



CITY OF NATALIA, TEXAS FISCAL YEAR 2022-2023 PROPOSED ANNUAL BUDGET

Filing Date: August 17, 2022

This budget will raise more revenue from property taxes than last year's budget by an amount of \$14,210 which is a 4.3% 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 \$9,653.

CITY COUNCIL RECORD VOTE

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

POSITION	NAME	FOR	AGAINST	PRESENT and Not Voting	ABSENT
Mayor	Samuel Bluemel				
Mayor Pro-Tem	Sam Smith				
Council Member	Mike Fernandez				
Council Member	Tommy Ortiz				
Council Member	Darin Frazier				
Council Member	Selica Vera				

Property Tax Rate Comparison

Tax Rate	FY 2022-2023 This Year	FY 2021-2022 Last Year
Property Tax Rate Adopted	\$0.6439 (proposed)	\$0.7162
No-New-Revenue Tax Rate <i>(effective)</i>	\$0.6339	\$0.6198
No-New-Revenue M&O Tax Rate <i>(M&O)</i>	\$0.6351	\$0.6920
Maximum M&O Tax Rate	\$0.6573	\$0.7162
Debt Service Tax Rate	\$0.0000	\$0.0000
Voter-Approval Tax Rate <i>(rollback)</i>	\$0.6573	\$0.7162
De minimis rate	\$1.5721	\$1.7792

Note: S.B. 2 changed the terminology of tax rates and made significant modifications to the rate formula which lowers the multiplier used in the city's rate calculation from 8% to 3.5%. Refer to page 18 for more information.

No portion of the 2022 property taxes for the City of Natalia is assigned for repayment by debt service (Debt Service Tax Rate of \$0.0000).

**CITY OF NATALIA, TEXAS
FISCAL YEAR 2022-2023
ANNUAL BUDGET**

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**CITY OF NATALIA, TEXAS
FISCAL YEAR 2022-2023
ANNUAL BUDGET**

The budget officer is responsible for preparing each year's municipal budgets to cover the proposed expenditures of the municipal government for the succeeding year. In preparation of the budgets, officers of the board, department heads or supervisors may have furnished information necessary for the budget officer to properly prepare the budgetary forecasts. The budget provides for a clear comparison between this year's forecasts and last year's current actuals, and may define list projects, their expenditures within the budget and the estimated amount of money to be carried over for each project. *(LGC Chapter 102, Municipal Budget)*

The proposed budget was filed with the City Secretary on August 17, 2022, which is at least 30 days before the date the governing body of the municipality considers its tax levy for the fiscal year.

GOVERNING BODY MEMBERS

MAYOR
Samuel Bluemel

MAYOR PRO-TEM
Sam Smith

COUNCILMEMBERS
Mike Fernandez
Tommy Ortiz
Darin Frazier
Selica Vera

PREPARED BY:

The City Administrator/Secretary prepared the proposed budget, and affirms the budget is in compliance with the laws governing municipal budgets and property tax levies.

INTERIM CITY ADMINISTRATOR/SECRETARY
Nichole Bermea

ANNUAL BUDGET OUTLOOK Transmittal Letter

Dear Mayor & City Councilmembers,

This proposed budget for fiscal year beginning October 1, 2022 and ending September 30, 2023 targets the management of the city's basic services with strict use of funds earmarked for operational expenses, accrued debt, and provides a positive fund balance allocated to build up our city's reserves.

GENERAL FUND:

The general fund budget is comprised of four departments: General Administration, Municipal Court, Code Enforcement, and the Police Department. The forecasted operational budget amount of \$665,814 provides for a balanced budget; any net positive fund balance shall be transferred to reserves.

The revenue forecasted in the budget significant to the operations of the General Fund is mainly comprised of the collection of property taxes and sales taxes; the collection of franchise taxes and municipal court fines and fees are other revenue factors that support the operations of department expenses.

Property Taxes: The certified assessment totals increased by \$5,990,395 in property tax values from last year of \$45,961,133 to \$51,951,528. The NNR Tax Rates are \$0.6339 and Voter-approved Tax Rates are \$0.6573. This means if Council adopts the suggested proposed tax rate of \$0.6439, a home valued at \$100,000 will pay \$643.90. At last year's tax rate of 0.7162, a home valued at \$100,000 paid 716.20.

Sales Taxes: The total sales tax rate within the city is 8.25%, broken down to the following agencies: State 6.25%, City 1.00%, County 0.50%, MDD 0.50%. An increase in the generation of sales tax revenue is predicted based on the 2021/2022 collection actuals.

Contingency (Reserves): The City adopted a fund balance policy setting a goal to maintain an unassigned fund balance of at least 25% of general fund budgetary expenditures, or 3-months' worth of operations for contingencies. As of July 31, 2022, the net position of the general-fund reserves is \$93,235 which accounts for 14% of this year's general fund operations. Any excess funds shall be appropriately transferred to reserves.

Capital Notes Payable: There are no capital notes funded by the General Fund.

Debts and Obligations: The city has three (3) Certificates of Obligation, specifically identified as Series 2019 Refunding Bond for \$363,000; Series 2019A Water System for \$964,000; and Series 2019B Wastewater Water System for \$584,000. The repayment of debt is secured by Utility Fund Revenues; no portions of property taxes shall be appropriated.

Over Casted Commitments or Defrayals: This year's budget does not apply any carry-over commitment balances, neither forecasts any unforeseen assurances. This year's budget dejects borrowing funds from other funds or obtaining a note to cover insufficient operations or unobligated debt.

Municipal Grants: 1) The City was awarded sponsorship of the HOME Grant/Loan Program funded by Texas Department of Housing and Community Affairs, with the City committing \$40,000 of reserves to be used for incidental upfront costs of appraisals, surveys, or inspections.

UTILITY FUND:

The utility fund budget is comprised of three utility sources: Water, Sewer and Garbage. The forecasted operational budget amount of \$876,235 provides for a balanced; any net positive fund balance shall be transferred to reserves.

Water and Sewer Rates: This year's proposed budget will implement phase Year 5 of the Five-Year Utility Rate Restructure Plan. The new rates will take into effect October 1, 2022; the rates for water and sewer services will increase by 1.2% tiered plan, starting on billing cycle Sept.15 – Oct.15, billed on November 1st.

Table below reflects the estimated change in costs based on the average residential consumption of 5,000 gals.

Year	Water – Res. 5,000g. Avg.	Sewer – Res. 5,000g. Avg.
FY 2019-2020	(2.6%) = \$39.36	(4.2%) = \$31.70
FY 2020-2021	(1.2%) = \$39.83	(1.2%) = \$32.08
FY 2021-2022	(1.2%) = \$40.31	(1.2%) = \$32.46
FY 2022-2023	(1.2%) = \$40.79	(1.2%) = \$32.87
Average Monthly Increase	\$0.48 cent increase	\$ 0.41 cent increase

Garbage Rates: The City will begin a new contract with South Texas Refuse Disposal Inc. for residential and commercial garbage services beginning October 1, 2022, which provides for a contractual CPI (Consumer Price Index) rate increase not to exceed 5% annually. The City Council proposed a \$1.00 increase; accordingly, this year's proposed budget accommodates that increase with the adoption of Ordinance No22-0919-3.

Contingency (Reserves): The City adopted a fund balance policy setting a goal to maintain an unassigned fund balance of at least 25% of utility fund budgetary expenditures, or 3-months' worth of operations for contingencies. As of July 31, 2022, the net position of the utility-fund reserves is \$89,034 which accounts for 10% of this year's utility fund operations; thus, to continue accumulation excess funds shall be appropriately transferred to reserves. Additionally, \$37,802 is assigned to Short-lived Assets Reserves, specifically for water and sewer infrastructure improvements.

