. The small community provides regular feedback to City Council, which is used during the budget cycle to determine goals and objectives. The role of city staff is to guide the process by creating and managing a budget that reflects the Council's highest priorities. The FY 2022 budget is designed to ensure the citizens that city services are provided with the highest quality and efficiency.

Amendments

This current budget accounts for several changes from the previous FY 2021 budget.

This budget will raise less revenue from property taxes than last year's budget by an amount of \$-163, which is a -0.03 percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$314.

Other revenues in the general fund are expected to increase, in particular the City's sales tax. On May 1st, 2021, the City held a special election to allow voters to approve Proposition 1 which would increase **the general** sales tax levy from 1.5% to 1.75% which will increase sales tax forecasts by \$140,000. The City is expecting volatility and uncertainty with general sales tax trends as impacted by the COVID-19 pandemic.

Other revenue streams are expected to experience similar receipts compared to previously budgeted amounts in the prior fiscal year. The City has budgeted a 94% anticipated property tax collection percentage.

The City is currently not expected to add any full-time positions within the City ranks. The City is allocating additional funds to provide for the maintenance and replacement of aging utility infrastructure. Significant increases in budgeted amounts for repair and maintenance and contract labor are due to City Council's efforts in addressing needed maintenance for City Hall, street maintenance repairs, and beautification efforts.

In May of 2021, the City was awarded \$6,813,237.00 from the Texas General Land Office for the replacement of the City's aging Wastewater Treatment Plant. The City is also expected to receive a total of \$507,961.20 from the U.S Treasury administered by the Coronavirus State and Local Fiscal Recovery Funds as approved by the American Rescue Plan (ARP). The first tranche of \$253,980.60 is expected to be received prior to the end of the FY 2021 budget.

Challenges

The City of Yorktown is geographically located within the Eagle Ford Shale boundary. Starting around 2010, the city experienced increased revenues due to the increased oil field activity throughout the region. Over the past years the city has experienced a decline in general revenues due to the decline of the oil field activity in the region. As a result, the city has had to provide the same quality services with increasing limited financial resources.

The City also has experienced a decrease from the taxable values of all personal and real property located within the city limits which limits the amount of property tax revenues the city can levy. In addition, the city's interest and sinking tax rate is higher than the maintenance and operation which further limits the amount of property tax revenue used to finance everyday operations. Sales tax revenues are relatively modest for the size of the city. In effort to stabilize revenues, the Yorktown voters passed a 1.5% general sales tax levy, which now rounds out an overall 1.75% sales tax levy for the City of Yorktown within her jurisdiction.

The City of Yorktown, like many other small municipalities, is managing the aging of a water and sewer distribution system infrastructure. Many of the water lines and sewer lines throughout the city have effectively surpassed their service life. As a result, water lines are more susceptible to rupturing which increases both the work for city utility workers and the cost of repairing the lines. The City Council has deemed upgrading utility infrastructure as a key priority which is reflected in this budget.

Concluding Thoughts

Following the findings from the FY 2015-2016 audit the City has taken a proactive approach to stabilize the financial position of the City. As a result, the city has prioritized producing a new budget that eliminates waste and increases the efficiency of city services. Throughout this process, the City Council has conformed to the importance of adopting a balanced budget. Subsequent fiscal audits have exhibited improvements to the City's financial health however these improvements are not deemed suitable and acceptable. To meet targeted budget goals, the city has planned to decrease the costs of fixed expenditures (contractual obligations), limit comprehensive discretionary spending, and study ways to improve the collections of city utility services. In addition, the city has implemented internal controls that reduce the risk of adopting future budget deficits. Given the conditions of the current local economy, the city does not anticipate any significant changes to the city's revenue streams for the upcoming year.

With the right people, whom are trained and motivated to do good work, we can focus on the being good stewards to the citizens' tax monies and ensure tax dollars are maximized and spent on the right things. This includes implementing process improvements, investing in innovative technology, collaborating with surrounding agencies to reduce redundancy, and fostering an environment that is focused on enhancing transparency with the public.

Moving forward, the city does not expect the financial situation of the city to improve immediately but understands the process is gradual and will require further improvements. The city is optimistic in ensuring that the citizens of Yorktown are provided with high quality city services at low costs.

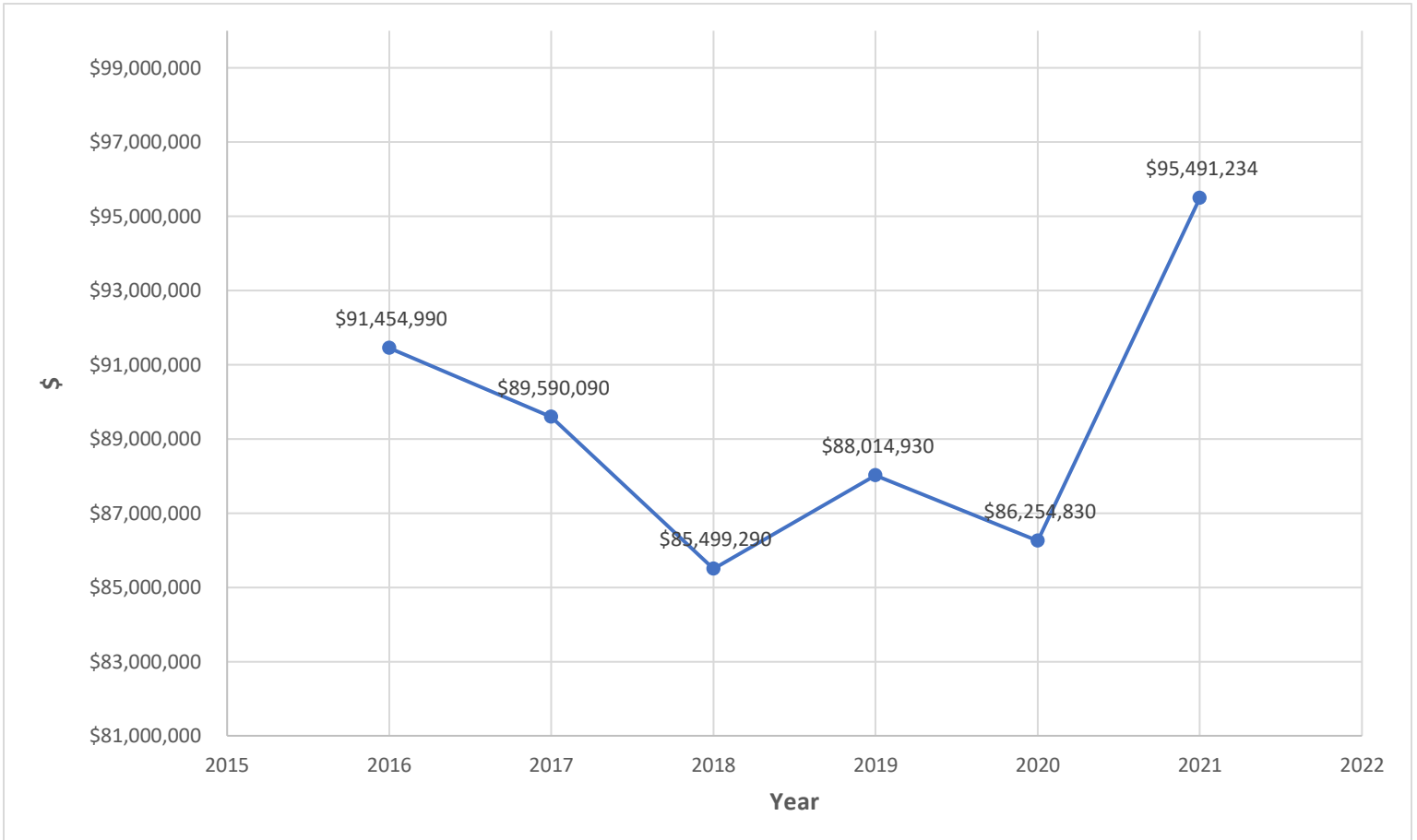


John A Barth
City Administrator

Taxable Values

Year	Net Taxable Value
2016	\$91,454,990
2017	\$89,590,090
2018	\$85,499,290
2019	\$88,014,930
2020	\$86,254,830
2021	\$95,491,234

Historical Net Taxable Values



Tax Rates

Historical	Adopted	M&O	Debt	NNR	NNR M&O	Voter Approval
Tax Year 2021	0.56732	0.23146	0.37810	0.56732	0.56732	0.58722
Tax Year 2020	0.64161	0.26351	0.38710	0.64161	0.26351	0.65768
Tax Year 2019	0.63401	0.26675	0.36726	0.63401	0.26675	0.67156
Tax Year 2018	0.65195	0.28972	0.36223	0.65195	0.28972	0.65675
Tax Year 2017	0.60676	0.25248	0.35428	0.58253	0.23378	0.60676

Note: No-New-Revenue Rate is denoted as NNR.

20-21 Tax Rate Comparisons	2020	2021	Change
Total Tax Rate (per \$100 value)	\$0.64161	\$0.5672	decrease of \$-0.07429, or -11.58%
Average Homestead taxable value	\$69,795	\$78,338	increase of \$8,543, or 12.24%
Tax on Average Homestead	\$448	\$444	decrease of \$-3.38, or -0.75%
Total tax levy on all properties	\$553,419	\$553,259	decrease of \$-163, or -0.03%

Budget Administration

Fiscal Year

The Fiscal, budget and accounting year, for the City begins on October 1st and ends September 30th of every year.

Proposed Budget

The City Administrator submits a proposed budget for the upcoming year to the City Council. The City Administrator coordinates with department heads to determine needs and requests.

Public Hearing

Council is required to hold a public hearing on the budget (Local Government Code, Title 4, Subtitle A, Chapter 102). The community and taxpayers are provided with the opportunity to voice their opinions or concerns regarding the upcoming budget.

Adoption

After the public hearing, City Council may adopt the budget. Adoption requires a vote of a majority of the Council.

Tax Rate

Following the adoption of the budget, City Council must adopt a property tax rate following the guidelines of Truth-in-Taxation as specified in the Texas Tax Code.

Basis of Budgeting and Accounting

The city utilizes modified accrual accounting principles for budgeting. The principle of accounting for all funds, excluding the city's proprietary funds, is also modified accrual.

Annual Audit

Every year the city hires an independent auditor to review the city's internal controls and to determine if the budget has been implemented and administered legally. The audit also produces several financial documents that assist in analyzing the city's financial performance.

Budget Policies

Budget

The City shall create a balanced budget which matches revenues and expenditures to goals, objectives, and performance standards. A balanced budget requires that revenues match expenditures.

Accounting, Auditing, and Financial Report

The City shall comply with prevailing local, state, and federal regulations. Its accounting practices and financial reporting shall conform to generally accepted accounting principles as promulgated by the **Governmental Accounting Standards Board** ("GASB"), the American Institute of Certified Public Accountants ("AICPA"), and the **Government Finance Officers Association** ("GFOA"). The City Council shall select an independent firm of certified public accountants to perform an annual audit of all operations.

Definitions

- **Non-spendable fund balance** – includes amounts that are not in a spendable form or are required to be maintained intact.
- **Restricted fund balance** – amounts constrained to specific purposes by their providers through constitutional provisions or by enabling legislation.

- **Committed fund balance** – includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned fund balance** – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- **Unassigned fund balance** – amounts that are available for any purpose; these amounts are reported only in the General Fund.

General Fund Revenues

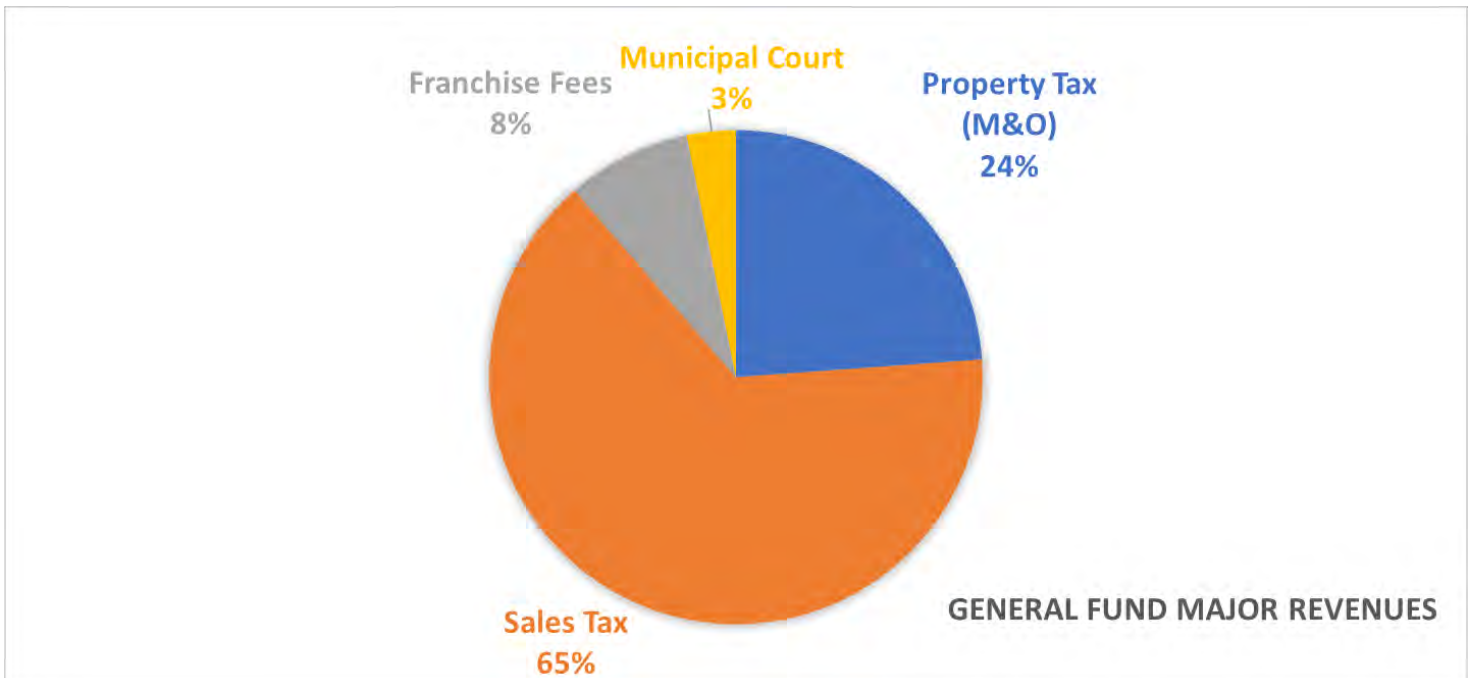
Overview

Revenue sources for the General Fund include property taxes, sales taxes, franchise fees, and permits.

