

**Adopted FY2023-24 Budget**

This budget will raise more revenue from property taxes than last year's budget by an amount of \$309,894, which is a 11.4 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$44,493

This budget raises more property tax revenue compared to the previous year's budget. The Gatesville City Council adopted the budget with the following voting record:

	FOR	AGAINST	ABSENT
City Council Ward 1, Place 1: Claude Williams	X		
City Council Ward 1, Place 2: Barbara Burrow	X		
City Council Ward 1, Place 3/Mayor Pro-Tem: Meredith Rainer	X		
City Council Ward 2, Place 4: Joe Patterson			X
City Council Ward 2, Place 5: Greg Casey			X
City Council Ward 2, Place 6: John Westbrook	X		

Ordinance 2023-02, dated September 12, 2023

This notification statement complies with Texas Local Government Code § 102.007

**Information regarding the City's property tax rate follows:**

	FY24	FY23
Total Tax Rate	0.560000	0.560000
M&O Rate	0.510405	0.525613
Debt Rate	0.049595	0.034387
No-New-Revenue Rate	0.674138	0.468395
No-New-Revenue Rate O&M	0.646465	0.437506
Voter Approval Tax Rate	0.535976	0.495961
De Minimis Rate	0.611162	0.575004

Total Debt Obligations Secured by Property Taxes: \$15,828,860 of that amount \$14,907,960 are supported through utility system revenues.

Visit our webpage: <https://gatesvilletx.com/>

---

## *Table of Contents*

---

	PAGE
Introduction	5
Manager's Message	8
Comprehensive Plan	16
Budget Overview	24
General Fund	35
Water & Sewer Fund	60
Airport Fund	68
Special Revenue Funds	70-74
Debt Service Fund	75
Capital Improvement Plan	59

---

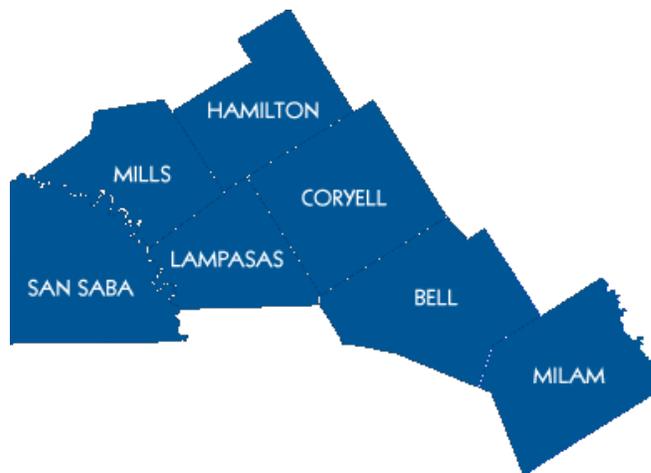
## *Introduction and Manager's Message*

---

## General Information

Gatesville is a budding and vibrant community that strives to maintain its small city, family-oriented appeal and rich historical fabric while continually adapting to the evolving needs of the community. The City strives to balance development highlighting our rich historical roots while providing exceptional quality of life amenities to the community.

Gatesville is located approximately 40 miles from Waco and is the Coryell County seat. Gatesville is well situated to service the Central Texas growth. Traversed by U.S. Highway 84 and SH 36, Gatesville's infrastructure revitalization projects, available land for development, and low overall tax rates and creates a prime opportunity for both current and future residents and businesses.



## Community History

Shortly after Texas became a state, the United States Army built a chain of frontier forts between the Rio Grande and Red Rivers to protect area settlers. In 1849, when a major Comanche Indian trail was discovered in the Coryell Creek valley, Fort Gates was established five miles south of the current city. As the frontier moved west, Fort Gates was closed in 1852. In 1854, the City of Gatesville (literally the "Village of Gates" named after Fort Gates) was established by settlers who had developed farms and ranches on the outskirts of Fort Gates. The Fort, named for U.S. Army major G. R. Gates, was the first settlement in the county. The



County's first mail line, from Gatesville to Belton was set up in 1855. The town grew slowly at first, suffering from intermittent Indian raids, but the period from 1870 to 1882 saw great progress. In 1870 the City was incorporated and in 1872 a courthouse was built. Lumberyards were some of the city's principal businesses I.A. Chandler's yard was at Ninth Street between Main and Leon streets, and William Cameron's large yard was on Bridge Street between Fifth and Sixth streets. Cameron, a Scottish immigrant, had located in Waco in 1878 after receiving a contract to supply railroad ties and construction timber for the Missouri, Kansas, and Texas Railroad. He expanded his businesses in Texas, ultimately operating more than sixty retail lumberyards along with other businesses. By 1880, the City had become an important frontier supply and became the County's major shipping and supply center. In the early 1880's, citizens organized to persuade the Cotton Belt to extend its tracks to Gatesville with a cash offer of \$30,000. The money was easily raised and land was donated to give the town two trains daily, both passenger and freight. Gatesville became the terminus of the line, making the town the feeder for the whole county. The Texas and St. Louis Railroad, initiated service from Waco in October 1882. The citizens held a gala

welcoming celebration. Gatesville was primarily a regional agricultural center, with Benjamin Worley's Flour and Planing Mill and Cotton Gin operating on Still House Branch about a half mile northwest of the courthouse. With the railroad came prosperity, and many new homes and businesses. The town began making strides that nearly quadrupled the population, size, and businesses in ten years. A fine opera house, frontier symbol of culture, was erected and numerous civic improvements were initiated. In the 1940s, Fort Hood, a military base and training center, was constructed nearby aiding in the population growth and economy of the city. Fort Hood continues to play a significant role in the Gatesville economy today.

In 2001, the State Legislature designated Gatesville as "The Spur Capital of Texas" due to the collection of Lloyd and Madge Mitchell's 10,000 spurs in the Coryell County Museum.

Built in 1910, the Cotton Belt Depot has earned a historical place in the local community. The Depot served Gatesville and the surrounding community until the early 1970's when train service was discontinued. The building sat unused until the early 1980's when title for the property and building was transferred to the Gatesville Chamber of Commerce. Since that time, the Gatesville Chamber of Commerce has operated from this location.



The Gatesville State school for the Boys was established in 1887, and the Mountain View School for Boys in 1962. At its peak, the State School employed a staff of over 250. Beginning in the 1970's, the Texas Department of Criminal Justice (TDCJ) began constructing correctional facilities. Of the eight TDCJ correctional facilities for women, which include five prisons and three state jails, five of the units, including four prisons and one state jail, are in the City of Gatesville. The Christina Crain Unit prison (formerly Gatesville Unit), the Hilltop Unit prison, the Dr. Lane Murray Unit prison, and the Linda Woodman Unit state jail are co-located among one another. In addition the Mountain View Unit, a prison with the State of Texas female death row, is in Gatesville. One male prison, the Alfred D. Hughes Unit, is in Gatesville. Mountain View opened in July 1975, Crain opened in August 1980, Hilltop opened in November 1981, and Hughes opened in January 1990. Murray opened in November 1995, and Woodman opened in June 1997. In 1995, of the counties in Texas, Coryell had the third-highest number of state prisons and jails, after Walker and Brazoria Counties.

### ***Demographic Profile***

Since 2000, the city of Gatesville, Texas has experienced slow growth in population, changing from 15,801 individuals to 15,826. This followed the largest spike from 1980 to 2000 when the population increased by 160%. The city of Gatesville and the County of Coryell have both remained fairly static in population in the past years as compared to the State of Texas whose population increased by 1.8% from 2014-2015. The limited population growth may in part be accounted for by the unique demographic profile in the area, due to the number of correctional institutions in Gatesville. As of 2012 the prisons in Gatesville employed 2,497 people (29 percent resided in Gatesville). Additionally in 2016 there were 8,055 incarcerated individuals (5,180 females/2,785 males) in Gatesville totaling over half the population of the City. As of the 2020 Census, the population has increased to 16,135. Of the total population, 8,589 are un-incarcerated bringing the un-incarcerated to 53%, and incarcerated represent 47%.

## Gatesville Local Government

The City of Gatesville is a Home Rule municipality created in accordance with the provisions of Chapter 9 of the Local Government Code and operating pursuant to the enabling legislation of the State of Texas. The City of Gatesville is a Council-Manager form of government with one (1) mayor and six (6) council members. The mayor is elected at large by the community. The City is divided into two (2) wards, and three (3) council members are elected from each ward. Three (3) council members and the Mayor are elected each even-numbered year: Ward 1 place 2, Ward 2 Place 4, and Ward 2 Place 6. The other (3) council members are elected each odd-numbered year: Ward 1 place 1, Ward 1 Place 3, and Ward 2 Place 5. All hold office for two (2) years, respectively and until their successors are elected. The mayor presides at council meetings, serves as a spokesperson for the community, facilitates communication and understanding between elected and appointed officials, assists the council in setting goals and advocating policy decisions, and serves as a promoter and defender of the community. The council is the legislative body of the City. The Mayor and Council appoint a City Manager to administer the city's daily activities, to advise and assist the city council, and to represent the city's interests with other levels and agencies of government, business interests, and the community at large.



Gary Chumley  
Mayor



Barbara Burrow  
City Council Member  
Ward 1, Place 2



Greg Casey  
City Council Member  
Ward 2, Place 5



Meredith Rainer  
City Council  
Member/Mayor Pro Tem  
Ward 1, Place 3



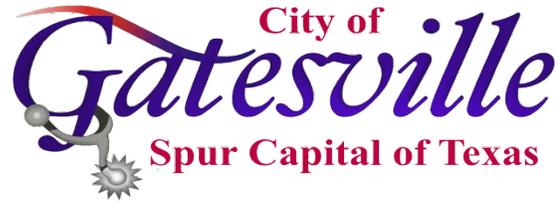
Billy Sinyard  
City Council Member  
Ward 2, Place 4



John Westbrook  
City Council Member  
Ward 2, Place 6



Claude Williams  
City Council Member  
Ward 1, Place 1



August 8, 2023

Honorable Mayor Chumley and  
Members of the City Council  
City of Gatesville, Texas

Mayor Chumley and City Council Members:

**Overview**

I am pleased to present the City Manager’s proposed budget for Fiscal Year 2023-2024 (FY-24) for your review and consideration. The City of Gatesville staff is pleased to present a balanced budget for FY-24. I want to thank Mike Halsema, Chief Financial Officer, and the staff for their assistance in preparing the budget for FY-24.

The total budget for FY-24 is \$33,949,363, an increase of \$17,537,349 from the approved FY-23 budget of \$16,412,014. The increase is primarily attributed to multiple capital projects totaling \$16,932,072. Additionally, the budget for FY-24 includes not only current revenues but also grants and bond proceeds earmarked for specific projects throughout the year. Below is a table representing the three principal areas where funds will be allocated for FY-24:

<b>Description</b>	<b>Amount</b>
Operation & Maintenance	14,261,893
Capital Projects	16,932,072
Debt	2,755,398
<b>TOTAL</b>	<b>\$33,949,363</b>

The budget for FY-24 was guided by a set of priorities that helped staff identify how to allocate the city’s financial resources to various programs, services, and projects. These budget priorities ensure we address immediate needs while working toward the community’s long-term well-being and development. Below is a list of the priorities for FY-24:

1. Maintain the current property tax rate at 0.56000.
2. Identify potential retail and development opportunities.
3. Conduct an assessment of the water production facilities.
4. Evaluate an approach for recovering costs of delivering treated water to regional customers.
5. Initiate/implement multiple capital improvement projects.
6. Explore options for a new police department facility.
7. Increase the number of baseball tournaments hosted annually.
8. Ensure the city is prepared for the upcoming Eclipse.
9. Implement a 3% COLA for employees and a separate salary adjustment for Police Department personnel based on a market study performed by the Police Chief.
10. Update the City's classification and compensation plan.
11. Identify a way-forward to prepare a park master plan, with a specific concept plan for the redevelopment of Faunt Le Roy, Raby Park, and the athletic field complex.
12. Formulate a vision and business strategy for redeveloping the Leon River, the downtown area, and the city auditorium into a tourist destination.
13. Establish a sponsorship program to allocate HOT funds supporting non-profit and community-driven programs and organizations that promote charitable causes, economic growth, and public interest.

**Operations & Maintenance Budget for FY-24 - \$14,261,893:**

The operation and maintenance budget mostly remains consistent with historical expenditure trends. However, minor adjustments were made to the personnel costs, and a few one-time expenditures were budgeted.

For 2023-2024, the budget includes two new positions for the Water Production division. These new positions will enable the city to provide 24/7, 365-day service essential for delivering treated water to the City of Gatesville and our wholesale customers.

The payroll, including benefits for next fiscal year, amounts to \$6,661,237 for 102 employees, an 8.5% increase over last year's personnel costs.

The budget includes a three percent COLA increase for all city employees, except for personnel reporting to the Police Chief. Based on a compensation study performed by the Chief, we adjusted the personnel's pay under the Chief's leadership higher than the three percent (3%) COLA. However, in the upcoming fiscal year, we will update the city's classification and compensation model prepared by Baker Tilley in 2019, with the intent to begin in FY-25 bringing all city personnel within pay rate competitive with 85% of the municipal market in the Waco-Temple-Killeen region.

A few of the one-time expenditures included in this year's budget are as follows:

1. Retain the Retail Coach to assist in identifying retailers and developers that can be recruited within the next twelve to twenty-four months for projects in the city of Gatesville. (\$25,000)
2. Update to the city's classification and compensation plan. It is paramount for a city to periodically assess its classification and compensation system if they want to remain competitive in the labor market. A properly designed and administered classification and compensation system is essential to ensure internal equity, the quantifiable, consistent relationship among positions, external competitiveness, or the ability to recruit and retain. (\$50,000)
3. Total solar eclipse preparations for April 8, 2024. To witness this event, you must be within the 115-mile-wide path of totality, which Gatesville is the center of. This event provides many unique opportunities for Gatesville, including global awareness and increased economic impact for businesses here. This will not be a typical Monday in Gatesville. At a minimum, we can expect an additional 20,000 people in Gatesville during this time. (\$100,000).
4. Legal fees were increased to aid in renegotiating certain agreements for the city that will commence in the upcoming fiscal year. (\$100,000)
5. Various upgrades to the library, including security systems, computers, and other equipment. (\$5,500)
6. Repairing and replacing structural items and computers at the fitness center. (\$20,450)
7. A lightning detection system for parks & recreation. (\$3,200)

**Capital Projects Budget for FY-24 - \$16,932,072:**

The upcoming fiscal year's capital budget aims to allocate funds for infrastructure and development projects. The following table outlines the capital projects vital for ensuring the city's sustainability and the well-being of our residents.

<b>Project Description</b>	<b>Amount</b>	<b>Funding Sources</b>
Patch Repair Machine	295,000	Financing General Fund Operating
Portable Lift & Press	22,500	General Capital Improve Fund
Ballfield Lighting	776,000	Financing with HOT funds
Faunt Leroy Park - FEMA	1,360,727	Grant 75% & General Capital 25%
Zero Turn Mower	11,000	General Fund Operating Cash
TXDOT 36 Entry Monument	0	No cost to the city
Fitness Center Weight Equip	21,799	General Capital Improvement Fund
<b>Total General Fund Projects</b>	<b>2,487,026</b>	
Police Vehicle Replacement Program	295,306	General Capital Improvement Fund
Fire Engine Replacement	800,000	Grant \$750k & General Capital Fund
Fire Station Driveway Replacement	18,000	General Fund Operating Cash
Future Police Station Facility	50,000	General Capital Improvement Fund
<b>Total Fire &amp; Police Services</b>	<b>1,163,306</b>	
Mills Street Phase II	777,305	Current Utility Revenues
Lovers Lane	1,727,627	ARP Tranche 1 & 2
Stillhouse WWTP Rehab	8,000,000	TWDB bond funds
Woodcreek Lift Station Rehab	35,734	Current Utility Revenues
Water Plant Filter Media	240,000	Current Utility Revenues
Water Production Concrete Lagoons	575,000	Grant \$500k & Current Utility Revs
Drainage Master Plan Phase I	250,000	Grant (\$225k) & Current Utility Revs
Lakewood Lift Station Rehab	35,302	Current Utility Revenues
Replace Chlorine Dioxide Line	120,000	Current Utility Revenues
Replace Backwash Valve and Install Meter	18,000	Current Utility Revenues
Replace Clarifier #1	877,340	ARP Tranche 2
Replace Clarifier #2	452,931	Grant \$350k & Current Utility Revs
Fort Gates Lift Station Ozone Replacement	22,500	Current Utility Revs
Manhole Rehab	50,000	Current Utility revs
Water Production CIP	100,000	General Capital Improvement Fund
<b>Total Water &amp; Sewer Projects</b>	<b>13,281,739</b>	
<b>GRAND TOTAL</b>	<b>\$16,932,072</b>	

**Debt/Leases in the budget for FY-24 - \$2,755,398:**

While debt can serve a useful purpose, it is essential to manage it responsibly to avoid imposing excessive burdens on future generations. It is equally important to ensure that debt is issued for priority needs. Therefore, this year, we have decided to show the city’s total debt obligations with reoccurring lease commitments within the budget message instead of presenting them in separate expenditure groups. This ensures that the governing body, staff, and the public are aware of the city’s debt and lease obligations.

<b>Description</b>	<b>Amount</b>
General Obligations, Certificate of Deposits, & Revenue Bonds	2,211,134
Tax Notes	307,903
Enterprise Vehicle leases	236,361
<b>TOTAL</b>	<b>\$2,755,398</b>

**Increase in Revenue Streams for FY-24:**

In FY-24, the budget will experience an increase in multiple revenue streams, and it will incorporate grant proceeds into the city budget that were not previously accounted for in past budgets. The table below reflects an increase in a few revenue streams for the upcoming fiscal year.

<b>Revenue Source</b>	<b>Additional Revenue Streams for the FY-24 Budget</b>
Grants/ARP	\$3,679,967
TWDB Loan Proceeds for Stillhouse	8,000,000
Sales Tax	309,568
Property Tax	261,373
Inter Fund Transfers	170,522
Water Sales	335,947
Sewer Charges	319,414
Sanitation	342,281
Interests	356,000
<b>TOTAL</b>	<b>\$13,775,072</b>

**Decrease in Expenditures for FY-24:**

Although several revenue streams have increased for the upcoming fiscal year, we have reduced expenditures in certain areas for the next fiscal year as well. Below is a representative list of a few expenditures that have been decreased for FY-24.

<b>Description</b>	<b>Amount of Reduction</b>
Audit Services Admin	10,000
School, Travel & Reimbursement Devel Svcs.	2,000
Equipment Purchases Police Dept	31,166
Gas & Oil Police	10,000
Waste Connections Service	6,500
Heavy Equipment Lease Streets	32,560
Material, Supplies & Printing	1,000
Ammunition Police	4,000
Contract Services Court	4,500

**Projected Year-End Unassigned Fund Balance for FY-23:**

An unassigned fund balance is an essential financial indicator for the city. It refers to the portion of a government’s fund balance that is not restricted or committed for specific purposes. It can be used for any lawful purpose at the discretion of the city’s management or governing body. The following are a few reasons why an unassigned fund balance is important;

1. Financial Stability – indicates that the city has more than enough resources to cover unforeseen financial emergencies, economic downturns, or unexpected expenditures. Basically, it is a financial safety net.
2. Creditworthiness – credit rating agencies, lenders, and investors often assess the unassigned fund balance to gauge a city’s financial strength and creditworthiness.
3. Emergency Reserves – cities must be prepared for emergencies, such as natural disasters, economic crises, or significant infrastructure failures.

It is essential to strike the right balance when maintaining an unassigned fund balance. Having too much in the unassigned fund balance might indicate that the City needs to be investing in public services or infrastructure. At the same time, too little could expose the city to financial vulnerabilities.

Description	General Fund	Water & Wastewater	Airport
Estimated Year-End Fund Balance Amount for FY -23	2,501,534	1,883,983	144,432
Estimated Year-End Fund Balance Percentage of O&M for FY-23	35.0%	33%	27.0%

**Revenue & Expense Comparison:**

The following two tables present a general overview of the proposed revenues and expenditures for the FY-24 budget compared to the FY-23 approved budget. It is essential for the reader reviewing the two tables be aware that the increase in the proposed budget for FY-24 is attributed to incorporating capital improvements into the FY-24 budget, which has not been a practice of previous administrations.

Revenues	FY -23 Approved	FY -24 Proposed	\$ Change
Property Taxes	2,755,580	3,087,480	331,900
Sales Tax	2,600,000	2,909,568	309,568
Franchise Fees	765,837	797,203	31,366
Fines & Fees	150,000	150,000	0
Other Taxes	16,700	16,700	0
Licenses & Permits	36,600	36,600	0
Rental Income	33,500	33,500	0
Cemetery	12,000	12,000	0
Parks & Rec	345,000	380,000	35,000
Misc.	88,500	152,500	64,000
General Capital Project Funds	0	957,811	957,811
Loan Proceeds	0	928,977	928,977
Grant Funds	0	1,770,545	1,770,545
Inter Fund Transfers	621,163	777,785	156,622
Water Sales	4,977,655	9,067,069	4,089,414
Sewer	3,356,330	11,771,744	8,415,414
Sanitation	454,649	796,930	342,281
Airport	54,500	54,500	0
Hotel/Motel Tax	130,600	235,051	104,451
Municipal Court Security	13,400	13,400	0
<b>Total</b>	<b>16,412,014</b>	<b>33,949,363</b>	<b>17,537,349</b>

<b>Expenses</b>	<b>FY - 23 Approved</b>	<b>FY – 24 Proposed</b>	<b>Change \$</b>
General Fund	7,230,866	8,051,392	820,526
Water & Sewer Fund	8,754,850	21,635,743	12,880,893
Airport Fund	38,950	54,500	15,550
Hotel Occupancy Tax	107,147	235,051	127,904
Debt Service	165,366	289,944	124,578
Cemetery	2,000	12,000	10,000
Municipal Security Fund	4,500	13,400	8,900
Governmental CIP	0	3,657,333	3,657,333
<b>Total:</b>	<b>16,303,679</b>	<b>33,949,363</b>	<b>17,645,684</b>

**Conclusion:**

Overall, the budget for FY-24 aims to address the city’s various needs and aspirations while ensuring fiscal responsibility and efficient allocation of resources. The budget for FY-24 appropriately aligns city resources to the highest priorities that will produce the greatest positive impact on the community while being accountable to our citizens.