Capital Notes Payable: This year's budget accounts for an annual payment of \$16,745.00 for the purchase of three service trucks, through a Public Property Finance Act Contract No.8194 from Government Capital Corporation, this note term ends May 2023; and an annual payment of \$13,444.11 for the purchase of public works equipment, financed through a Public Property Finance Act Contract No. 9612 from Government Capital Corporation. It is a five-year contract with the first payment due in August 2022.

Debts and Obligations: The city has three bond obligations with USDA for Water and Sewer Improvements for a 40-year term with a 1.875% interest rate, hereafter known as Series-2019, Series-2019A and Series-2019B; these debts are secured by Utility Fund revenues.

Over casted Commitments or Defrayals: This year's budget dejects borrowing funds from other funds or obtaining a note to cover insufficient operations or unobligated debt. This budget does not reflect or project any overcasts.

Municipal Grants: The City was awarded a TDA TxCBDG Contract #7219309 in funds of \$275,000, with matching funds of \$13,750; total project costs assigned is \$288,750, to make improvements to the Wastewater Treatment Plant Clarifier #2. The projected close-out period for this project is September 2022.

EMPLOYEE COMPENSATION & BENEFITS:

Personnel: In effort to stay within our means and keep up with competitive wages, this budget will support a 3% cost of living increase to be applied on the first payroll cycle of the fiscal year, and 100% coverage of medical, dental, vision, life, and short-term disability by employer. The number of employees budgeted remains at the following:

Administration: The proposed budget employs three (3) administrative employees; funding one full-time and one part-time municipal court employees, and appropriating 45/55% of the City Administrator's salary between the general and utility fund.

Police Department: The proposed budget employs five (5) full-time officers, one (1) part-time administrative employee, and one (1) part-time code enforcement officer.

Utility Department: The proposed budget employs two (2) administrative and four (4) public works employees; consisting of a Public Works Director, three field servicemen, a utility clerk, and appropriating 55% of the City Administrator's salary between the general and utility fund.

Insurance Benefits: This year's budget continues to support 100% of the premium costs for eligible employees for major medical, dental, vision, life, and short-term disability insurance plans. Employees are held accountable for any costs through a payroll deduction for any dependent coverages, and/or health costs, surcharges or fees added for conditional coverages.

Retirement: The City's provides a retirement plan to all eligible employees through Texas Municipal Retirement Systems (TMRS); the proposed budget incorporates a contribution rate decrease from 2.47% to 2.43% by January 2023, and the city will continue to provide the same following investments:

Employee Deposit Rate:	5%
Municipal Ratio Match:	1 to 1
Vesting Service:	5 years
Retirement Eligible:	5 years at Age 60, or 20 years at Any Age
Death Benefit Eligible:	Employees and Retirees
Total Eligible Members:	12

Property Liability & Workers Compensation Insurance:

Texas Municipal League Intergovernmental Risk Pool will continue coverage for property, liability, and workers compensation. Within the past few years, the city has experienced a higher volume of claims filed against both liability and property insurances, and due to these circumstances, our rates may increase.

CAPITAL IMPROVEMENTS PROGRAM:

The city established a capital improvements program to provide guidance of making reasonable and diligent efforts to improve the city's water supply, water systems, treatment and distribution facilities; wastewater systems, collection, treatment and distribution facilities; storm water systems, drainage and flood control facilities; street improvements to include sidewalks and lighting improvements; municipal buildings and facilities; parks and recreational facilities, municipal equipment and operations; patrol vehicles, utility vehicles, light or heavy machinery, tools, computer technology and software programs used for municipal operations.

The City's Comprehensive Master Plan adopted provides short and long-range goals and objectives for the City, of which shall be reviewed not less than annually to determine capital needs and proposed budget funding factors. The Comprehensive Master Plan also suggests the city set-aside a restricted amount of funds annually to support Water, Sewer, Streets and Drainage; being noted as \$50,000 for Water, \$50,000 for Sewer, \$50,000 for Streets, and \$50,000 for Drainage. The implementation of this suggestion would increase proposed expenses by \$100,000 in both General and Utility Fund Budgets. At this time, these strict allocations are not feasible with current bond projects under construction.

Policy Recommendations:

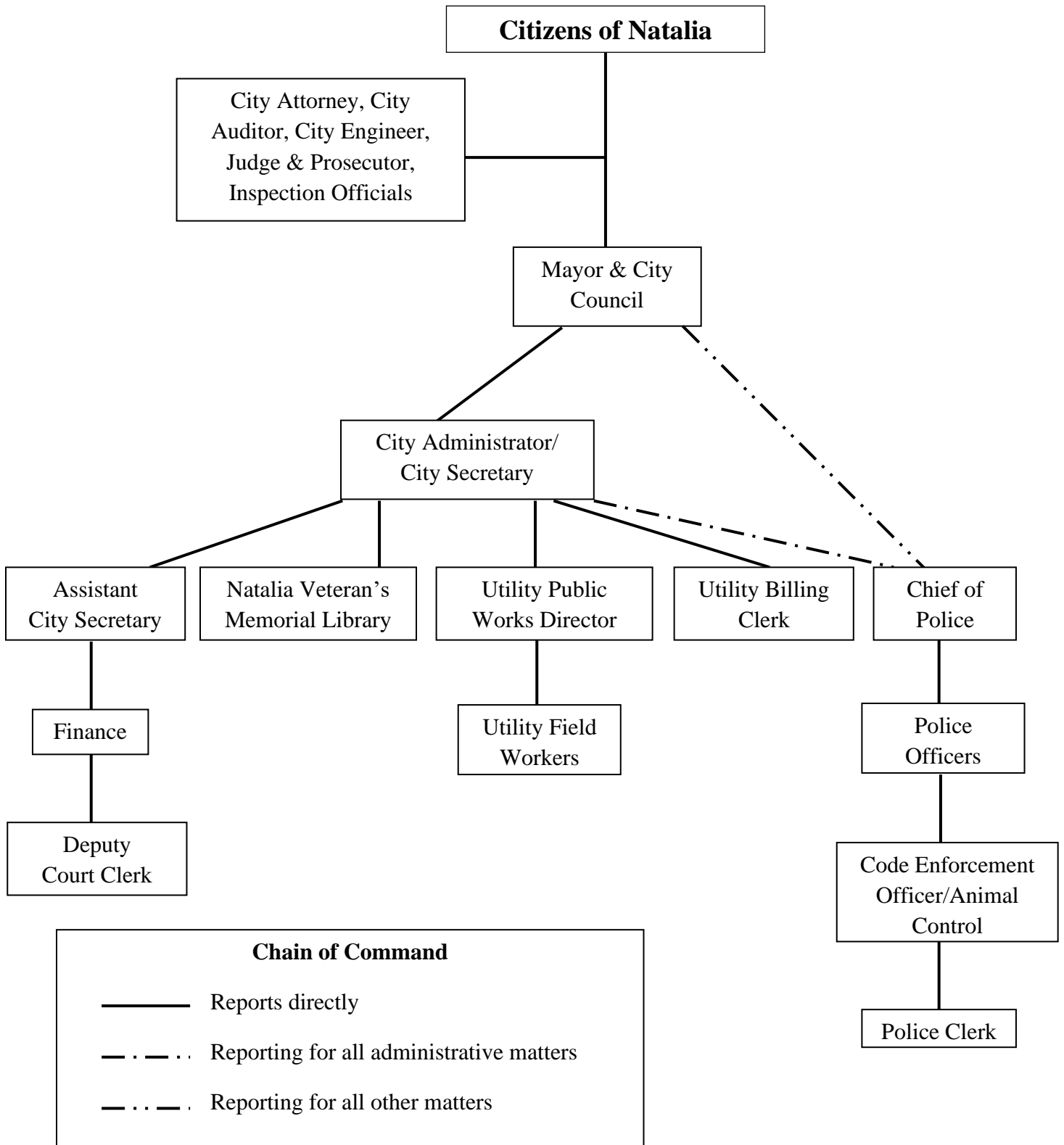
Cities adopt necessary administrative and financial policies to assist management in defining reasonable measures when evaluating operating costs and making decisions that may affect the performance of city services and operations, or its associated funding. The city has many great policies in place; however, two are to be considered:

1) Grants Application and Management Policy. Most grant applications have terms or conditions and include a required percentage of matching contributions; thus, this can lead to over-application and burdened commitments. This policy should address the types of grants the City wishes to seek, the amount of funds to be allocated for each type of grant project, the importance of such application, and the management of the application and its construction. This policy should concur with the priorities listed in the Master Plan.

2) Deficit Fund Balance Policy. This policy should address situations that forecast budgetary shortfalls or unforeseen costs, possibly by establishing measuring methods based on importance, the period of time, the use of reserves, cost of services and restrictive budget management.

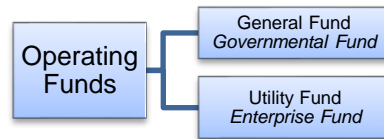
*Respectfully written by
Nichole Bermea
Interim City Administrator/Secretary*

CITY OF NATALIA ORGANIZATIONAL CHART



BUDGETING FINANCIAL STRUCTURE

The City's operating budget is an annual financial accounting of a plan prepared by the Chief Finance Officer (City Administrator) to forecast the operational revenues and expenses of the City for the succeeding fiscal year. The Chief Finance Officer shall use prudent revenue and expenditure assumptions for the development of the financial forecast and budgeting for all municipal funds. Proposed budgets shall be conservative and realistic to the nature of the city's operations and shall not operate in the deficit. The City's annual operating budget consists of two major funds, the General Fund (*Governmental Fund*) and the Utility Fund (*Enterprise Fund*).



The **General Fund** (*Governmental Fund*) is the general operating fund of the City. It accounts for all financial resources and transactions, except those required or dedicatedly accounted in another fund of the City. Generally, revenues accounted for in the general fund are produced by taxes – sales and use, franchise, property assessment, or municipal fines and fees; and those revenues fund the municipal expenses of general administration, police services, streets and park maintenance, and municipal office facilities.

The **Utility Fund** (*Enterprise Fund*) primarily accounts for user fees that generally generate their own revenues based on user-services provided and support the expenditures related to the maintenance and operations of the user-services facilities and infrastructures. The revenues accounted for in the utility fund are produced by citizen use of water, sewer, and garbage services; and those revenues fund the enterprise expenses of utility personnel, water services, sewer services, garbage services, facility and infrastructure maintenance and operations.

The City maintains other municipal fund accounts for specific purposes and projects, and each fund shall sustain a positive fund balance, sufficient to cover any debt, allocation, or dedication of the funds use, such as:

The **Debt Service Fund** (*Interest & Sinking Fund*) is a fund utilized to pay off obligated principal and interest debts on monies borrowed by the municipality.

The **General Fund Contingency** is funds reserved for capital purchases or operation shortfalls due to unforeseen cost increases, unanticipated revenue losses or unanticipated governmental fund expenses.

The **Utility Capital Reserves Fund** is funds reserved for capital purchases, capital improvements, capital debt, or operation shortfalls due to unforeseen cost increases, unanticipated revenue losses or unanticipated enterprise fund expenses, acquired from fees charged to utility service customers including the most recent adoption of the Capital Improvements Program Fee (CIP Fee).

The **Municipal Court Reserves Fund** is funds reserved for court technology expenditures or building security expenditures that are generated by a fee charged to municipal court fines for the same purpose.

The **Grant Fund** is funds set aside for projects award through state or federal agencies and required to be kept in separate accounts for the purpose of accurately recording a project and its construction costs; such funds shall maintain a positive balance to sufficiently cover the project(s) authorized. Any matching funds shall also be deposited into this fund, to ensure restricted use.

The **Short-Lived Asset Fund** is funds reserved annually, as determined in mandatory compliance for the receipt of federal funds, for the life of a loan to pay for repairs and/or replacements of major system assets specifically improved through federal funding programs issued.

CITY OF NATALIA
General Fund Budget
Revenue & Expenses

Account Number	FY 2021/22 Actuals YTD: 7/31/2022	FY 2021/22 Adopted Budget	FY 2022/23 Proposed Budget
10 - GENERAL FUND			
10-00-40000 Property Tax	\$298,645.47	\$280,000.00	\$344,000.00
10-00-40001 I&S Bond Payment	\$990.11	\$0.00	\$0.00
10-00-40100 Penalties & Interest	\$7,257.11	\$12,500.00	\$10,000.00
10-00-40110 Delinquent Ad Valorem Tax	\$9,830.95	\$16,000.00	\$12,000.00
10-00-40120 Franchise Fees	\$35,657.66	\$42,000.00	\$43,000.00
10-00-40130 Sales Tax	\$180,941.47	\$165,000.00	\$215,000.00
10-00-40300 Variance/SUP Fees	\$750.00	\$400.00	\$400.00
10-00-40500 Excess Proceeds	\$0.00	\$0.00	\$0.00
10-00-40600 Court Fines & Fees	\$39,011.92	\$42,000.00	\$44,000.00
10-00-40700 SRO - NISD Prorata Share	\$3,908.83	\$36,600.00	\$74,617.00
10-00-40750 SRO - NISD Contract Reimbursements	\$31,414.58	\$0.00	\$0.00
10-00-40800 Animal Control	\$0.00	\$100.00	\$100.00
10-00-42000 Misc. Revenue - NSF, Other Fees	\$805.55	\$1,700.00	\$1,000.00
10-00-42500 Gain/Loss-Sale of Assets	\$0.00	\$0.00	\$0.00
10-00-42800 Interest Income	\$0.00	\$0.00	\$0.00
10-00-42900 Ball Field Revenues & Reimbursements	\$5,197.72	\$6,200.00	\$6,200.00
Revenues	\$614,411.37	\$602,500.00	\$750,317.00
10-05-50000 Prior FY Unassigned Fund Balance	\$0.00	\$0.00	\$0.00
10-05-55100 Transfer In from Utility Fund	\$0.00	\$0.00	\$0.00
10-05-55200 Transfer In from I&S Debt Service Fund	\$0.00	\$0.00	\$0.00
10-05-55300 Transfer In from GF Reserves	\$0.00	\$0.00	\$0.00
10-05-55400 Transfer In from UT Reserves	\$0.00	\$0.00	\$0.00
10-05-55500 Transfer In from MC Reserves	\$0.00	\$0.00	\$0.00
Total Transfer In/Revenues	\$0.00	\$0.00	\$0.00
Total General Fund Revenues	\$614,411.37	\$602,500.00	\$750,317.00
10-05-56100 Transfer Out to Utility Fund	\$0.00	\$0.00	\$0.00
10-05-56200 Transfer Out to I&S Debt Service Fund	\$903.11	\$0.00	\$0.00
10-05-56300 Transfer Out to GF Reserves	\$0.00	\$0.00	\$0.00
10-05-56400 Transfer Out to UT Reserves	\$0.00	\$0.00	\$0.00
10-05-56500 Transfer Out to MC Reserves	\$0.00	\$0.00	\$0.00
10-05-59000 Unassigned Funds - Surplus	\$0.00	\$0.00	\$0.00
Total Transfer Out/Expenses	\$903.11	\$0.00	\$0.00