Every year the City levies two property tax rates: **maintenance & operation (M&O)** and **interest and sinking (I&S)**. The I&S rate is calculated by determining the cost for the principal and interest payments on long term debt for the city's upcoming fiscal year. The I&S revenue is accounted for within the city's debt service fund. The city's M&O rate is accounted for in the General Fund.

Revenues are forecasted conservatively by utilizing linear regression, historical data, and basic trend analysis.

What are the major funding sources for the General Fund?



Historical Property Tax (M&O) Collected vs Levy

Tax Year	Taxable Values	Receipt	Levy	% Collected
2016	\$91,454,990	\$184,524	\$208,947	88%
2017	\$89,590,090	\$211,849	\$226,197	94%
2018	\$85,499,290	\$252,898	\$247,709	102%
2019	\$88,014,930	\$231,663	\$234,780	98%
2020	\$86,254,830	\$227,843	\$233,000	98%

Sales Tax Revenue

Overview

The City has historically levied a total 1.75% sales tax levy within the City’s jurisdiction. This is comprised of a 1.5% general levy and a .25% Economic Development levy. The Economic Development levy is a committed fund balance revenue. On May 1st, 2021, the City held a special election for voter authorization to increase local sales and use tax within the City which would increase the City’s general levy from 1.5% to 1.75%. Proposition A passed via voter approval 68 to 26. Effective October of 2021 the City will begin to levy a total 2.00% total sales tax levy.

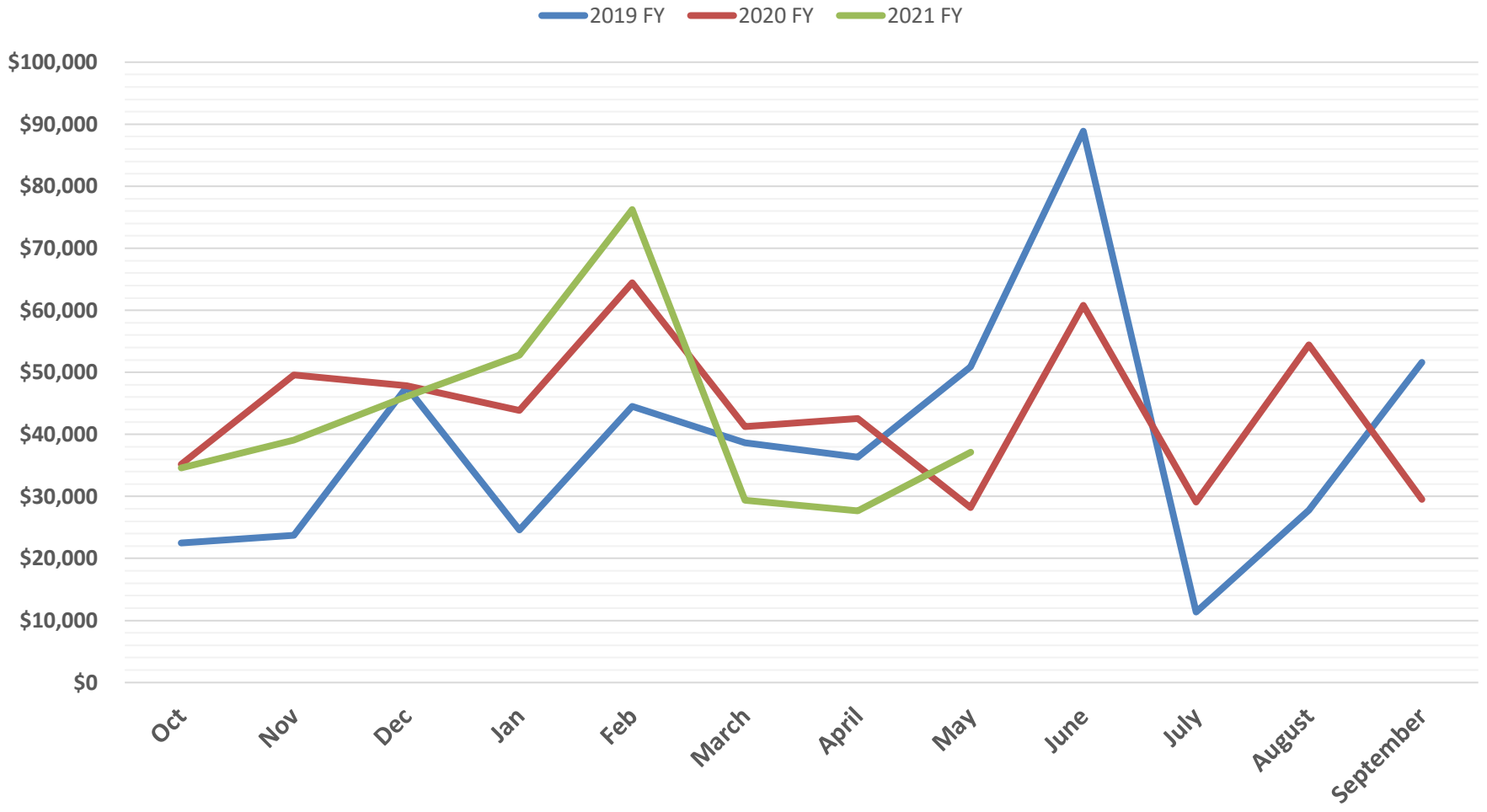
Total Sales Tax Revenue Historical

	2017	2018	2019	2020	2021
<i>January</i>	\$42,743	\$38,046	\$32,884	\$51,129	\$61,596
<i>February</i>	\$28,281	\$39,713	\$59,322	\$75,183	\$88,953
<i>March</i>	\$26,610	\$40,278	\$51,534	\$48,118	\$34,262
<i>April</i>	\$35,045	\$51,297	\$48,435	\$49,679	\$32,286
<i>May</i>	\$31,715	\$24,012	\$67,150	\$32,908	\$43,311
<i>June</i>	\$26,901	\$36,749	\$118,506	\$70,971	-
<i>July</i>	\$34,239	\$35,138	\$15,148	\$33,914	-
<i>August</i>	\$34,923	\$34,265	\$37,092	\$63,537	-
<i>September</i>	\$24,444	\$37,676	\$68,849	\$34,468	-
<i>October</i>	\$40,589	\$33,787	\$46,920	\$40,334	-
<i>November</i>	\$28,825	\$35,545	\$66,250	\$45,616	-
<i>December</i>	\$33,413	\$63,513	\$55,860	\$53,812	
TOTAL	\$387,728	\$470,019	\$635,066	\$548,540	\$260,408

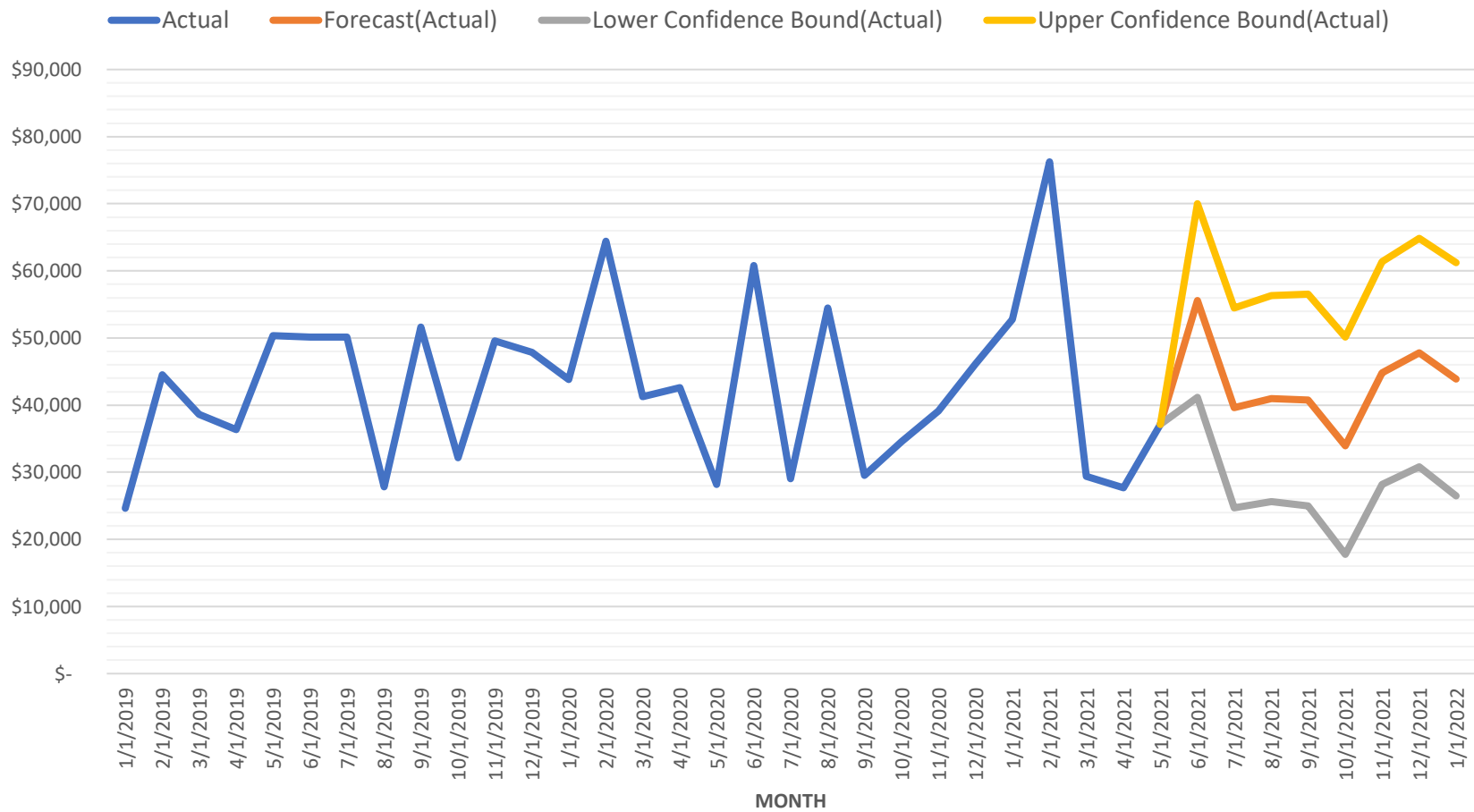
General Sales Tax Revenue Historical

Month	2019 FY	2020 FY	2021 FY
Oct	\$ 22,522	\$ 35,190	\$34,572
Nov	\$ 23,694	\$ 49,605	\$39,099
Dec	\$ 47,634	\$ 47,879	\$46,124
Jan	\$ 24,633	\$ 43,825	\$52,796
Feb	\$ 44,491	\$ 64,442	\$76,245
March	\$ 38,650	\$ 41,243	\$29,367
April	\$ 36,325	\$ 42,582	\$27,673
May	\$ 50,862	\$ 28,206	\$37,123
June	\$ 88,879	\$ 60,831	-
July	\$ 11,361	\$29,068	-
August	\$ 27,819	\$54,457	-
September	\$ 51,636	\$29,543	-
<u>TOTAL</u>	<u>\$468,506</u>	<u>\$ 526,871</u>	<u>\$342,999</u>

General Fund Sales Tax Revenue Historical



Sales Tax Forecast



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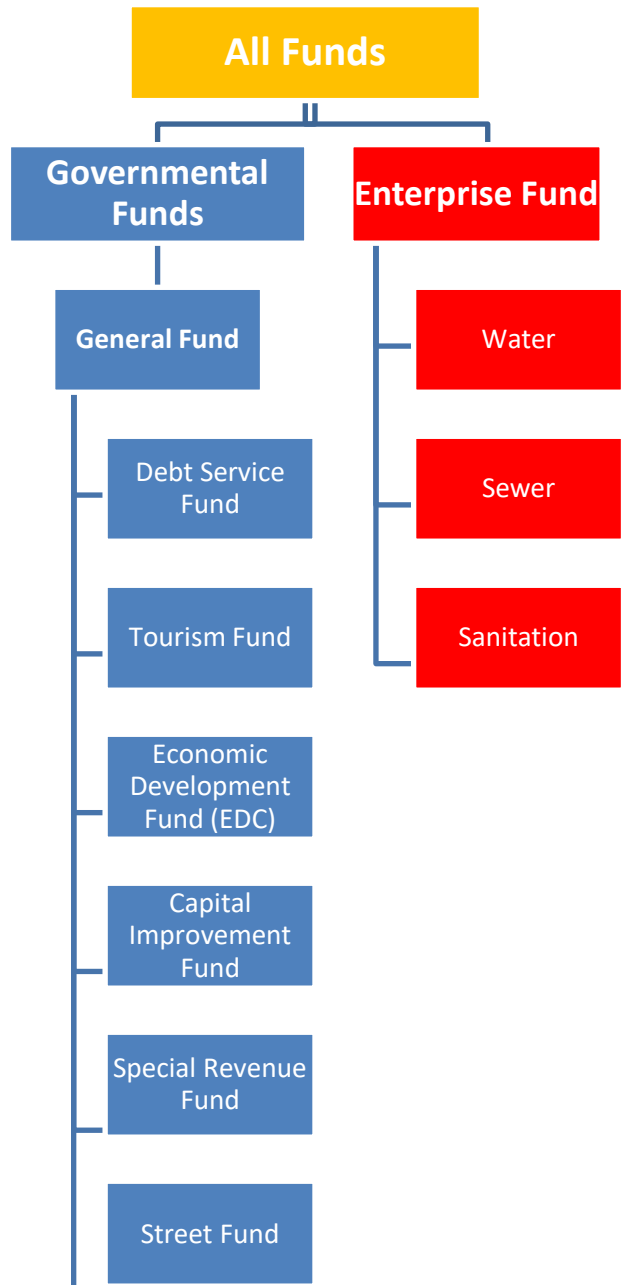
General Fund

The General Fund is the city’s primary operating fund. The General Fund finances the city’s administration, public safety, the public library, streets, parks, and the Municipal Court.