Respectfully,

Scott L. Albert  
City Manager

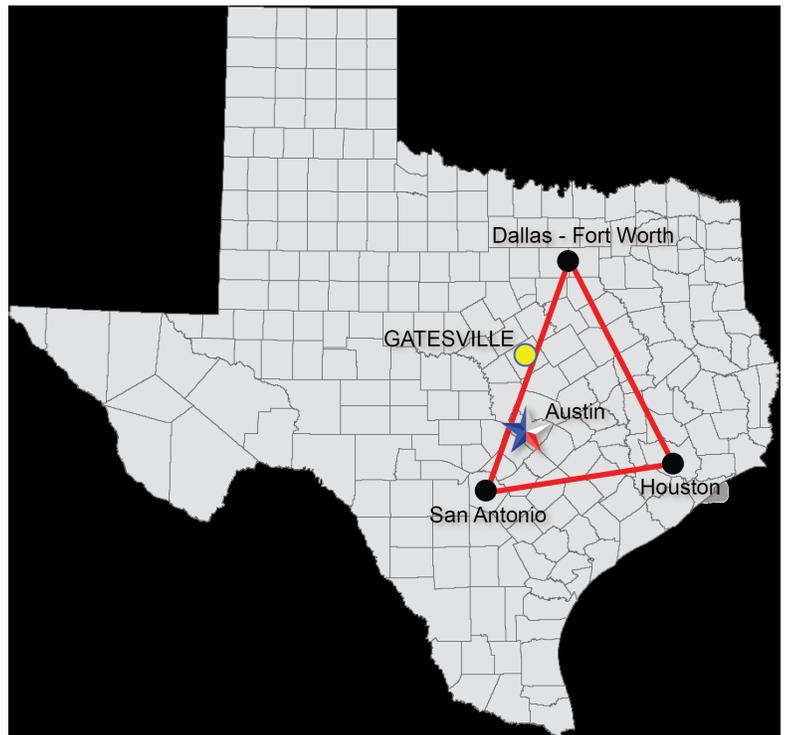
---

## *Comprehensive Plan*

---

The City of Gatesville Comprehensive Plan was developed to establish a cohesive vision for the future growth and development of the community. It is intended to help guide the city's elected and appointed bodies, as well as city staff, property owners, businesses and developers as they prepare for the future. Furthermore, the purpose of the adoption of a comprehensive plan, as stated in the enabling statute (Texas LGC Chapter 213), is to promote sound development, and the health, safety, and welfare of the community. The adoption of a comprehensive plan helps a city to achieve these basic goals by enabling the enactment of zoning regulations (Texas LGC Chapter 211.004), providing strategic guidance on capital investments, and identifying potential transportation improvements. At its core, the plan serves as an expression of a set of basic community ideals that form the basis for ongoing growth and prosperity. The full version of the 2020 plan is available at the City's webpage <https://www.gatesvilletx.com/>

Although growth in Gatesville has slowed somewhat in recent years, the city's proximity to Fort Cavazos, major transportation corridors, and the booming growth of the Texas Triangle make it a likely candidate to see new development pressure emerge as businesses, workers and developers seek more affordable options to the I-35 corridor and cities such as Waco and Temple. With this impending growth pressure, there is a critical need for the city and its leaders to ensure that they are prepared with a vision and policies to aid decision-making that will help to preserve the desired aspects of the city's character, respond to changing conditions in a coordinated manner, and make wise investments with the limited resources available to the city.



The planning area includes the corporate limits of the city of Gatesville, as well as its extraterritorial jurisdiction and adjacent areas into which the city may reasonably be expected to expand over the coming years. Within the planning area, the city will need to address a range of issues, spanning land use, utility service, parks and recreation, public safety, transportation, and a host of other issues to prepare for growth and ensure that it is continuing to provide efficient and effective services to its residents and neighbors. The Comprehensive Plan is organized to identify current conditions and concerns while laying out a strategic vision that will help the city to prepare for the future.

## **VISION AND GUIDING PRINCIPLES**

The foundation of the future of the City of Gatesville is set forth in the vision statement adopted as part of the Comprehensive Plan. The adopted vision will help focus the community and its leaders on the core mission of the city, and serve as a barometer with which to guide future actions. Supporting the vision are a set of guiding principles that are intended to direct the implementation of the plan through strategic actions and policy recommendations. Each action that the city takes, whether it is the adoption of an annual budget, a capital improvement plan, a policy or an ordinance, should be assessed in the context of the vision and guiding principles. This assessment will help to ensure that the city and its leaders remain focused on the core mission and are working toward fulfilling the plan's goals. When an action, or an accumulation of actions, diverge from the vision and guiding principles, it should be taken as a sign that this plan needs to be reassessed and refined to ensure that the new direction envisioned by the city is properly expressed in the Comprehensive Plan.

# VISION

"The City of Gatesville commits to providing a high quality of life for all its citizens while building on its unique character. Working collaboratively, we will foster pride, develop a vibrant economy, thoughtfully plan for the future, and preserve our small town feel."

## GUIDING PRINCIPLES

**INVESTMENT:** The City of Gatesville will invest its resources in a manner that ensures that its municipal infrastructure, programs, and human resources meet both current needs and prepare the city for growth.

**RENEWAL:** The City of Gatesville will embrace and facilitate the positive renewal of the community through compatible growth, redevelopment, and expansion of economic opportunity.

**BALANCE:** The City of Gatesville will become a community that is well-balanced in all respects, including demographically and economically, as well as in its approach to growth and the environment.

**GROWTH:** The City of Gatesville will grow in an orderly and efficient manner that strengthens the local economy while preserving Gatesville's unique physical character that reinforces shared pride and responsibility.

## IMPLEMENTATION STRATEGIES

The following implementation strategies were developed based on the findings and information contained in the plan, including input received from the community. Each strategy is associated with a specific guiding principle that supports the overall plan vision. The tables on the following pages include recommended time frames for implementation, with short-term recommendations strategies recommended for implementation within 1-3 years, medium-term within 3-5 years and long-term within 5-10 years. The budget reflects financial commitments towards achieving the goals of the Comprehensive Plan, and are identified by corresponding implementation strategies.

## GUIDING PRINCIPLE: INVESTMENT

#	Strategy	Time Frame
I-1	Annually review, revise and adopt a capital improvement plan as part of the city's budget to ensure that both municipal infrastructure and major departmental equipment needs are identified, planned for and funded each fiscal year	Short
I-2	Prepare periodic assessments of municipal infrastructure to utilize in updates to the city's capital improvement plan.	Medium
I-3	Utilize regular, recurring, sources of funding (i.e. water and sewer user fees) to finance anticipated infrastructure maintenance and capital investment needs.	Short
I-4	Analyze water and sewer rates on a biennial basis to ensure that sufficient revenue is being generated to meet operational and maintenance requirements and sufficiently fund necessary capital improvements.	Short
I-5	Systematically assess the condition and needs of community facilities and utility and transportation infrastructure in order to prioritize effective and efficient maintenance and/or expansion program(s) to ensure a quality system of service delivery.	Short
I-6	Provide modern and efficient facilities for all municipal departments and their operations which are also designed to accommodate future growth	Long
I-7	Prepare assessments of the staffing and technology needs of all city departments to ensure that funding is adequate to fulfill their missions in an efficient manner.	Short
I-8	Seek partnerships with community groups, educational institutions, governmental agencies and commercial ventures to leverage planned investments by outside groups that support the city's infrastructure needs.	Medium
I-9	Work with community partners, including the Gatesville ISD, the Coryell Memorial Healthcare System, Coryell County, and local businesses and industries to develop and implement a plan to extend high-speed broadband internet service to the city.	Short
I-10	Identify underutilized community assets, such as the Leon River, and explore opportunities for making strategic investments that leverage these assets for economic development and other public benefits.	Long
I-11	Explore opportunities for the development of an industrial / business park in conjunction with economic development interests or other outside partners to ensure that the city is well positioned to attract investment and job growth.	Long

**GUIDING PRINCIPLE: RENEWAL**

#	Strategy	Time Frame
R-1	Streamline development regulations and procedures to eliminate unreasonable barriers to growth and reinvestment in the city.	Short
R-2	Identify underutilized opportunity sites in the city that can help to catalyze positive change through their redevelopment or repurposing, and utilize economic incentives to help facilitate their reuse.	Medium
R-3	Proactively enforce minimum housing regulations and nuisance codes in neighborhoods to eliminate blight, enhance the value of residential properties, and encourage private reinvestment in the city’s housing stock.	Short
R-4	Support residential development activity, including both the construction of new subdivisions and the rehabilitation of the existing housing stock in the city, through incentive programs and a favorable regulatory environment.	Medium
R-5	Partner with TXDOT to plan for and implement improvements to the US Highway 84 and SH 36 corridors, with a goal of developing a safe, unified, functional, and aesthetically appealing highway transportation network in the city.	Long
R-6	Develop plans for the establishment of a safe and efficient pedestrian and bicycle route network in the city that connects neighborhoods to schools, parks, commercial districts, and employment centers.	Medium
R-7	Preserve and protect Gatesville’s historic structures, sites and other cultural resources to enhance the connection between the city’s past and present.	Long
R-8	Develop and implement design regulations for the historic portions of the city to ensure that the aesthetic quality of the city’s downtown and core neighborhoods are positively impacted by redevelopment activity.	Long
R-9	Develop and implement a branding initiative for the city that reinforces a shared community identity.	Long
R-10	Identify a location in close proximity to downtown Gatesville for the development of a formal public gathering space to host community events.	Long
R-11	Partner with private development interests to construct new market rate housing on vacant properties owned by the city to help spur reinvestment in the city’s core neighborhoods and improve the availability of high quality housing options.	Medium

**GUIDING PRINCIPLE: BALANCE**

#	Strategy	Time Frame
B-1	Support the development of a mix of housing types throughout the city that meets the needs of a population that is diverse in terms of age, family structure and income.	Short
B-2	Develop and implement a marketing plan aimed at diversifying the mix of new residents who are attracted to move to Gatesville, with a goal of increasing the population of young families and professionals, including a special emphasis on attracting former residents to return to Gatesville to raise families, start businesses and pursue their professional careers	Long
B-3	Adopt policies and incentives to encourage downtown business growth in sectors that will contribute to its vibrancy, with a particular focus on extending the period of activity into the evening and weekends.	Medium
B-4	Support and sponsor community events that appeal to a widerange of demographic groups including students, young professionals, families, and retirees.	Short
B-5	Continue to direct resources towards parks and recreation facilities and programs that fulfill the needs of residents of all ages and abilities.	Short
B-6	Collaborate with economic development interests to identify and recruit businesses and industries in economic sectors that will ensure that the local economy and workforce is sufficiently diversified to withstand market downturns and respond to changing economic trends.	Medium
B-7	Develop a "green infrastructure" plan that assesses the conditions of the city's natural assets, with a particular focus on issues related to storm water runoff.	Medium
B-8	Continue to support the community's rural agrarian and ranching culture and associated economic activity through the unique services, regulatory environment and infrastructure investments that are necessary for it to thrive as an integral part of the city.	Short

## GUIDING PRINCIPLE: GROWTH

#	Strategy	Time Frame
G-1	Review and revise the city's land use and development ordinances to ensure that the regulatory environment is aligned with the city's goals for facilitating high quality growth.	Short
G-2	Prepare a long range plan for the city's water and sewer systems, including the extent and timing of improvements. Ensure that the utility plan is consistent with land use and transportation plans and other infrastructure planning documents, including the city's Capital Improvement Plan.	Medium
G-3	Adopt and enforce utility connection policies that are firm in their requirement for annexation prior to receiving utility services from the city.	Short
G-4	Prepare and implement an annexation plan with the goal of incorporating all "donut holes" and immediately adjacent developed neighborhoods and commercial areas into the city, with a priority focus on areas that are connected to municipal utility services.	Long
G-5	Develop and utilize a range of business recruitment, expansion and retention incentives to help spur economic development and assist with the financing of necessary infrastructure improvements to facilitate growth.	Medium
G-6	Utilize impact fees, as authorized in Section 395 of the Texas Local Government Code, to help mitigate development related impacts to municipal infrastructure associated with new development and limit any negative financial impacts on the city.	Medium
G-7	Adopt and implement zoning and subdivision regulations that enhance the compatibility of future growth in Gatesville with military training and operations at Fort Hood, and coordinate with Fort Hood when zoning changes or development plans are proposed in areas of encroachment concern.	Short
G-8	Coordinate with Fort Cavazos when the city prepares plans for growth inducing infrastructure, such as utility and transportation projects, to ensure that any potential encroachment concerns are identified and mitigated, to the extent possible.	Short
G-9	Work with economic development interests to identify and preserve sites that are suitable for industrial development to ensure that sufficient land is available in the city to accommodate large-scale job creation opportunities.	Long

---

## *Budget Overview*

---

## FISCAL YEAR 2023-24 BUDGET

---

	2023-2024 ADOPTED
<b>General Fund</b>	
Revenues	\$ 8,051,392
Expenditures	\$ 8,051,392
<b>Water and Sewer Fund</b>	
Revenues	\$ 21,635,743
Expenditures	\$ 21,635,743
<b>Airport Fund</b>	
Revenues	\$ 54,500
Expenditures	\$ 54,500
<b>Hotel Occupancy Tax Fund</b>	
Revenues	\$ 235,051
Expenditures	\$ 235,051
<b>Cemetery Maintenance Fund</b>	
Revenues	\$ 12,000
Expenditures	\$ 12,000
<b>Debt Service Fund</b>	
Revenues	\$ 289,944
Expenditures	\$ 289,944
<b>Municipal Court Security and Technology Fund</b>	
Revenues	\$ 13,400
Expenditures	\$ 13,400
<b>Governmental Capital Projects</b>	
Revenues	\$ 3,657,333
Expenditures	\$ 3,657,333
<b>Total</b>	
Revenues	\$ 33,949,363
Expenditures	\$ 33,949,363

## Basis of Accounting

The term “basis of accounting” is used to describe the timing of recognition of revenues and expenditures, that is, when the effects of transactions or events should be recognized. The City of Gatesville is organized on the basis of funds, each of which is considered to be a separate accounting entity. All governmental fund types are budgeted and accounted for on a Generally Accepted Accounting Principles (GAAP) basis for financial statement presentations.

The City’s accounting system is organized and operated on a fund basis. A fund is a group of functions combined into a separate accounting entity having its own assets, liabilities, equity, revenue, and expenditures/expenses. The types of funds used are determined by GAAP. The number of funds established within each type is determined by sound financial administration and strategic management objectives.

FUND CATEGORY	FUND TYPE	BASIS OF ACCOUNTING
<b>Governmental Funds</b>		
<b>Major Funds</b>		
General	General	Modified Accrual
General Capital Projects	Capital Project	Modified Accrual
General Debt Service	Debt Service	Modified Accrual
<b>Non Major Funds</b>		
Hotel Motel Tax	Special Revenue	Modified Accrual
Donations	Special Revenue	Modified Accrual
Municipal Court and Security	Special Revenue	Modified Accrual
Public Safety	Special Revenue	Modified Accrual
Cemetery	Special Revenue	Modified Accrual
Grants	-	Modified Accrual
<b>Proprietary Funds</b>		
Water and Sewer	Enterprise	Accrual
Airport	Enterprise	Accrual

## Basis of Budgeting

The term “basis of budgeting” refers to the conversion for recognition of costs and revenue in budget development and in establishing and reporting appropriations that are the legal authority to spend or collect revenues. The City of Gatesville uses a modified accrual basis for budgeting governmental funds. Proprietary funds are budgeted using full accrual concepts. All operating and capital expenditures and revenues are identified in the budgeting process because of the need for appropriation authority.

The budget is fully reconciled to the accounting system at the beginning of the fiscal year, and in preparing the Annual Comprehensive Financial Report (ACFR) at the end of the fiscal year. A number of GAAP adjustments are made to reflect balance sheet requirements and their effect on the budget. These include changes in designations and recognition, via studies and analysis, or accrued liabilities. Budgetary fund balances differ from the GAAP basis fund balances as they may be adjusted for year-end accruals. Although these revenues are measurable at fiscal year-end, they may not impact the obligations of the City on a cash basis. As such, the budget may show a different fund balance than the ACFR. The budget also does not differentiate between the various categories of governmental fund balances under GASB 54.

## ***Budget Fund Structure***

### **Governmental Funds:**

These fund types use a financial resources measurement focus and use the modified accrual basis for accounting and budgeting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, meaning that it is measurable and available. Available revenues are defined as those that are collectable within the current period, or are collectable within a timeframe to pay liabilities of the current period.

Expenditures generally represent a decrease in net financial resources and are recorded when the measurable liability is incurred. In some instances, such as the incurrence of long-term debt, expenditures related to interest on the debt is recorded in the period that it is due.

### **Proprietary Funds:**

These fund types are accounted and budgeted for on a cost of services or capital maintenance measurement focus using the full accrual basis of accounting. Under the full accrual method, revenues are recognized when earned and expenses are recognized when incurred. For purposes of this budget presentation, depreciation is not displayed and capital expenditures and bond principal payments are shown as uses of funds.

## ***Governmental Fund Types***

Governmental fund types are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in the Proprietary and Fiduciary Fund types) are accounted for through Governmental Fund types.

The **General Fund** is the general operating fund of the City. It is used to account for all City revenues and expenditures except those required to be accounted for in other funds. Major functions financed by the General Fund include Administration, Public Safety, Legislation, Building and Development, Municipal Court, Parks and Recreation, Library, and Finance. Sources of revenue include sales and use taxes, ad valorem taxes, development fees and permits, court revenue, and franchise fees. These funds may be used for all general operations and maintenance of the City.

The **Debt Service Fund** is established to account for general long-term debt principal and interest as well as the payment thereof. This fund provides clear accounting of ongoing debt obligations compared to operating budgets. The Debt Service Fund is used to make scheduled payments for bond issuances.

**Special Revenue Funds** consist of the following:

- The **Hotel/Motel Occupancy Tax Fund** accounts for the monies remitted from the four established hotels and motels based upon the codified tax imposed on hotel and motel patrons of 7%. The revenue derived from any hotel occupancy tax imposed and levied may be used only to promote tourism and the convention and hotel industry.
- The **Court Technology and Security Fund** was established in order to offset the cost of maintaining and improving the technology infrastructure associated with the Municipal Court. The monies

assessed and collected from the defendants upon conviction for misdemeanor offenses are used to finance the purchase of technological enhancements for the court.

- The **Cemetery Maintenance Fund** is used to account for the revenues generated from the sale of cemetery lots at the Gatesville Restland Cemetery. The City retains ownership of the land and only burial rights are conveyed. The revenues received are used solely for the maintenance and upkeep of the cemetery grounds.
- The **Donations Fund** was established to account for donations received for specified activities.

The **General Capital Projects Fund** tracks the infrastructure and building projects (other than those financed by proprietary fund types), funded with general operating transfers, intergovernmental revenue, bond funds and other special funding methods. Capital expenditures are clearly identified by their respective funding sources, and projects are shown in a clear, concise format.

### ***Proprietary Fund Types***

Proprietary fund types operate in a manner similar to private business using a full accrual basis of accounting.

**Enterprise Funds** account for operations of governmental facilities operated in a manner similar to commercial enterprises where the intent to recover, in whole or in part, the costs and expenses of providing goods and services to the public. Revenues are typically generated through usage charges and fees based on individual demands of each customer. Enterprise funds may be used when the governing body has determined that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The **Water and Wastewater Fund** accounts for water and wastewater services for the residents and businesses in and around the City of Gatesville. All activities necessary to provide such services that safeguard the health, safety, and welfare of the City's patrons are accounted for in this fund, including administration, operations, maintenance, debt service, and billing and collections. Solid waste activities provided by a third party vendor are recorded in this fund as well.

The Gatesville **Municipal Airport Fund** accounts for the operations of the City's airport, including all maintenance, fuel sales and expenses, operations, financing, and related debt service.

## **BUDGET PROCESS**

The City of Gatesville staff is pleased to present the 2023-24 Annual Operating Budget, which is the product of many hours of preparation as well as a response to ever-changing internal and external influences. Gatesville's 2023 fiscal year begins on October 1, 2023 and ends September 30, 2024. It provides the framework to implement the City's vision, values, and mission statements as established by the City Council.

## **BUDGET PREPARATION**

As in previous years, efforts have been made to control expenditures while continuing to deliver an excellent level of service to our citizens. Concentrated efforts have been made to produce a document that clearly illustrates the uses of City resources in a format that may be used as a resource tool by the City Council, City staff, and the citizens of Gatesville. Our budget preparation process continues to be refined on an annual basis, operating within clearly defined budget preparation guidelines.

Budgeting is an essential element of the financial planning, control and evaluation process of municipal government. The "operating budget" is the City's annual financial operating plan. The budget includes all of the operating departments of the City, the debt service fund, all capital projects funds, and the special revenue funds of the City. The proposed budget will be prepared with the cooperation of all City departments, and is submitted to the City Manager who makes any necessary changes and transmits the document to the City Council. A budget preparation calendar and timetable will be established and followed in accordance with State law.

A "bottom-up" approach is used to solicit input from the Department Heads as to their operations' needs with an emphasis on:

- Identifying costs to provide the current level of services.
- Identifies additional cost increases needed to maintain the current level of service.
- Additional resources necessary to provide new or increased levels of service.
- Delineating changes in fund balance levels for each fund.

The following procedures, which are guided by generally accepted budgeting practices, has been established:

- The annual operating budget presents appropriations of expenditures and estimates of revenues for all local government funds. These revenues include sales and use taxes, ad valorem property tax, municipal court related revenue, franchise taxes, mixed beverage taxes, license and permit fees, development fees, interest income, water and sewer utility revenue, and other miscellaneous revenues.
- The annual operating budget illustrates expenditures, anticipated revenues, and the estimated impact on reserves.
- Budgets for each department are broken down into specific cost components, including personnel expenses, supplies, repair & maintenance, contractual services, debt service, capital outlay, and transfers.
- Revenue projections are prepared for each revenue source based on an analysis of historical revenue trends and current fiscal conditions.

- The budget process includes a multi-year projection of all required capital improvements.
- Goals and objectives have been developed for each department and are incorporated into the evaluation of employees and performance of the organization.
- A budget message summarizing local financial conditions and principal budget issues is presented to the Council along with the annual budget.

A proposed budget shall be prepared by the City Manager with the participation of all of the City's department directors. The proposed budget shall include four basic segments for review and evaluation:

- Personnel costs
- Base budget for operations and maintenance costs
- Service level adjustments for increases of existing service levels, or additional services
- Revenues

The proposed budget review process will include Council participation in the review of each of the four segments of the proposed budget and a public hearing to allow for citizen participation in the budget preparation. The proposed budget process shall allow sufficient time to provide review, as well as address policy and fiscal issues, by the City Council. A copy of the proposed budget shall be filed with the City Secretary after it is submitted to the City Council as well as placed on the City's website.

The City Manager submits the budget to the City Council. The City's fiscal year begins each year on October 1st and ends on September 30th of the following calendar year. Prior to the beginning of the fiscal year, the City Manager must submit a proposed budget, which includes:

- A consolidation statement of anticipated revenues and proposed expenditures for all funds
- General fund resources in detail
- Special Revenue fund resources in detail
- A summary of proposed expenditures by department and activity
- Detailed estimates of expenditures shown separately to support the proposed expenditure
- A description of all bond issues outstanding
- A schedule of the principal and interest payments of each bond issue

The proposed revenues and expenditures must be compared to prior year revenues and expenditures. The budget preparation process begins early in the calendar year with the establishment of overall City goals, objectives, and analysis of current year operations compared to expenditures. Budget policies and procedures are reviewed at the same time to reduce errors and omissions.