Administration:

10-10-60000	Other / Misc. Expenses	\$1,632.26	\$1,000.00	\$1,500.00
10-10-60100	Grant Oversight Fees	\$0.00	\$4,000.00	\$0.00
10-10-62500	Audit Fees & Accounting Services	\$0.00	\$7,000.00	\$7,000.00
10-10-62700	Codification	\$126.56	\$2,000.00	\$1,000.00
10-10-63000	Legal Fees	\$1,349.25	\$1,000.00	\$1,000.00
10-10-63050	Engineering Fees	\$0.00	\$0.00	\$0.00
10-10-63100	Election Expenses	\$0.00	\$0.00	\$3,500.00
10-10-63200	Appraisal District Fees - Medina County	\$5,726.68	\$5,750.00	\$6,021.00
10-10-63600	Property Tax Collection Fees - Medina County	\$1,285.20	\$1,500.00	\$1,500.00
10-10-65600	Office Supplies & Expenses	\$1,048.14	\$1,000.00	\$1,200.00
10-10-65605	Kitchen, Restroom & Cleaning Supplies	\$454.21	\$850.00	\$850.00
10-10-65610	Computer Software & Technology	\$1,401.59	\$750.00	\$2,500.00
10-10-65700	Memberships, Dues & Subscriptions	\$1,481.07	\$1,800.00	\$1,800.00
10-10-66400	Electricity - Facilities & Buildings	\$1,729.80	\$3,500.00	\$4,000.00
10-10-66401	Electricity - Street Lights	\$11,550.51	\$15,000.00	\$15,000.00
10-10-66402	Electricity - Ball Fields & Parks	\$69.46	\$300.00	\$300.00
10-10-66510	Telephone/Internet	\$2,803.74	\$3,000.00	\$3,200.00
10-10-67100	Postage & Shipping Fees	\$320.96	\$1,250.00	\$600.00
10-10-67530	Contract Labor & Outsourced Expenses	\$669.11	\$1,200.00	\$1,200.00
10-10-68400	Street Repair & Maintenance	\$7,805.27	\$5,000.00	\$5,000.00
10-10-68410	Street Improvement Projects	\$0.00	\$0.00	\$0.00
10-10-68540	Equipment Purchases	\$937.44	\$0.00	\$0.00
10-10-68545	Equipment R&M	\$0.00	\$100.00	\$0.00
10-10-68555	Equipment Lease & Rental Fees	\$424.15	\$500.00	\$500.00
10-10-68615	Capital Purchases-Notes Payable	\$0.00	\$0.00	\$0.00
10-10-68625	Central Square Reporting Software	\$1,292.44	\$1,500.00	\$1,500.00
10-10-68635	Annual Events/Special Projects	\$1,507.74	\$1,200.00	\$1,500.00
10-10-68650	Library Expenses	\$2,826.79	\$2,000.00	\$2,000.00
10-10-68715	Fuel - Vehicles & Equipment	\$28.00	\$450.00	\$200.00
10-10-68800	R&M Buildings & Facilities	\$10,297.58	\$2,000.00	\$7,000.00
10-10-68810	Security System Alarms	\$332.10	\$420.00	\$400.00
10-10-68830	I-INFO Call-Out Notification System	\$0.00	\$75.00	\$150.00
10-10-68840	Website Host & Support Fees	\$0.00	\$250.00	\$250.00
10-10-69000	Printing & Copy Expenses	\$0.00	\$0.00	\$0.00
10-10-69300	Contribution In-Aid/Program Assistance	\$1,640.00	\$0.00	\$1,640.00
10-10-69450	Annexation & Survey Fees	\$0.00	\$0.00	\$0.00
10-10-69460	Records Management Fees	\$0.00	\$250.00	\$250.00
10-10-69470	Parks & Ball Field R&M Expenses	\$2,845.57	\$500.00	\$500.00
10-10-69475	NLL Reimbursable Expenses	\$5,197.72	\$7,300.00	\$6,000.00
10-10-69500	Ads & Legal Publications	\$1,821.50	\$2,000.00	\$2,000.00
10-10-70000	Conferences, Mtgs & Training	\$845.91	\$2,000.00	\$2,000.00
10-10-70100	Uniform Services & Expenses	\$393.92	\$1,150.00	\$1,150.00
10-10-70200	ADP Payroll Outsource Fees	\$2,337.35	\$1,800.00	\$1,900.00
10-10-70400	Supplemental Insurance Benefits	\$0.00	\$0.00	\$0.00
10-10-70500	Group Health Insurance	\$9,581.75	\$13,500.00	\$13,500.00
10-10-70600	General Liability Insurance - TML	\$3,249.10	\$4,000.00	\$3,500.00
10-10-70700	Workers Comp Insurance - TML	\$149.40	\$175.00	\$195.00
10-10-72000	Wages/Salaries	\$56,232.30	\$87,000.00	\$85,000.00
10-10-72050	Payroll Taxes	\$4,301.78	\$6,476.00	\$6,277.00
10-10-72100	TWC Unemployment Taxes	\$301.15	\$585.00	\$585.00
10-10-72500	TMRS Retirement	\$1,288.35	\$2,500.00	\$2,000.00
10-10-89300	Bond Payment - Principal	\$0.00	\$0.00	\$0.00
10-10-89310	Bond Payment - Interest	\$0.00	\$0.00	\$0.00
10-10-89330	Banking & Financing Service Fees	\$0.00	\$0.00	\$0.00
	Administrative Expenses	\$147,285.85	\$193,631.00	\$197,168.00

Municipal Court / Code Compliance:

10-15-63300	Court Fines & Fees - State Portion	\$18,021.41	\$15,000.00	\$21,000.00
10-15-63400	Collection Agency Fees	\$0.00	\$0.00	\$0.00
10-15-65610	Computer Software & Technology	\$0.00	\$500.00	\$500.00
10-15-65700	Memberships, Dues & Subscriptions	\$96.90	\$100.00	\$100.00
10-15-66100	Municipal Court Contractual Expenses	\$4,375.00	\$5,124.00	\$5,150.00
10-15-66150	Municipal Court Other Expenses	\$361.99	\$500.00	\$500.00
10-15-68620	Kologik Court Interface	\$1,200.00	\$1,200.00	\$1,200.00
10-15-68623	Fund View MC Software	\$5,407.50	\$5,250.00	\$5,410.00
10-15-68625	Central Square Reporting Software	\$717.05	\$750.00	\$750.00
10-15-70000	Conferences, Mtgs & Training	\$300.00	\$1,000.00	\$1,000.00
	Municipal Court Expenses	\$30,479.85	\$29,424.00	\$35,610.00
10-17-60000	Other / Misc. Expenses	\$0.00	\$100.00	\$100.00
10-17-63700	Building Code Inspections	\$0.00	\$500.00	\$500.00
10-17-65610	Computer Software & Technology	\$0.00	\$0.00	\$0.00
10-17-65700	Memberships, Dues & Subscriptions	\$0.00	\$0.00	\$0.00
10-17-67100	Postage & Shipping Fees	\$0.00	\$350.00	\$300.00
10-17-67520	Animal Control Expenses	\$1,191.90	\$400.00	\$1,500.00
10-17-67530	Contract Labor & Outsourced Expenses	\$0.00	\$2,000.00	\$2,000.00
10-17-68540	Equipment Purchases	\$0.00	\$0.00	\$0.00
10-17-68545	Equipment R&M	\$0.00	\$0.00	\$0.00
10-17-68550	Vehicle R&M	\$0.00	\$250.00	\$250.00
10-17-68615	Capital Purchases-Notes Payable	\$0.00	\$0.00	\$0.00
10-17-68715	Fuel - Vehicles & Equipment	\$0.00	\$300.00	\$500.00
10-17-69000	Printing & Copy Expenses	\$0.00	\$0.00	\$0.00
10-17-69500	Ads & Legal Publications	\$0.00	\$250.00	\$100.00
10-17-70000	Conferences, Mtgs & Training	\$75.00	\$500.00	\$300.00
10-17-70100	Uniform Services & Expenses	\$0.00	\$0.00	\$0.00
	Code Compliance Expenses	\$1,266.90	\$4,650.00	\$5,550.00