The General Fund is organized into the following funds.

<u>Fund</u>	<u>Department</u>
Fund 01 - 10	Administration
Fund 01 - 20	Streets and Parks
Fund 01 - 30	Fire Department
Fund 01 - 40	Law Enforcement
Fund 01 - 50	Cemetery
Fund 01 - 60	Library
Fund 01 - 45	Municipal Court
Fund 71	Capital Improvement Fund
Fund 72 -74	Debt Service
Fund 16-17	Special Revenue Fund
Fund 01 - 4130	Economic Development Fund (EDC)
Fund 01-4130	Tourism Fund (HOT)
Fund 54	American Rescue Plan (ARP)

Organization of Funds – Fund Structure



Performance Measures – General Fund

1. Enterprise to General Fund Intergovernmental Transfers

The City recognizes the importance of maintaining a General Fund Budget that is self-sustaining. Like many other municipalities, the City supports a portion of General Fund expenditures by utilizing a portion of the Enterprise Fund’s net revenues to help finance General Fund operations. Reducing this amount is instrumental in allowing Enterprise revenues to support Enterprise related functions, primarily improving utility infrastructure, which is one of the primary objectives for the City Council.

2. Budgeting and Maintaining a General Fund Balance

The City routinely encounters expenditures related to unforeseen failures of aging infrastructure, severe weather incidents, and fluctuating local economic conditions. The City recognizes by maintaining an increasing fund balance, or reserve, this will better equip the City in addressing these incidents along with improving the overall financial health of the City. In pursuant to GASB No. 54, the City is committed to budgeting and maintaining a fund balance to improve the overall financial position of the City and to address unforeseen incidents that City will inevitably encounter in the future.

GF Performance Measures	<u>2018-2019</u>	<u>2020-2021</u>	<u>2021-2022</u>
Limit Enterprise to General Transfers to under 20% of total Enterprise Budget	26%	26%	24%
Budget a Fund Balance of 20% of General Fund Expenditures	2%	7%	17%

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General Fund Revenues

<u>General Fund Revenues</u>	<u>Budget 2020-2021</u>	<u>Actual 5/31/2021</u>	<u>Estimated 9/30/2021</u>	<u>Adopted 2021-2022</u>	<u>21-22 % Change</u>
Property Tax Revenue (M&O)	\$ 213,652	\$ 220,692	\$ 228,698	\$ 213,652	0%
Sales Tax Revenue	\$ 440,000	\$ 343,002	\$ 514,503	\$ 580,000	32%
Mixed Beverage	\$ 8,000	\$ 6,080	\$ 8,000	\$ 8,000	0%
Lease/License	\$ -	\$ -	\$ -	\$ 1,800	-
Franchise Fees	\$ 73,000	\$ 45,764	\$ 68,646	\$ 73,000	0%
Transfers In	\$ 355,790	\$ 100,000	\$ 164,901	\$ 318,504	-10%
R.V. Park Rental	\$ 5,000	\$ 11,950	\$ 18,000	\$ 5,000	0%
Pavilion	\$ 100	\$ 150	\$ 150	\$ 100	0%
Rural Fire Calls	\$ 5,000	\$ 5,000	\$ 7,500	\$ 5,000	0%
Permits	\$ 14,500	\$ 15,774	\$ 17,845	\$ 14,500	0%
Cemetery Lots	\$ 1,000	\$ 1,025	\$ 1,025	\$ 2,000	100%
Library Rental	\$ 200	\$ 200	\$ 200	\$ 200	0%
Donations and Memorials	\$ -	\$ -	\$ -	\$ -	-
Book Fines	\$ 200	\$ 157	\$ 200	\$ 200	0%
Copies & Faxes	\$ 800	\$ 326	\$ 600	\$ 600	-25%
Municipal Court Fines	\$ 15,000	\$ 12,983	\$ 19,475	\$ 18,750	25%
Municipal Court Other	\$ 20,040	\$ 6,169	\$ 9,254	\$ 9,220	-54%
Miscellaneous	\$ 4,000	\$ 185	\$ 350	\$ 4,000	0%
Fire Department Billing Collection	\$ 5,000	\$ -	\$ -	\$ 5,000	0%
Total General Fund Revenue	\$ 1,161,282	\$ 769,457	\$ 1,059,347	\$ 1,259,526	8%

General Fund Expenditures by Fund



~Administration~

Administration	Budget 2020-2021	Actual 5/31/2021	Estimated 9/30/2021	Adopted 2021-2022	21-22 % Change
Salaries	\$ 160,000	\$ 109,025	\$ 160,000	\$ 164,800	3%
Longevity Pay	\$ 1,220	\$ 1,318	\$ 1,318	\$ 1,400	15%
Social Security/Medicare Taxes	\$ 12,500	\$ 8,026	\$ 12,039	\$ 12,500	0%
SUTA	\$ 1,200	\$ 511	\$ 767	\$ 950	-21%
Health, Dental, Life Insurance	\$ 20,730	\$ 13,820	\$ 20,730	\$ 21,352	3%
Worker's Comp	\$ 4,500	\$ 2,543	\$ 3,815	\$ 4,000	-11%
Retirement Expense	\$ 2,100	\$ 1,626	\$ 2,439	\$ 2,600	24%
Travel & Training	\$ 2,000	\$ -	\$ -	\$ 2,000	0%
Memberships & Subscriptions	\$ 5,000	\$ 2,049	\$ 3,074	\$ 4,500	-10%
Legal Fees	\$ 18,000	\$ 10,079	\$ 15,119	\$ 20,000	11%
Audit & Accounting fees	\$ 17,500	\$ 17,030	\$ 17,030	\$ 17,500	0%
Election Expense	\$ 8,500	\$ 10,965	\$ 10,965	\$ 11,000	29%
Pest Control	\$ 400	\$ 195	\$ 293	\$ 400	0%
Computer Support	\$ 16,000	\$ 13,042	\$ 19,563	\$ 20,000	25%
Tax Appraisal District Fees	\$ 8,000	\$ 2,794	\$ 4,191	\$ 8,000	0%
Tax Office Fees	\$ 2,100	\$ 1,515	\$ 2,273	\$ 1,700	-19%
Printing & Office Supplies	\$ 12,000	\$ 6,504	\$ 9,756	\$ 10,000	-17%
Postage, Freight & Delivery	\$ 1,000	\$ 576	\$ 864	\$ 1,000	0%
Advertising	\$ 2,500	\$ 2,667	\$ 4,001	\$ 6,500	160%
Telephone	\$ 12,000	\$ 5,462	\$ 8,193	\$ 8,800	-27%
Electricity	\$ 10,000	\$ 4,373	\$ 6,560	\$ 8,500	-15%
Fuel, Oil, & Gas	\$ 600	\$ 367	\$ 551	\$ 600	0%
Food & Ice	\$ 800	\$ 298	\$ 447	\$ 800	0%
Supplies	\$ 5,000	\$ 1,764	\$ 2,646	\$ 5,000	0%
Repair & Maintenance	\$ 2,000	\$ 1,845	\$ 2,768	\$ 30,000	1400%
Insurance	\$ 1,000	\$ 736	\$ 1,104	\$ 1,200	20%
Refunds- Pavilion	\$ 150	\$ 25	\$ 150	\$ 300	100%
Inspector Fees	\$ 7,000	\$ 9,398	\$ 12,500	\$ 10,000	43%
Miscellaneous	\$ 1,500	\$ 567	\$ 1,500	\$ 1,500	0%
Total Expenses	\$ 335,300	\$ 229,120	\$ 324,651	\$ 376,902	12%

~Streets & Parks~

Street and Parks	Budget 2020-2021	Actual 5/31/2021	Estimated 9/30/2021	Adopted 2021-2022	21-22 % Change
Salaries	\$ 152,337	\$ 104,382	\$ 156,573	\$ 158,000	4%
Longevity Pay	\$ 3,450	\$ 3,388	\$ 3,388	\$ 3,450	0%
Social Security/Medicare Taxes	\$ 12,000	\$ 8,245	\$ 12,368	\$ 12,500	4%
SUTA	\$ 1,100	\$ 576	\$ 864	\$ 950	-14%
Health, Dental, Life Insurance	\$ 33,168	\$ 22,112	\$ 33,168	\$ 34,163	3%
Workers Comp	\$ 6,000	\$ 3,576	\$ 5,364	\$ 6,000	0%
Retirement Expense	\$ 3,000	\$ 1,806	\$ 2,709	\$ 3,000	0%
Uniforms	\$ 4,000	\$ 622	\$ 933	\$ 4,000	0%
Travel & Training	\$ 1,200	\$ -	\$ -	\$ 1,200	0%
Pest Control	\$ 1,000	\$ 700	\$ 1,050	\$ 1,100	10%
Engineering Fees	\$ 5,000	\$ -	\$ -	\$ 5,000	0%
Animal Control	\$ 2,500	\$ -	\$ -	\$ 2,500	0%
Printing & Office Supplies	\$ 100	\$ -	\$ -	\$ 100	0%
Telephone	\$ 800	\$ 792	\$ 1,188	\$ 1,500	88%
Electricity	\$ 65,000	\$ 40,870	\$ 61,305	\$ 65,000	0%
Elec. - Baseball Field	\$ 7,000	\$ 4,154	\$ 6,231	\$ 7,000	0%
Elec. - RV Park	\$ 5,000	\$ 2,453	\$ 3,680	\$ 4,500	-10%
Memorial	\$ 700	\$ 198	\$ 297	\$ 650	-7%
Contract Labor	\$ 12,300	\$ 9,200	\$ 13,800	\$ 22,500	83%
Fuel & Oil & Gas	\$ 7,000	\$ 4,296	\$ 6,444	\$ 7,000	0%
Supplies	\$ 15,000	\$ 7,658	\$ 11,487	\$ 15,000	0%
Supplies - Parks	\$ 500	\$ -	\$ -	\$ 500	0%
Repair and Maintenance - Parks	\$ 10,000	\$ 954	\$ 1,431	\$ 10,000	0%
Repair and Maintenance - Streets	\$ 15,000	\$ 1,303	\$ 1,955	\$ 30,000	100%
Insurance	\$ 3,200	\$ 2,645	\$ 3,968	\$ 4,000	25%
Vehicle Purchase	\$ 25,000	\$ -	\$ -	\$ 25,000	0%
Total Expenses	\$ 391,355	\$ 219,930	\$ 328,201	\$ 424,613	8%

~Fire~

Fire	Budget 2020-2021	Actual 5/31/2021	Estimated 9/30/2021	Adopted 2021-2022	21-22 % Change
Physicals	\$ 200	\$ 71	\$ 71	\$ 213	7%
Workers Comp	\$ 800	\$ 397	\$ 596	\$ 800	0%
Retirement Expense	\$ 13,000	\$ 6,696	\$ 13,392	\$ 13,400	3%
Travel & Training	\$ 5,000	\$ -	\$ -	\$ 5,000	0%
Memberships & Subscriptions	\$ 200	\$ -	\$ -	\$ 200	0%
Audit & Accounting Fees	\$ 600	\$ -	\$ 600	\$ 600	0%
Fire Chief	\$ 1,200	\$ 800	\$ 1,200	\$ 1,200	0%
Pest Control	\$ 350	\$ 195	\$ 293	\$ 350	0%
Computer Support	\$ -	\$ -	\$ -	\$ -	-
Fuel & Oil & Gas	\$ 1,200	\$ 1,370	\$ 1,370	\$ 1,200	0%
Supplies	\$ 2,000	\$ 5,558	\$ 5,588	\$ 2,000	0%
Repair and Maintenance	\$ 9,500	\$ 7,818	\$ 7,818	\$ 9,500	0%
Pump/Air Tank Maintenance	\$ -	\$ -	\$ -	\$ 1,300	-
Insurance	\$ 900	\$ 687	\$ 900	\$ 1,900	111%
Equipment	\$ -	\$ -	\$ -	\$ -	-
Vehicle Note	\$ 28,121	\$ 28,121	\$ 28,121	\$ 18,244	-35%
Total Expenses	\$ 63,071	\$ 51,642	\$ 59,948	\$ 55,907	-11%

~Police~

Police	<u>Budget 2020-2021</u>	<u>Actual 5/31/2021</u>	<u>Estimated 9/30/2021</u>	<u>Adopted 2021-2022</u>	<u>21-22 % Change</u>
Law Enforcement Contract Services	\$ 252,950	\$ 168,245	\$ 252,950	\$ 252,950	0%
Board Prisoners	\$ -	\$ 805	\$ 1,000	\$ 1,000	-
<u>Total Expenses</u>	<u>\$ 252,950</u>	<u>\$ 168,245</u>	<u>\$ 253,950</u>	<u>\$ 253,950</u>	<u>0%</u>

Cemetery	Budget 2020-2021	Actual 5/31/2021	Estimated 9/30/2021	Adopted 2021-2022	21-22 % Change
Supplies	\$ 200	\$ -	\$ -	\$ 200	0%
Repair and Maintenance	\$ 300	\$ -	\$ -	\$ 300	0%
Equipment	\$ 500	\$ -	\$ -	\$ 500	0%
Total Expenses	\$ 1,000	\$ -	\$ -	\$ 1,000	0%