**Revenue Estimates for Budgeting:** In order to maintain a stable level of services, the City shall use a conservative, objective, and analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year and should avoid mid-year service reductions.

**Central Control:** Each department director, appointed by the City Manager, will be responsible for the goals and objectives adopted as part of the budget and for monitoring their individual departmental budget for compliance with spending limitations. The Finance Director and the City Manager may transfer

funds within the operations and maintenance or capital line items of a departmental budget category without City Council approval.

**Planning:** The budget process will be coordinated so as to identify major policy issues for City Council by integrating it into the Council's overall strategic planning process for the City. Each department shall have a multi-year business plan that integrates with the City's overall strategic plan.

**Performance Measures & Productivity Indicators:** Where appropriate, performance measures and productivity indicators will be used as guidelines to measure efficiency, effectiveness, and outcomes of City services. This information will be included in the annual budget process as needed.

**Contingent Appropriation:** During the budget process, staff will establish a contingent appropriation in the General fund as required by the City Charter. The expenditure for this appropriation shall be made only in cases of emergency, and a detailed account shall be recorded and reported. The proceeds shall be disbursed only by transfer to departmental appropriation. All transfers from the contingent appropriation will be evaluated using the following criteria:

- Is the request of such an emergency nature that it must be made immediately?
- Why was the item not budgeted in the normal budget process?
- Why can't the transfer be made within the department?

Each spring, the Finance Department prepares such items as budget forms and instructions for estimating revenues and expenditures. Department heads submit proposed baseline expenditures for current service levels and any additional one-time or on-going request they may have for their department. A round-table meeting is subsequently held with the City Manager, the finance staff and each department head for review.

After all funding levels are established and agreed upon; the proposed budget is presented by the City Manager to the City Council. A public hearing on the budget is conducted in accordance with state and local law. This meeting is held after the Council has reviewed the budget during a workshop. The City Council approves a level of expenditure (or appropriation) for each fund to go into effect on October 1st, prior to the expenditure of any City funds for that budget year.

**Budget Adoption:** Upon the determination and presentation of the final iteration of the proposed budget as established by the Council, a public hearing date and time will be set and publicized. The Council will subsequently consider an Ordinance which, if adopted, such budget becomes the City's Approved Annual Budget. The adopted budget will be effective for the fiscal year beginning October 1. The approved budget will be placed on the City's web site.

## ***BALANCED BUDGET***

As per State Law, current operating revenues will be sufficient to support current operating expenditures. Annually recurring revenue will not be less than annually recurring operating budget expenditures (operating budget minus capital outlay). Debt, or bond financing will not be used to finance current expenditures.

## ***BUDGET AMENDMENT PROCESS***

Department directors are responsible for monitoring their respective department budgets. The Finance Department will monitor all financial operations. The Finance Department will decide whether to proceed with a budget amendment and, if so, will then present the request to the City Council. If the Council decides a budget amendment is necessary, the amendment is adopted in resolution format and the necessary budgetary changes are then made. The City Manager may request that the current year budget be amended. In this process, the City Manager will review the documentation and draft a resolution to formally amend the current budget. This resolution is presented to the City Council for consideration. Following the consideration of the proposed amendment, the City Council will vote on the amendment. If the amendment is approved, the necessary budget changes are then made. All budget amendments will be approved by the City Council prior to the expenditure of funds in excess of the previously authorized budgeted amounts within each fund.

## ***FUND BALANCE***

The City Council approved a policy to establish a key element of the financial stability of the City of Gatesville by setting guidelines for the fund balance. Unassigned Fund Balance is an important measure of economic stability and it is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, such as natural disasters and other similar circumstances. This policy ensures the City maintains adequate fund balances in the operating fund with the capacity to:

1. Provide sufficient cash flow for daily financial needs.
2. Provide funds for unforeseen expenditures related to disasters.
3. Offset significant economic downturns or revenue shortfalls, and
4. Secure and maintain a high investment grade bond ratings.

### **Definitions:**

Fund Balance – An accounting distinction is made between the portions of fund balance that are spendable and non-spendable. These are divided into five categories:

1. Non-spendable fund balance – this can include amounts that are not in spendable form or are required to be maintained intact. Examples are inventories and endowments/principal of a permanent fund.
2. Restricted fund balance – includes amounts that can be spent only for the specific purposes stipulated by external creditors, grantors, or contributors either constitutionally or through enabling legislation. An example includes grants.
3. Committed fund balance – includes amounts that can be used only for the specific purposes determined by a formal action by the Gatesville City Council. Commitments may be changed or lifted only by the City Council. An example would be a General Revenue-dedicated Fund.
4. Assigned Fund Balance – comprises amounts intended to be used by the City for specific purposes. Intent shall be expressed by the City Council or if the Council delegates the authority, the City Manager. Assigned Fund Balance represents the amount that is not restricted or committed. Such assignments cannot exceed the available fund balance in any fund.

5. Unassigned Fund Balance – the residual classification for the General and Enterprise Funds and includes all amounts not contained in other classifications. Unassigned amounts represent the City of Gatesville’s “Rainy Day Fund” and are technically available for any purpose.

**Target Unassigned Fund Balance**

The City’s goal is to achieve and maintain an unassigned fund balance in the General fund equal to 25% and in the Water & Sewer Fund equal to 25% of budgeted operating expenditures. In the event the fund balance is calculated to be less than the policy stipulates, the City shall plan to adjust expenditures to restore the balance.

**Appropriation of Unassigned Fund Balance**

To reduce the Unassigned Fund Balance below 25%, there must be Council approval. If a disaster causes significant reduction in city revenues, the fund balance could be reduced below 25% to provide funding to maintain city services at their pre-disaster levels. The fund balance may be used this way until revenues recover.

**Replenishment of Fund Balance Reserves**

If the unassigned fund balance falls below 25% or if it is anticipated that at the completion of any fiscal year, the projected fund balance will be less than the minimum requirement, the City Manager shall prepare and submit a plan to City Council to restore the required level. The plan shall detail the steps necessary for the replenishment of the fund balance as well as an estimated timeline for achieving such, not to exceed five years. In the event the fund balance is calculated to be less than 25%, the maximum 3% contingent appropriation, as mandated by the City Charter, may be used to replenish the fund balance.

**Accumulation of the Fund Balance**

The unassigned fund balance may be allowed to accumulate above the 25% target to accommodate operating and unexpected capital expenses.

**Excess of Reserves**

In the event Reserves exceed the minimum balance requirements, at the end of each fiscal year, any excess Reserves may be used in the following ways:

1. Increase the pay-as-you-go contributions needed to fund capital projects in the City’s Capital Improvement Plan;
2. Fund long-term accrued liabilities, including but not limited to debt service, pension liability, and other postemployment benefits (for example, OPEB liability) as directed and approved within the long-term financial plan and the annual budget ordinance. Priority will be given to those items that relieve budget or financial operating pressure in future periods;
3. Increase the contributions needed to fund equipment in the City’s Capital Equipment Fund;
4. One-time expenditures that do not increase recurring operating costs that cannot be funded through current revenues. Emphasis will be placed on one-time uses that reduce future operating costs;
5. Appropriated to lower the amount of bonds or debt service payments (all forms of debt); or
6. Start-up expenditures for new programs, provided that such action is approved by the City Council and is considered in the context of multi-year projections of revenue and expenditures as prepared by the Finance Director.

**Monitoring and Reporting**

The Finance Director shall be responsible for monitoring and reporting the City's Fund Balance and reserves. The City Manager is directed to make recommendations to the Council on the use of reserve funds both as an element of the annual operating budget submission and from time to time throughout the fiscal year as needs may arise.

---

## *General Fund*

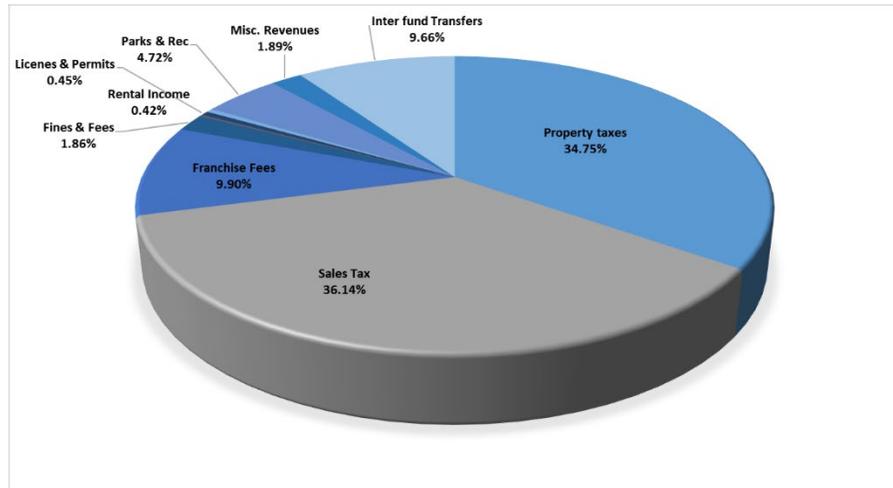
---

## Revenues and Transfers In

Total General Fund revenues and transfers in for Fiscal Year 2023–24 are budgeted to be \$8,051,392 a 10.9% increase of \$793,262 from the previous fiscal year budgeted revenues and transfers in of \$7,258,130. As shown in the graph below, the primary sources of revue for the General Fund are Property and Sales Taxes. Franchise fees collected from both City utilities and external utilities comprise the third largest source of revenue.

Revenue changes are attributable to the following:

▪ Ad Valorem Taxes	208,706
▪ Sales Tax	309,568
▪ Franchise Fees	31,366
▪ Interfund transfers	156,622



## Sales Tax Rate

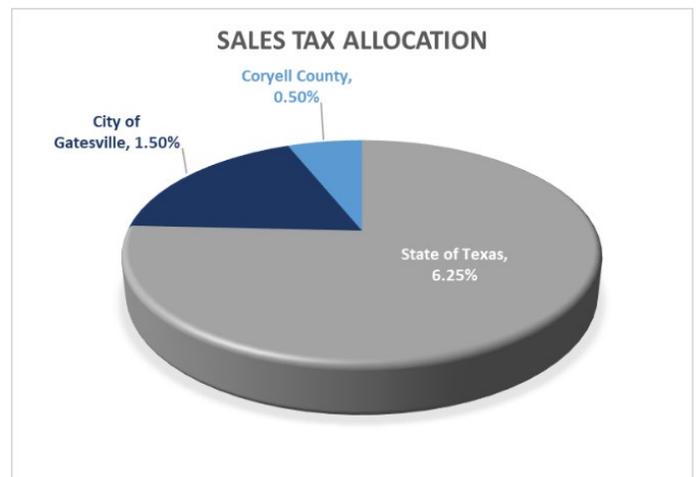
Many citizens may not realize that the majority of their sales and use tax is remitted to the State of Texas. For every dollar of taxable sales, the State of Texas receives 6.25%. In Texas, municipalities have the option to adopt a sales and use tax rate up to 2.00% that will bring total collections up to the total maximum combined rate of 8.25%. This 2.00% local tax must be in accordance with state law and be used for specific purposes as identified by the state's local government code.

## City of Gatesville Sales Tax Breakdown

**General Fund Allocation** – The City levies a 1.50% sales tax that is used to offset expenditures in the General Fund.

**Coryell County Allocation** – Coryell County levies a 0.50% sales tax that is for property tax relief.

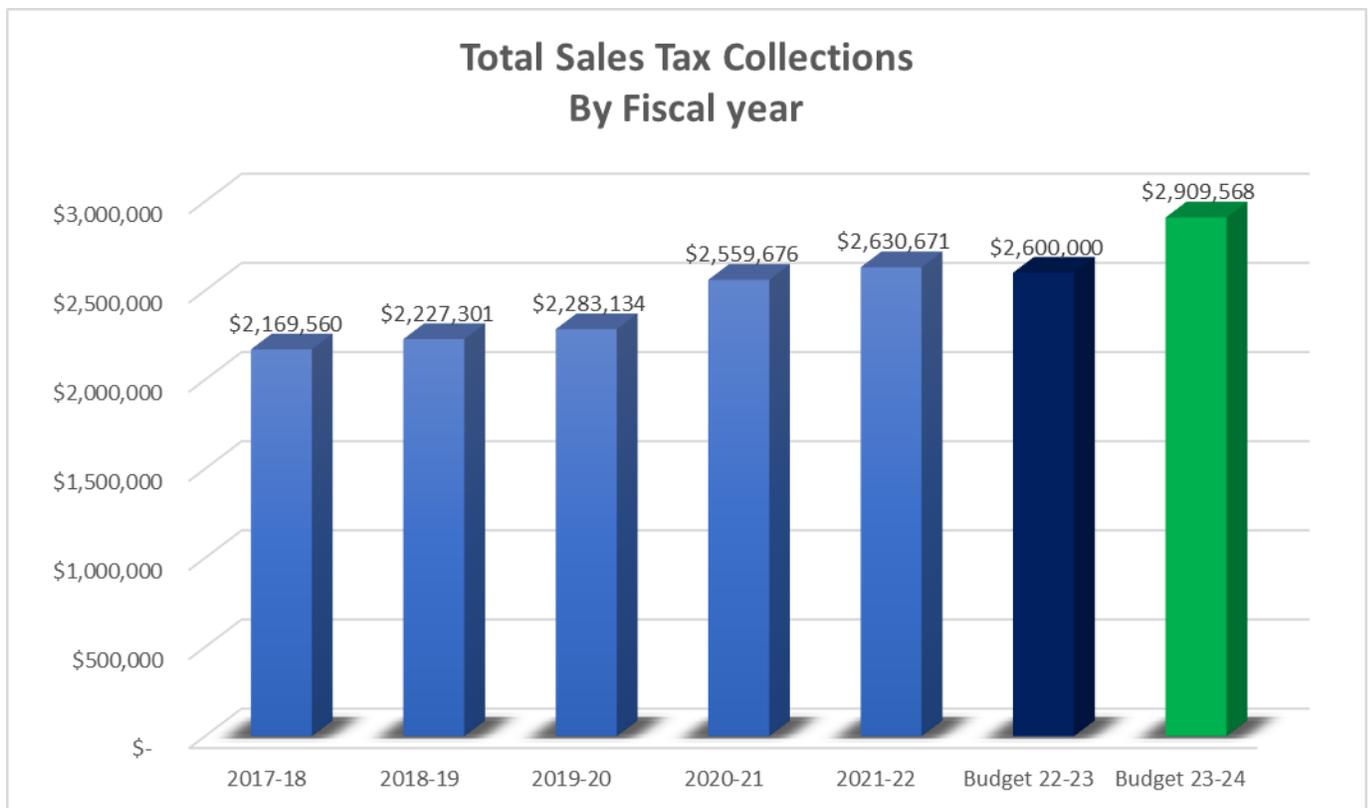
**State of Texas Allocation** – The State of Texas levies a 6.25% sales tax



## General Sales Tax

The City receives one and one-half percent sales tax on all retail sales, leases and rentals of most goods, as well as taxable services within the corporate city limits. The City retains one and a half percent. Major exemptions from sales tax include: food, drugs (both prescription and non-prescription), non-taxable services, clothing and school supplies purchased during an annual tax holiday (added in August 2009), and equipment or materials used in manufacturing, or for agricultural purposes. This revenue is directly affected by the amount of retail business activity including increases in the number of retail businesses, inflation, the number of new living units, and employment numbers. We have to be very cautious in budgeting sales tax since this revenue is highly dependent on the state of the economy.

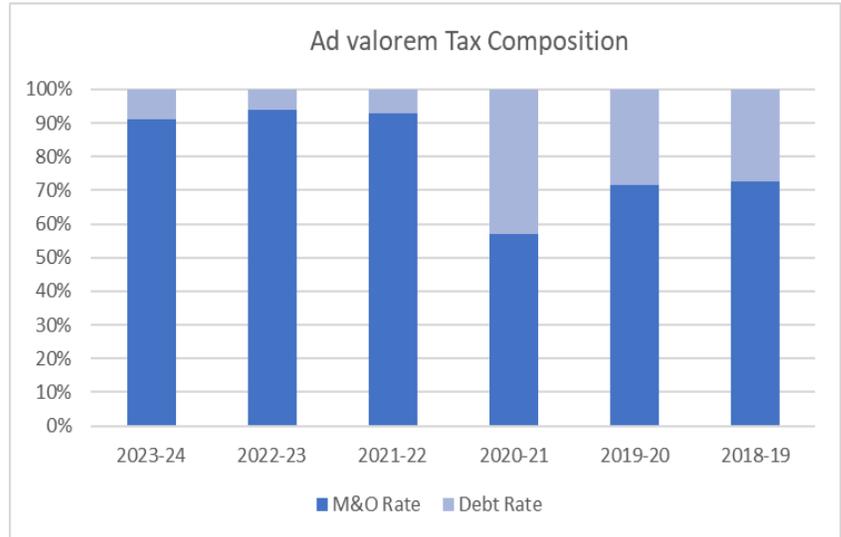
Sales tax collections for the past 5 years have trended in a positive direction. Sales tax revenues are projected to be above budget for Fiscal Year 2022-23, they are budgeted in Fiscal Year 2023-24 to be in line with the upward trend.



## Ad Valorem Taxes

The City of Gatesville strives to maintain consistency in ad valorem tax rates by keeping taxes as low as possible while balancing the needs of the community and services provided to our residents and businesses.

The ad valorem rate is comprised of two parts; O&M and I&S. The Debt Service (I&S) rate is determined by the tax supported debt service payments due in each respective fiscal year. The Operations and Maintenance (O&M) portion of the total tax rate funds day-to-day operations in the General Fund.



## Ad Valorem (Property Tax) Tax Rate

The FY 2023-24 proposed budget was formulated on an ad valorem tax rate of \$0.5600 per \$100 of taxable valuation, which is the same as the previous year. On November 8, 2022 an election was held to abolish the additional 1/2% city sales and use tax for property tax relief and increase the city sales tax rate to 1 1/2% as authorized by Section 321.404(d) of the Tax Code. The total city sales tax rate remained the same, but was no longer included in property tax calculations for the FY2023-24 budget. The De minimis rate is a new tax rate calculation added by S.B. 2 that is designed to give smaller cities some relief from the 3.5 percent voter-approval tax rate. The De minimis rate is defined as the sum of:

1. a taxing unit's no-new-revenue maintenance and operations rate;
2. the rate that, when applied to a taxing unit's current total value, will impose an amount of taxes equal to \$500,000; and
3. a taxing unit's current debt rate.

Fiscal Year	Total Tax Rate	M&O Rate	Debt Rate	No-New-Revenue Rate	Voter Approval Tax Rate	De Minimis Rate
2023-24	0.560000	0.510405	0.049595	0.674138	0.535976	0.611162
2022-23	0.560000	0.525613	0.034387	0.468395	0.495961	0.575004
2021-22	0.5433	0.5043	0.0390	0.5397	0.5433	0.54050
2020-21	0.5600	0.3201	0.2399	0.5509	0.6588	0.76020
2019-20	0.5600	0.4017	0.1583	0.5484	0.6075	-
2018-19	0.5600	0.4068	0.1532	0.4921	0.5704	-

The proposed FY 2023-24 tax rate is below the No New Revenue tax rate, which is the total tax rate calculated to raise the same amount of property tax revenue from the same properties in both the 2022 and 2023 tax years. The rate is above the Voter-Approval tax rate, and below the De minimis tax rate. The table below shows the distribution of the tax rate between O&M and debt service.

Currently, 8.9% of the City's tax rate goes towards debt service. The property tax revenue to be raised from new property added to the tax roll this year is \$44,052. The total amount of outstanding municipal

debt obligations (including principal and interest) secured by property taxes is \$15,828,860; of which \$114,907,960 is paid through utility charges. Of this total debt outstanding, \$1,655,753 is due in this budgeted fiscal year.

### **Franchise Fees**

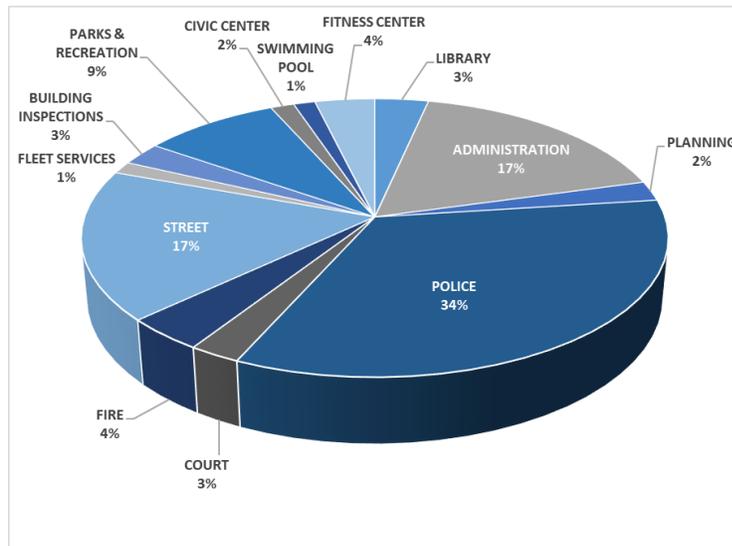
Franchise fees comprise 10% of General Fund revenues. Fees are collected from utilities and telecommunication companies that use the City’s right-of-way. Some fees charged are set contractually with the service provider and are adjusted during contract negotiations, some are established by the State. Franchise fees collected from external utilities are expected to remain flat this budgeted fiscal year. The Municipal Owned Utilities (MOU) franchise fees are established during the budget process and are 6% of water & sewer billed revenues.

### **Transfers In**

Transfers represent 10% of the overall General Fund Revenues. The Water/Wastewater Fund and Hotel Occupancy Tax Fund transfer money to the General Fund for administrative services related to general administration, legislative services, fleet services, human resources, payroll activities, and financial services.

### **Expenditures and Transfers Out**

Total General Fund expenditures and transfers out for FY 2023-24 are budgeted to increase by 11.3%, or \$820,525 from the previous fiscal year’s budget of \$7,230,866.



The City staff’s budgetary philosophy is to continue providing exemplary services while operating in a lean and efficient manner. The staff is determined to meet and exceed goals and agendas set forth by City Council while maintaining a healthy fund balance.

As with recent years, during this fiscal year the City staff will focus on operating conservatively while not sacrificing the level of service the City works diligently to provide. The proposed budget includes a 3%

COLA for employees, with a separate pay package for Police. The Administration budget reflects the transfer in of one (1) FTE from Water Production. All salaries are budgeted at their full cost in their respective department. A portion of the Administration and Fleet expenses are recovered through an administrative transfer discussed in the preceding revenue section. Adjustments to operating budgets for inflation are the lesser drivers for the increased expenditures.