Police Department:	10-20-60000	Other / Misc. Expenses	\$1,233.34	\$1,000.00	\$1,500.00
	10-20-60100	Grant Oversight Fees	\$0.00	\$0.00	\$0.00
	10-20-63000	Legal Fees	\$992.50	\$1,000.00	\$1,200.00
	10-20-65600	Office Supplies & Expenses	\$453.96	\$1,000.00	\$1,000.00
	10-20-65605	Kitchen, Restroom & Cleaning Supplies	\$273.55	\$750.00	\$500.00
	10-20-65610	Computer Software & Technology	\$908.52	\$1,000.00	\$1,000.00
	10-20-65700	Memberships, Dues & Subscriptions	\$0.00	\$500.00	\$500.00
	10-20-66400	Electricity - Facilities & Buildings	\$2,359.83	\$4,000.00	\$3,500.00
	10-20-66510	Telephone/Internet	\$8,064.42	\$8,300.00	\$8,500.00
	10-20-67100	Postage & Shipping Fees	\$97.17	\$250.00	\$250.00
	10-20-67530	Contract Labor & Outsourced Expenses	\$562.50	\$1,000.00	\$800.00
	10-20-67900	Restitution/Claim Payout	\$0.00	\$0.00	\$0.00
	10-20-68535	Vehicle Purchases	-\$14,890.00	\$0.00	\$0.00
	10-20-68540	Equipment Purchases	\$5,959.51	\$0.00	\$0.00
	10-20-68545	Equipment R&M	\$0.00	\$400.00	\$400.00
	10-20-68550	Vehicle R&M	\$7,104.58	\$5,000.00	\$3,000.00
	10-20-68555	Equipment Lease & Rental Fees	\$971.26	\$1,650.00	\$1,200.00
	10-20-68615	Capital Purchases-Notes Payable	\$0.00	\$0.00	\$0.00
	10-20-68625	Kologik Police Reporting Software	\$4,440.00	\$4,400.00	\$4,440.00
	10-20-68630	Police Performance & Operations	\$1,558.80	\$1,550.00	\$1,600.00
	10-20-68631	Evidence & Investigation Fees	\$0.00	\$500.00	\$500.00
	10-20-68634	Emergency Siren	\$78.32	\$175.00	\$175.00
	10-20-68715	Fuel - Vehicles & Equipment	\$14,054.14	\$13,500.00	\$17,000.00
	10-20-68800	R&M Buildings & Facilities	\$69.73	\$2,000.00	\$500.00
	10-20-68810	Security System Alarms	\$372.49	\$1,000.00	\$500.00
	10-20-68820	Police Security Contractual Services	\$0.00	\$0.00	\$0.00
	10-20-69000	Printing & Copy Expenses	\$0.00	\$0.00	\$0.00
	10-20-69250	Permits & Licenses	\$0.00	\$0.00	\$0.00
	10-20-69500	Ads & Legal Publications	\$99.50	\$250.00	\$100.00
	10-20-70000	Conferences, Mtgs & Training	\$704.48	\$1,200.00	\$1,200.00
	10-20-70100	Uniform Services & Expenses	\$1,029.86	\$2,000.00	\$2,000.00
	10-20-70200	ADP Payroll Outsource Fees	\$1,168.66	\$1,700.00	\$1,700.00
	10-20-70400	Supplemental Insurance Benefits	\$0.00	\$0.00	\$0.00
10-20-70500	Group Health Insurance	\$28,823.18	\$46,000.00	\$55,800.00	
10-20-70600	General Liability Insurance - TML	\$10,442.71	\$10,500.00	\$10,500.00	
10-20-70700	Workers Comp Insurance - TML	\$5,023.41	\$6,500.00	\$7,500.00	
10-20-72000	Wages/Salaries	\$168,580.29	\$232,000.00	\$273,674.00	
10-20-72050	Payroll Taxes	\$12,896.18	\$17,420.00	\$20,672.00	
10-20-72100	TWC Unemployment Taxes	\$1,148.89	\$2,100.00	\$275.00	
10-20-72500	TMRS Retirement	\$3,845.57	\$6,000.00	\$6,000.00	
10-20-89330	Banking & Financing Service Fees	\$0.00	\$0.00	\$0.00	
10-20-95030	Towing & Wrecker Expenses	\$0.00	\$0.00	\$0.00	
10-20-95040	Impound Services & Fees	\$0.00	\$0.00	\$0.00	
10-20-95050	Auction Services & Fees	\$0.00	\$0.00	\$0.00	
	Police Expenses	\$268,427.35	\$374,645.00	\$427,486.00	
	Total General Fund Expenses	\$448,363.06	\$602,350.00	\$665,814.00	