Library	Budget 2020-2021	Actual 5/31/2021	Estimated 9/30/2021	Adopted 2021-2022	21-22 % Change
Salaries	\$ 21,000	\$ 19,277	\$ 28,916	\$ 30,000	43%
Social Security/Medicare Taxes	\$ 2,100	\$ 1,475	\$ 2,213	\$ 2,300	10%
SUTA	\$ 550	\$ 298	\$ 447	\$ 500	-9%
Workers Comp	\$ 300	\$ 119	\$ 179	\$ 250	-17%
Travel & Training	\$ 500	\$ 115	\$ 500	\$ 2,000	300%
Membership & Subscriptions	\$ 1,000	\$ 374	\$ 561	\$ 1,000	0%
Pest Control	\$ 500	\$ 195	\$ 450	\$ 500	0%
Printing & Office Supplies	\$ 450	\$ 927	\$ 1,391	\$ 1,200	167%
Postage, Freight, & Delivery	\$ 100	\$ -	\$ -	\$ 100	0%
Advertising	\$ 500	\$ -	\$ -	\$ 500	0%
Telephone	\$ 1,800	\$ 1,000	\$ 1,500	\$ 1,600	-11%
Electricity	\$ 6,000	\$ 3,809	\$ 5,714	\$ 6,000	0%
Supplies	\$ 2,000	\$ 350	\$ 525	\$ 2,000	0%
Repair and Maintenance	\$ 10,000	\$ 5,359	\$ 10,000	\$ 10,000	0%
Technology Support	\$ 4,500	\$ 3,268	\$ 4,500	\$ 4,500	0%
Insurance	\$ 1,400	\$ 1,224	\$ 1,500	\$ 1,500	7%
Library Books	\$ 5,000	\$ 2,072	\$ 3,108	\$ 5,000	0%
Equipment	\$ 1,000	\$ -	\$ -	\$ 1,000	0%
Total Expenses	\$ 58,700	\$ 39,862	\$ 61,502	\$ 69,950	19%

~Municipal Court~

Municipal Court	Budget 2020-2021	Actual 5/31/2021	Estimated 9/30/2021	Adopted 2021-2022	21-22 % Change
Salaries	\$ 23,000	\$ 15,612	\$ 23,000	\$ 23,800	3%
Longevity Pay	\$ 32	\$ 34	\$ 34	\$ 40	-
Social Security/Medicare Taxes	\$ 1,800	\$ 1,197	\$ 1,796	\$ 1,800	0%
SUTA	\$ 280	\$ 144	\$ 216	\$ 250	-11%
Health, Dental, Life Insurance	\$ 4,146	\$ 2,764	\$ 4,146	\$ 4,270	3%
Travel & Training	\$ 1,500	\$ 200	\$ 300	\$ 1,500	0%
Memberships & Subscriptions	\$ -	\$ -	\$ -	\$ 250	-
Legal Fees	\$ 10,000	\$ 3,829	\$ 5,744	\$ 10,000	0%
State Court Cost	\$ 5,500	\$ 2,814	\$ 4,221	\$ 5,500	0%
Printing & Office Supplies	\$ 1,200	\$ 403	\$ 605	\$ 1,000	-17%
Postage, Freight & Delivery	\$ 450	\$ 227	\$ 341	\$ 450	0%
Supplies	\$ 500	\$ -	\$ -	\$ 500	0%
Repair and Maintenance	\$ 500	\$ -	\$ -	\$ 500	0%
Software Maintenance	\$ 2,300	\$ 2,045	\$ 2,045	\$ 2,300	0%
Refunds	\$ 700	\$ -	\$ -	\$ 700	0%
Juror Fee	\$ 200	\$ -	\$ -	\$ 200	0%
Total Expenses	\$ 52,108	\$ 29,269	\$ 42,446	\$ 53,060	2%

General Fund Totals

<u>GENERAL FUND</u>	<u>Budget 2020-2021</u>	<u>Actual 5/31/2021</u>	<u>Estimated 9/30/2021</u>	<u>Adopted 2021-2022</u>	<u>21-22 % Change</u>
<u>TOTAL REVENUES</u>	<u>\$ 1,161,282</u>	<u>\$ 769,457</u>	<u>\$ 1,059,347</u>	<u>\$ 1,259,526</u>	<u>8%</u>
<u>EXPENDITURES PER FUND</u>					
ADMINISTRATION	\$ 335,300	\$ 229,120	\$ 324,651	\$ 376,902	12%
STREETS AND PARKS	\$ 366,355	\$ 219,930	\$ 328,201	\$ 424,613	16%
FIRE	\$ 62,871	\$ 51,642	\$ 59,948	\$ 55,907	-11%
POLICE	\$ 252,950	\$ 168,245	\$ 253,950	\$ 253,950	0%
CEMETERY	\$ 1,000	\$ -	\$ -	\$ 1,000	0%
LIBRARY	\$ 58,700	\$ 39,862	\$ 61,502	\$ 69,950	19%
COURT	\$ 52,108	\$ 29,269	\$ 42,446	\$ 53,060	2%
<u>TOTAL EXPENDITURES</u>	<u>\$ 1,129,284</u>	<u>\$ 738,068</u>	<u>\$ 1,070,698</u>	<u>\$ 1,235,382</u>	<u>9%</u>
<u>REVENUE OVER (UNDER)</u>	<u>\$ 31,998</u>	<u>\$ 31,389</u>	<u>\$ (11,351)</u>	<u>\$ 24,144</u>	<u>-25%</u>
<u>NET FUND BALANCE</u>	<u>\$ 52,331</u>	<u>\$ 174,895</u>	<u>\$ 147,898</u>	<u>\$ 210,658</u>	<u>303%</u>

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Debt Service Fund

The Debt Service Fund collects and disburses payments to meet the City’s obligations for principal and interest payment on outstanding long-term debt. The City of Yorktown is currently in a favorable debt position with no General Debt Service Fund obligations beyond FY 2032. The debt payments are financed through interest and sinking (I&S) property tax revenues.

The city currently has an outstanding principle of \$2,760,000 and \$607,204 in interest for a combined **\$3,367,204** in total debt owed.

1. The **Series 2013 Certificates of Obligation (CO Series 2013)**: for \$2,500,000 was issued to finance capital improvements to the City’s streets. This issue will retire on September 30th, 2032.

2. The **Series 2019 General Obligation Refunding Bond (GO Refunding 2019)**: was issued in 2019 to combine both the Series 2008 Certificates of Obligation and Series 2014 Limited Tax Notes. The original principle of \$1,825,000 was issued to finance capital Wastewater and Water projects including a new wastewater clarifier and upgrades to the water tower and water storage facilities. To finance the creation of a new water well in the City Park the City utilized a Limited Tax Note. The issue is set to retire on September 20th, 2034.

Bond YTD Outstanding	Principle	Interest	Total
CO Series 2013	\$1,665,000	\$344,004	\$2,009,004
GO Refunding 2019	\$1,095,000	\$263,200	\$1,358,200
Total	\$2,760,000	\$607,204	\$3,367,204

Yorktown, Texas

\$1,275,000.00 General Obligation Refunding Bonds, Series 2019
REFUNDS 2008 CO & 2014 TAX NOTE ONLY

Total Issue Sources And Uses

Dated 07/09/2019 | Delivered 07/09/2019

	REF 08	REF 14	Issue Summary
Sources Of Funds			
Par Amount of Bonds	\$610,000.00	\$665,000.00	\$1,275,000.00
Total Sources	\$610,000.00	\$665,000.00	\$1,275,000.00
Uses Of Funds			
Costs of Issuance	16,745.10	18,254.90	35,000.00
Deposit to Current Refunding Fund	591,252.00	647,668.15	1,238,920.15
Rounding Amount	2,002.90	(923.05)	1,079.85
Total Uses	\$610,000.00	\$665,000.00	\$1,275,000.00

Yorktown, Texas

\$1,275,000.00 General Obligation Refunding Bonds, Series 2019
REFUNDS 2008 CO & 2014 TAX NOTE ONLY

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
07/09/2019	-	-	-	-	-
02/15/2020	-	-	30,600.00	30,600.00	-
08/15/2020	85,000.00	4.000%	25,500.00	110,500.00	-
09/30/2020	-	-	-	-	141,100.00
02/15/2021	-	-	23,800.00	23,800.00	-
08/15/2021	95,000.00	4.000%	23,800.00	118,800.00	-
09/30/2021	-	-	-	-	142,600.00
02/15/2022	-	-	21,900.00	21,900.00	-
08/15/2022	100,000.00	4.000%	21,900.00	121,900.00	-
09/30/2022	-	-	-	-	143,800.00
02/15/2023	-	-	19,900.00	19,900.00	-
08/15/2023	105,000.00	4.000%	19,900.00	124,900.00	-
09/30/2023	-	-	-	-	144,800.00
02/15/2024	-	-	17,800.00	17,800.00	-
08/15/2024	110,000.00	4.000%	17,800.00	127,800.00	-
09/30/2024	-	-	-	-	145,600.00
02/15/2025	-	-	15,600.00	15,600.00	-
08/15/2025	110,000.00	4.000%	15,600.00	125,600.00	-
09/30/2025	-	-	-	-	141,200.00
02/15/2026	-	-	13,400.00	13,400.00	-
08/15/2026	110,000.00	4.000%	13,400.00	123,400.00	-
09/30/2026	-	-	-	-	136,800.00
02/15/2027	-	-	11,200.00	11,200.00	-
08/15/2027	120,000.00	4.000%	11,200.00	131,200.00	-
09/30/2027	-	-	-	-	142,400.00
02/15/2028	-	-	8,800.00	8,800.00	-
08/15/2028	125,000.00	4.000%	8,800.00	133,800.00	-
09/30/2028	-	-	-	-	142,600.00
02/15/2029	-	-	6,300.00	6,300.00	-
08/15/2029	45,000.00	4.000%	6,300.00	51,300.00	-
09/30/2029	-	-	-	-	57,600.00
02/15/2030	-	-	5,400.00	5,400.00	-
08/15/2030	50,000.00	4.000%	5,400.00	55,400.00	-
09/30/2030	-	-	-	-	60,800.00
02/15/2031	-	-	4,400.00	4,400.00	-
08/15/2031	50,000.00	4.000%	4,400.00	54,400.00	-
09/30/2031	-	-	-	-	58,800.00
02/15/2032	-	-	3,400.00	3,400.00	-
08/15/2032	55,000.00	4.000%	3,400.00	58,400.00	-
09/30/2032	-	-	-	-	61,800.00

REF 08 & 14 final | Issue Summary | 6/ 6/2019 | 1:13 PM

Yorktown, Texas

\$1,275,000.00 General Obligation Refunding Bonds, Series 2019
REFUNDS 2008 CO & 2014 TAX NOTE ONLY

Debt Service Schedule

Part 2 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/15/2033	-	-	2,300.00	2,300.00	-
08/15/2033	55,000.00	4.000%	2,300.00	57,300.00	-
09/30/2033	-	-	-	-	59,600.00
02/15/2034	-	-	1,200.00	1,200.00	-
08/15/2034	60,000.00	4.000%	1,200.00	61,200.00	-
09/30/2034	-	-	-	-	62,400.00
Total	\$1,275,000.00	-	\$366,900.00	\$1,641,900.00	-

Yield Statistics

Bond Year Dollars	\$9,172.50
Average Life	7.194 Years
Average Coupon	4.0000000%
Net Interest Cost (NIC)	4.0000000%
True Interest Cost (TIC)	3.9992190%
Bond Yield for Arbitrage Purposes	3.9992190%
All Inclusive Cost (AIC)	4.4685513%
IRS Form 8038	
Net Interest Cost	4.0000000%
Weighted Average Maturity	7.194 Years

Yorktown, Texas

\$2,500,000.00 Certificates of Obligation, Series 2013

Debt Service Schedule

Part 1 of 2

Date	Principal	Interest	Total P+I	Fiscal Total
02/21/2013	-	-	-	-
02/15/2014	-	80,387.50	80,387.50	-
08/15/2014	40,000.00	40,875.00	80,875.00	-
09/30/2014	-	-	-	161,262.50
02/15/2015	-	40,221.00	40,221.00	-
08/15/2015	105,000.00	40,221.00	145,221.00	-
09/30/2015	-	-	-	185,442.00
02/15/2016	-	38,504.25	38,504.25	-
08/15/2016	105,000.00	38,504.25	143,504.25	-
09/30/2016	-	-	-	182,008.50
02/15/2017	-	36,787.50	36,787.50	-
08/15/2017	110,000.00	36,787.50	146,787.50	-
09/30/2017	-	-	-	183,575.00
02/15/2018	-	34,989.00	34,989.00	-
08/15/2018	115,000.00	34,989.00	149,989.00	-
09/30/2018	-	-	-	184,978.00
02/15/2019	-	33,108.75	33,108.75	-
08/15/2019	115,000.00	33,108.75	148,108.75	-
09/30/2019	-	-	-	181,217.50
02/15/2020	-	31,228.50	31,228.50	-
08/15/2020	120,000.00	31,228.50	151,228.50	-
09/30/2020	-	-	-	182,457.00
02/15/2021	-	29,266.50	29,266.50	-
08/15/2021	125,000.00	29,266.50	154,266.50	-
09/30/2021	-	-	-	183,533.00
02/15/2022	-	27,222.75	27,222.75	-
08/15/2022	130,000.00	27,222.75	157,222.75	-
09/30/2022	-	-	-	184,445.50
02/15/2023	-	25,097.25	25,097.25	-
08/15/2023	135,000.00	25,097.25	160,097.25	-
09/30/2023	-	-	-	185,194.50
02/15/2024	-	22,890.00	22,890.00	-
08/15/2024	135,000.00	22,890.00	157,890.00	-
09/30/2024	-	-	-	180,780.00
02/15/2025	-	20,682.75	20,682.75	-
08/15/2025	140,000.00	20,682.75	160,682.75	-
09/30/2025	-	-	-	181,365.50
02/15/2026	-	18,393.75	18,393.75	-
08/15/2026	145,000.00	18,393.75	163,393.75	-
09/30/2026	-	-	-	181,787.50