The City Charter mandates that the annual budget provide “a contingent appropriation in an amount not more than three percent of the total budget to be used in case of unforeseen items of expenditure”. For the FY 2024 budget \$100,000, or 1.24% of GF Expenses is budgeted as an expense item in the Administration Department budget. It is expected that the contingency will be used for expenses related to the April 2024 eclipse.

<b>General Fund</b>				
	2020-2021	2021-2022	2022-23	2023-2024
	ACTUAL	ACTUAL	APPROVED	ADOPTED
<b>Revenues</b>				
Property taxes	2,503,205	2,349,637	2,588,830	2,797,536
Sales Tax	2,681,264	2,630,672	2,600,000	2,909,568
Franchise Fees	358,273	782,334	765,837	797,203
Fines & Fees	161,028	132,449	150,000	150,000
Other taxes	19,392	15,465	16,700	16,700
Licenes & Permits	33,693	41,575	36,600	36,600
Rental Income	38,680	47,292	33,500	33,500
Cemetery	13,500	18,500	12,000	-
Parks & Rec	147,850	398,942	345,000	380,000
Misc. Revenues	160,647	62,563	88,500	152,500
Debt proceeds	-	-	-	-
Intergovernmental	245,810	245,028	-	-
Inter fund Transfers	414,552	625,663	621,163	777,785
<b>TOTAL REVENUES</b>	<b>6,777,894</b>	<b>7,350,118</b>	<b>7,258,130</b>	<b>8,051,392</b>

<b>Expenditures</b>	2020-2021 ACTUAL	2021-2022 ACTUAL	2022-23 APPROVED	2023-2024 ADOPTED
<b>LIBRARY</b>				
Personnel Svcs.	143,882	153,203	177,576	178,241
O&M	64,102	81,198	80,161	96,355
<b>Total</b>	<b>207,984</b>	<b>234,401</b>	<b>257,736</b>	<b>274,596</b>
<b>ADMINISTRATION</b>				
Personnel Svcs.	399,133	512,472	544,220	686,597
O&M	304,376	354,471	482,174	713,951
<b>Total</b>	<b>703,509</b>	<b>866,943</b>	<b>1,026,393</b>	<b>1,400,547</b>
<b>DEVELOPMENT SERVICES</b>				
Personnel Svcs.	85,492	132,589	156,783	164,047
O&M	11,120	14,613	20,160	19,160
<b>Total</b>	<b>96,612</b>	<b>147,202</b>	<b>176,943</b>	<b>183,207</b>
<b>POLICE</b>				
Personnel Svcs.	1,966,930	1,870,413	2,070,149	2,245,666
O&M	512,930	590,511	502,818	462,549
<b>Total</b>	<b>2,479,860</b>	<b>2,460,925</b>	<b>2,572,967</b>	<b>2,708,214</b>
<b>COURT</b>				
Personnel Svcs.	148,572	126,269	143,455	149,766
O&M	26,437	50,306	48,770	49,870
<b>Total</b>	<b>175,009</b>	<b>176,575</b>	<b>192,225</b>	<b>199,636</b>
<b>FIRE</b>				
Personnel Svcs.	510	1,100	1,000	1,000
O&M	204,114	295,110	229,758	311,554
<b>Total</b>	<b>204,624</b>	<b>296,210</b>	<b>230,758</b>	<b>312,554</b>
<b>STREET</b>				
Personnel Svcs.	442,821	472,713	527,187	544,908
O&M	888,822	888,679	780,192	862,338
<b>Total</b>	<b>1,331,642</b>	<b>1,361,392</b>	<b>1,307,379</b>	<b>1,407,246</b>

<b>Expenditures</b>	2020-2021 ACTUAL	2021-2022 ACTUAL	2022-23 APPROVED	2023-2024 ADOPTED
<b>FLEET SERVICES</b>				
Personnel Svcs.	60,470	65,445	70,148	76,377
O&M	25,060	37,960	36,789	38,100
<b>Total</b>	<b>85,530</b>	<b>103,406</b>	<b>106,937</b>	<b>114,477</b>
<b>BUILDING INSPECTIONS</b>				
Personnel Svcs.	134,606	145,343	156,270	164,950
O&M	50,537	40,662	55,739	48,777
<b>Total</b>	<b>185,142</b>	<b>186,005</b>	<b>212,009</b>	<b>213,726</b>
<b>PARKS &amp; RECREATION</b>				
Personnel Svcs.	130,765	315,507	439,921	475,883
O&M	161,225	197,240	227,129	224,757
<b>Total</b>	<b>291,990</b>	<b>512,747</b>	<b>667,050</b>	<b>700,640</b>
<b>CIVIC CENTER</b>				
Personnel Svcs.	66,359	67,460	74,883	81,183
O&M	87,167	35,737	38,628	39,128
<b>Total</b>	<b>153,527</b>	<b>103,196</b>	<b>113,511</b>	<b>120,311</b>
<b>SWIMMING POOL</b>				
Personnel Svcs.	45,692	46,249	64,590	64,590
O&M	25,629	36,455	42,264	45,815
<b>Total</b>	<b>71,321</b>	<b>82,704</b>	<b>106,854</b>	<b>110,405</b>
<b>FITNESS CENTER</b>				
Personnel Svcs.	-	-	144,217	155,680
O&M	-	-	115,888	150,152
<b>Total</b>	<b>-</b>	<b>-</b>	<b>260,105</b>	<b>305,832</b>
<b>TRANSFER EXPENSE</b>	<b>500,000</b>	<b>500,000</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>6,486,749</b>	<b>7,031,706</b>	<b>7,230,866</b>	<b>8,051,392</b>
<b>Revenues- Expenditures</b>	<b>\$ 291,145</b>	<b>\$ 318,413</b>	<b>\$ 27,263</b>	<b>\$ 0</b>

## General Fund Revenues

		2021-2022	2022-2023	2023-2024
		ACTUAL	APPROVED	ADOPTED
<b>ADVALOREM TAXES</b>				
010-4-001-3879	CURRENT PROPERTY TAXES	2,305,976	2,548,760	2,757,466
010-4-001-3880	DELIQUENT PROPERTY TAXES	22,188	25,000	25,000
010-4-001-4060	A V TAX PENALTY/INTEREST	21,472	15,070	15,070
<b>TOTAL ADVALOREM TAXES</b>		<b>2,349,637</b>	<b>2,588,830</b>	<b>2,797,536</b>
<b>OTHER REVENUE</b>				
010-4-002-4091	BUSINESS PERS PROP REVENU	1,677	1,700	1,700
010-4-002-4100	FINES & FORFEITURES	130,116	150,000	150,000
010-4-002-4105	PD & ANIMAL CONTROL FINES	1,452	-	-
010-4-002-4150	SALES TAX	2,630,672	2,600,000	2,909,568
010-4-002-4200	FRANCHISE TAX	374,182	355,000	355,000
010-4-002-4201	FRANCHISE MUNI UTILITIES	403,779	410,837	442,203
010-4-002-4225	PILOT	4,372	-	-
010-4-002-4250	LIQUOR TAX	13,787	15,000	15,000
010-4-002-4270	ALCOHOL PERMIT FEES	1,900	1,600	1,600
010-4-002-4300	LICENSES & PERMITS	38,522	35,000	35,000
010-4-002-4320	PMT ON LOT CLEANING	522	-	-
010-4-002-4331	AUDITORIUM RENTAL	2,400	2,000	2,000
010-4-002-4350	SALE OF CEMETERY LOTS	18,500	12,000	-
010-4-002-4400	INTEREST	8,396	8,000	72,000
010-4-002-4440	SALE OF CITY PROPERTY	26,588	50,000	50,000
010-4-002-4500	LIBRARY FINES, COPIES, ETC.	8,408	8,000	8,000
010-4-002-4546	PD FEES	881	-	-
010-4-002-4547	RECREATION SPONSORSHIPS	170,652	150,000	150,000
010-4-002-4548	ANIMAL ADOPTION/SURRENDER	1,850	1,000	1,000
010-4-002-4550	MISCELLANEOUS	9,852	20,000	20,000
010-4-002-4570	PD REV-SAFETY@RD CONS SITES	-	1,500	1,500
010-4-002-4600	POOL RECEIPTS	45,997	30,000	45,000
010-4-002-4606	PROPERTY RENTAL	6,972	6,500	6,500
010-4-002-4608	FITNESS CENTER REVENUE	182,293	165,000	185,000
010-4-002-4609	CIVIC CENTER RENTAL	37,920	25,000	25,000
010-4-002-4650	OVER / SHORT	13	-	-
010-4-002-4750	INTERGOVERNMENT REV.	13,753	-	-
010-4-002-4850	TRANSFER FROM W&S FUND	534,806	500,697	646,337
010-4-002-4875	TRNS FROM W&S FUND FOR EQUIP	90,857	90,857	90,857
010-4-002-4882	TRANS FROM HOTEL/MOTEL	-	29,610	40,591
010-4-002-4891	REIMB FROM GISD	231,275	-	-
010-4-002-4900	REIMB. ON DAMAGES	7,456	-	-
010-4-002-4901	PLANNING AND ZONING	631	-	-
<b>TOTAL OTHER REVENUE</b>		<b>4,818,189</b>	<b>4,504,300</b>	<b>5,253,856</b>
<b>TOTAL REVENUES</b>		<b>7,350,118</b>	<b>7,258,130</b>	<b>8,051,392</b>

**DEPARTMENT**

Library Services

**PURPOSE STATEMENT:**

The Gatesville Public Library shall provide materials that support the public's need for continuous education, economic and cultural development, and enhancement of leisure time, especially as it pertains to the free communication of ideas in a responsible and enlightened service community.

EXPENDITURES	2021-2022 ACTUAL	2022-2023 APPROVED	2023-2024 ADOPTED
<b>LIBRARY</b>			
010-5-105-10010 SALARIES	130,377	151,477	140,864
010-5-105-10020 OVERTIME-SALARIES	4	-	-
010-5-105-10050 RETIREMENT	13,766	14,177	13,912
010-5-105-10060 UNEMPLOYMENT	-	-	-
010-5-105-10070 SOCIAL SECURITY	4,134	5,415	5,227
010-5-105-10075 LIFE INS - EMPLOYER		341	341
010-5-105-20040 INSURANCE	4,921	6,166	17,897
<b>Total Personnel</b>	<b>153,203</b>	<b>177,576</b>	<b>178,241</b>
010-5-105-20010 UTILITIES	19,244	16,150	16,150
010-5-105-10080 CONTRACT SERVICES	25,912	5,800	7,800
010-5-105-20015 BOOKS, VIDEOS, DVDS	6,944	25,250	25,250
010-5-105-20020 MAT., SUP., & PRINTING	2,950	7,000	7,000
010-5-105-20030 SCHOOL, TRAVEL & MEMBERSHIPS	6,339	3,345	3,345
010-5-105-20045 PROP, LIAB, WC INSURANCE	7,012	4,296	4,818
010-5-105-20050 MAILING EXPENSE	262	400	400
010-5-105-20090 EQUIPMENT PURCHASE	-	4,400	9,900
010-5-105-20140 EQUIPMENT LEASE	225	300	300
010-5-105-30020 MISCELLANEOUS	262	-	-
010-5-105-30025 SUBSCRIPTIONS	2,558	2,220	2,220
010-5-105-30070 MAINTENANCE AGREEMENT	6,230	8,500	8,500
010-5-105-40010 CAPITAL OUTLAY	-	-	8,172
010-5-105-50010 REPAIRS & MAINTENANCE	3,259	2,500	2,500
	<b>81,198</b>	<b>80,161</b>	<b>96,355</b>
<b>TOTAL LIBRARY</b>	<b>234,401</b>	<b>257,736</b>	<b>274,596</b>

**DEPARTMENT**

Administration

**PURPOSE STATEMENT:**

The Administration department includes the City Manager, City Secretary, Finance & HR Director, City Council, and administrative staff. Under guidance of the City Council and serving as the chief executive officer, the City Manager coordinates and manages all facets of the City's operations. The City Manager is also responsible for implementing goals and objectives set forth by the City Council, preparation and submission of an annual municipal budget for review and adoption, implementation and oversight of the adopted budget through the fiscal year. The City Secretary provides support services to the City Council, City Manager, staff and citizens. The three main areas of responsibility are records management, municipal elections, and Council support including agenda preparation and minute transcribing. In addition to these responsibilities, the City Secretary handles open records requests and monitors board appointments. The Finance & HR Director is responsible for preparing internal and external reports, and advising management on all aspects of the financial operations, as well as various other operations of the City. This includes long-range planning for financial matters, City facilities, modern technology, debt management, and asset management. Human Resources provides a diverse array of services to internal and external customers, as well as providing support to the organization's general operations including recruiting and hiring, payroll processing, benefits administration, policy compliance, and risk management.

	2021-2022 ACTUAL	2022-2023 APPROVED	2023-2024 ADOPTED	
<b>ADMINISTRATION</b>				
010-5-110-10010	SALARIES	416,647	443,876	506,140
010-5-110-10020	OVERTIME-SALARIES	188	2,000	2,000
010-5-110-10050	RETIREMENT	59,574	62,035	77,398
010-5-110-10070	SOCIAL SECURITY	6,376	6,794	7,697
010-5-110-10075	LIFE INS - EMPLOYER		960	960
010-5-110-20040	INSURANCE	29,687	28,555	92,402
	<b>Total Personnel</b>	<b>512,472</b>	<b>544,220</b>	<b>686,597</b>
010-5-110-20010	UTILITIES	17,430	23,200	23,200
010-5-110-10080	CONTRACT SERVICES	41,482	129,305	192,469
010-5-110-20020	MAT., SUP., & PRINTING	12,732	20,000	20,000
010-5-110-20030	SCHOOL, TRAVEL & MEMBERSHIPS	15,690	16,775	16,775
010-5-110-20045	PROP, LIAB, WC INSURANCE	17,715	10,684	11,814
010-5-110-20050	MAILING EXPENSE	1,635	3,000	3,000
010-5-110-20070	AUDIT	65,168	50,000	40,000
010-5-110-20071	LEGAL			100,000
010-5-110-20080	CCAD	45,050	47,700	56,309
010-5-110-20140	EQUIPMENT RENTAL	4,082	6,600	6,600
010-5-110-30020	MISCELLANEOUS	9,569	10,000	10,000
010-5-110-30035	PUBLIC NOTICES & ADVERTISING	3,782	5,850	5,850
010-5-110-30037	RECORDING FEES	362	-	-
010-5-110-30050	AMBULANCE	-	25,000	25,000
010-5-110-30070	MAINTENANCE AGREEMENT	25,375	34,700	34,700
010-5-110-30090	TAX COLLECTION FEE	12,115	13,500	13,500
010-5-110-30091	BANKING FEES			6,000
010-5-110-30092	ELECTION EXPENSES	6,183	4,000	4,000
010-5-110-40010	CAPITAL OUTLAY	9,496	-	-
010-5-110-50010	REPAIRS & MAINTENANCE	11,028	1,860	1,860
010-5-110-50023	HOUSEHOLD HAZARDOUS WASTE I	21,699	-	-
010-5-110-50034	SUBSTANDARD STRUCTURE ACTIO	9,094	30,000	30,000
010-5-110-50070	FIREWORKS	25,000	25,000	25,000
010-5-110-60087	CONTINGENT APPROPRIATION		25,000	87,874
		<b>354,471</b>	<b>482,174</b>	<b>713,951</b>
	<b>TOTAL ADMINISTRATION</b>	<b>866,943</b>	<b>1,026,393</b>	<b>1,400,547</b>

**DEPARTMENT**

Development Services

**PURPOSE STATEMENT:**

The mission of the Department of Development Services is to provide the highest quality of professional services in the areas of comprehensive planning and research, economic development, building inspections and plan review to all citizens and developers.

	2021-2022 ACTUAL	2022-2023 APPROVED	2023-2024 ADOPTED
<b>DEVELOPMENT SERVICES</b>			
010-5-113-10010 SALARIES	104,570	124,505	128,230
010-5-113-10020 OVERTIME-SALARIES	33	-	-
010-5-113-10050 RETIREMENT	15,083	17,729	19,933
010-5-113-10070 SOCIAL SECURITY	1,527	1,805	1,859
010-5-113-10075 LIFE INS - EMPLOYER		413	413
010-5-113-20040 INSURANCE	11,377	12,331	13,612
<b>Total Personnel</b>	<b>132,589</b>	<b>156,783</b>	<b>164,047</b>
010-5-113-20010 UTILITIES		-	-
010-5-113-20020 MATERIALS & SUPPLIES	7,220	3,000	3,500
010-5-113-20030 SCHOOL, TRAVEL & MEMBERSHIPS	4,856	10,000	8,000
010-5-113-20140 EQUIPMENTRENTAL & LEASE		3,960	3,960
010-5-113-30035 RECORDING FEES	1,138	1,000	1,000
010-5-113-30042 CENTEX EVENTS	56	1,200	1,200
010-5-113-50010 REPAIRS & MAINTENANCE	1,343	1,000	1,500
	<b>14,613</b>	<b>20,160</b>	<b>19,160</b>
<b>TOTAL DEVELOPMENT SERVICES</b>	<b>147,202</b>	<b>176,943</b>	<b>183,207</b>

**DEPARTMENT**

Police Services

**PURPOSE STATEMENT:**

The Gatesville Police Department is a full-service law enforcement agency, providing 24-hour response to the needs of our community. The Department provides numerous specialized public safety services to the citizens of Gatesville. The specialized divisions within the department are Uniform Patrol, Criminal Investigations, Emergency Communications, Administration, Community Services and Environmental Services (Code Enforcement and Animal Services). The divisions within the Police Department provide: 24-hour crime preventative patrol, traffic enforcement, criminal investigations, accident investigations, specialized community service programs and dispatching services for 9-1-1, Police, Fire and Ambulance. The Department is a community-based agency offering modern, professional, and courteous service to the citizens of Gatesville and the adjoining community.

**Mission Statement:**

It is the mission of the employees of the Gatesville Police Department to serve the people of our community with respect, fairness, and compassion. We are committed to the protection of life and property, the preservation of public order, crime prevention, enforcement of laws and ordinances, and protecting the constitutional rights of all persons.

		2021-2022	2022-2023	2023-2024
POLICE		ACTUAL	APPROVED	ADOPTED
010-5-115-10010	SALARIES	1,380,362	1,538,054	1,646,193
010-5-115-10020	OVERTIME-SALARIES	82,476	50,000	50,000
010-5-115-10021	K9 STIPEND		6,072	6,072
010-5-115-10050	RETIREMENT	212,010	221,027	256,559
010-5-115-10070	SOCIAL SECURITY	21,078	25,459	27,304
010-5-115-10075	LIFE INS - EMPLOYER		5,366	5,366
010-5-115-20040	INSURANCE	174,488	224,172	254,171
<b>Total Personnel</b>		<b>1,870,413</b>	<b>2,070,149</b>	<b>2,245,666</b>
010-5-115-20010	UTILITIES	44,942	55,500	55,500
010-5-115-10080	CONTRACT SERVICES	6,000	-	6,000
010-5-115-20020	MAT., SUP., & PRINTING	13,956	15,000	15,000
010-5-115-20030	SCHOOL, TRAVEL & MEMBERSHIPS	15,449	15,000	15,000
010-5-115-20045	PROP, LIAB, WC INSURANCE	102,880	62,004	63,485
010-5-115-20050	MAILING EXPENSE	1,046	1,500	1,500
010-5-115-20090	EQUIPMENT PURCHASE	25,317	41,166	10,000
010-5-115-20100	RADIO & TELETYPE	-	-	-
010-5-115-20110	UNIFORMS	11,968	9,500	9,500
010-5-115-20120	AGENCY PROVIDED FIREARMS	12,628	-	-
010-5-115-20140	EQUIPMENT RENTAL	3,239	-	-
010-5-115-20230	VEHICLE LEASE	122,629	116,000	103,416
010-5-115-30010	GAS & OIL	70,225	55,000	45,000
010-5-115-30020	MISCELLANEOUS	5,836	4,000	4,000
010-5-115-30040	K-9 EXPENSE	1,752	2,000	2,000
010-5-115-50020	REPAIR & MAINT.-VEHICLES	36,823	30,000	30,000
010-5-115-50030	REP/MAINT.-NON VEHICLE	21,930	15,000	25,000
010-5-115-50100	MAINTENANCE CONTRACT	75,829	66,148	66,148
010-5-115-60500	RABIES CONTROL	1,001	1,000	1,000
010-5-115-60502	AMMUNITION	11,425	6,000	2,000
010-5-115-60503	PROMOTIONAL MATERIALS	324	1,000	1,000
010-5-115-60504	ANIMAL CONTROL	5,313	7,000	7,000
		<b>590,511</b>	<b>502,818</b>	<b>462,549</b>
<b>TOTAL POLICE</b>		<b>2,460,925</b>	<b>2,572,967</b>	<b>2,708,214</b>

**DEPARTMENT**

Municipal Court

**PURPOSE STATEMENT:**

The Court is dedicated to assisting the public through the process of handling class C misdemeanors filed in the Court which are either traffic related, violations of City ordinances, or juvenile violations that occur within the Gatesville City Limits. Court activity included processing cases, preparing dockets, accepting pleas and payment of fines.

COURT		2021-2022 ACTUAL	2022-2023 APPROVED	2023-2024 ADOPTED
010-5-116-10010	SALARIES	109,604	104,766	107,144
010-5-116-10020	OVERTIME-SALARIES	1,180	1,500	1,500
010-5-116-10050	RETIREMENT	12,270	11,246	12,646
010-5-116-10070	SOCIAL SECURITY	3,140	3,118	3,153
010-5-116-10075	LIFE INS - EMPLOYER		619	619
010-5-116-20040	INSURANCE	74	22,205	24,703
<b>Total Personnel</b>		<b>126,269</b>	<b>143,455</b>	<b>149,766</b>
010-5-116-20020	MAT., SUP., & PRINTING	2,296	5,000	4,000
010-5-116-10080	CONTRACT SERVICES	20,402	19,500	19,500
010-5-116-20030	SCHOOL, TRAVEL & MEMBERSHIPS	1,417	760	760
010-5-116-20045	PROP, LIAB, WC INSURANCE	1,876	1,000	1,000
010-5-116-20050	MAILING EXPENSE	321	1,100	1,100
010-5-116-20110	UNIFORMS	-	200	-
010-5-116-20075	JURY EXPENSES	-	200	-
010-5-116-20170	CREDIT CARD SERV FEE	5,585	5,500	5,500
010-5-116-30020	MISCELLANEOUS	193	-	-
010-5-116-30070	MAINTENANCE AGREEMENT	17,488	15,010	15,010
010-5-116-50010	REPAIRS & MAINTENANCE	728	500	3,000
		<b>50,306</b>	<b>48,770</b>	<b>49,870</b>
<b>TOTAL COURT</b>		<b>176,575</b>	<b>192,225</b>	<b>199,636</b>

**DEPARTMENT**

Fire

**PURPOSE STATEMENT:**

"Protection of Life and Property": To fulfill the needs and expectations of our community by providing the highest quality Fire Suppression, Emergency Medical Services - First Response, Emergency Management, Rescue and Fire Prevention Services. The City of Gatesville has an independent volunteer Fire Department, funded by the City and County.