CITY OF NATALIA
Utility Fund Budget
Revenue & Expenses

20 - UTILITY FUND					
20-00-42000	Misc. Revenue - NSF, Other Fees	\$800.00		\$750.00	\$800.00
20-00-42500	Gain/Loss-Sale of Assets	\$0.00		\$0.00	\$0.00
20-00-42800	Interest Income	\$0.00		\$0.00	\$0.00
20-00-43000	Water Revenue	\$218,747.15		\$353,000.00	\$340,000.00
20-00-43205	CIP Fee - Capital Improvement Program	\$21,428.00		\$29,568.00	\$29,568.00
20-00-43210	Utility Billing Late Fees	\$0.00		\$0.00	\$0.00
20-00-43220	Sewer Revenue	\$243,873.34		\$245,000.00	\$245,000.00
20-00-43230	Late Charges-Nonpayment Fees	\$22,533.49		\$25,000.00	\$25,000.00
20-00-43240	Water & Sewer Taps	\$0.00		\$2,200.00	\$2,200.00
20-00-43250	Carrizo Well	\$5,349.10		\$6,000.00	\$6,000.00
20-00-43260	EAA Collection Fees	\$26,873.52		\$33,000.00	\$33,000.00
20-00-43270	Garbage Service Fees	\$143,792.18		\$171,700.00	\$185,595.00
20-00-43275	Garbage Franchise Fees	\$5,287.02		\$7,500.00	\$4,750.00
20-00-43280	Building Permits	\$4,763.20		\$5,000.00	\$6,000.00
20-00-43285	Building Inspection Fees	\$6,523.65		\$6,000.00	\$8,000.00
20-00-43290	Food/Health Inspection Fees	\$3,725.00		\$5,000.00	\$5,000.00
20-00-43310	Bulk Water Sales - Potable/NonPotable	\$90.00		\$0.00	\$0.00
20-00-43350	Library Donations Collected	\$0.00		\$0.00	\$0.00
20-00-43400	Utility Customer Deposits	\$0.00		\$0.00	\$0.00
	Total Revenues	\$703,785.65		\$889,718.00	\$890,913.00
20-05-50000	Prior FY Unassigned Fund Balance	\$0.00		\$0.00	\$0.00
20-05-55000	Transfer In from General Fund	\$0.00		\$0.00	\$0.00
20-05-55200	Transfer In from I&S Debt Service Fund	\$0.00		\$0.00	\$0.00
20-05-55300	Transfer In from GF Reserves	\$0.00		\$0.00	\$0.00
20-05-55400	Transfer In from UT Reserves	\$0.00		\$0.00	\$0.00
	Total Transfer In/Revenues	\$0.00		\$0.00	\$0.00
	Total Utility Fund Revenues	\$703,785.65		\$889,718.00	\$890,913.00
20-00-56550	Transfer Out to USDA Projects Fund	\$5.00		\$0.00	\$0.00
20-00-56600	Transfer Out to Project Funds	\$0.00		\$0.00	\$0.00
20-05-56000	Transfer Out to General Fund	\$0.00		\$0.00	\$0.00
20-05-56200	Transfer Out to I&S Debt Service Fund	\$0.00		\$0.00	\$0.00
20-05-56300	Transfer Out to GF Reserves	\$0.00		\$0.00	\$0.00
20-05-56400	Transfer Out to UT Reserves	\$16,384.00		\$29,568.00	\$29,568.00
20-05-59000	Unassigned Funds - Surplus	\$0.00		\$0.00	\$0.00
	Total Transfer Out/Expenses	\$16,389.00		\$29,568.00	\$29,568.00

Account Number	FY 2021/22	FY 2021/22	FY 2022/23	
	Actuals YTD: 7/31/2022	Adopted Budget	Proposed Budget	
20-50-56450	Short-Lived Assets - Water	\$0.00	\$8,367.00	\$8,367.00
20-50-60000	Other / Misc. Expenses	\$959.56	\$1,000.00	\$1,000.00
20-50-60100	Grant Oversight Fees	\$0.00	\$0.00	\$0.00
20-50-62500	Audit Fees & Accounting Services	\$0.00	\$7,000.00	\$7,000.00
20-50-62700	Codification	\$472.50	\$1,500.00	\$1,000.00
20-50-63000	Legal Fees	\$0.00	\$2,000.00	\$1,000.00
20-50-63050	Engineering Fees	\$0.00	\$5,000.00	\$5,000.00
20-50-63055	Specific Project-Engineering Fees	\$0.00	\$0.00	\$0.00
20-50-63400	Collection Agency Fees	\$0.00	\$0.00	\$0.00
20-50-63700	Building Inspection Services	\$7,634.49	\$5,000.00	\$8,000.00
20-50-63800	Health Inspection Services	\$160.00	\$2,000.00	\$2,000.00
20-50-65600	Office Supplies & Expenses	\$795.63	\$1,250.00	\$1,250.00
20-50-65605	Kitchen, Restroom & Cleaning Supplies	\$416.85	\$750.00	\$750.00
20-50-65610	Computer Software & Technology	\$787.18	\$1,000.00	\$1,500.00
20-50-65700	Memberships, Dues & Subscriptions	\$836.70	\$1,000.00	\$1,000.00
20-50-66400	Electricity - Facilities & Buildings	\$16,183.04	\$18,000.00	\$19,000.00
20-50-66401	Electricity - Street Lights	\$11,767.26	\$19,000.00	\$18,000.00
20-50-66510	Telephone/Internet	\$4,219.84	\$3,500.00	\$4,500.00
20-50-67100	Postage & Shipping Fees	\$624.00	\$1,500.00	\$1,000.00
20-50-67530	Contract Labor & Outsourced Expenses	\$685.44	\$1,500.00	\$1,000.00
20-50-68500	Water System R&M	\$18,249.58	\$23,000.00	\$23,000.00
20-50-68520	Chemicals & Treatment	\$2,107.15	\$2,200.00	\$2,200.00
20-50-68530	Quality Control - Lab Tests/Samples	\$3,612.42	\$2,200.00	\$3,500.00
20-50-68535	Vehicle Purchases	\$0.00	\$0.00	\$0.00
20-50-68540	Equipment Purchases	\$1,755.50	\$1,000.00	\$2,000.00
20-50-68545	Equipment R&M	\$735.38	\$4,000.00	\$2,000.00
20-50-68550	Vehicle R&M	\$1,377.53	\$4,000.00	\$3,000.00
20-50-68555	Equipment Lease & Rental Fees	\$424.13	\$2,000.00	\$600.00
20-50-68610	Capital Asset/Special Project Expenses	\$0.00	\$0.00	\$0.00
20-50-68615	Capital Purchases-Notes Payable	\$16,744.77	\$30,189.00	\$30,189.00
20-50-68625	Central Square Reporting Software	\$1,755.81	\$1,000.00	\$1,900.00
20-50-68635	Annual Events/Special Projects	\$451.11	\$750.00	\$750.00
20-50-68715	Fuel - Vehicles & Equipment	\$5,253.98	\$6,000.00	\$6,500.00
20-50-68800	R&M Buildings & Facilities	\$214.84	\$2,500.00	\$2,500.00
20-50-68810	Security System Alarms	\$182.25	\$500.00	\$500.00
20-50-68820	Wells Radio Monitor System	\$1,746.80	\$1,200.00	\$1,200.00
20-50-68830	I-INFO Call-Out Notification System	\$0.00	\$75.00	\$150.00
20-50-68840	Website Host & Support Fees	\$0.00	\$0.00	\$0.00
20-50-69000	Printing & Copy Expenses	\$0.00	\$0.00	\$0.00
20-50-69100	Garbage Services - Residential	\$82,545.94	\$122,000.00	\$125,926.00
20-50-69110	Garbage Services - Commercial	\$19,804.19	\$29,000.00	\$31,681.00
20-50-69250	Permits & Licenses	\$1,484.70	\$1,750.00	\$1,750.00
20-50-69260	Edwards Aquifer Fees	\$22,866.69	\$27,500.00	\$27,500.00
20-50-69440	Acre -feet Water Lease / Purchase	\$0.00	\$0.00	\$0.00
20-50-69450	Annexation & Survey Fees	\$0.00	\$0.00	\$0.00
20-50-69460	Records Management Fees	\$0.00	\$0.00	\$0.00
20-50-69500	Ads & Legal Publications	\$1,834.00	\$2,000.00	\$2,000.00
20-50-69550	Sales Tax Discounts	-\$52.44	-\$60.00	-\$70.00
20-50-70000	Conferences, Mtgs & Training	\$350.00	\$500.00	\$500.00
20-50-70100	Uniform Services & Expenses	\$1,640.77	\$1,350.00	\$1,500.00
20-50-70200	ADP Payroll Outsource Fees	\$0.00	\$1,700.00	\$1,700.00
20-50-70400	Supplemental Insurance Benefits	\$0.00	\$0.00	\$0.00
20-50-70500	Group Health Insurance	\$35,649.97	\$51,000.00	\$51,585.00
20-50-70600	General Liability Insurance - TML	\$5,870.75	\$5,000.00	\$7,000.00
20-50-70700	Workers Comp Insurance - TML	\$4,133.37	\$5,600.00	\$5,600.00
20-50-72000	Wages/Salaries	\$175,546.69	\$230,222.00	\$241,352.00
20-50-72050	Payroll Taxes	\$13,429.31	\$16,900.00	\$18,087.00
20-50-72100	TWC Unemployment Taxes	\$847.36	\$1,665.00	\$240.00
20-50-72500	TMR5 Retirement	\$4,292.46	\$6,500.00	\$5,800.00
20-50-89300	Bond Payment - Principal	\$0.00	\$23,000.00	\$23,000.00
20-50-89310	Bond Payment - Interest	\$0.00	\$24,570.10	\$24,570.10
20-50-89320	Other Principal & Interest Payments	\$0.00	\$0.00	\$0.00
20-50-89330	Banking & Financing Service Fees	\$0.00	\$0.00	\$0.00
	Water Expenses	\$470,397.50	\$710,178.10	\$731,077.10