Yorktown, Texas

\$2,500,000.00 Certificates of Obligation, Series 2013

Debt Service Schedule

Part 2 of 2

Date	Principal	Interest	Total P+I	Fiscal Total
02/15/2027	-	16,023.00	16,023.00	-
08/15/2027	150,000.00	16,023.00	166,023.00	-
09/30/2027	-	-	-	182,046.00
02/15/2028	-	13,570.50	13,570.50	-
08/15/2028	155,000.00	13,570.50	168,570.50	-
09/30/2028	-	-	-	182,141.00
02/15/2029	-	11,036.25	11,036.25	-
08/15/2029	160,000.00	11,036.25	171,036.25	-
09/30/2029	-	-	-	182,072.50
02/15/2030	-	8,420.25	8,420.25	-
08/15/2030	165,000.00	8,420.25	173,420.25	-
09/30/2030	-	-	-	181,840.50
02/15/2031	-	5,722.50	5,722.50	-
08/15/2031	170,000.00	5,722.50	175,722.50	-
09/30/2031	-	-	-	181,445.00
02/15/2032	-	2,943.00	2,943.00	-
08/15/2032	180,000.00	2,943.00	182,943.00	-
09/30/2032	-	-	-	185,886.00
Total	\$2,500,000.00	\$953,477.50	\$3,453,477.50	-

Par Amounts Of Selected Issues

13 CO TIB bid*	2,500,000.00
TOTAL	2,500,000.00

Debt Service Fund

<u>Debt Service Fund</u>	<u>Budget 2020-2021</u>	<u>Actual 5/31/2021</u>	<u>Estimated 9/30/2021</u>	<u>Adopted 2021-2022</u>	<u>21-22 % Change</u>
Revenues					
Property Tax Revenues (I&S)	\$ 306,565	\$ 311,353	\$ 318,789	\$ 306,565	0%
Total (I&S) Revenue	\$ 306,565	\$ 311,353	\$ 318,789	\$ 306,565	0%
Expenditures					
GO Refunding 2019	\$ 142,600	\$ 23,800	\$ 142,600	\$ 143,800	1%
CO Series 2013	\$ 183,533	\$ 29,266.50	\$ 183,533	\$ 184,445.50	0%
Total Debt Service	\$ 326,133	\$ 53,067	\$ 326,133	\$ 328,245.50	1%
Revenue Over (Under) Exp	\$ (19,568)	\$ 258,287	\$ (7,344)	\$ (21,680)	11%
Fund Balance	\$ 27,800	\$ 286,087	\$ 28,754	\$ 27,800	0%

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Tourism Fund

The Tourism fund accounts for the occupancy tax revenue collected from hotels and motels to provide for the promotion of the City's tourism industry.

The distribution of hotel and motel tax revenue is detailed in the Texas Tax Code Chapter 351.101. **Revenue from the municipal hotel occupancy tax may be used only to promote tourism and historical preservation.**

The tax is levied upon the cost of occupancy of any sleeping room furnished by any hotel where such cost of occupancy is at the rate of two dollars (\$2.00) or more per day, and such tax is set at seven percent (7%) of the consideration paid by the occupant of such room to such hotel; the city secretary authorized to enter into a contract with the Chamber of Commerce and the Yorktown Historical Society of the city wherein the tax revenue received and delivered for the purpose of promoting tourism and the preservation of City history. **The City distribution of the total of such revenues is distributed as the Yorktown Chamber of Commerce receiving 75% of revenues and the Yorktown Historical Society receiving 25% of the revenues.**

Tourism Fund
~Continued~

<u>TOURISM FUND</u>	<u>Budget 2020-2021</u>	<u>Actual 5/31/2021</u>	<u>Estimated 9/30/2021</u>	<u>Adopted 2021-2022</u>	<u>21-22 % Change</u>
Revenues					
Hotel/Motel Tax	\$ 61,150	\$ 28,610	\$ 45,000	\$ 55,000	-10%
Expenses					
Remittance to Chamber	\$ 55,035	\$ 27,466	\$ 43,200	\$ 41,250	-25%
Remittance to Historical Society	\$ 6,115	\$ 1,144	\$ 1,800	\$ 13,750	125%
Total Expense	\$ 61,150	\$ 28,610	\$ 45,000	\$ 55,000	-10%
Revenues Over (Under)	\$ -	\$ -	\$ -	\$ -	
Fund Balance	\$ -	\$ -	\$ -	\$ -	-

Special Revenue & Grant Fund

The special revenue and grant fund accounts for Specific Revenues that are legally restricted to expenditures for specific purposes. Due to the elimination of the Yorktown Police Department the City does not anticipate any future police related grants. The Fund also included restricted revenues for Municipal Court Technology and Municipal Court Security funds.

<u>Special Revenue & Grant Fund</u>	<u>Budget 2020-2021</u>	<u>Actual 5/31/2021</u>	<u>Estimated 9/30/2021</u>	<u>Adopted 2021-2022</u>	<u>21-22 % Change</u>
Revenue					
Municipal Court Tech	\$ 1,200	\$ 290	\$ 435	\$ 800	-33%
Municipal Court Security	\$ 1,000	\$ 322	\$ 483	\$ 700	-30%
Fire Truck Debt Relief Grant	\$ -	\$ 75,000	\$ 75,000	\$ -	
<u>Total Revenue</u>	\$ 2,200	\$ 75,612	\$ 75,918	\$ 1,500	-32%
Expenses					
Municipal Court Tech	\$ 1,200	\$ -	\$ -	\$ 800	-33%
Municipal Court Security	\$ 1,000	\$ -	\$ -	\$ 700	-30%
Fire Truck Debt Relief Payment	\$ -	\$ 75,000	\$ 75,000	\$ -	
<u>Total Expenses</u>	\$ 2,200	\$ 75,000	\$ 75,000	\$ 1,500	-32%
Revenue Over (Under) Expenditures	\$ -	\$ 612	\$ 918	\$ -	
<u>Fund Balance</u>	\$ 4,200	\$ 612	\$ 5,118	\$ 5,118	22%

Capital Improvement Fund

The Capital Improvement Fund is designed to account and maintain records of funds used to improve capital structures and projects throughout the City. Capital projects are related to streets, drainage, sewer and water operations, parks, and other municipal facilities. The Capital Improvement Fund is accompanied by a Capital Improvement Plan (CIP), the plan and the fund are intended to.

- Provide a clear general summary of capital projects and improvements.
- Identify long-term goals or needed replacements and improvement to capital infrastructure and buildings throughout the City.
- Identify and provide expenditures and revenues to be undertaken to finance capital improvements.
- Provide cost estimates and time schedules for the capital improvements and projects.
- Provide an estimated cost or expenditures for maintenance and operating requirements for the projects or improvements.
- Details of the overall impact of the community and City in relationship to the capital improvements and projects.
- Methodology to measure performance and outcomes of the capital projects via a capital plan.

Capital Improvement Fund	Budget 2020-2021	Actual 5/31/2021	Estimated 9/30/2021	Adopted 2021-2022	21-22 % Change
Revenues					
Operating Transfers	\$ 72,818	\$ 40,728	\$ 78,395	\$ 66,288	-9%
CDBG 19-20 Grant	\$ 275,000	\$ 115,590	\$ 275,000	\$ -	-100%
CDBG DR Harvey Grant	\$ 793,105	\$ 61,100	\$ 91,745	\$ 701,360	-12%
CDBG MIT Harvey	\$ -	\$ -	\$ -	\$ 3,091,618	
CDBG 21-22 Grant	\$ -	\$ -	\$ -	\$ 350,000	
Total CIP Revenue	\$ 1,140,923	\$ 217,418	\$ 445,140	\$ 4,209,266	269%
Expenditures					
CDBG Grant Administration Fees	\$ 93,698	\$ 32,106	\$ 53,281	\$ 291,133	211%
CDBG Engineering Fees	\$ 138,648	\$ 57,624	\$ 93,291.26	\$ 425,227	207%
CDBG 19-20 Contractor East Water	\$ 228,775	\$ 100,708	\$ 244,786	\$ -	-100%
CDBG DR Contractor Harvey Project	\$ 634,484	\$ -	\$ -	\$ 643,984	1%
CDBG MIT Contractor Sewer Plant	\$ -	\$ -	\$ -	\$ 2,553,922	#DIV/0!
CDBG 20-21 Contractor Waterlines	\$ -	\$ -	\$ -	\$ 295,000	
Pump House Restoration Note	\$ 45,318	\$ 26,978	\$ 48,604	\$ -	-100%
Total CIP Expenditures	\$ 1,140,923	\$ 217,416	\$ 439,962	\$ 4,209,266	269%
Revenue Over (Under) Expenditures	\$ -	\$ -	\$ 5,177	\$ 0	
Fund Balance	\$ -	\$ -	\$ 5,177	\$ -	

Capital Improvement Performance Measures

1. Prioritizing federal and state grants to fund infrastructure.

One of the primary objectives established by the City Council is the maintenance, repair, and replacement of aging infrastructure. The City Council has prioritized obtaining federal and state grant funding to finance expensive long-term capital projects. By obtaining this funding, the City is not only replacing outdated capital projects but maximizing the tax and utility cost savings for Yorktown residents. Thus, the primary performance measure established for the Capital Improvement Fund is to have over 90% of the fund’s budget financed by and through grant funding.

Over the past years the City has received an unprecedented amount of grant funding through the US Housing and Urban Development (HUD)’s Community Development Block Grants program. These grants have resulted in the City constructing newer water lines, storm drainage, and the planned replacement of the City’s Wastewater Treatment Plant.

CIP Performance Measures	FY 2019-2020	FY 2020-2021	FY 2021-2022
Grant Funding 90% + of CIP Budget	94%	96%	99%

Current Capital Needs Prioritization

Water Projects	Year(s)	Need/Priority	Cost
Replace undersized water lines in Fetchner Addition in SE Yorktown -area bounded by Brauning St to the West, Hwy 72 to the northwest, York St to the northeast and the city limits to the southwest. Project funded by the 2019-2020 CDBG Program.	2020-2021	Mandatory	\$302,500
Replace two Water distribution pumps and motors inside the existing Water Pump House. Provide backup pump for the Pumphouse in the event of both pumps/motors failing. Replace the Chlorine injector line that runs from the Pumphouse to the City's Ground Storage which chlorinates drinking water before distribution. Replace concrete foundation inside the pumphouse.	2020-2021	Mandatory	\$115,634

Wastewater Projects	Year(s)	Need/Priority	Cost
Replace existing 1975 Wastewater Treatment Plant with a new 0.26-0.3 MGD Extended Aeration Wastewater Treatment Plant (Headworks, Aeration Basin, Clarifier, Chlorine Contact Chamber, Sludge Beds, SCADA, Office Building, Pump Station, Decommissioning).	2020-2022	Mandatory	\$5,500,000
Rehabilitate 8th St and 11th St Lift Stations (Wet Wells, Duplex pumps, Controls, Emergency Generators, By-Pass Pumping).	2020-2022	Mandatory	\$765,000
Construct all-weather access road to WWTP.	2020-2022	Mandatory	\$110,000

Drainage Projects	Year(s)	Need/Priority	Cost
West 6th Street and Drainage Improvements - Reconstruct West 6th Street from N. Hope Street to City Limits (just past 6th and Burrow Streets), repair/regrade roadside ditches and appurtenances. Project funded by Harvey CDBG-DR Program.	2020-2022	Mandatory	\$793,105

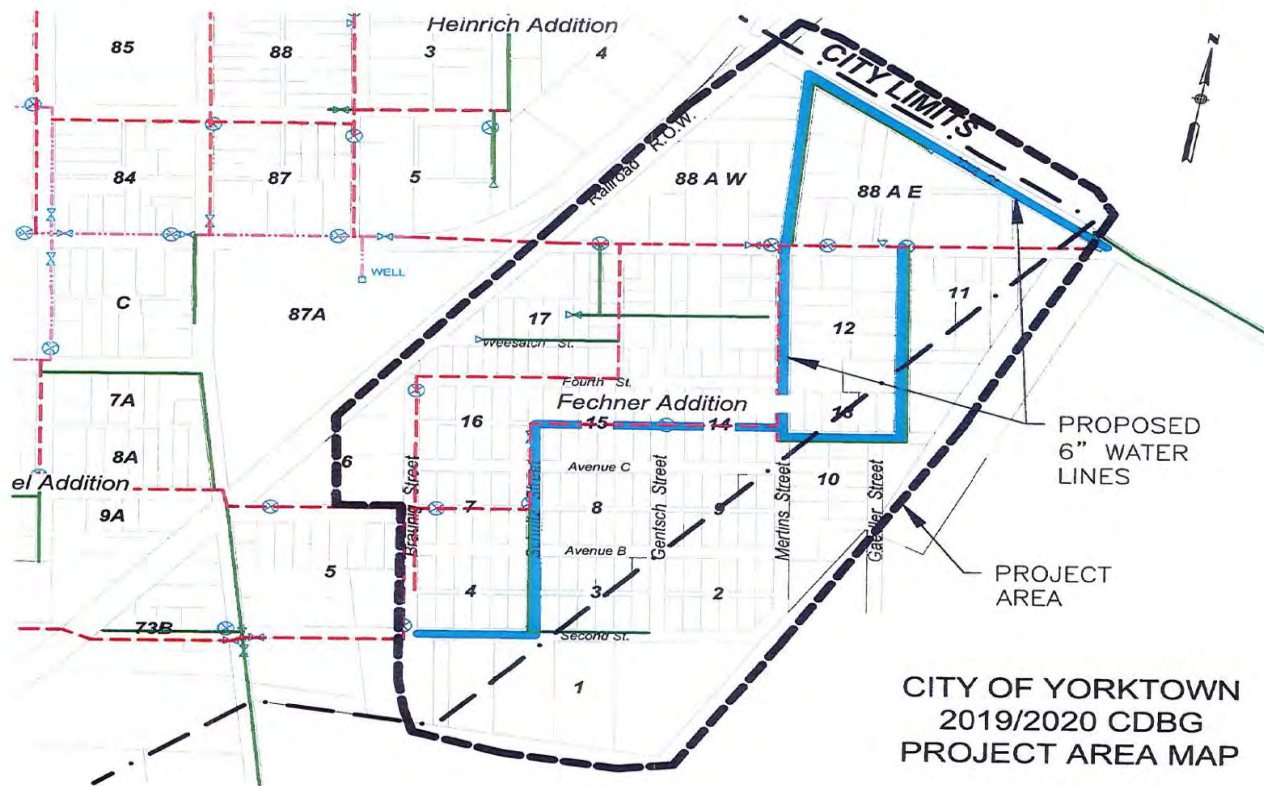
TxCDBG-TDA 19-20

2019-2020 General Community Development Block Grant (19-20 CDBG)

Beginning the 2019 Calendar Year City Council procured Grant Works Inc and John D Mercer and Associates for the 19-20 CDBG Funding Cycle for Water Line Improvements. In November of 2019, the City was notified of the award of \$275,000 for the project.