		2021-2022	2022-2023	2023-2024
FIRE		ACTUAL	APPROVED	ADOPTED
010-5-117-10050	RETIREMENT	1,100	1,000	1,000
		<b>1,100</b>	<b>1,000</b>	<b>1,000</b>
010-5-117-20010	UTILITIES	26,381	23,000	23,000
010-5-117-20020	MAT., SUP., & PRINTING	1,332	-	-
010-5-117-10080	CONTRACT SERVICES	39,000	36,000	48,000
010-5-117-20040	INSURANCE	74	-	-
010-5-117-20045	PROP, LIAB, WC INSURANCE	74,550	45,308	48,504
010-5-117-20050	MAILING EXPENSE		-	-
010-5-117-20090	EQUIPMENT PURCHASE	13,554	17,700	24,000
010-5-117-20140	EQUIPMENT RENTAL	-	-	-
010-5-117-20141	TRAINING	7,156	11,700	24,000
010-5-117-30010	GAS & OIL	9,544	6,000	9,000
010-5-117-30020	MISCELLANEOUS	237	500	500
010-5-117-30070	MAINTENANCE AGREEMENT	10,077	20,000	20,000
010-5-117-40010	CAPITAL OUTLAY	57,035	18,000	18,000
010-5-117-50010	REPAIRS & MAINTENANCE	28,231	25,550	70,550
010-5-117-50013	BUILDING & OTHER R&M	2,938	-	-
010-5-117-60050	FIRE PREVENTION EXPENSE	-	1,000	1,000
010-5-117-60090	DEPRECIATION EXPENSE	-	-	-
010-5-117-70779	FIREMEN INCENTIVE PAY	25,000	25,000	25,000
		<b>295,110</b>	<b>229,758</b>	<b>311,554</b>
<b>TOTAL FIRE</b>		<b>296,210</b>	<b>230,758</b>	<b>312,554</b>

**DEPARTMENT**

Street

**PURPOSE STATEMENT:**

The Street Department is responsible for the operation, maintenance, repair and installation of the City's traffic signs, signals, roadway markings and street pavement and storm drainage. The Street Services Department will assist as necessary to ensure that all citizens have safe, travelable conditions throughout the City.

		2021-2022	2022-2023	2023-2024
STREET		ACTUAL	APPROVED	ADOPTED
010-5-120-10010	SALARIES	373,668	406,422	398,326
010-5-120-10020	OVERTIME-SALARIES	5,658	5,000	20,000
010-5-120-10050	RETIREMENT	54,746	58,587	64,252
010-5-120-10060	UNEMPLOYMENT	-	-	-
010-5-120-10070	SOCIAL SECURITY	6,356	5,966	5,993
010-5-120-20040	INSURANCE	32,285	49,324	54,449
010-5-120-10075	LIFE INS - EMPLOYER		1,889	1,889
<b>Total Personnel</b>		<b>472,713</b>	<b>527,187</b>	<b>544,908</b>
010-5-120-20010	UTILITIES	83,969	66,000	66,000
010-5-120-10080	CONTRACT SERVICES			48,000
010-5-120-20030	SCHOOL, TRAVEL & MEMBERSHIPS	1,297	1,500	14,500
010-5-120-20045	PROP, LIAB, WC INSURANCE	53,959	31,984	33,957
010-5-120-20090	EQUIPMENT PURCHASE	1,787	3,200	3,200
010-5-120-20110	UNIFORMS	5,465	5,200	5,200
010-5-120-20140	EQUIPMENT RENTAL	1,069	7,200	15,200
010-5-120-20230	VEHICLE LEASE	36,975	28,000	31,233
010-5-120-20245	HEAVY EQUIPMENT LEASE	99,286	143,175	110,615
010-5-120-20246	EQUIPMENT LEASE INT		-	-
010-5-120-30010	GAS & OIL	60,813	35,000	35,000
010-5-120-30020	MISCELLANEOUS	193	-	-
010-5-120-30091	MATERIAL & SUPPLIES	12,976	13,550	13,550
010-5-120-30095	BOND/LOAN PAYMENT	-	-	-
010-5-120-40010	CAPITAL OUTLAY	40,662	-	-
010-5-120-40040	LOADER NOTE PRINCIPAL	33,122	-	40,500
010-5-120-40041	LOADER NOTE INTEREST	586	-	-
010-5-120-40045	STREET SWEEPER PRIN	36,190	37,273	37,273
010-5-120-40046	STREET SWEEPER INT	4,539	3,456	3,456
010-5-120-50010	REPAIRS & MAINTENANCE	841	1,310	1,310
010-5-120-50013	PAVING MATERIALS	221,046	-	-
010-5-120-50025	VEHICLE OR EQUIP REP & MAINT	42,512	35,000	35,000
010-5-120-50027	STREET REPAIR & MAINT	151,391	368,344	368,344
		<b>888,679</b>	<b>780,192</b>	<b>862,338</b>
<b>TOTAL STREET</b>		<b>1,361,392</b>	<b>1,307,379</b>	<b>1,407,246</b>

Fleet Services

**PURPOSE STATEMENT:**

The Fleet Services Department is responsible for repairing and maintaining the City's heavy equipment and vehicles.

	2021-2022	2022-2023	2023-2024
FLEET SERVICES	ACTUAL	APPROVED	ADOPTED
010-5-121-10010 SALARIES	48,921	52,100	55,802
010-5-121-10020 OVERTIME-SALARIES	1,536	-	-
010-5-121-10050 RETIREMENT	7,273	7,419	8,674
010-5-121-10060 UNEMPLOYMENT	-	-	-
010-5-121-10075 LIFE INS - EMPLOYER	724	-	-
010-5-121-20040 INSURANCE	6,990	9,874	11,091
010-5-121-10070 SOCIAL SECURITY		755	809
<b>Total Personnel</b>	<b>65,445</b>	<b>70,148</b>	<b>76,377</b>
010-5-121-20010 UTILITIES	9,951.43	7,550	7,550
010-5-121-20020 MAT., SUP., & PRINTING	9,242	9,000	9,000
010-5-121-20030 SCHOOL, TRAVEL & MEMBERSHIPS	-	-	1,000
010-5-121-20045 PROP, LIAB, WC INSURANCE	6,491	3,944	4,255
010-5-121-20090 EQUIPMENT PURCHASE	7,974	8,000	8,000
010-5-121-20110 UNIFORMS	822	545	545
010-5-121-20140 EQUIPMENT RENTAL	1,463	950	950
010-5-121-30010 GAS & OIL	92	1,650	1,650
010-5-121-50010 REPAIRS & MAINTENANCE	1,925	5,150	5,150
	<b>37,960</b>	<b>36,789</b>	<b>38,100</b>
<b>TOTAL FLEET SERVICES</b>	<b>103,406</b>	<b>106,937</b>	<b>114,477</b>

**DEPARTMENT**

Building Inspections

**PURPOSE STATEMENT:**

The Building Inspections Department seeks to provide the maximum quality of plan review and inspection by certified professionals on an ongoing basis ensuring the construction codes of the city are complied with by developers, architects, engineers, and contractors. Conduct plan reviews and inspections to create public confidence in the safety and security of the built environment in Gatesville, Texas.

	2021-2022	2022-2023	2023-2024
BUILDING INSPECTIONS	ACTUAL	APPROVED	ADOPTED
010-5-125-10010 SALARIES	113,844	120,856	124,484
010-5-125-10020 OVERTIME-SALARIES	375	-	1,000
010-5-125-10050 RETIREMENT	15,605	17,210	19,351
010-5-125-10060 UNEMPLOYMENT	-	-	-
010-5-125-10070 SOCIAL SECURITY	1,659	1,752	1,805
010-5-125-10075 LIFE INS - EMPLOYER		413	413
010-5-125-20040 INSURANCE	13,859	16,039	17,897
<b>Total Personnel</b>	<b>145,343</b>	<b>156,270</b>	<b>164,950</b>
010-5-125-20010 UTILITIES	8,167	7,625	7,625
010-5-125-20030 SCHOOL, TRAVEL & MEMBERSHIPS	3,824	6,685	7,385
010-5-125-10080 CONTRACT SERVICES	190	-	-
010-5-125-20045 PROP, LIAB, WC INSURANCE	10,756	4,929	4,929
010-5-125-20050 MAILING EXPENSE	56	250	250
010-5-125-20110 UNIFORMS	-	1,200	1,200
010-5-125-20140 EQUIPMENT RENTAL	374	700	-
010-5-125-20230 VEHICLE LEASE	9,778	16,550	9,588
010-5-125-30010 GAS & OIL	4,177	8,500	8,500
010-5-125-30020 MISCELLANEOUS	1,193	300	300
010-5-125-30091 MATERIAL & SUPPLIES	394	5,000	5,000
010-5-125-50010 REPAIRS & MAINTENANCE	549	-	-
010-5-125-50025 VEHICLE OR EQUIP REP & MAINT	1,203	4,000	4,000
	<b>40,662</b>	<b>55,739</b>	<b>48,777</b>
<b>BUILDING INSPECTIONS</b>	<b>186,005</b>	<b>212,009</b>	<b>213,726</b>

**DEPARTMENT**

Parks and Recreation

**PURPOSE STATEMENT:**

The mission of the Parks and Recreation Division is to enhance the quality of life in our community by developing, maintaining, renovating, and preserving the City's park system in a safe and attractive manner. It is further our mission to facilitate recreational opportunities and amenities which will be safe and secure for the benefit of all ages. The Parks and Recreation Division is responsible for operating and maintaining the City's pool in a safe and enjoyable manner for the citizens of Gatesville. The division also operates and maintains the Fitness center to provide a place for citizens to exercise.

		2021-2022	2022-2023	2023-2024
		ACTUAL	APPROVED	ADOPTED
<b>PARKS &amp; RECREATION</b>				
010-5-128-10010	SALARIES	232,499	330,070	348,611
010-5-128-10020	OVERTIME-SALARIES	3,568	2,000	6,000
010-5-128-10050	RETIREMENT	33,387	41,685	47,160
010-5-128-10060	UNEMPLOYMENT	-	-	-
010-5-128-10070	SOCIAL SECURITY	3,195	6,948	7,400
010-5-128-10075	LIFE INS - EMPLOYER		1,032	1,032
010-5-128-20040	INSURANCE	42,857	58,185	65,679
<b>Total Personnel</b>		<b>315,507</b>	<b>439,921</b>	<b>475,883</b>
010-5-128-20010	UTILITIES	34,871	20,350	30,350
010-5-128-10080	CONTRACT SERVICES	62,678	93,800	53,650
010-5-128-20020	MATERIALS & SUPPLIES	22,464	20,950	20,950
010-5-128-20030	SCHOOL, TRAVEL & MEMBERSHIPS	172	1,000	7,000
010-5-128-20035	LEAGUE FEES	2,200	2,975	2,975
010-5-128-20045	PROP, LIAB, WC INSURANCE	4,514	2,726	2,917
010-5-128-20050	MAILING EXPENSE	99	250	250
010-5-128-20090	EQUIPMENT PURCHASE	1,569	1,500	1,500
010-5-128-20110	UNIFORMS	954	2,500	2,500
010-5-128-20140	EQUIPMENT RENTAL	85	500	500
010-5-128-20170	CC FEES PARKS AND REC	-		
010-5-128-20180	T-SHIRTS & AWARDS	23,994	24,498	27,498
010-5-128-20230	VEHICLE LEASE	9,120	7,500	16,212
010-5-128-30010	GAS & OIL	7,507	8,000	8,000
010-5-128-30020	MISCELLANEOUS	931	1,000	1,000
010-5-128-40010	CAPITAL OUTLAY	-	20,500	11,000
010-5-128-50010	REPAIRS & MAINTENANCE	22,838	12,080	22,255
010-5-128-50015	FIELD IMPROVEMENTS	-	4,000	9,800
010-5-128-50016	PARK REPAIRS	3,243	3,000	4,000
010-5-128-50025	VEHICLE OR EQUIP REP & M	-	-	2,400
		<b>197,240</b>	<b>227,129</b>	<b>224,757</b>
<b>PARKS &amp; RECREATION</b>		<b>512,747</b>	<b>667,050</b>	<b>700,640</b>

	2021-2022	2022-2023	2023-2024
SWIMMING POOL	ACTUAL	APPROVED	ADOPTED
010-5-132-10010 SALARIES	42,448	60,000	60,000
010-5-132-20040 INSURANCE	74	-	-
010-5-132-10070 SOCIAL SECURITY	3,727	4,590	4,590
<b>Total Personnel</b>	<b>46,249</b>	<b>64,590</b>	<b>64,590</b>
010-5-132-20010 UTILITIES	7,983	8,200	8,200
010-5-132-20020 MAT., SUP., & PRINTING	10,848	12,980	12,980
010-5-132-20030 SCHOOL, TRAVEL & MEMBERSHIPS	2,228	2,600	2,600
010-5-132-20045 PROP, LIAB, WC INSURANCE	2,907	1,784	1,935
010-5-132-20090 EQUIPMENT PURCHASE	3,283	3,200	6,600
010-5-132-20190 RETAIL ITEMS TO SELL	4,304	5,000	5,000
010-5-132-30020 MISCELLANEOUS	125	1,000	1,000
010-5-132-50010 REPAIRS & MAINTENANCE	4,775	7,500	7,500
	<b>36,455</b>	<b>42,264</b>	<b>45,815</b>
<b>TOTAL SWIMMING POOL</b>	<b>82,704</b>	<b>106,854</b>	<b>110,405</b>

FITNESS CENTER		2021-2022	2022-2023	2023-2024
PERSONNEL		ACTUAL	APPROVED	ADOPTED
010-5-226-10010	SALARIES	115,612	119,934	128,623
010-5-226-10020	OVERTIME-SALARIES	36	-	-
010-5-226-10050	RETIREMENT	10,475	8,008	9,004
010-5-226-10060	UNEMPLOYMENT	-	300	300
010-5-226-10070	SOCIAL SECURITY	4,363	5,688	6,248
010-5-226-10075	LIFE INS - EMPLOYER		413	413
010-5-226-20040	INSURANCE	15,255	9,874	11,091
<b>Total Personnel</b>		<b>145,740</b>	<b>144,217</b>	<b>155,680</b>
OTHER OPERATIONS				
010-5-226-20010	UTILITIES	27,244	23,720	23,720
010-5-226-10080	CONTRACT SERVICES	30,860	25,000	37,000
010-5-226-20020	MAT., SUP., & PRINTING	12,830	12,400	12,400
010-5-226-20030	SCHOOL, TRAVEL & MEMBE	1,662	600	600
010-5-226-20045	PROP, LIAB, WC INSURAN	10,304	6,243	6,852
010-5-226-20050	MAILING EXPENSE	538	750	750
010-5-226-20090	EQUIPMENT PURCHASE	2,628	5,400	5,400
010-5-226-20140	EQUIPMENT LEASE	9,807	8,410	8,410
010-5-226-20170	CREDIT CARD SERV FEE			
010-5-226-20190	RETAIL ITEMS TO SELL	11,249	10,000	10,000
010-5-226-30020	MISCELLANEOUS	585	500	500
010-5-226-30070	MAINTENANCE AGREEMENT	4,742	4,840	4,840
010-5-226-40010	CAPITAL OUTLAY	-	-	-
010-5-226-50010	REPAIRS & MAINTENANCE	5,749	12,000	32,450
010-5-226-50018	ADVERTISING	672	1,300	1,300
010-5-226-50019	EVENTS	1,760	4,725	5,930
<b>TOTAL OTHER OPERATIONS</b>		<b>120,629</b>	<b>115,888</b>	<b>150,152</b>
<b>TOTAL FITNESS CENTER</b>		<b>266,370</b>	<b>260,105</b>	<b>305,832</b>

**DEPARTMENT**

Civic Center

**PURPOSE STATEMENT:**

The mission of the Civic Center Department is to provide administrative oversight of the rental of the Civic Center, and other City facilities.

		2021-2022	2022-2023	2023-2024
		ACTUAL	APPROVED	ADOPTED
CIVIC CENTER				
010-5-130-10010	SALARIES	53,163	59,220	65,575
010-5-130-10050	RETIREMENT	7,741	8,433	7,862
010-5-130-10075	LIFE INS - EMPLOYER	780	206	206
010-5-130-20040	INSURANCE	5,776	6,166	6,806
010-5-130-10070	SOCIAL SECURITY		859	733
<b>Total Personnel</b>		<b>67,460</b>	<b>74,883</b>	<b>81,183</b>
010-5-130-20010	UTILITIES	19,492	17,500	17,500
010-5-130-20020	MAT., SUP., & PRINTING	1,986	4,500	4,500
010-5-130-20030	SCHOOL, TRAVEL & MEMBERSHIPS	236	900	900
010-5-130-20045	PROP, LIAB, WC INSURANCE	5,262	3,228	3,728
010-5-130-30020	MISCELLANEOUS	-	-	-
010-5-130-30095	LOAN PAYMENT	-	-	-
010-5-130-40010	CAPITAL OUTLAY	-	-	-
010-5-130-50010	REPAIRS & MAINTENANCE	8,147	12,000	12,000
010-5-130-50018	ADVERTISING	614	500	500
010-5-130-50022	PROMOTION OF THE ARTS	-		
		<b>35,737</b>	<b>38,628</b>	<b>39,128</b>
<b>TOTAL CIVIC CENTER</b>		<b>103,196</b>	<b>113,511</b>	<b>120,311</b>

**DEPARTMENT**

Non-Departmental

**PURPOSE STATEMENT:**

Within the General Fund, the Non-Departmental category provides for transfers between funds for shared operating costs.

	2021-2022	2022-2023	2023-2024
	ACTUAL	APPROVED	ADOPTED
TRANSFER EXPENSE			
010-5-165-30135 RESIDUAL EQUITY TRANSFER	-	-	-
010-5-165-60101 TRANSFER IN	-	-	-
010-5-165-60102 TRANSFER TO OTHER FUNDS	500,000	-	-
010-5-165-60108 TRNS TO BOARD DESGNT RESERVE	-	-	-
010-5-165-90000 BAD DEBT EXPENSE	-	-	-
		-	-
<b>TOTAL TRANSFER EXPENSE</b>	<b>500,000</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>7,031,706</b>	<b>7,230,866</b>	<b>8,051,392</b>

---

*Water & Sewer Fund*

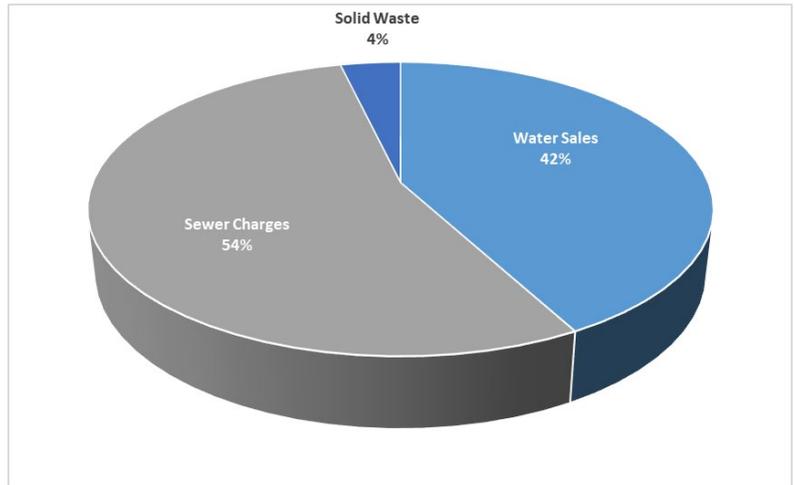
---

## Revenues and Transfers In

Total Water and Sewer Fund revenues, grants, Capital Improvement Projects (CIP) and transfers in for Fiscal Year 2023-24 are budgeted to be \$21,635,743, or an increase of 146%, or \$12,847,109 from the previous fiscal year budgeted revenues and transfers in of \$8,788,634. Increased revenues are primarily due to CIP projects budgeted at full cost for FY24.

Changes in operating revenue from prior Fiscal Year:

▪ Water Sales	\$355,947
▪ Sewer Charges	\$186,827
▪ Sanitation	\$342,281



## Water and Sewer Sales

The Water and Sewer Fund operating revenues are primarily derived from fees for water and sewer services. The budget reflects an increase in both revenues and expenses from the prior year. Forecasting water consumption is complicated in that water consumption is extremely cyclical and heavily weather dependent. Therefore, the City will always err towards conservatism in estimating revenues generated from water and sewer sales while ensuring that rates for the estimated consumption are sufficient to cover all activities related to the maintenance, operations, financing, and related debt service, infrastructure recapitalization, billing, and collections.

## Expenses and Transfers Out

Total Water and Wastewater Fund expenses and transfers out for FY 2023-24 are budgeted to increase significantly from the previous fiscal year's budget. The budget includes \$13,281,739 in CIP projects, detailed in the CIP section. Adjustments to operating expenses are included in the budget as well as 3% COLA adjustments. The Water Production department includes funding for two (2) Operators, and the transfer of an administrative FTE to the General Fund.

## Water and Sewer Rates

The Water and Sewer Fund budget is designed to fully recover all system costs as well as provide for capital improvements and maintenance of Gatesville's water and wastewater infrastructure. Revenues are budgeted with an increase over the FY 2023 budget levels, due in large part to incorporating the recommendations of a water/sewer rate study completed in August of 2022.