Sewer Department:

20-55-56455	Short-Lived Assets - Sewer	\$0.00	\$10,534.00	\$10,534.00
20-55-60000	Other / Misc. Expenses	\$799.04	\$750.00	\$800.00
20-55-60100	Grant Oversight Fees	\$0.00	\$0.00	\$0.00
20-55-62500	Audit Fees & Accounting Services	\$0.00	\$0.00	\$0.00
20-55-62700	Codification	\$360.00	\$1,500.00	\$1,000.00
20-55-63000	Legal Fees	\$0.00	\$2,000.00	\$1,000.00
20-55-63050	Engineering Fees	\$0.00	\$5,000.00	\$5,000.00
20-55-63055	Specific Project-Engineering Fees	\$0.00	\$0.00	\$0.00
20-55-65600	Office Supplies & Expenses	\$731.22	\$1,000.00	\$1,000.00
20-55-65605	Kitchen, Restroom & Cleaning Supplies	\$306.59	\$750.00	\$750.00
20-55-65610	Computer Software & Technology	\$235.01	\$1,000.00	\$1,000.00
20-55-65700	Memberships, Dues & Subscriptions	\$0.00	\$0.00	\$0.00
20-55-66400	Electricity - Facilities & Buildings	\$12,866.51	\$22,000.00	\$18,000.00
20-55-66510	Telephone/Internet	\$3,591.10	\$3,300.00	\$3,700.00
20-55-67100	Postage & Shipping Fees	\$624.00	\$1,500.00	\$1,000.00
20-55-67530	Contract Labor & Outsourced Expenses	\$685.39	\$2,400.00	\$1,000.00
20-55-68510	Sewer System R&M	\$8,844.76	\$17,000.00	\$15,000.00
20-55-68515	Sludge Removal	\$3,390.28	\$2,000.00	\$3,500.00
20-55-68520	Chemicals & Treatment	\$1,878.09	\$2,500.00	\$2,500.00
20-55-68530	Quality Control - Lab Tests/Samples	\$7,346.21	\$6,500.00	\$7,500.00
20-55-68535	Vehicle Purchases	\$0.00	\$0.00	\$0.00
20-55-68540	Equipment Purchases	\$1,663.07	\$3,000.00	\$2,500.00
20-55-68545	Equipment R&M	\$970.11	\$6,000.00	\$1,500.00
20-55-68550	Vehicle R&M	\$1,357.46	\$2,000.00	\$2,000.00
20-55-68555	Equipment Lease & Rental Fees	\$295.28	\$500.00	\$500.00
20-55-68610	Capital Asset/Special Project Expenses	\$0.00	\$0.00	\$0.00
20-55-68625	Central Square Reporting Software	\$1,111.05	\$1,000.00	\$1,200.00
20-55-68715	Fuel - Vehicles & Equipment	\$5,253.67	\$6,000.00	\$6,500.00
20-55-68800	R&M Buildings & Facilities	\$77.74	\$2,500.00	\$2,000.00
20-55-68810	Security System Alarms	\$407.80	\$500.00	\$500.00
20-55-69000	Printing & Copy Expenses	\$0.00	\$0.00	\$0.00
20-55-69250	Permits & Licenses	\$1,250.00	\$1,250.00	\$1,250.00
20-55-69500	Ads & Legal Publications	\$642.00	\$1,000.00	\$1,000.00
20-55-70000	Conferences, Mtgs & Training	\$0.00	\$1,000.00	\$1,000.00
20-55-70100	Uniform Services & Expenses	\$1,566.38	\$1,350.00	\$1,500.00
20-55-89300	Bond Payment - Principal	\$0.00	\$10,000.00	\$10,000.00
20-55-89310	Bond Payment - Interest	\$0.00	\$10,855.48	\$10,856.00
20-55-89320	Other Principal & Interest Payments	\$0.00	\$0.00	\$0.00
	Sewer Expenses	\$56,252.76	\$126,689.48	\$115,590.00
Total Utility Fund Expenses		\$543,039.26	\$866,435.58	\$876,235.10

WAGES & BENEFIT ESTIMATES

Department	Wages	Taxes	Retirement	Benefits	Total Budgeted
Administration	\$84,381	\$6,359	\$1740	\$13,477	\$105,957
Police Department	\$273,673	\$20,941	\$5,891	\$55,767	\$356,272
Total General Fund	\$358,054	\$27,300	\$7,631	\$69,244	\$462,229

The total General Fund wages and benefit estimates account for 69% of the proposed operational expenses.

Department	Wages	Taxes	Retirement	Benefits	Total Budgeted
Administration	\$60,694	\$4,704	\$1475	\$9,294	\$76,167
Public Works	\$180,658	\$13,619	\$4,270	\$42,290	\$240,836
Total Utility Fund	\$241,352	\$18,323	\$5,745	\$51,584	\$317,003

The total Utility Fund wages and benefit estimates account for 36% of the proposed operational expenses.

- Wages include a 3% COLA for all employees.
- Health insurance premium rates are based on rates provided for medical, dental, vision and life. All employees covered under a major medical insurance plan at 100% for employee only.
- Texas Municipal Retirement System (TMRS) is provided to eligible employees:
 - Effective January 1, 2023: 2.43% City Contribution rate, decreased from 2.47% in 2022
 - Employee Deposit Rate: 5%
 - Municipal Ratio Match: 1 to 1
 - Vesting Service: 5 years
 - Retirement Eligible: 5 years at Age 60, or 20 years at Any Age
 - Death Benefit Eligible: Employees and Retirees

**FISCAL YEAR 2022-2023
BEGINNING OCT. 1 - ENDING SEPT. 30**

Fiscal Year 2022-2023 Pay Period Cycles

Pay Period #	Pay Period Beginning Date	Pay Period Ending Date	Pay Date
1	09/29/22	10/12/22	10/14/22
2	10/13/22	10/26/22	10/28/22
3	10/27/22	11/09/22	11/11/22
4	11/10/22	11/23/22	11/25/22
5	11/24/22	12/07/22	12/09/22
6	12/08/22	12/21/22	12/23/22
7	12/22/22	01/04/23	01/06/23
8	01/05/23	01/18/23	01/20/23
9	01/19/23	02/01/23	02/03/23
10	02/02/23	02/15/23	02/17/23
11	02/16/23	03/01/23	03/03/23
12	03/02/23	03/15/23	03/17/23
13	03/16/23	03/29/23	03/31/23
14	03/30/23	04/12/23	04/14/23
15	04/13/23	04/26/23	04/28/23
16	04/27/23	05/10/23	05/12/23
17	05/11/23	05/24/23	05/26/23
18	05/25/23	06/07/23	06/09/23
19	06/08/23	06/21/23	06/23/23
20	06/22/23	07/05/23	07/07/23
21	07/06/23	07/19/23	07/21/23
22	07/20/23	08/02/23	08/04/23
23	08/03/23	08/16/23	08/18/23
24	08/17/23	08/30/23	09/01/23
25	08/31/23	09/13/23	09/15/23
26	09/14/23	09/27/23	09/29/23