The Southeast area of Yorktown, a predominately lower-income neighborhood, is deficient in municipal water service. Water service to the neighborhood is provided by a primarily smaller, 2-inch iron lines that were installed over 40 years ago. Decades of chemical and mineral deposits have clogged the lines and greatly restrict water flow to the houses. The water lines have become brittle with age and rust and line breaks are a frequent occurrence. Water service is disrupted so as repairs can be made. Residents report problems with operating washing machines or taking a shower, especially during periods of peak usage. Further, the fire hydrants serving the area offer only limited firefighting capacity.

The only cost-effective approach to address the water system deficiencies in the Southeast area is to replace the water lines with adequately sized PVC lines and reconnect the houses to the new lines. The City will install larger-capacity water lines in the Southeast area of the City as identified in the Project Location Map.



CDBG-DR

Hurricane Harvey overwhelmed the street and drainage system of the city. Heavy rainfall caused flooding of homes and streets. Inadequate drainage throughout the city prohibited stormwater from draining efficiently. The issue of inadequate storm water drainage is more pronounced on the outskirts of the City due to the elevated topography. As the elevation inside the City is lower than the outskirts rainwater travels downward into the City; deteriorating streets and also resulting in flooding of neighboring homes. The City Council decided to invest CDBG DR funding to improve stormwater drainage infrastructure to problematic areas in town. The area the City determined to be most impacted by stormwater runoff was on West 6th Street.

On August 12th, 2019, the City applied for Community Development Block Grant – Disaster Recovery (DR) 2019 for Hurricane Harvey recovery and mitigation infrastructure for the 6th street drainage project.

In January of 2020, the City received notification of the award of **\$793,105** for the mentioned project to be administered through the Texas General Land Office (GLO). The City procured Grant Works as the Grant Administrator and John D. Mercer & Associates as the project engineer.

2019 Community Development Block Grant Disaster Recovery Harvey (CDBG-DR 19)



2020 Community Development Block Grant Hurricane Harvey Mitigation (CDBG-MIT)

CDBG-MIT

Another challenge brought forth by Hurricane Harvey was the overwhelming surge in wastewater flow into the City's Wastewater Treatment Plant which stressed the plant's ability to safely treat, process, and discharge effluent. Lift stations around the City were inundated with flood waters threatening to create sewer back-ups and unauthorized discharges.

The City's current wastewater plant was constructed in 1974 and has surpassed its useful serviceability.

In October of 2020, the City applied for funding administered through the Texas General Land Office (GLO) for eligible projects to assist in mitigating damages from future severe weather events. The City hired Hanson Engineering Inc. to develop plans for the creation of a new and updated Wastewater Treatment Plant along with replacing two (2) lift stations.

In May of 2021, the city was notified by GLO of the award of **\$6,183,237** for the project.



**CDBG-MIT: Budget Justification of Retail Costs
(Former Table 2)**

Cost Verification Controls must be in place to assure that construction costs are reasonable and consistent with market costs at the time and place of construction.

Applicant/Subrecipient:	City of Yorktown					
Site/Activity Title:	City-wide					
Eligible Activity:	Wastewater System Improvements					
Materials/Facilities/Services	\$/Unit	Unit	Quantity	Construction	Acquisition	Total
0.3 MGD Extended Aeration Wastewater Treatment Plant					\$ 50,000.00	\$ 50,000.00
Headworks/Screen System	\$ 300,000.00	LS	1	\$ 300,000.00	\$ -	\$ 300,000.00
Grit Removal System	\$ 192,000.00	LS	1	\$ 192,000.00	\$ -	\$ 192,000.00
Extended Aeration Blower	\$ 485,000.00	LS	1	\$ 485,000.00	\$ -	\$ 485,000.00
Clarifier (33 ft dia)	\$ 532,000.00	LS	1	\$ 532,000.00	\$ -	\$ 532,000.00
Digester	\$ 300,000.00	LS	1	\$ 300,000.00	\$ -	\$ 300,000.00
Thickener	\$ 293,000.00	LS	1	\$ 293,000.00	\$ -	\$ 293,000.00
Chlorine Contact Chamber	\$ 245,000.00	LS	1	\$ 245,000.00	\$ -	\$ 245,000.00
Electrical Control/Lab/Office Building	\$ 490,000.00	LS	1	\$ 490,000.00	\$ -	\$ 490,000.00
SCADA System	\$ 298,000.00	LS	1	\$ 298,000.00	\$ -	\$ 298,000.00
Transfer Pump Station	\$ 350,000.00	LS	1	\$ 350,000.00	\$ -	\$ 350,000.00
Sitework	\$ 300,000.00	LS	1	\$ 300,000.00	\$ -	\$ 300,000.00
Decommissioning Old WWTP	\$ 315,000.00	LS	1	\$ 315,000.00	\$ -	\$ 315,000.00
WWTP All-weather Access Road	\$ 95.00	LF	1020	\$ 96,900.00	\$ -	\$ 96,900.00
Lift Stations	\$ -		0	\$ -	\$ 24,000.00	\$ 24,000.00
72" Fiberglass Wetwell	\$ 135,000.00	EA	2	\$ 270,000.00	\$ -	\$ 270,000.00
Concrete Valve Vault with Aluminum Cover and Gravel	\$ 37,000.00	EA	2	\$ 74,000.00	\$ -	\$ 74,000.00
New Pumps and Controls	\$ 123,500.00	LS	2	\$ 247,000.00	\$ -	\$ 247,000.00
Decommissioning Existing Lift Station	\$ 19,500.00	LS	2	\$ 39,000.00	\$ -	\$ 39,000.00
Dewatering/By-pass Pumping	\$ 35,000.00	LS	2	\$ 70,000.00	\$ -	\$ 70,000.00
TOTAL	\$ 4,450,095.00			\$ 4,896,900.00	\$ 74,000.00	\$ 4,970,900.00

Economic Development Fund

The City collects a .25% sales tax to be reimbursed back to the Yorktown Economic Development Corporation (YEDC) which is also accounted for in this fund. The Yorktown Economic Development Corporation is designed to promote, retain, and attract business to the City of Yorktown to increase the quality of life in the City.

<u>YEDC Sales Tax Fund</u>	<u>Budget 2020-2021</u>	<u>Actual 5/31/2021</u>	<u>Estimated 9/30/2021</u>	<u>Adopted 2021-2022</u>	<u>21-22 % Change</u>
Revenue					
EDC Sales Tax Revenue	\$ 80,825	\$ 57,167	\$ 85,750	\$ 82,857	3%
<u>Total Revenue</u>	\$ 80,825	\$ 57,167	\$ 85,750	\$ 82,857	3%
Expenses					
EDC Sales Tax Expense	\$ 80,825	\$ 57,167	\$ 85,750	\$ 82,857	3%
<u>Total Expenses</u>	\$ 80,825	\$ 57,167	\$ 85,750	\$ 82,857	3%
<u>Fund Balance</u>	\$ -	\$ -	\$ -	\$ -	

Coronavirus State and Local Fiscal Recovery Funds (ARP)

The American Rescue Plan (ARP) will deliver \$350 billion for eligible state, local, territorial, and Tribal governments to respond to the COVID-19 emergency and to stimulate the economy. The City is expected to receive a total of \$507,961 from the U.S Treasury over the course of two years in two separate payments. Thus, this budget includes \$253,980 to be received in the 2021-2022 Fiscal Year. The City Council has yet to allocate these funds for any specific expenditure or purpose.

<u>American Rescue Plan Fund</u>	<u>Budget 2020-2021</u>	<u>Actual 5/31/2021</u>	<u>Estimated 9/30/2021</u>	<u>Adopted 2021-2022</u>	<u>21-22 % Change</u>
Revenues					
ARP			\$ -	\$ 253,980.60	#DIV/0!
<u>Total Revenue</u>	\$ -	\$ -	\$ -	\$ 253,980.60	#DIV/0!
Expenses					
		\$ -	\$ -	\$ 253,980.60	#DIV/0!
<u>Total Expenses</u>	\$ -	\$ -	\$ -	\$ 253,980.60	#DIV/0!
<u>Fund Balance</u>	\$ -	\$ -	\$ -	\$ 507,967,20	

Enterprise Fund

Water Fund

The water fund is the operating fund for the City's municipal water utilities. The fund provides for the administration, operation, and maintenance of the City's water systems. This type of fund is referred to as an "enterprise fund". Revenue sources benefiting the fund include water sales, connect, and reconnect fees, late charges and water tap fees. As an enterprise fund, service fees and charges must generate enough revenues to cover the fund costs. Shortfalls in the fund require increased rates and fees to cover the debt. Property tax revenue does not benefit nor contribute to the fund. The city currently serves 1,073 water customers of these 1,038 are residential and 35 are commercial. The source of the water for the City of Yorktown is the Miocene Age Aquifer which is located within the Texas Gulf Coast aquifer. The City has a total of three (3) water wells, one (1) storage tank, and one (1) elevated storage tank.

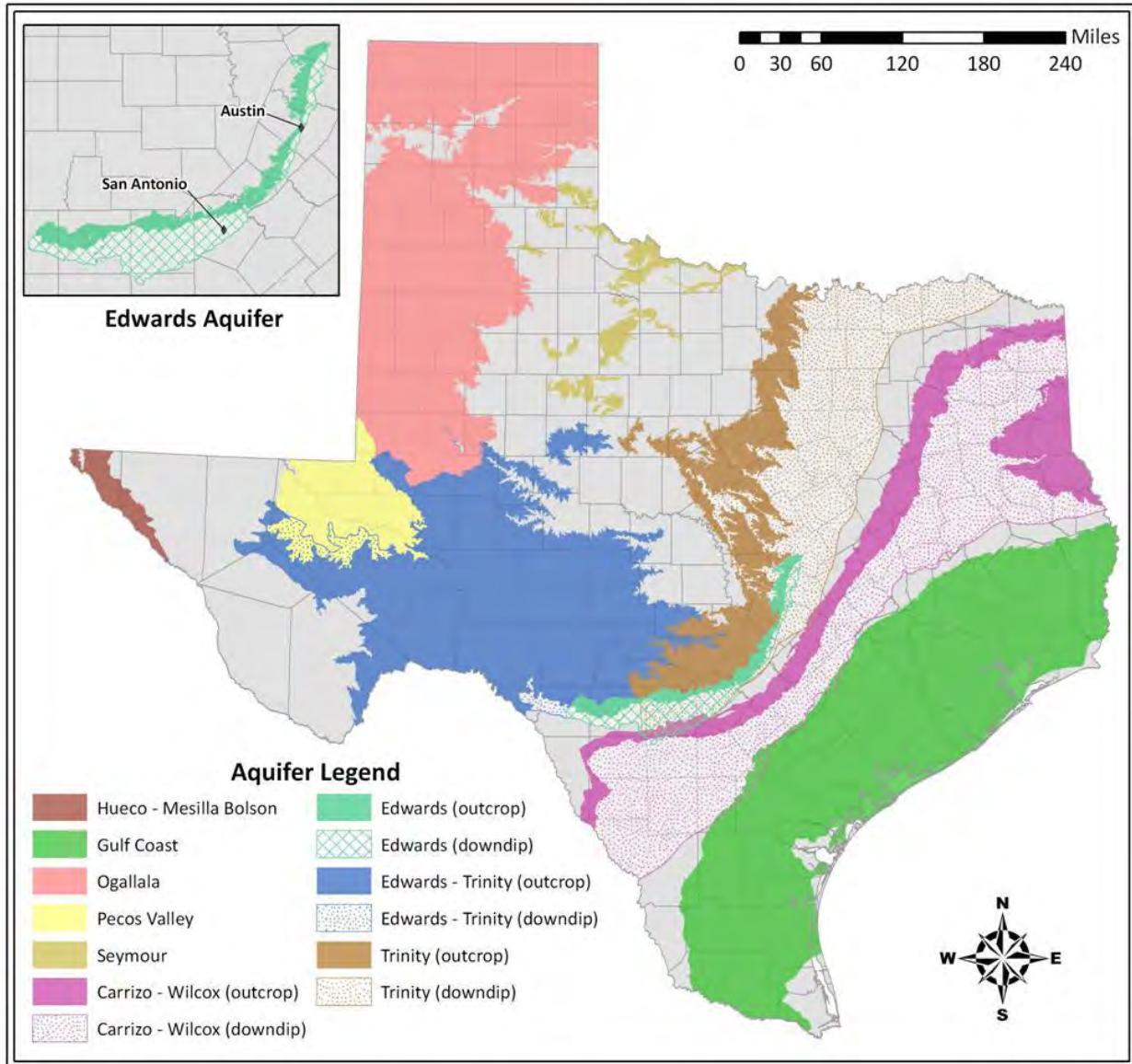
Sewer Fund

The sewer fund is the operating fund for the City's wastewater utilities and provides for the administration, operation and maintenance of the City's wastewater services. Revenue sources benefitting the Sewer Fund include sewer sales and sewer tap fees. As an enterprise fund, service fees and charges must generate enough revenues to cover the fund costs. Property tax revenues do not benefit or contribute to the sewer fund. The city currently serves 1,073 sewer customers of these 1,038 are residential and 35 are commercial. The wastewater plant includes two (2) clarifiers and one (1) oxidation ditch, and three (3) lift stations.

Sanitation Fund

The sanitation fund is the operating fund for the City's solid waste collection. The fund finances the contractual costs related to the services provided by Texas Disposal Systems (TDS). The sole revenue for the fund includes a twenty-seven and one-half (27.5%) percent charge in addition to the cost of collection.