## Water and Sewer Fund Summary

	2020-2021 ACTUAL	2021-2022 ACTUAL	2022-2023 APPROVED	2023-2024 ADOPTED
<b>Revenues</b>				
Water Retail	3,283,382	3,409,670	3,657,574	3,993,521
Sewer Retail	2,677,430	2,508,420	2,457,845	11,771,744
Wholesale & Other	2,464,540	2,718,600	2,218,566	5,073,548
Sanitation	413,461	470,779	454,649	796,930
<b>Total</b>	<b>\$ 8,838,812</b>	<b>\$ 9,107,469</b>	<b>\$ 8,788,634</b>	<b>\$ 21,635,743</b>
<b>Expense</b>				
Water Distribution	1,930,280	2,166,132	1,362,063	3,964,518
Water Production	2,445,021	2,306,714	2,874,448	5,341,604
Sewer	2,866,078	1,910,963	2,135,987	10,447,882
Sanitation	447,191	466,972	416,700	793,200
Transfers	595,135	1,400,398	1,965,652	1,088,540
<b>Total</b>	<b>\$ 8,283,705</b>	<b>\$ 8,251,180</b>	<b>\$ 8,754,850</b>	<b>\$ 21,635,743</b>
<b>Gain (Loss)</b>	<b>\$ 555,107</b>	<b>\$ 856,290</b>	<b>\$ 33,783</b>	<b>\$ 0</b>

## Water and Sewer Fund

		2021-2022	2022-2023	2023-2024
		ACTUAL	APPROVED	ADOPTED
<b>WATER BILLING REVENUE</b>				
020-4-011-4011	RESIDENTIAL IN TOWN	1,348,640.8	1,471,566	1,680,853
020-4-011-4101	RESIDENTIAL OUT OF TOWN	237,624.1	246,746	268,435
020-4-011-4201	COMMERCIAL IN TOWN	391,616.8	415,200	450,604
020-4-011-4301	COMMERCIAL OUT TOWN	29,040.2	32,808	40,831
020-4-011-4601	TDC-ORIGINAL UNITS	469,452.9	584,179	602,000
020-4-011-4701	TDC - HUGHES	635,348.0	581,704	611,521
020-4-011-4790	TDC - WOODMAN/MURRY UNI	297,947.0	325,371	339,276
<b>TOTAL WATER BILLING REVENUE</b>		<b>3,409,670</b>	<b>3,657,574</b>	<b>3,993,521</b>
<b>SEWER BILLING REVENUE</b>				
020-4-012-4015	RESIDENTIAL	1,157,105	944,612	1,023,717
020-4-012-4215	COMMERCIAL	292,159	257,543	276,376
020-4-012-4601	TDC-ORIGINAL UNITS	311,629	572,646	421,000
020-4-012-4701	TDC - HUGHES	534,152	416,007	636,647
020-4-012-4703	TDC - MURRY & WOODMAN	213,374	267,037	286,933
<b>TOTAL SEWER BILLING REVENUE</b>		<b>2,508,420</b>	<b>2,457,845</b>	<b>2,644,672</b>
<b>SANITATION BILLING REVENUE</b>				
020-4-013-4011	RESIDENTIAL IN TOWN	469,377	439,049	794,280
<b>TOTAL SANITATION BILLING REV</b>		<b>469,377</b>	<b>439,049</b>	<b>794,280</b>
<b>WATER PRODUCTION REVENUE</b>				
020-4-030-4012	G'VILLE O & M REIMB.	-	-	-
020-4-030-4020	CORYELL CITY WHOLESALE	407,714	340,000	340,000
020-4-030-4031	FLAT WHOLESALE	52,685	52,000	52,000
020-4-030-4041	GROVE WHOLSALE	85,583	86,483	86,483
020-4-030-4050	MOUNTAIN WHOLESALE	72,372	78,000	78,000
020-4-030-4061	FORT HOOD O & M PMT	199,237	250,000	250,000
020-4-030-4071	FT. GATES WHOLESALE	175,827	175,373	175,373
020-4-030-4502	REIMBURSEMENT ON DAMAGE	8,749	-	-
020-4-030-4550	MISCELLANEOUS	75	-	-
020-4-030-4551	GRANTS RECEIVED	110,131	-	3,679,967
<b>TOTAL WATER PRODUCTION REVENUE</b>		<b>1,112,373</b>	<b>981,856</b>	<b>4,661,823</b>
<b>WATER DISTRIBUTION REVENUE</b>				
020-4-034-4042	TURN ONS (WATER)	6,384	6,300	6,300
020-4-034-4047	2017 BOND INTEREST EARN	-	-	-
020-4-034-4048	2020 WTR MTR BOND INT	249	-	-
020-4-034-4051	PENALTIES	69,090	70,000	70,000
020-4-034-4102	INSTALLATIONS	29,456	25,000	25,000
020-4-034-4151	MISC	59,127	1,000	1,000
020-4-034-4202	REV. CorC BOND, RIGHTS	144,105	91,500	144,000
020-4-034-4210	REV. FLT BONDS, RIGHTS	26,864	21,000	27,000
020-4-034-4220	REV. GRV BONDS, RIGHTS	20,970	15,000	21,000
020-4-034-4230	REV. MTN BONDS, RIGHTS	37,097	38,000	38,000
020-4-034-4240	REV. FT. G. BONDS, RIGHTS	57,564	56,000	65,000
020-4-034-4245	REV. FT HOOD BONDS	14,432	14,425	14,425
020-4-034-4351	TRANSF FROM OTHER FUNDS	227,729	-	-
020-4-034-5000	REIMBURSEMENT ON DAMAGE	23,413	-	-
<b>TOTAL WATER DISTRIBUTION REVENUE</b>		<b>716,480</b>	<b>338,225</b>	<b>411,725</b>
<b>SEWER REVENUE</b>				
020-4-037-4042	TURN ONS (SEWER)	4,560	6,300	6,300
020-4-037-4043	INTEREST	6,692	4,000	100,000
020-4-037-4045	INT TWDB SEWER ACCT	13,495	-	200,000
020-4-037-4046	FT HOOD RESERVE INT	691	-	-
020-4-037-4051	PENALTIES	25,253	17,000	17,000
020-4-037-4102	INSTALLATIONS	8,928	3,000	3,000
020-4-037-4502	REIMBURSEMENT ON DAMAGE	-	-	-
020-4-037-4523	FT HOOD BONDS	373,832	373,835	373,835
020-4-037-4524	FT HOOD USAGE	80,653	105,000	80,000
020-4-037-4525	FT HOOD RESERVE FND	20,147	-	-
020-4-037-4543	TDC REVENUE FOR BOND PY	355,498	346,937	346,937
020-4-037-4547	REVENUE FOR RESERVE	-	42,413	-
020-4-037-4590	TWDB FUNDS RECEIVED	-	-	8,000,000
<b>TOTAL SEWER REVENUE</b>		<b>889,747</b>	<b>898,485</b>	<b>9,127,072</b>
<b>SANITATION/NONDEPT REV</b>				
020-4-038-4043	INTEREST	222	3,600	400
020-4-038-4051	PENALTIES	1,404	2,000	2,000
020-4-038-4550	MISCELLANEOUS	(243)	10,000	250
020-4-038-4650	OVER / SHORT	19	-	-
<b>TOTAL SANITATION/NON DEPT REV</b>		<b>1,402</b>	<b>15,600</b>	<b>2,650</b>
<b>TOTAL REVENUES</b>		<b>9,107,469</b>	<b>8,788,634</b>	<b>21,635,743</b>

		2021-2022	2022-2023	2023-2024
		ACTUAL	APPROVED	ADOPTED
<b>WATER DISTRIBUTION</b>				
PERSONNEL				
020-5-240-10010	SALARIES	468,565	498,288	510,950
020-5-240-10020	OVERTIME-SALARIES	47,065	50,000	50,000
020-5-240-10050	RETIREMENT	69,932	78,076	87,200
020-5-240-10075	LIFE INSURANCE EMPLOYER	7,179		
020-5-240-20040	INSURANCE	62,224	83,032	93,268
020-5-240-10070	SOCIAL SECURITY		7,950	8,134
TOTAL PERSONNEL		<b>654,966</b>	<b>717,346</b>	<b>749,552</b>
OTHER OPERATIONS				
020-5-240-20010	UTILITIES	22,439	21,200	21,200
020-5-240-10080	CONTRACT SERVICES	-	-	-
020-5-240-20020	MAT., SUP., & PRINTING	29,377	30,000	30,000
020-5-240-20030	SCHOOL, TRAVEL & MEMBE	4,878	4,501	4,501
020-5-240-20045	PROP, LIAB, WC INSURAN	41,528	25,669	27,811
020-5-240-20050	MAILING EXPENSE	14,832	6,700	6,700
020-5-240-20070	LEGAL & AUDIT	-	7,000	7,000
020-5-240-20090	EQUIPMENT PURCHASE	8,387	8,800	8,800
020-5-240-20110	UNIFORMS	4,339	5,000	5,000
020-5-240-20140	EQUIPMENT RENTAL	2,918	-	-
020-5-240-20170	CREDIT CARD SERV FEE	36,063	22,700	22,700
020-5-240-20230	VEHICLE LEASE	58,946	38,960	36,036
020-5-240-30010	GAS & OIL	40,265	30,000	30,000
020-5-240-30020	MISCELLANEOUS	1,329	-	-
020-5-240-30040	COLLECTION AGENCY EXPE	307	500	500
020-5-240-30070	MAINTENANCE AGREEMENT	33,759	21,000	56,000
020-5-240-30075	LAB FEES	3,485	3,165	3,165
020-5-240-30110	WATER METERS	17,604	35,000	35,000
020-5-240-40010	CAPITAL OUTLAY	795,086	-	777,305
020-5-240-40040	CLFRF TRANCHE 1 EXP		-	1,467,978
020-5-240-40041	CLFRF TRANCHE 2 EXP		-	259,649
020-5-240-40030	TRNS TO GF FOR USE OF	40,000	40,000	40,000
020-5-240-50010	REPAIRS & MAINTENANCE	97,876	150,000	150,000
020-5-240-50025	VEHICLE OR EQUIP REP &	31,014	10,046	35,046
020-5-240-60054	2008 WATER BONDS-INTER	-	-	-
020-5-240-60065	2020 WTR MTR BONDS PRI	120,000	125,000	135,000
020-5-240-60066	2020 WTR MTR BONDS INT	63,150	59,475	55,575
020-5-240-60077	BOND AGENT FEES	400	-	-
020-5-240-61215	BOND AGENT FEE-2011	190	-	-
020-5-240-61415	GRANT EXPS DISTRIBUTION			-
020-5-240-70026	2011 WTR PLANT BND-INT	42,997		
TOTAL OTHER OPERATIONS		<b>1,511,167</b>	<b>644,716</b>	<b>3,214,966</b>
<b>TOTAL WATER DISTRIBUTION</b>		<b>2,166,132</b>	<b>1,362,063</b>	<b>3,964,518</b>

**WATER PRODUCTION**

PERSONNEL		2021-2022	2022-2023	2023-2024
		ACTUAL	APPROVED	ADOPTED
020-5-242-10010	SALARIES	291,822	298,623	328,423
020-5-242-10020	OVERTIME-SALARIES	34,079	4,000	4,000
020-5-242-10050	RETIREMENT	44,379	43,093	51,675
020-5-242-10070	SOCIAL SECURITY	4,577	4,388	4,820
020-5-242-10075	LIFE INSURANCE EMPLOYER			
020-5-242-20040	INSURANCE	46,192	51,826	60,497
TOTAL PERSONNEL		<b>421,049</b>	<b>401,930</b>	<b>449,415</b>
OTHER OPERATIONS				
020-5-242-20010	UTILITIES	627,097	450,000	450,000
020-5-242-10080	CONTRACT SERVICES	9,129	3,000	3,000
020-5-242-20020	MAT., SUP., & PRINTING	420,152	362,900	424,069
020-5-242-20030	SCHOOL, TRAVEL & MEMBE	3,353	2,172	8,283
020-5-242-20045	PROP, LIAB, WC INSURAN	40,700	25,751	28,717
020-5-242-20050	MAILING EXPENSE	1,671	6,000	6,000
020-5-242-20090	EQUIPMENT PURCHASE	399	-	-
020-5-242-20110	UNIFORMS	1,810	2,500	2,500
020-5-242-20140	EQUIPMENT RENTAL	9,595	1,800	4,800
020-5-242-20230	VEHICLE LEASE	10,843	12,850	15,240
020-5-242-30010	GAS & OIL	9,822	9,766	9,766
020-5-242-30020	MISCELLANEOUS	193	150	20,123
020-5-242-30070	MAINTENANCE AGREEMENT	21,712	19,000	27,375
020-5-242-30075	LAB FEES	5,514	4,080	4,080
020-5-242-30085	PERMIT FEES	9,275	9,500	9,500
020-5-242-30140	WATER RIGHTS		438,424	438,424
020-5-242-40010	CAPITAL OUTLAY	31,339	68,600	1,355,340
020-5-242-40027	ENERGY DEBT	103,849	62,615	62,615
020-5-242-40030	TRNS TO GF FOR USE OF	18,944	18,944	18,944
020-5-242-50010	REPAIRS & MAINTENANCE	175,594	131,000	131,000
020-5-242-50025	VEHICLE OR EQUIP REP & M			5,000
020-5-242-50029	ENGINEERING	758	-	-
020-5-242-50031	2021 WATER PLANT BOND	-	370,000	370,000
020-5-242-50032	2021 WATER PLANT BOND	-	84,826	83,272
020-5-242-60075	2017 BONDS-PRINCIPAL	220,000	230,000	235,000
020-5-242-60076	2017 BONDS INTEREST	163,515	157,641	150,810
020-5-242-60077	2017 BOND AGENT FEES	400	1,000	400
020-5-242-61415	GRANT EXPS PRODUCTION	-	-	1,027,931
TOTAL OTHER OPERATIONS		<b>1,885,665</b>	<b>2,472,518</b>	<b>4,892,189</b>
<b>TOTAL WATER PRODUCTION</b>		<b>2,306,714</b>	<b>2,874,448</b>	<b>5,341,604</b>

<b>SEWER</b>		2021-2022	2022-2023	2023-2024
PERSONNEL		ACTUAL	APPROVED	ADOPTED
020-5-245-10010	SALARIES	173,939	339,217	349,635
020-5-245-10020	OVERTIME-SALARIES	20,965	20,000	20,000
020-5-245-10050	RETIREMENT	23,319	49,015	55,054
020-5-245-10070	SOCIAL SECURITY	3,113	5,922	6,095
020-5-245-10075	LIFE INSURANCE EMPLOYER	258		
020-5-245-20040	INSURANCE	16,154	38,244	42,600
<b>TOTAL PERSONNEL</b>		<b>237,748</b>	<b>452,398</b>	<b>473,384</b>
<b>OTHER OPERATIONS</b>				
020-5-245-20010	UTILITIES	231,633	218,000	218,000
020-5-245-10080	CONTRACT SERVICES	1,394	43,500	3,500
020-5-245-20020	MAT., SUP., & PRINTING	9,733	12,100	12,100
020-5-245-20023	CHEMICALS-STILLHOUSE P	38,494	43,494	76,286
020-5-245-20026	CHEMICALS-LEON PLANT	33,126	43,849	76,641
020-5-245-20027	MAT & SUPP-STILLHOUSE	8,700	8,942	8,942
020-5-245-20028	MAT & SUPPL-LEON PLAN	4,102	5,042	5,042
020-5-245-20030	SCHOOL, TRAVEL & MEMBE	4,616	4,308	4,308
020-5-245-20045	PROP, LIAB, WC INSURAN	38,161	24,391	26,783
020-5-245-20050	MAILING EXPENSE	2,579	5,500	5,500
020-5-245-20070	LEGAL & AUDIT	1,194	7,000	7,000
020-5-245-20090	EQUIPMENT PURCHASE	5,890	8,364	8,364
020-5-245-20110	UNIFORMS	2,060	4,100	4,100
020-5-245-20140	EQUIPMENT RENTAL	783	1,500	1,500
020-5-245-20230	VEHICLE LEASE	18,957	20,560	16,836
020-5-245-30010	GAS & OIL	21,014	23,500	23,500
020-5-245-30020	MISCELLANEOUS	244	-	-
020-5-245-30070	MAINTENANCE AGREEMENT	7,442	18,500	8,000
020-5-245-30076	LAB FEES-STILLHOUSE PL	20,865	20,000	20,000
020-5-245-30077	LAB FEES-LEON PLANT	16,025	20,000	20,000
020-5-245-30085	PERMIT FEES	28,060	71,500	30,000
020-5-245-30103	DESIGN & BID STILLHOUS	-	-	-
020-5-245-30123	CLASSIFICATION & COMP	-	-	-
020-5-245-30152	CONTRACT BILLING	5,599	5,000	5,000
020-5-245-30161	TRANS. TO GENERAL	-	-	-
020-5-245-40010	CAPITAL OUTLAY	74,637	-	8,071,036
020-5-245-40030	TRNS TO GF FOR USE OF	31,913	31,913	31,913
020-5-245-50010	REPAIRS & MAINTENANCE	63,697	88,000	88,000
020-5-245-50014	REPAIRS-FT HOOD PROJEC	-	-	-
020-5-245-50016	FT HOOD EXPENSES	5,060	12,000	12,000
020-5-245-50020	REPAIRS & MAINT-STILLH	26,402	-	-
020-5-245-50022	REPAIRS & MAINT-LEON P	27,904	-	-
020-5-245-50025	VEHICLE OR EQUIP REP & M			5,000
020-5-245-50029	ENGINEERING	3,520	-	-
020-5-245-50050	LIFT STATION REPAIRS &	41,413	800	800
020-5-245-60070	TRANSFER TO TWDB RESER	-	42,413	42,413
020-5-245-60071	2019 TWDB BONDS PRINCI	475,000	475,000	475,000
020-5-245-60072	2019 TWDB BONDS INT	82,899	81,854	80,382
020-5-245-61211	BOND AGENT FEES-2007	200	-	200
020-5-245-61212	2019 BOND AGENT FEES	200	1,000	200
020-5-245-61220	2020 BONDS PRINCIPAL	315,000	320,000	320,000
020-5-245-61221	2020 BONDS INTEREST	24,699	20,459	16,152
020-5-245-61222	2020 BOND FEES	-	1,000	-
020-5-245-61415	GRANT EXPS SEWER	-		250,000
<b>TOTAL OTHER OPERATIONS</b>		<b>1,673,215</b>	<b>1,683,590</b>	<b>9,974,498</b>
<b>TOTAL SEWER</b>		<b>1,910,963</b>	<b>2,135,987</b>	<b>10,447,882</b>

<b>SANITATION</b>		2021-2022	2022-2023	2023-2024
OTHER OPERATIONS		ACTUAL	APPROVED	ADOPTED
020-5-250-20040	INSURANCE		-	-
020-5-250-20050	MAILING EXPENSE	419	1,700	1,700
020-5-250-30041	GARBAGE COLL. EXP.	454,111	410,000	780,000
020-5-250-30152	CONTRACT BILLING	6,096	5,000	5,000
020-5-250-30154	RECYCLING PROGRAM	6,346	-	6,500
020-5-250-30165	DUMPSTER EXPENSE	-	-	-
<b>TOTAL OTHER OPERATIONS</b>		<b>466,972</b>	<b>416,700</b>	<b>793,200</b>
<b>TOTAL SANITATION</b>		<b>466,972</b>	<b>416,700</b>	<b>793,200</b>
<b>TRANSFER EXPENSE</b>				
OTHER OPERATIONS				
020-5-260-60010	TRANSFER TO/FROM GENER	534,806	500,697	646,337
020-5-260-60100	FRANCHISE FEES	412,395	410,837	442,203
020-5-260-60101	TRANSFER IN	-	-	-
020-5-260-60102	TRANSFER TO OTHER FUND	453,197	1,054,119	-
<b>TOTAL OTHER OPERATIONS</b>		<b>1,400,398</b>	<b>1,965,652</b>	<b>1,088,540</b>
<b>TOTAL TRANSFER EXPENSE</b>		<b>1,400,398</b>	<b>1,965,652</b>	<b>1,088,540</b>
<b>TOTAL EXPENDITURES</b>		<b>8,251,180</b>	<b>8,754,850</b>	<b>21,635,743</b>

---

## *Airport Fund*

---

## Municipal Airport Fund

The Gatesville Municipal Airport is a general aviation airport consisting of a 3,400 foot runway with Visual Flight Rules approach and Automated Weather Observation System that is accessible by telephone or aircraft radio. Located 3 miles west of Gatesville, the airport has services provided by Centex Aviation. AWOS: (254) 865-6742/119.725



AIRPORT FUND				
		2021-2022	2022-2023	2023-2024
		ACTUAL	APPROVED	ADOPTED
<b>AIRPORT REVENUE</b>				
060-4-101-4203	RECEIPTS OF GAS/OIL SAL	26,497	23,000	23,000
060-4-011-4302	RECEIPTS OF HANGAR RENT	24,775	28,500	28,500
060-4-101-4303	RECEIPT OF BUILDING LEASES	-	-	-
060-4-101-4502	REIMBURSEMENT ON DAMAGES	229,873	-	-
060-4-101-4550	MISCELLANEOUS	-	-	-
060-4-011-4400	INTEREST	842	-	-
060-4-101-4750	RAMP Grants	859	3,000	3,000
			-	-
<b>TOTAL AIRPORT REVENUE</b>		<b>282,845</b>	<b>54,500</b>	<b>54,500</b>
<b>DEPARTMENTAL EXPENDITURES</b>				
OTHER OPERATIONS				
060-5-150-10080	CONTRACT SERVICES	1,850	-	1,200
060-5-150-20010	UTILITIES	6,451	6,000	6,000
060-5-150-20020	MAT., SUP., & PRINTING	251	1,000	1,000
060-5-150-20040	INSURANCE	864	-	-
060-5-150-20045	PROP, LIAB, WC INSURAN	5,471	3,700	3,700
060-5-150-20090	EQUIPMENT PURCHASE	-	-	-
060-5-150-20170	CREDIT CARD SERV FEE	866	450	450
060-5-150-30010	GAS & OIL	-	-	-
060-5-150-30015	FUEL FOR RESALE	32,803	20,000	20,000
060-5-150-30020	MISCELLANEOUS	50	600	600
060-5-150-30070	MAINTENANCE AGREEMENT	5,966	6,000	6,000
060-5-150-40010	CAPITAL OUTLAY	-	-	-
060-5-150-50010	REPAIRS & MAINTENANCE	2,070	1,200	15,550
<b>TOTAL OTHER OPERATIONS</b>		<b>56,643</b>	<b>38,950</b>	<b>54,500</b>
<b>TOTAL AIRPORT</b>		<b>56,643</b>	<b>38,950</b>	<b>54,500</b>
	<b>Gain (Loss)</b>	<b>226,203</b>	<b>15,550</b>	<b>-</b>

---

## *Special Revenue Funds*

---

## ***Hotel Occupancy Tax Fund***

Gatesville collects a 7% Hotel Occupancy Tax (HOT) from hotels, bed & breakfasts, and other lodging facilities. Under state law, revenue from the municipal hotel occupancy tax may be used only to promote tourism and the convention and hotel industry, and that use is limited to the following:

1. **Convention Centers and Visitor Information Centers:** the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing operation and maintenance of convention center facilities or visitor information centers, or both
2. **Registration of Convention Delegates:** the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants
3. **Advertising, Solicitations and Promotions:** advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity
4. **Promotions of the Arts:** the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms.
5. **Historical Restoration and Preservation:** historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.
6. **Sporting Event Expenses:** expenses, including promotion expenses, directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels and motels within the city or its vicinity.
7. **Directional Signs:** signage directing the public to sights and attractions that are visited frequently by hotel guests in the municipality
8. **Transportation of Tourists:** funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1. the commercial center of the city; 2. a convention center in the city; 3. other hotels in or near the city; or 4. tourist attractions in or near the city.

### Hotel Occupancy Tax Fund

	2021-2022 ACTUAL	2022-2023 APPROVED	2023-2024 ADOPTED
MISCELLAN. DONATIONS	5,000	-	-
INTEREST	550	600	600
Prior Year Resources	-	-	84,451
HOTEL OCCUPANCY TAX	170,989	130,000	150,000
	<b>\$ 176,539</b>	<b>\$ 130,600</b>	<b>\$ 235,051</b>
TRANSFER TO GENERAL FUND	-	29,610	40,591
CVB CENTER EXPENSES	70,103	55,037	69,437
ADVERTISING	12,850	8,500	8,500
PROMOTION OF THE ARTS	5,076	4,000	15,000
SIGNAGE & WAYFINDING	163	10,000	-
PROMOTION OF SPORTING EVENTS	-		101,523
	<b>88,192</b>	<b>107,147</b>	<b>235,051</b>
<b>Gain (Loss)</b>	<b>88,347</b>	<b>23,453</b>	<b>(0)</b>

## ***Municipal Court Security and Technology Fund***

The Court Security and Technology Fund was established in order to offset the cost of maintaining and improving the technology infrastructure associated with the Municipal Court. The monies assessed and collected from the defendants upon conviction for misdemeanor offenses are used to finance the purchase of technological enhancements for the court.

Municipal Court Security and Technology Fund			
	2021-2022 ACTUAL	2022-2023 APPROVED	2023-2024 ADOPTED
<b>MUNI COURT FUND REVENUE</b>			
TECHNOLOGY FINES @COURT	3,895	5,200	5,200
COURT BLDG SECUR.FINES	4,648	5,000	5,000
TRUANCY PREVENT & DIVERSI	4,536	2,800	2,800
TIME PAYMENT FEES	3,805		
MUN JUROR REIMB OR SERVIC	91	50	50
INTEREST	66	350	350
	<b>\$ 17,041</b>	<b>\$ 13,400</b>	<b>\$ 13,400</b>
<b>DEPARTMENTAL EXPENDITURES</b>			
CRT CASH BOND PYMNTS	-	-	-
COURTROOM SECURITY	1,144	4,500	13,400
COURT TECHNOLOGY EXP.	-	-	-
TRUANCY PREVENTION EXP	-	-	-
COURT JUROR REIMB EXP	-	-	-
TRANSFER TO OTHER FUNDS	2,908	-	-
TRANSFER TO/FROM W&S	-	-	-
TRANS. TO GENERAL	-	-	-
	<b>\$ 4,052</b>	<b>\$ 4,500</b>	<b>\$ 13,400</b>
<b>Gain (Loss)</b>	<b>\$ 12,989</b>	<b>\$ 8,900</b>	<b>\$ -</b>

## Cemetery Maintenance Fund

<b>Cemetery Maintenance Fund</b>				
	2021-2022	2022-2023	2023-2024	
	ACTUAL	APPROVED	ADOPTED	
<b>CEMETERY MAINTENANCE FUND REVENUE</b>				
SALE OF CEMETERY LOTS	18,500	12,000	12,000	
	<b>\$ 18,500</b>	<b>\$ 12,000</b>	<b>\$ 12,000</b>	
<b>DEPARTMENTAL EXPENDITURES</b>				
CEMETERY MATERIALS & SUPPLIES	872	2,000	12,000	
TRANS. TO GENERAL	-	-	-	
	<b>\$ 872</b>	<b>\$ 2,000</b>	<b>\$ 12,000</b>	
<b>Gain (Loss)</b>	<b>17,628</b>	<b>10,000</b>	<b>\$ -</b>	

---

*Debt Service Fund*

---

## ***Debt Service Fund***

The Debt Service Fund is used to manage payments on all general government related debt. Required by state law, the Debt Service Fund is linked to the Interest and Sinking (I&S) component of the Ad Valorem tax rate. In Gatesville, the I&S component funds the City's issued General Obligation and Certificates of Obligation principal and interest payments.

Currently, the Debt Service Fund is used to manage debt service payments associated with the street and sidewalk revitalization projects occurring throughout the City. Although no future projects are planned at this time that will require new debt issuance, any future bond issuances related to the general operations of the City will also be paid from this fund. City Council and the staff are dedicated to a conservative debt issuance pattern that ensures property tax rates remain as low as feasible in order to remain attractive to prospective businesses and residents. Recognizing that long-term debt is typically a more expensive financing method, alternative financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire major assets with expected lives which equal or exceed the average life of the debt issuance.

Debt Service Fund

	2021-2022 ACTUAL	2022-2023 APPROVED	2023-2024 ADOPTED
<b>DEBT SERVICE FUND REVENUE</b>			
CURRENT PROPERTY TAXES	178,113	166,750	267,938
DELINQUENT PROPERTY TAXES	8,833	-	-
INTEREST INCOME	-	-	-
A V TAX PENALTY/INTEREST	3,928	-	-
PRIOR YEAR REVENUES			22,006
TRANS. FROM GENERAL	-	-	-
	<b>190,875</b>	<b>166,750</b>	<b>\$ 289,944</b>
<b>DEPARTMENTAL EXPENDITURES</b>			
DEBT SERVICE-PRINCIPAL	160,000	160,000	265,000
DEBT SERVICE-INTEREST	8,870	5,366	24,944
BOND AGENT FEES	-	-	-
	<b>168,870</b>	<b>165,366</b>	<b>\$ 289,944</b>
<b>Gain (Loss)</b>	<b>22,006</b>	<b>1,385</b>	<b>-</b>

The following tables include all City debt backed by property tax (Ad Valorem) collections and Utility revenues. However, some payments are made from self-supporting funds and not from property tax collections.

TIB - ML000095893 I&S Fund					I&S Fund				
General Obligation Bonds, Series 2014					TAX NOTES SERIES 2023				
<i>Period Ending</i>	<i>Principal</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>	<i>Period Ending</i>	<i>Principal</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
02/01/2024	165,000	1,806.75	166,806.75		3/1/2024	100,000	12,456.25	112,456.25	
					9/1/2024		10,681.25	10,681.25	
09/30/2024				166,806.75	9/30/2024				123,137.50
					3/1/2025	105,000	10,681.25	115,681.25	
					9/1/2025		8,791.25	8,791.25	
					9/30/2025				124,472.50
					3/1/2026	110,000	8,791.25	118,791.25	
					9/1/2026		6,783.75	6,783.75	
					9/30/2026				125,575.00
					3/1/2027	115,000	6,783.75	121,783.75	
					9/1/2027		4,656.25	4,656.25	
					9/30/2027				126,440.00
					3/1/2028	120,000	4,656.25	124,656.25	
					9/1/2028		2,406.25	2,406.25	
					9/30/2028				127,062.50
					3/1/2029	125,000	2,406.25	127,406.25	
					9/1/2029			0.00	
					9/30/2029				127,406.25

020-5-242-60075 & 76

**General Obligation Refunding Bonds, Taxable Series 2017**

<i>Period Ending</i>	<i>Principal</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
3/1/2024		75,405.00	75,405.00	
9/1/2024	235,000	75,405.00	310,405.00	
9/30/2024				385,810.00
3/1/2025		71,703.75	71,703.75	
9/1/2025	245,000	71,703.75	316,703.75	
9/30/2025				388,407.50
3/1/2026		67,722.50	67,722.50	
9/1/2026	255,000	67,722.50	322,722.50	
9/30/2026				390,445.00
3/1/2027		63,387.50	63,387.50	
9/1/2027	255,000	63,387.50	318,387.50	
9/30/2027				381,775.00
3/1/2028		58,925.00	58,925.00	
9/1/2028	265,000	58,925.00	323,925.00	
9/30/2028				382,850.00
3/1/2029		53,625.00	53,625.00	
9/1/2029	280,000	53,625.00	333,625.00	
9/30/2029				387,250.00
3/1/2030		48,025.00	48,025.00	
9/1/2030	290,000	48,025.00	338,025.00	
9/30/2030				386,050.00
3/1/2031		42,225.00	42,225.00	
9/1/2031	305,000	42,225.00	347,225.00	
9/30/2031				389,450.00
3/1/2032		36,125.00	36,125.00	
9/1/2032	315,000	36,125.00	351,125.00	
9/30/2032				387,250.00
3/1/2033		29,431.25	29,431.25	
9/1/2033	325,000	29,431.25	354,431.25	
9/30/2033				383,862.50
3/1/2034		22,525.00	22,525.00	
9/1/2034	340,000	22,525.00	362,525.00	
9/30/2034				385,050.00
3/1/2035		15,300.00	15,300.00	
9/1/2035	355,000	15,300.00	370,300.00	
9/30/2035				385,600.00
3/1/2036		7,756.25	7,756.25	
9/1/2036	365,000	7,756.25	372,756.25	
9/30/2036				380,512.50

020-5-245-60071 &amp; 72

## Utility Sytem Revenue Bonds, Series 2019

City Portion					TDCJ Portion				
Period Ending	Principal	Interest	Debt Service	Annual Debt Service	Period Ending	Principal	Interest	Debt Service	Annual Debt Service
3/1/2024		15,240.25	15,240.25		3/1/2024		24,950.50	24,950.50	
9/1/2024	180,000	15,240.25	195,240.25		9/1/2024	295,000	24,950.50	319,950.50	
9/30/2024				210,480.50	9/30/2024				344,901.00
3/1/2025		14,880.25	14,880.25		3/1/2025		24,360.50	24,360.50	
9/1/2025	180,000	14,880.25	194,880.25		9/1/2025	300,000	24,360.50	324,360.50	
9/30/2025				209,760.50	9/30/2025				348,721.00
3/1/2026		14,457.25	14,457.25		3/1/2026		23,655.50	23,655.50	
9/1/2026	185,000	14,457.25	199,457.25		9/1/2026	300,000	23,655.50	323,655.50	
9/30/2026				213,914.50	9/30/2026				347,311.00
3/1/2027		13,957.75	13,957.75		3/1/2027		22,845.50	22,845.50	
9/1/2027	185,000	13,957.75	198,957.75		9/1/2027	300,000	22,845.50	322,845.50	
9/30/2027				212,915.50	9/30/2027				345,691.00
3/1/2028		13,393.50	13,393.50		3/1/2028		21,930.50	21,930.50	
9/1/2028	185,000	13,393.50	198,393.50		9/1/2028	305,000	21,930.50	326,930.50	
9/30/2028				211,787.00	9/30/2028				348,861.00
3/1/2029		12,755.25	12,755.25		3/1/2029		20,878.25	20,878.25	
9/1/2029	185,000	12,755.25	197,755.25		9/1/2029	305,000	20,878.25	325,878.25	
9/30/2029				210,510.50	9/30/2029				346,756.50
3/1/2030		12,043.00	12,043.00		3/1/2030		19,704.00	19,704.00	
9/1/2030	185,000	12,043.00	197,043.00		9/1/2030	305,000	19,704.00	324,704.00	
9/30/2030				209,086.00	9/30/2030				344,408.00
3/1/2031		11,219.75	11,219.75		3/1/2031		18,346.75	18,346.75	
9/1/2031	190,000	11,219.75	201,219.75		9/1/2031	310,000	18,346.75	328,346.75	
9/30/2031				212,439.50	9/30/2031				346,693.50
3/1/2032		10,269.75	10,269.75		3/1/2032		16,796.75	16,796.75	
9/1/2032	190,000	10,269.75	200,269.75		9/1/2032	315,000	16,796.75	331,796.75	
9/30/2032				210,539.50	9/30/2032				348,593.50
3/1/2033		9,243.75	9,243.75		3/1/2033		15,095.75	15,095.75	
9/1/2033	195,000	9,243.75	204,243.75		9/1/2033	315,000	15,095.75	330,095.75	
9/30/2033				213,487.50	9/30/2033				345,191.50
3/1/2034		8,132.25	8,132.25		3/1/2034		13,300.25	13,300.25	
9/1/2034	195,000	8,132.25	203,132.25		9/1/2034	320,000	13,300.25	333,300.25	
9/30/2034				211,264.50	9/30/2034				346,600.50
3/1/2035		6,962.25	6,962.25		3/1/2035		11,380.25	11,380.25	
9/1/2035	195,000	6,962.25	201,962.25		9/1/2035	325,000	11,380.25	336,380.25	
9/30/2035				208,924.50	9/30/2035				347,760.50
3/1/2036		5,733.75	5,733.75		3/1/2036		9,332.75	9,332.75	
9/1/2036	200,000	5,733.75	205,733.75		9/1/2036	330,000	9,332.75	339,332.75	
9/30/2036				211,467.50	9/30/2036				348,665.50
3/1/2037		4,423.75	4,423.75		3/1/2037		7,171.25	7,171.25	
9/1/2037	205,000	4,423.75	209,423.75		9/1/2037	330,000	7,171.25	337,171.25	
9/30/2037				213,847.50	9/30/2037				344,342.50
3/1/2038		3,009.25	3,009.25		3/1/2038		4,894.25	4,894.25	
9/1/2038	205,000	3,009.25	208,009.25		9/1/2038	335,000	4,894.25	339,894.25	
9/30/2038				211,018.50	9/30/2038				344,788.50
3/1/2039		1,543.50	1,543.50		3/1/2039		2,499.00	2,499.00	
9/1/2039	210,000	1,543.50	211,543.50		9/1/2039	340,000	2,499.00	342,499.00	
9/30/2039				213,087.00	9/30/2039				344,998.00



020-5-240-70025 & 26  
**General Obligation Refunding Bonds, Taxable Series 2021 (2011  
 REFUNDING)**

<i>Period Ending</i>	<i>Principal</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
3/1/2024		41,635.75	41,635.75	
9/1/2024	370,000	41,635.75	411,635.75	
9/30/2024				453,271.50
3/1/2025		40,581.25	40,581.25	
9/1/2025	375,000	40,581.25	415,581.25	
9/30/2025				456,162.50
3/1/2026		39,137.50	39,137.50	
9/1/2026	385,000	39,137.50	424,137.50	
9/30/2026				463,275.00
3/1/2027		37,366.50	37,366.50	
9/1/2027	395,000	37,366.50	432,366.50	
9/30/2027				469,733.00
3/1/2028		35,194.00	35,194.00	
9/1/2028	395,000	35,194.00	430,194.00	
9/30/2028				465,388.00
3/1/2029		32,725.25	32,725.25	
9/1/2029	405,000	32,725.25	437,725.25	
9/30/2029				470,450.50
3/1/2030		29,748.50	29,748.50	
9/1/2030	415,000	29,748.50	444,748.50	
9/30/2030				474,497.00
3/1/2031		26,387.00	26,387.00	
9/1/2031	420,000	26,387.00	446,387.00	
9/30/2031				472,774.00
3/1/2032		22,754.00	22,754.00	
9/1/2032	430,000	22,754.00	452,754.00	
9/30/2032				475,508.00
3/1/2033		18,819.50	18,819.50	
9/1/2033	440,000	18,819.50	458,819.50	
9/30/2033				477,639.00
3/1/2034		14,573.50	14,573.50	
9/1/2034	450,000	14,573.50	464,573.50	
9/30/2034				479,147.00
3/1/2035		10,028.50	10,028.50	
9/1/2035	465,000	10,028.50	475,028.50	
9/30/2035				485,057.00
3/1/2036		5,099.50	5,099.50	
9/1/2036	470,000	5,099.50	475,099.50	
9/30/2036				480,199.00

---

## *Capital Improvement Plan*

---

# CAPITAL PROJECTS

Project Description	FY24	Funding Source
PATCH REPAIR MACHINE (vendor quote)	295,000	Financing General Fund Operating
PORTABLE LIFT AND PRESS (vendor quote)	22,500	General Capital Improvement Fund
BALLFIELD LIGHTING (staff estimate)	776,000	Financing HOT Fund
Faunt Leroy Park Flooding FEMA grant (pending project selection)	1,360,727	Grant 75% & General Capital Improvement Fund 25%
ZERO TURN MOWER (vendor quote)	11,000	General Fund Operating Cash
TXDOT Bus 36 entrance Monument		No costs to City
FITNESS CENTER WEIGHT EQUIPMENT (vendor quote)	21,799	General Capital Improvement Fund
<b>Total General Capital Projects</b>	<b>2,487,026</b>	
POLICE VEHICLE REPLACEMENT PROGRAM (vendor quote for 3 veh, staff estimate for 2 veh)	295,306	General Capital Improvement Fund
FIRE ENGINE REPLACEMENT (pending grant award staff estimate)	800,000	Grant (\$750k) & General Capital Improvement Fund
FIRE STATION DRIVEWAY REPLACEMENT (Staff estimate, multi year)	18,000	General Fund Operating Cash
FUTURE POLICE STATION FACILITY (staff estimate)	50,000	General Capital Improvement Fund
<b>Total Fire and Police Services</b>	<b>1,163,306</b>	
MILLS STREET PHASE 2 (firm contract numbers)	635,305	Current Utility Revenues
LOVERS LANE PROJECT INCLUDING PH 1 10" TRUNK (Firm Contract numbers)	1,727,627	CLFRF Tranche 1 & 2
STILLHOUSE WASTEWATER TREATMENT PLANT REHAB (firm contract numbers)	8,000,000	existing TWDB bond funds
WOODCREEK LIFT STATION REHAB (staff estimate)	35,734	Current Utility Revenues
WATER PLANT FILTER MEDIA REPLACEMENT (Engineer's estimate)	240,000	Current Utility Revenues
WATER PRODUCTION CONCRETE LAGOONS (Firm contract numbers)	575,000	Grant (\$500k) & Current Utility Revenues
Drainage Master Plan Phase I (firm contract numbers)	250,000	Grant (\$225k) & Current Utility Revenues
LAKEWOOD LIFT STATION REHAB (staff estimate)	35,302	Current Utility Revenues
WATER PRODUCTION CIP (staff estimate)	362,000	Current Utility Revenues
REPLACE BACKWASH VALVE AND INTALL METER (vendor quote)	18,000	Current Utility Revenues
REPLACE #1 CLARIFIER AT WATER TREATMENT PLANT (firm contract numbers)	877,340	CLFRF Tranche 2
REPLACE #2 CLARIFIER AT WATER TREATMENT PLANT ((firm contract numbers)	452,931	Grant (\$350k) & Current Utility Revenues
FORT GATES LIFT STATION OZONE REPLACEMENT (vendor quote)	22,500	Current Utility Revenues
MANHOLE REHABILITATION (firm contract numbers)	50,000	Current Utility Revenues
<b>Total Water and Sewer Projects</b>	<b>13,281,739</b>	
<b>Total Citywide Projects</b>	<b>\$ 16,932,072</b>	

---

## *Appendices*

---

# 2023 Tax Rate Calculation Worksheet

## Taxing Units Other Than School Districts or Water Districts

Taxing Unit Name	Phone (area code and number)
Taxing Unit's Address, City, State, ZIP Code	Taxing Unit's Website Address

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

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

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

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

### SECTION 1: No-New-Revenue Tax Rate

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

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

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

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	<b>2022 total taxable value.</b> Enter the amount of 2022 taxable value on the 2022 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). <sup>1</sup>	\$ _____
2.	<b>2022 tax ceilings.</b> Counties, cities and junior college districts. Enter 2022 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2022 or a prior year for homeowners age 65 or older or disabled, use this step. <sup>2</sup>	\$ _____
3.	<b>Preliminary 2022 adjusted taxable value.</b> Subtract Line 2 from Line 1.	\$ _____
4.	<b>2022 total adopted tax rate.</b>	\$ _____ / \$100
5.	<b>2022 Taxable Value lost because court appeals of ARB decisions reduced 2021 appraised Value.</b>  <div style="margin-left: 20px;"> <b>A. Original 2022 ARB values:</b> ..... \$ _____  <b>B. 2022 values resulting from final court decisions:</b> ..... - \$ _____  <b>C. 2022 value loss.</b> Subtract B from A.<sup>3</sup> </div>	\$ _____
6.	<b>2022 taxable value subject to an appeal under Chapter 42, as of July 25.</b>  <div style="margin-left: 20px;"> <b>A. 2022 ARB certified value:</b> ..... \$ _____  <b>B. 2022 disputed value:</b> ..... - \$ _____  <b>C. 2022 undisputed value.</b> Subtract B from A. <sup>4</sup> </div>	\$ _____
7.	<b>2022 Chapter 42 related adjusted values.</b> Add Line 5C and Line 6C.	\$ _____

<sup>1</sup> Tex. Tax Code § 26.012(14)  
<sup>2</sup> Tex. Tax Code § 26.012(14)  
<sup>3</sup> Tex. Tax Code § 26.012(13)  
<sup>4</sup> Tex. Tax Code § 26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	<b>2022 taxable value, adjusted for actual and potential court-ordered adjustments.</b> Add Line 3 and Line 7.	\$ _____
9.	<b>2022 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2022.</b> Enter the 2021 value of property in deannexed territory. <sup>5</sup>	\$ _____
10.	<p><b>2022 taxable value lost because property first qualified for an exemption in 2023.</b> If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2023 does not create a new exemption or reduce taxable value.</p> <p><b>A. Absolute exemptions.</b> Use 2022 market value: ..... \$ _____</p> <p><b>B. Partial exemptions.</b> 2023 exemption amount or 2023 percentage exemption times 2022 value: ..... + \$ _____</p> <p><b>C. Value loss.</b> Add A and B.<sup>6</sup></p>	\$ _____
11.	<p><b>2022 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 2023.</b> Use only properties that qualified in 2023 for the first time; do not use properties that qualified in 2022.</p> <p><b>A. 2022 market value:</b> ..... \$ _____</p> <p><b>B. 2023 productivity or special appraised value:</b> ..... - \$ _____</p> <p><b>C. Value loss.</b> Subtract B from A.<sup>7</sup></p>	\$ _____
12.	<b>Total adjustments for lost value.</b> Add Lines 9, 10C and 11C.	\$ _____
13.	<b>2022 captured value of property in a TIF.</b> Enter the total value of 2022 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which 2022 taxes were deposited into the tax increment fund. <sup>8</sup> If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ _____
14.	<b>2022 total value.</b> Subtract Line 12 and Line 13 from Line 8.	\$ _____
15.	<b>Adjusted 2022 total levy.</b> Multiply Line 4 by Line 14 and divide by \$100.	\$ _____
16.	<b>Taxes refunded for years preceding tax year 2022.</b> Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2022. 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 2022. This line applies only to tax years preceding tax year 2022. <sup>9</sup>	\$ _____
17.	<b>Adjusted 2022 levy with refunds and TIF adjustment.</b> Add Lines 15 and 16. <sup>10</sup>	\$ _____
18.	<p><b>Total 2023 taxable value on the 2023 certified appraisal roll today.</b> This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled.<sup>11</sup></p> <p><b>A. Certified values:</b> ..... \$ _____</p> <p><b>B. Counties:</b> Include railroad rolling stock values certified by the Comptroller's office: ..... + \$ _____</p> <p><b>C. Pollution control and energy storage system exemption:</b> Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: ..... - \$ _____</p> <p><b>D. Tax increment financing:</b> Deduct the 2023 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2023 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below.<sup>12</sup> ..... - \$ _____</p> <p><b>E. Total 2023 value.</b> Add A and B, then subtract C and D.</p>	\$ _____