~Major Texas Aquifers~



Utility Fee Schedule

Size	Number of Connections	Minimum Charge (First 2K Gallons)	Charge after Minimum (Per 1k Gallon)	Average Water Usage (Per Month Gallon)
3/4 Inch Water Line	895	\$20	See Next Page	8,000
1 Inch Water Line (Sprinklers)	45	\$26	\$4	45,000
2 Inch Water Line	35	\$57	\$3	18,000

- Residential Sewer Rates

# Residential Customers	895
Sewer Rate	<u>\$20.01</u>

- Commercial Sewer Rates:

# Commercial Businesses	96
Sewer Rate	<u>\$35.96</u>

- Sanitation collection fees 27.5%

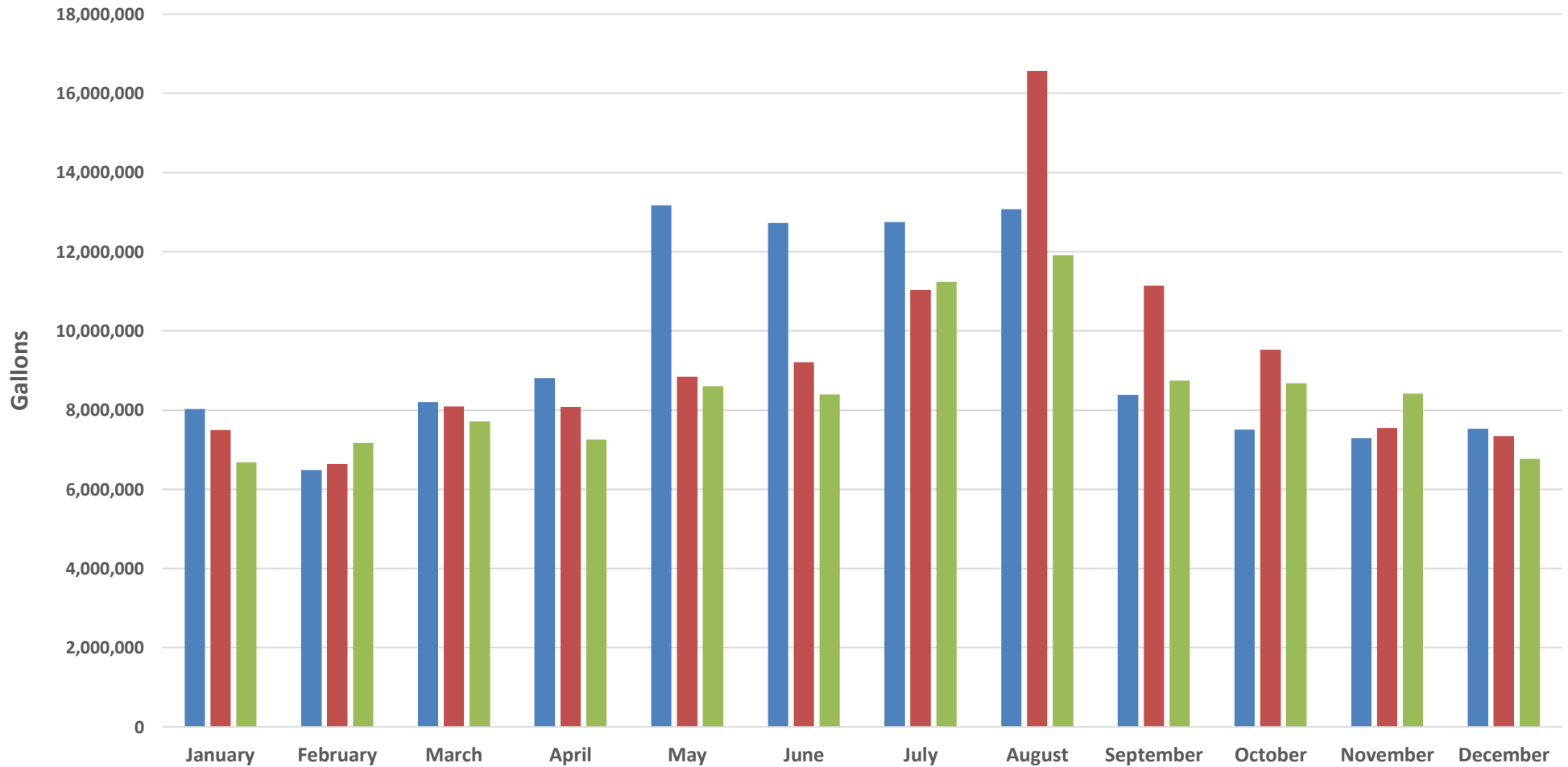
Utility Fee Schedule

~Water~

Gallons	Fee
0-2,000 (Tier 1)	\$20 Flat
2,001-6000 (Tier 2)	\$2.5 Per 1k Gallon After
6,001-12,000 (Tier 3)	\$5 per 1k Gallon After
12,001 + (Tier 4)	\$7.5 per 1k Gallon After

Water Production 2018-2020

■ 2018 ■ 2019 ■ 2020



~Water Production in Gallons~

Month	2018	2019	2020
January	8,026,000	7,495,000	6,684,000
February	6,484,000	6,639,000	7,167,000
March	8,199,000	8,095,000	7,709,000
April	8,814,000	8,086,000	7,262,000
May	13,172,000	8,843,000	8,601,000
June	12,730,000	9,216,000	8,392,000
July	12,750,000	11,031,000	11,242,000
August	13,075,500	16,573,000	11,916,000
September	8,381,000	11,142,000	8,745,000
October	7,506,000	9,522,000	8,678,000
November	7,294,000	7,549,000	8,414,000
December	7,532,000	7,342,000	6,771,000
<u>Total</u>	<u>113,963,500</u>	<u>111,533,000</u>	<u>101,581,000</u>

Note: All Complete Water Usage Data is located on www.yorktowntx.com

Enterprise Revenue

Water Sales

Revenues from the sale of treated drinking water. Water sales are based on a fixed minimum charge and water usage thereafter depending on size of the water service lines. This revenue indirectly benefits the General Fund and directly the Water Department Fund.

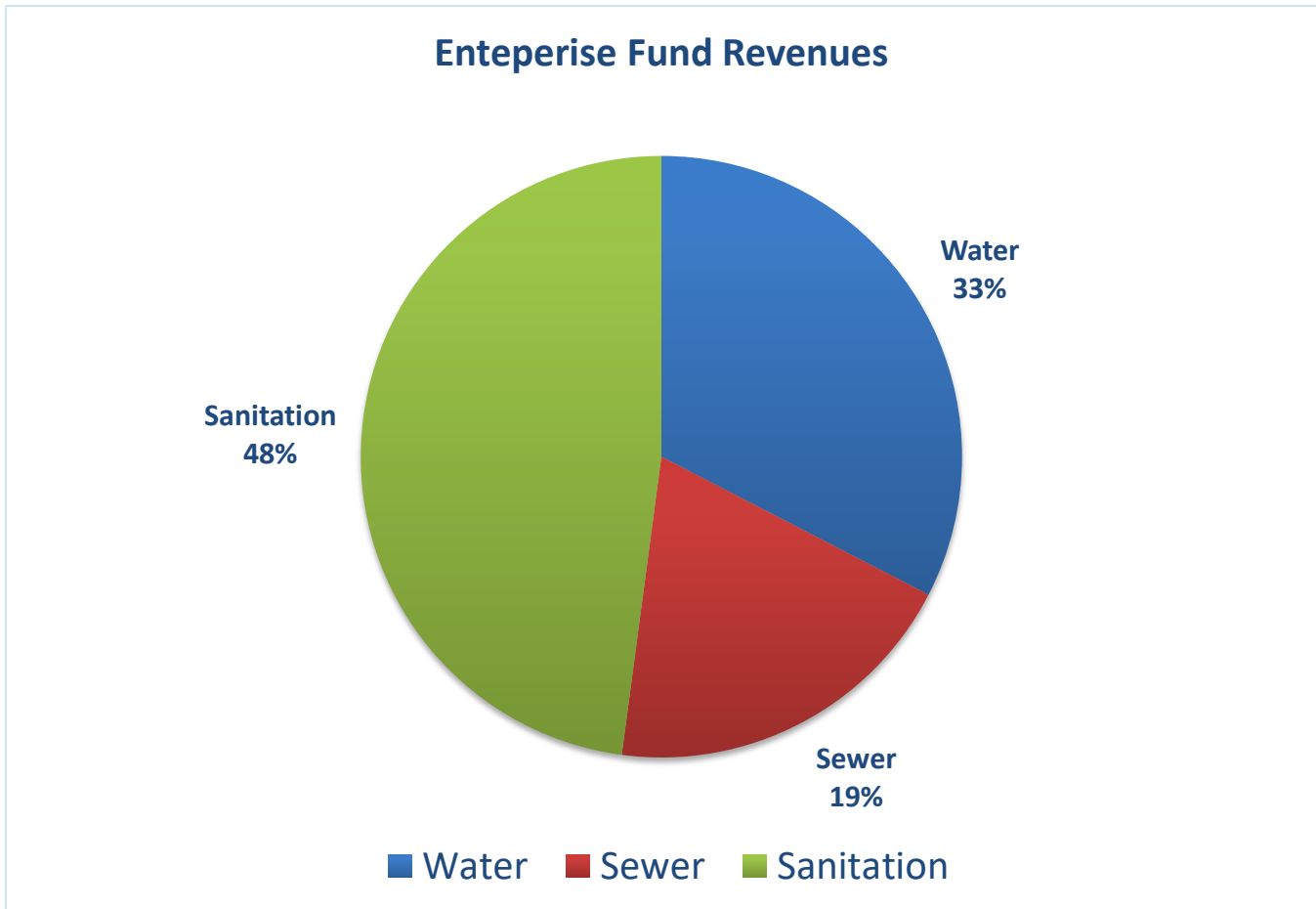
Sewer Service Charges

Revenues from the sale of sewer service. Sewer service charges are based on a fixed monthly rate dependent on residential or commercial properties. The revenue indirectly benefits the General Fund and directly the Sewer Department.

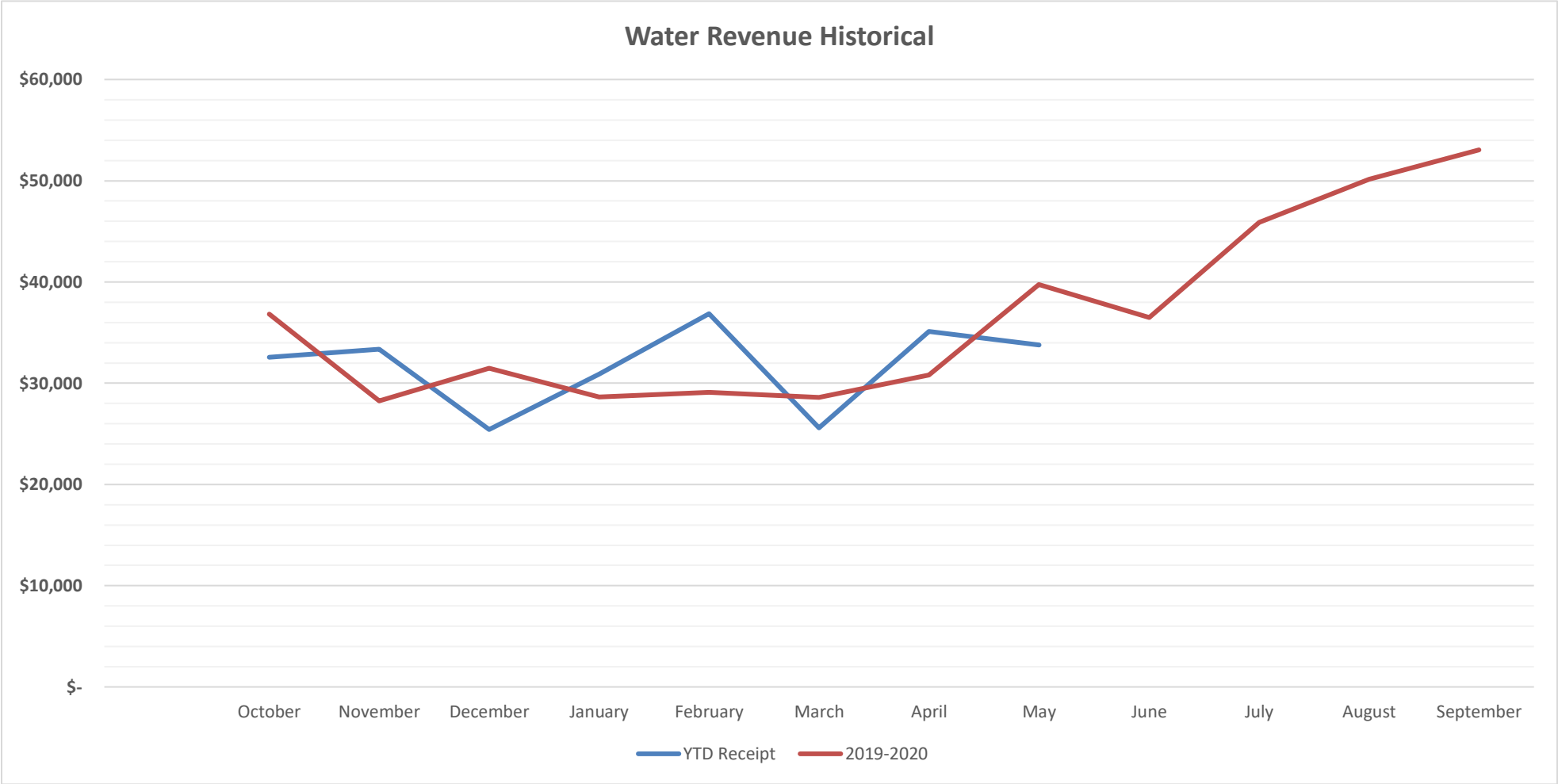
Sanitation Service Charges

Revenues from the collection of solid waste pickup. Sanitation charges are based on residential or commercial customers, size of the trash receptacles, inside or outside of city limits, and frequency of collection. The city adds an additional twenty-seven and a half (27.5) percent fee to sanitation charges. This revenue indirectly benefits the General and directly the Sanitation Department Fund.