<sup>5</sup> Tex. Tax Code § 26.012(15)

<sup>6</sup> Tex. Tax Code § 26.012(15)

<sup>7</sup> Tex. Tax Code § 26.012(15)

<sup>8</sup> Tex. Tax Code § 26.03(c)

<sup>9</sup> Tex. Tax Code § 26.012(13)

<sup>10</sup> Tex. Tax Code § 26.012(13)

<sup>11</sup> Tex. Tax Code § 26.012, 26.04(c-2)

<sup>12</sup> Tex. Tax Code § 26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	<p><b>Total value of properties under protest or not included on certified appraisal roll.</b> <sup>13</sup></p> <p><b>A. 2023 taxable value of properties under protest.</b> The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. <sup>14</sup> ..... \$ _____</p> <p><b>B. 2023 value of properties not under protest or included on certified appraisal roll.</b> The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. <sup>15</sup> ..... + \$ _____</p> <p><b>C. Total value under protest or not certified.</b> Add A and B. \$ _____</p>	
20.	<b>2023 tax ceilings.</b> Counties, cities and junior colleges enter 2023 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2022 or a prior year for homeowners age 65 or older or disabled, use this step. <sup>16</sup>	\$ _____
21.	<b>2023 total taxable value.</b> Add Lines 18E and 19C. Subtract Line 20. <sup>17</sup>	\$ _____
22.	<b>Total 2023 taxable value of properties in territory annexed after Jan. 1, 2022.</b> Include both real and personal property. Enter the 2023 value of property in territory annexed. <sup>18</sup>	\$ _____
23.	<b>Total 2023 taxable value of new improvements and new personal property located in new improvements.</b> New means the item was not on the appraisal roll in 2022. 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, 2022 and be located in a new improvement. New improvements <b>do</b> include property on which a tax abatement agreement has expired for 2023. <sup>19</sup>	\$ _____
24.	<b>Total adjustments to the 2023 taxable value.</b> Add Lines 22 and 23.	\$ _____
25.	<b>Adjusted 2023 taxable value.</b> Subtract Line 24 from Line 21.	\$ _____
26.	<b>2023 NNR tax rate.</b> Divide Line 17 by Line 25 and multiply by \$100. <sup>20</sup>	\$ _____ / \$100
27.	<b>COUNTIES ONLY.</b> Add together the NNR tax rates for each type of tax the county levies. The total is the 2023 county NNR tax rate. <sup>21</sup>	\$ _____ / \$100

## SECTION 2: Voter-Approval Tax Rate

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

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

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

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	<b>2022 M&amp;O tax rate.</b> Enter the 2022 M&O tax rate.	\$ _____ / \$100
29.	<b>2022 taxable value, adjusted for actual and potential court-ordered adjustments.</b> Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____

<sup>13</sup> Tex. Tax Code § 26.01(c) and (d)  
<sup>14</sup> Tex. Tax Code § 26.01(c)  
<sup>15</sup> Tex. Tax Code § 26.01(d)  
<sup>16</sup> Tex. Tax Code § 26.012(6)(B)  
<sup>17</sup> Tex. Tax Code § 26.012(6)  
<sup>18</sup> Tex. Tax Code § 26.012(17)  
<sup>19</sup> Tex. Tax Code § 26.012(17)  
<sup>20</sup> Tex. Tax Code § 26.04(c)  
<sup>21</sup> Tex. Tax Code § 26.04(d)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
30.	<b>Total 2022 M&amp;O levy.</b> Multiply Line 28 by Line 29 and divide by \$100	\$ _____
31.	<p><b>Adjusted 2022 levy for calculating NNR M&amp;O rate.</b></p> <p><b>A. M&amp;O taxes refunded for years preceding tax year 2022.</b> Enter the amount of M&amp;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 2022. This line applies only to tax years preceding tax year 2022. .... + \$ _____</p> <p><b>B. 2022 taxes in TIF.</b> Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2023 captured appraised value in Line 18D, enter 0. .... - \$ _____</p> <p><b>C. 2022 transferred function.</b> If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. .... +/- \$ _____</p> <p><b>D. 2022 M&amp;O levy adjustments.</b> Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. .... \$ _____</p> <p><b>E.</b> Add Line 30 to 31D.</p>	\$ _____
32.	<b>Adjusted 2023 taxable value.</b> Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
33.	<b>2023 NNR M&amp;O rate (unadjusted).</b> Divide Line 31E by Line 32 and multiply by \$100.	\$ _____ /\$100
34.	<p><b>Rate adjustment for state criminal justice mandate.</b> <sup>23</sup>  <b>If not applicable or less than zero, enter 0.</b></p> <p><b>A. 2023 state criminal justice mandate.</b> Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$ _____</p> <p><b>B. 2022 state criminal justice mandate.</b> Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. .... - \$ _____</p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100. .... \$ _____ /\$100</p> <p><b>D.</b> Enter the rate calculated in C. If not applicable, enter 0.</p>	\$ _____ /\$100
35.	<p><b>Rate adjustment for indigent health care expenditures.</b> <sup>24</sup>  <b>If not applicable or less than zero, enter 0.</b></p> <p><b>A. 2023 indigent health care expenditures.</b> Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state assistance received for the same purpose. .... \$ _____</p> <p><b>B. 2022 indigent health care expenditures.</b> Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state assistance received for the same purpose. .... - \$ _____</p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100. .... \$ _____ /\$100</p> <p><b>D.</b> Enter the rate calculated in C. If not applicable, enter 0.</p>	\$ _____ /\$100

<sup>22</sup> [Reserved for expansion]

<sup>23</sup> Tex. Tax Code § 26.044

<sup>24</sup> Tex. Tax Code § 26.0441

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
36.	<p><b>Rate adjustment for county indigent defense compensation.</b> <sup>25</sup>  <b>If not applicable or less than zero, enter 0.</b></p> <p><b>A. 2023 indigent defense compensation expenditures.</b> Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state grants received by the county for the same purpose..... \$ _____</p> <p><b>B. 2022 indigent defense compensation expenditures.</b> Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state grants received by the county for the same purpose..... \$ _____</p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100..... \$ _____/\$100</p> <p><b>D.</b> Multiply B by 0.05 and divide by Line 32 and multiply by \$100..... \$ _____/\$100</p> <p><b>E.</b> Enter the lesser of C and D. If not applicable, enter 0.</p>	\$ _____/\$100
37.	<p><b>Rate adjustment for county hospital expenditures.</b> <sup>26</sup>  <b>If not applicable or less than zero, enter 0.</b></p> <p><b>A. 2023 eligible county hospital expenditures.</b> Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2022 and ending on June 30, 2023. .... \$ _____</p> <p><b>B. 2022 eligible county hospital expenditures.</b> Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2021 and ending on June 30, 2022. .... \$ _____</p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100..... \$ _____/\$100</p> <p><b>D.</b> Multiply B by 0.08 and divide by Line 32 and multiply by \$100..... \$ _____/\$100</p> <p><b>E.</b> Enter the lesser of C and D, if applicable. If not applicable, enter 0.</p>	\$ _____/\$100
38.	<p><b>Rate adjustment for defunding municipality.</b> This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information.</p> <p><b>A. Amount appropriated for public safety in 2022.</b> Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year ..... \$ _____</p> <p><b>B. Expenditures for public safety in 2022.</b> Enter the amount of money spent by the municipality for public safety during the preceding fiscal year ..... \$ _____</p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100 ..... \$ _____/\$100</p> <p><b>D.</b> Enter the rate calculated in C. If not applicable, enter 0.</p>	\$ _____/\$100
39.	<p><b>Adjusted 2023 NNR M&amp;O rate.</b> Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.</p>	\$ _____/\$100
40.	<p><b>Adjustment for 2022 sales tax specifically to reduce property taxes.</b> Cities, counties and hospital districts that collected and spent additional sales tax on M&amp;O expenses in 2022 should complete this line. These entities will deduct the sales tax gain rate for 2023 in Section 3. Other taxing units, enter zero.</p> <p><b>A.</b> Enter the amount of additional sales tax collected and spent on M&amp;O expenses in 2022, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent ..... \$ _____</p> <p><b>B.</b> Divide Line 40A by Line 32 and multiply by \$100 ..... \$ _____/\$100</p> <p><b>C.</b> Add Line 40B to Line 39.</p>	\$ _____/\$100
41.	<p><b>2023 voter-approval M&amp;O rate.</b> Enter the rate as calculated by the appropriate scenario below.</p> <p><b>Special Taxing Unit.</b> If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08.</p> <p><b>- or -</b></p> <p><b>Other Taxing Unit.</b> If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.</p>	\$ _____/\$100

<sup>25</sup> Tex. Tax Code §26.0442

<sup>26</sup> Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
<b>D41.</b>	<p><b>Disaster Line 41 (D41): 2023 voter-approval M&amp;O rate for taxing unit affected by disaster declaration.</b> If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of</p> <p>1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, or</p> <p>2) the third tax year after the tax year in which the disaster occurred</p> <p>If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. <sup>27</sup> If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).</p>	\$ _____ /\$100
<b>42.</b>	<p><b>Total 2023 debt to be paid with property taxes and additional sales tax revenue.</b> Debt means the interest and principal that will be paid on debts that:</p> <p>(1) are paid by property taxes,</p> <p>(2) are secured by property taxes,</p> <p>(3) are scheduled for payment over a period longer than one year, and</p> <p>(4) are not classified in the taxing unit's budget as M&amp;O expenses.</p> <p><b>A. Debt</b> also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2022, verify if it meets the amended definition of debt before including it here. <sup>28</sup></p> <p>Enter debt amount ..... \$ _____</p> <p><b>B. Subtract unencumbered fund amount</b> used to reduce total debt. .... - \$ _____</p> <p><b>C. Subtract certified amount spent from sales tax to reduce debt</b> (enter zero if none) ..... - \$ _____</p> <p><b>D. Subtract amount paid</b> from other resources ..... - \$ _____</p> <p><b>E. Adjusted debt.</b> Subtract B, C and D from A. .... \$ _____</p>	\$ _____
<b>43.</b>	<p><b>Certified 2022 excess debt collections.</b> Enter the amount certified by the collector. <sup>29</sup></p>	\$ _____
<b>44.</b>	<p><b>Adjusted 2023 debt.</b> Subtract Line 43 from Line 42E.</p>	\$ _____
<b>45.</b>	<p><b>2023 anticipated collection rate.</b></p> <p><b>A.</b> Enter the 2023 anticipated collection rate certified by the collector. <sup>30</sup> ..... _____ %</p> <p><b>B.</b> Enter the 2022 actual collection rate. .... _____ %</p> <p><b>C.</b> Enter the 2021 actual collection rate. .... _____ %</p> <p><b>D.</b> Enter the 2020 actual collection rate. .... _____ %</p> <p><b>E.</b> If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. <sup>31</sup></p> <p>..... %</p>	_____ %
<b>46.</b>	<p><b>2023 debt adjusted for collections.</b> Divide Line 44 by Line 45E.</p>	\$ _____
<b>47.</b>	<p><b>2023 total taxable value.</b> Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>.</p>	\$ _____
<b>48.</b>	<p><b>2023 debt rate.</b> Divide Line 46 by Line 47 and multiply by \$100.</p>	\$ _____ /\$100
<b>49.</b>	<p><b>2023 voter-approval tax rate.</b> Add Lines 41 and 48.</p>	\$ _____ /\$100
<b>D49.</b>	<p><b>Disaster Line 49 (D49): 2023 voter-approval tax rate for taxing unit affected by disaster declaration.</b> Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.</p>	\$ _____ /\$100

<sup>27</sup> Tex. Tax Code § 26.042(a)

<sup>28</sup> Tex. Tax Code § 26.012(7)

<sup>29</sup> Tex. Tax Code § 26.012(10) and 26.04(b)

<sup>30</sup> Tex. Tax Code § 26.04(b)

<sup>31</sup> Tex. Tax Code §§ 26.04(h), (h-1) and (h-2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
50.	<b>COUNTIES ONLY.</b> Add together the voter-approval tax rates for each type of tax the county levies. The total is the 2023 county voter-approval tax rate.	\$ _____/100

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

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue. This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	<b>Taxable Sales.</b> For taxing units that adopted the sales tax in November 2022 or May 2023, enter the Comptroller's estimate of taxable sales for the previous four quarters. <sup>32</sup> Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2022, enter 0.	\$ _____
52.	<b>Estimated sales tax revenue.</b> Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. <sup>33</sup>  <b>Taxing units that adopted the sales tax in November 2022 or in May 2023.</b> Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. <sup>34</sup> <b>- or -</b> <b>Taxing units that adopted the sales tax before November 2022.</b> Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ _____
53.	<b>2023 total taxable value.</b> Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
54.	<b>Sales tax adjustment rate.</b> Divide Line 52 by Line 53 and multiply by \$100.	\$ _____/100
55.	<b>2023 NNR tax rate, unadjusted for sales tax.</b> <sup>35</sup> Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____/100
56.	<b>2023 NNR tax rate, adjusted for sales tax.</b> <b>Taxing units that adopted the sales tax in November 2022 or in May 2023.</b> Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2022.	\$ _____/100
57.	<b>2023 voter-approval tax rate, unadjusted for sales tax.</b> <sup>36</sup> Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ _____/100
58.	<b>2023 voter-approval tax rate, adjusted for sales tax.</b> Subtract Line 54 from Line 57.	\$ _____/100

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

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

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

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	<b>Certified expenses from the Texas Commission on Environmental Quality (TCEQ).</b> Enter the amount certified in the determination letter from TCEQ. <sup>37</sup> The taxing unit shall provide its tax assessor-collector with a copy of the letter. <sup>38</sup>	\$ _____
60.	<b>2023 total taxable value.</b> Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
61.	<b>Additional rate for pollution control.</b> Divide Line 59 by Line 60 and multiply by \$100.	\$ _____/100
62.	<b>2023 voter-approval tax rate, adjusted for pollution control.</b> Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	\$ _____/100

<sup>32</sup> Tex. Tax Code § 26.041(d)  
<sup>33</sup> Tex. Tax Code § 26.041(i)  
<sup>34</sup> Tex. Tax Code § 26.041(d)  
<sup>35</sup> Tex. Tax Code § 26.04(c)  
<sup>36</sup> Tex. Tax Code § 26.04(c)  
<sup>37</sup> Tex. Tax Code § 26.045(d)  
<sup>38</sup> Tex. Tax Code § 26.045(i)

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

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate adjusted to remove the unused increment rate for the prior three years.<sup>39</sup> In a year where a taxing unit adopts a rate by applying any portion of the unused increment rate, the portion of the unused increment rate must be backed out of the calculation for that year.

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

- a tax year before 2020;<sup>40</sup>
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);<sup>41</sup> or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.<sup>42</sup>

Individual components can be negative, but the overall rate would be the greater of zero or the calculated rate.

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

Line	Unused Increment Rate Worksheet	Amount/Rate
63.	<b>Year 3 component.</b> Subtract the 2022 actual tax rate and the 2022 unused increment rate from the 2022 voter-approval tax rate.	
	A. Voter-approval tax rate ..... \$ _____/\$100 As applicable: Line 49, Line 50 (counties), Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control)	
	B. Unused increment rate (Line 66)..... \$ _____/\$100	
	C. Subtract B from A ..... \$ _____/\$100	
	D. Adopted Tax Rate ..... \$ _____/\$100	
	E. Subtract D from C..... \$ _____/\$100	
64.	<b>Year 2 component.</b> Subtract the 2021 actual tax rate and the 2021 unused increment rate from the 2021 voter-approval tax rate.	
	A. Voter-approval tax rate ..... \$ _____/\$100 As applicable: Line 49, Line 50 (counties), Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control)	
	B. Unused increment rate (Line 66)..... \$ _____/\$100	
	C. Subtract B from A ..... \$ _____/\$100	
	D. Adopted Tax Rate ..... \$ _____/\$100	
	E. Subtract D from C..... \$ _____/\$100	
65.	<b>Year 1 component.</b> Subtract the 2020 actual tax rate and the 2020 unused increment rate from the 2020 voter-approval tax rate.	
	A. Voter-approval tax rate ..... \$ _____/\$100 As applicable: Line 47, Line 50 (counties), Line 56 (taxing units with the additional sales tax) or Line 60 (taxing units with pollution control)	
	B. Unused increment rate..... \$ _____/\$100	
	C. Subtract B from A ..... \$ _____/\$100	
	D. Adopted Tax Rate ..... \$ _____/\$100	
	E. Subtract D from C..... \$ _____/\$100	
66.	<b>2023 unused increment rate.</b> Add Lines 63E, 64E and 65E.	\$ _____/\$100
67.	<b>Total 2023 voter-approval tax rate, including the unused increment rate.</b> Add Line 66 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control).	\$ _____/\$100

<sup>39</sup> Tex. Tax Code §26.013(a)  
<sup>40</sup> Tex. Tax Code §26.013(c)  
<sup>41</sup> Tex. Tax Code §§26.0501(a) and (c)  
<sup>42</sup> Tex. Local Gov't Code §120.007(d), effective Jan. 1, 2022  
<sup>43</sup> Tex. Tax Code §26.063(a)(1)  
<sup>44</sup> Tex. Tax Code §26.012(8-a)  
<sup>45</sup> Tex. Tax Code §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.<sup>44</sup> This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.<sup>45</sup>

Line	De Minimis Rate Worksheet	Amount/Rate
68.	<b>Adjusted 2023 NNR M&amp;O tax rate.</b> Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i>	\$ _____ /\$100
69.	<b>2023 total taxable value.</b> Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
70.	<b>Rate necessary to impose \$500,000 in taxes.</b> Divide \$500,000 by Line 69 and multiply by \$100.	\$ _____ /\$100
71.	<b>2023 debt rate.</b> Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ _____ /\$100
72.	<b>De minimis rate.</b> Add Lines 68, 70 and 71.	\$ _____ /\$100

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

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

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.<sup>47</sup>

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

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago. This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

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

Line	Emergency Revenue Rate Worksheet	Amount/Rate
73.	<b>2022 adopted tax rate.</b> Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____ /\$100
74.	<p><b>Adjusted 2022 voter-approval tax rate.</b> 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 2022 and the taxing unit calculated its 2022 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2022 worksheet due to a disaster, complete the applicable sections or lines of Form 50-856-a, <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i>.</p> <p>- or -</p> <p>If a disaster occurred prior to 2022 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 2022, 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 2022 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the year(s) following the disaster.<sup>48</sup> Enter the final adjusted 2022 voter-approval tax rate from the worksheet.</p> <p>- or -</p> <p>If the taxing unit adopted a tax rate above the 2022 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>	\$ _____ /\$100
75.	<b>Increase in 2022 tax rate due to disaster.</b> Subtract Line 74 from Line 73.	\$ _____ /\$100
76.	<b>Adjusted 2022 taxable value.</b> Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
77.	<b>Emergency revenue.</b> Multiply Line 75 by Line 76 and divide by \$100.	\$ _____
78.	<b>Adjusted 2023 taxable value.</b> Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
79.	<b>Emergency revenue rate.</b> Divide Line 77 by Line 78 and multiply by \$100. <sup>49</sup>	\$ _____ /\$100

<sup>46</sup> Tex. Tax Code §26.042(b)

<sup>47</sup> Tex. Tax Code §26.042(f)

<sup>48</sup> Tex. Tax Code §26.042(c)

<sup>49</sup> Tex. Tax Code §26.042(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
<b>80.</b>	<b>2023 voter-approval tax rate, adjusted for emergency revenue.</b> Subtract Line 79 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 67 (taxing units with the unused increment rate).	\$ _____/\$100

**SECTION 8: Total Tax Rate**

Indicate the applicable total tax rates as calculated above.

**No-new-revenue tax rate.** ..... \$ \_\_\_\_\_/\$100  
 As applicable, enter the 2023 NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).  
 Indicate the line number used: \_\_\_\_\_

**Voter-approval tax rate.** ..... \$ \_\_\_\_\_/\$100  
 As applicable, enter the 2023 voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax),  
 Line 62 (adjusted for pollution control), Line 67 (adjusted for unused increment), or Line 80 (adjusted for emergency revenue).  
 Indicate the line number used: \_\_\_\_\_

**De minimis rate.** ..... \$ \_\_\_\_\_/\$100  
 If applicable, enter the 2022 de minimis rate from Line 72.

**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 the Tax Code.<sup>50</sup>

**print here** ➔

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

**sign here** ➔

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

\_\_\_\_\_  
 Date

<sup>50</sup> Tex. Tax Code §§26.04(c-2) and (d-2)

# 2023 Tax Rate Calculation Worksheet

Taxing Units other than School Districts or Water Districts

## Addendum

City of Gatesville

110 N 8<sup>th</sup> St

Gatesville TX 76528

254-865-8951

This addendum is to amend the calculated rates for the City of Gatesville as per Texas Election Code Sec. 26.041 (c). The City has ceased to impose an additional sales and use tax effective in 2023.

Texas Property Tax Code Sec. 26.041 (c)

*(c) In a year in which a taxing unit that has been imposing an additional sales and use tax ceases to impose an additional sales and use tax, the no-new-revenue tax rate and voter-approval tax rate for the taxing unit are calculated according to the following formulas:*

*NO-NEW-REVENUE TAX RATE = [(LAST YEAR'S LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + SALES TAX LOSS RATE*

*and*

*VOTER-APPROVAL TAX RATE FOR SPECIAL TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.08) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + CURRENT DEBT RATE*

*or*

*VOTER-APPROVAL TAX RATE FOR TAXING UNIT OTHER THAN SPECIAL TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.035) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + (CURRENT DEBT RATE + UNUSED INCREMENT RATE)*

*where "sales tax loss rate" means a number expressed in dollars per \$100 of taxable value, calculated by dividing the amount of sales and use tax revenue generated in the last four quarters for which the information is available by the current total value and "last year's maintenance and operations expense" means the amount spent for maintenance and operations from property tax and additional sales and use tax revenues in the preceding year.*

# 2023 Tax Rate Calculation Worksheet

Taxing Units other than School Districts or Water Districts

## Addendum

Sales Tax Loss Rate= \$963, 250 (*sales and use tax revenue generated in the last four quarters*)

Divided by \$545,652,548 (*2023 taxable value*) x 100 = **\$.176531**

**2023 No New Revenue Rate=-** **\$0.674138**

(Calculate NNR rate + sales tax loss rate)

**2023 Voter Approval Rate=** **\$0.535976**

**2023 De Minimis Rate=** **\$0.611162**

I, Justin Carothers, certify that I am the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same values shown in the taxing unit's certified appraisal roll, in accordance with the requirements in the Texas Property Tax Code



07-13-2023