What are the major funding sources for the Enterprise Fund?



~Continued~
Water



~Continued~
Water

Month	2020-2021	2019-2020	Difference
October	\$ 32,580	\$ 36,832	\$ (4,252)
November	\$ 33,340	\$ 28,253	\$ 5,087
December	\$ 25,426	\$ 31,468	\$ (6,042)
January	\$ 30,904	\$ 28,629	\$ 2,275
February	\$ 36,864	\$ 29,098	\$ 7,766
March	\$ 25,603	\$ 28,605	\$ (3,002)
April	\$ 35,108	\$ 30,818	\$ 4,290
May	\$ 33,760	\$ 39,762	\$ (6,002)
June	-	\$ 36,484	-
July	-	\$ 45,890	-
August	-	\$ 50,130	-
September	-	\$ 53,046	-
YTD Total	\$ 253,585	\$ 439,014	\$ (185,429)
Budgeted	\$ 420,000	\$ 424,000	\$ (4,000)
Remaining	\$ 166,415	\$ (15,014)	\$ 181,429
% Collected	60%	104%	-

<u>Water</u>	<u>Budget 2020-2021</u>	<u>Actual 5/31/2021</u>	<u>Estimated 9/30/2021</u>	<u>Adopted 2021-2022</u>	<u>21-22 % Change</u>
Revenues					
Water Sales	\$ 420,000	\$ 266,181	\$ 415,356	\$ 424,000	1%
Connect and Reconnect Fees	\$ 1,000	\$ 750	\$ 1,125	\$ 1,000	0%
Late Charges	\$ 30,000	\$ 13,500	\$ 20,250	\$ 20,000	-33%
Water Tap Fee Revenue	\$ -	\$ -	\$ -	\$ -	0%
Returned Check Fee Revenue	\$ 200	\$ 385	\$ -	\$ -	-100%
Total Water Revenues	\$ 453,200	\$ 280,816	\$ 436,731	\$ 445,000	-2%
Expenses					
-					
Water					
-					
Salaries	\$ 97,850	\$ 66,928	\$ 100,392	\$ 101,000	3%
Longevity Pay	\$ 2,100	\$ 2,082	\$ 2,082	\$ 2,150	2%
Social Security/Medicare Taxes	\$ 7,500	\$ 5,095	\$ 7,643	\$ 7,700	3%
SUTA	\$ 750	\$ 360	\$ 540	\$ 750	0%
Health, Dental, Life Insurance	\$ 20,730	\$ 13,820	\$ 20,730	\$ 21,352	3%
Workers Comp	\$ 4,200	\$ 2,134	\$ 3,201	\$ 3,800	-10%
Retirement Expense	\$ 1,500	\$ 1,160	\$ 1,740	\$ 1,800	20%
Uniforms	\$ 1,200	\$ 145	\$ 218	\$ 1,200	0%
Travel & Training	\$ 1,000	\$ 375	\$ 563	\$ 1,000	0%
Memberships & Subscriptions	\$ 500	\$ 220	\$ 330	\$ 500	0%
TCEQ Fines	\$ -	\$ -	\$ -	\$ 5,000	#DIV/0!
Computer Support	\$ 12,000	\$ 5,144	\$ 7,716	\$ 9,500	-21%
Engineering	\$ 15,000	\$ -	\$ -	\$ -	-
Printing & Office Supplies	\$ 3,500	\$ 1,265	\$ 1,898	\$ 2,500	-29%
Postage, Freight, & Delivery	\$ 8,000	\$ 3,035	\$ 4,553	\$ 7,000	-13%
Electricity	\$ 20,000	\$ 9,914	\$ 14,871	\$ 15,000	-25%

Permits & License Fees	\$ 6,500	\$ 4,193	\$ 6,290	\$ 6,500	0%
Inspector Fees	\$ 1,000	\$ 943	\$ 1,000	\$ 1,000	0%
Fuel & Oil & Gas	\$ 4,500	\$ 1,331	\$ 1,997	\$ 3,500	-22%
Chemicals & Chlorine	\$ 5,000	\$ 1,962	\$ 2,943	\$ 5,000	0%
Laboratory Fees	\$ 5,000	\$ 400	\$ 600	\$ 1,000	-80%
Supplies	\$ 20,000	\$ 21,139	\$ 28,795	\$ 25,000	25%
Repair and Maintenance	\$ 20,000	\$ 35,423	\$ 40,000	\$ 20,000	0%
Insurance	\$ 3,000	\$ 1,448	\$ 2,172	\$ 3,000	0%
Maintenance Reserve	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	0%
Critical One-Time Items	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	0%
Vehicle Purchase	\$ 25,000	\$ -	\$ -	\$ 25,000	0%
Transfer To General Fund	\$ 138,000	\$ 19,399	\$ 29,099	\$ 116,752	-15%
Transfer to CIP	\$ -	\$ -	\$ -	\$ 30,514	#DIV/0!
Total Expenses	\$ 443,830	\$ 217,915	\$ 299,369	\$ 437,518	-1%
Revenue over Expenditure	\$ 9,370	\$ 62,901	\$ 137,362	\$ 7,482	-20%

<u>Sewer</u>	<u>Budget 2020-2021</u>	<u>Actual 5/31/2021</u>	<u>Estimated 9/30/2021</u>	<u>Adopted 2021-2022</u>	<u>21-22 % Change</u>
<u>Revenues</u>					
-					
Sewer Sales	\$ 266,500	\$ 169,357	\$ 254,036	\$ 266,500	0%
<u>Total Sewer Revenues</u>	\$ 266,500	\$ 169,357	\$ 254,036	\$ 266,500	0%
<u>Expenses</u>					
Salaries	\$ 54,500	\$ 37,702	\$ 56,553	\$ 57,000	5%
Longevity Pay	\$ 250	\$ 282	\$ 282	\$ 290	16%
Social Security/Medicare Taxes	\$ 4,200	\$ 2,730	\$ 4,095	\$ 4,200	0%
SUTA	\$ 600	\$ 216	\$ 324	\$ 450	-25%
Health, Dental, Life Insurance	\$ 12,438	\$ 8,292	\$ 12,438	\$ 12,811	3%
Workers Comp	\$ 1,500	\$ 369	\$ 554	\$ 1,500	0%
Retirement Expense	\$ 950	\$ 636	\$ 954	\$ 1,000	5%
Uniforms	\$ 1,000	\$ 289	\$ 434	\$ 1,000	0%
Travel and Training	\$ 4,500	\$ 375	\$ 563	\$ 2,000	-56%
Electricity	\$ 22,000	\$ 14,035	\$ 21,053	\$ 22,000	0%
Permits & License Fees	\$ -	\$ -	\$ -	\$ 2,000	-
Fuel & Oil & Gas	\$ 3,500	\$ 1,446	\$ 2,169	\$ 3,500	0%
Chemicals & Chlorine	\$ 3,500	\$ 1,882	\$ 2,823	\$ 3,000	-14%
Laboratory Fees	\$ 7,000	\$ 4,304	\$ 6,456	\$ 7,000	0%
Supplies	\$ 6,000	\$ 8,878	\$ 13,317	\$ 6,000	0%
Repair and Maintenance	\$ 20,000	\$ 7,886	\$ 11,829	\$ 10,000	-50%
Insurance	\$ 8,000	\$ 6,649	\$ 8,000	\$ 8,000	0%
Maintenance Reserve	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	0%
Critical One-Time Items	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	0%
Transfer To General Fund	\$ 95,000	\$ 19,399	\$ 44,000	\$ 92,752	-2%
Transfer to CIP	\$ -	\$ -	\$ -	\$ 16,946	-
<u>Total Expenses</u>	\$ 246,063	\$ 123,370	\$ 193,842	\$ 259,449	5%
<u>Revenue over Expenditures</u>	\$ 20,437.34	\$ 45,987	\$ 60,194	\$ 7,051	-66%

<u>SANITATION</u>	<u>Budget 2020-2021</u>	<u>Actual 5/31/2021</u>	<u>Estimated 9/30/2021</u>	<u>Adopted 2021-2022</u>	<u>21-22 % Change</u>
Revenues					
Solid Waste Sales	\$ 667,890	\$ 425,340	\$ 638,009	\$ 654,000	-2%
<u>Total Solid Waste Revenues</u>	\$ 667,890	\$ 425,340	\$ 638,009	\$ 654,000	-2%
Expenses					
Garbage - Wholesale Service (TDS)	\$ 545,000	\$ 364,138	\$ 546,207	\$ 545,000	0%
Transfer to General	\$ 122,790	\$ 61,202	\$ 91,802	\$ 109,000	-11%
<u>Total Expenses</u>	\$ 652,413	\$ 425,340	\$ 638,009	\$ 654,000	0%
<u>Revenue Over Expenditures</u>	\$ 4,587	\$ (0)	\$ 0	\$ -	-100%

Enterprise Funds

~Total~

<u>ENTEPRRISE FUND TOTALS</u>	<u>Budget 2020-2021</u>	<u>Actual 5/31/2021</u>	<u>Estimated 9/30/2021</u>	<u>Adopted 2021-2022</u>	<u>21-22 % Change</u>
<u>REVENUES</u>	\$ 1,387,590	\$ 875,513	\$ 1,328,776	\$ 1,365,500	-2%
<u>EXPENDITURE</u>					
WATER	\$ 443,830	\$ 217,915	\$ 299,369	\$ 437,518	-1%
SEWER	\$ 246,063	\$ 123,370	\$ 193,842	\$ 259,449	5%
SANITATION	\$ 652,413	\$ 425,340	\$ 638,009	\$ 654,000	0%
<u>TOTAL EXPENDITURES</u>	<u>\$ 1,342,305</u>	<u>\$ 766,625</u>	<u>\$ 1,131,220</u>	<u>\$ 1,350,967</u>	1%
<u>REVENUES OVER (UNDER)</u>	<u>\$ 45,285</u>	<u>\$ 108,888</u>	<u>\$ 197,556</u>	<u>\$ 14,533</u>	-68%
<u>TRANSFER TO CIP</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,788</u>	
<u>NET FUND BALANCE</u>	<u>\$ 45,285</u>	<u>\$ 108,888</u>	<u>\$ 245,890</u>	<u>\$ 245,867</u>	443%

Consolidated

~General Fund Total~

General Fund Total	FY 2020-2021 Adopted	FY 2021-2022 Adopted	% Change
Revenues			
Property Tax	\$ 520,218	\$ 520,217	0%
Sales Tax	\$ 513,500	\$ 662,857	29%
Franchise Fees	\$ 73,000	\$ 73,000	0%
Municipal Court	\$ 35,040	\$ 27,070	-23%
Hotel Motel Taxes	\$ 61,150	\$ 55,000	-10%
Other	\$ 43,800	\$ 44,600	2%
Total Revenue	<u>\$ 1,246,708</u>	<u>\$ 1,382,744</u>	<u>11%</u>
Expenditures			
Administration	\$ 335,600	\$ 376,902	12%
Streets & Parks	\$ 391,355	\$ 424,613	8%
Fire	\$ 63,071	\$ 55,907	-11%
Police (Sheriff)*	\$ 254,150	\$ 253,950	0%
Municipal Court	\$ 52,108	\$ 53,060	2%
Cemetery	\$ 1,000	\$ 1,000	0%
Library	\$ 58,700	\$ 69,950	19%
EDC	\$ 80,825	\$ 82,857	3%
Hotel/Motel	\$ 61,150	\$ 55,000	-10%
Debt Service Expense	\$ 326,133	\$ 328,245	1%
Total Expense	<u>\$ 1,624,092</u>	<u>\$ 1,701,484</u>	<u>5%</u>
Transfers In	<u>\$ 355,790</u>	<u>\$ 318,504</u>	<u>-10%</u>
Surplus (Deficit)	<u>\$ (21,594)</u>	<u>\$ (236)</u>	<u>-99%</u>

~Enterprise Fund Total~

Enterprise Fund Total	FY 2020-2021 Adopted	FY 2021-2022 Adopted	% Change
Revenues			
Water	\$451,200	\$445,000	-1%
Sewer	\$266,500	\$266,500	0%
Sanitation	\$667,890	\$654,000	-2%
Other Income	\$0	\$0	
<u>Total Revenue</u>	<u>\$1,385,590</u>	<u>\$1,365,500</u>	<u>-1%</u>
Expenditures			
Water	\$311,830	\$290,252	-7%
Sewer	\$169,938	\$149,751	-12%
Sanitation	\$545,100	\$545,100	0%
Other			
Total Expenditures before Transfer	\$1,026,868	\$985,103	-4%
Transfers to Other Funds	\$355,790	\$365,964	3%
<u>Total Expense</u>	<u>\$1,382,658</u>	<u>\$1,351,067</u>	<u>-2%</u>
<u>Surplus (Deficit)</u>	<u>\$2,932</u>	<u>\$14,433</u>	<u>392%</u>

Long Term Strategy

General Fund

- Control expenditures to ensure reasonable property tax rates.
- Implement and sustain an efficient general fund budget to decrease reliance on enterprise transfers.
- Fund an adequate reserve balance to pay for emergency expenditures.
- Decrease the overall fixed and discretionary expenditures to fund sustainability.

Enterprise Fund

- Maintain reasonable and equitable utility rates and fees.
- Provide adequate emergency repair reserve funds.
- Perform practical routine maintenance on all utility infrastructure and other components.

Debt Service Fund

- Create a debt service fund to account for the principal and interest obligations for bonds and other debt.
- Provide a debt retirement schedule that will accommodate the addition of new debt.

Special Revenue and Grant Fund

- Seek outside funding from grants and other means to fund future city projects.

Tourism Fund

- Improve the quality and effectiveness of advertising and promotional efforts.
- Support community initiatives to promote tourism.
- Support the unique history associated with the city.

Capital Improvement Fund

- Account and manage for Federal grants aimed at replacing old utility infrastructure.
- Provide a framework and timeline for the estimated completion of capital projects.
- Provide a detailed project outline along with allocated funds for projects identified.

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