First Payroll of FY 2023-24	1	09/28/23	10/11/23	10/13/23
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DESIGNATED HOLIDAYS

Date	Day of the Week	Holiday
10/10/22	Monday	COLUMBUS DAY
11/11/22	Friday	VETERANS DAY
11/24/22	Thursday	THANKSGIVING
11/25/22	Friday	DAY AFTER THANKSGIVING
12/23/22	Friday	CHRISTMAS EVE (OBSERVED)
12/26/22	Monday	CHRISTMAS DAY (OBSERVED)
12/30/22	Friday	NEW YEAR'S EVE (OBSERVED)
01/16/23	Monday	MARTIN LUTHER KING DAY
02/20/23	Monday	PRESIDENTS' DAY
04/07/23	Friday	GOOD FRIDAY
05/29/23	Monday	MEMORIAL DAY
07/04/23	Tuesday	INDEPENDENCE DAY
09/04/23	Monday	LABOR DAY

* 13 Holidays (Paid Time-off applies only to Full-Time Employees)

+ 1 floating holiday after 6 months of service for new employees

PROPERTY TAXES
DEBT OBLIGATION SCHEDULES

Texas Comptroller's Annual Local Debt Report

Entity Information (Auto)	
Political Subdivision Name:	Natalia
Reporting Fiscal Year:	2021

Directions: Fill in the cells in column B that correspond with the requested information.

All information entered should reflect the last day of the political subdivision's fiscal year identified on this form.

If there is no debt to report for the fiscal year, enter "N/A" or "\$0" in each cell along column B.

Total Tax-Supported and Revenue Debt	
Total authorized debt obligations:	\$2,001,000
Total principal of all outstanding debt obligations:	\$2,001,000
Combined principal and interest required to pay all outstanding debt obligations on time and in full:	\$2,759,384

Total debt secured by Ad Valorem Taxation (includes combination tax and revenue debt obligations)	
Total authorized debt obligations secured by ad valorem taxation:	\$1,873,000
Total principal of all outstanding debt obligations secured by ad valorem taxation:	\$1,873,000
Combined principal and interest required to pay all outstanding debt obligations secured by ad valorem taxation on time and in full:	\$2,619,099

Per Capita Total Debt secured by Ad Valorem Taxation (required for municipalities, counties, and school districts only)	
Population of the political subdivision:	1,202
Source and year of population data:	MAC 2020
Total authorized debt obligations secured by ad valorem taxation expressed as a per capita amount:	\$1,558
Total principal of outstanding debt obligations secured by ad valorem taxation as a per capita amount:	\$1,558
Combined principal and interest required to pay all outstanding debt obligations secured by ad valorem taxation on time and in full as a per capita amount:	\$2,179

End of Worksheet

**CITY OF NATALIA
MEDINA COUNTY, TEXAS**

**AD VALOREM TAX RATES
HISTORY**

TAX YEAR	TAX RATE	EFFECTIVE M & O RATE	DEBT RATE	EFFECTIVE TAX RATE	MAXIMUM M & O RATE	ROLLBACK TAX RATE
2013	.9506	.7575	.1780	.9506	.7726	.9961
2014	.8752	.6739	.1474	.8291	.7278	.8752
2015	.8869	.7319	.1550	.8801	.7904	.9454
2016	.8615	.7122	.0924	.8630	.7691	.8615
2017	.8564	.7123	.0872	.7978	.7692	.8564
2018	.8715	.7571	.0825	.8429	.8176	.9001
2019	.8980	.7722	.1130	.8529	.8339	.9469

TAX YEAR	TAX RATE	NNR M & O RATE	DEBT RATE	NNR TAX RATE	MAXIMUM M & O RATE	VOTER APPROVED TAX RATE	DE MINIMIS RATE
2020	0.7367	0.7118	0.0000	0.8120	0.8120	0.7367	1.9132
2021	0.7162	0.6920	0.0000	0.6918	0.7162	0.7162	1.7792
2022	0.6439	0.6351	0.0000	0.6339	0.6573	0.6573	1.5721

TAX YEAR 2022 – PROPOSED TAX RATE: \$0.6439

TAX APPRAISER OFFICE:

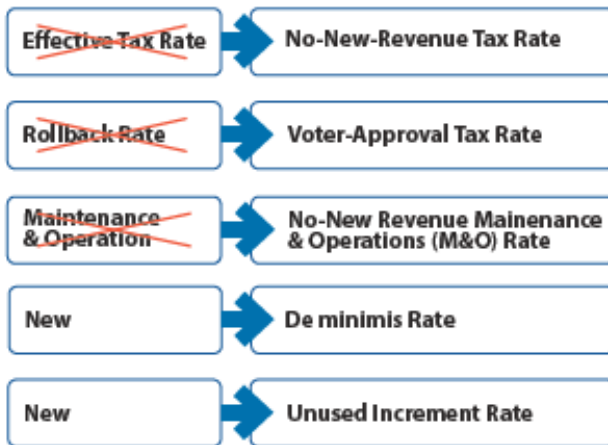
Medina County Appraisal District's Office
 Johnette L. Dixon, Chief Appraiser
 1410 Avenue K
 Hondo, Texas 78861
 Phone: (830) 741-3035
 Fax: (830) 476-2199
 Email: jdixon@medinacad.org
 Website: www.medinacad.org

TAX ASSESSOR/COLLECTOR OFFICE:

Medina County Tax Assessor & Collector's Office
 Melissa Lutz, PCC, Tax Assessor/Collector
 1102 15th Street
 Hondo, Texas 78861
 Phone: (830) 741-6100, or (830) 741-6101
 Fax: (830) 741-6105
 Email: melissa.lutz@medinacountytexas.org
 Website: www.medinacountytexas.org

New Terminology and Calculations

Senate Bill 2, 86th Legislative Session made several significant changes to the truth-in-taxation process. Below is new terminology and calculations from this legislation.



What adopted tax rates trigger an election or petition?

ADOPTED TAX RATE IS:

BELOW voter-approval tax rate	No election required
ABOVE voter-approval tax rate but BELOW de minimis rate	Voters may petition for an election
ABOVE voter-approval tax rate; Taxing unit does not calculate a de minimis rate	Election required
ABOVE voter-approval tax rate and ABOVE the de minimis rate	Election required

Revenue Threshold in Voter-approval Tax Rate

(or threshold over which voters must approve tax increases)

Taxing Unit	Voter-Approval Tax-Rate	Effective Date
Cities / Counties	3.5%	Jan. 1, 2020
Special Taxing Units*	8%	No Change
School Districts	2.5%	Sept. 1, 2020

*Hospitals, Junior Colleges and Special Districts with M&O tax rate of 2.5 cents or less

Under S.B.2, the calculation now looks like this:

(1) "NO-NEW-REVENUE TAX RATE"

means a rate expressed in dollars per \$100 of taxable value calculated to the following formula:

$$\text{NO-NEW-REVENUE} = \frac{(\text{LAST YEAR'S LEVY} - \text{LOST PROPERTY LEVY})}{(\text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE})}$$

(2) "VOTER-APPROVAL TAX RATE"

means a rate expressed in dollars per \$100 of taxable value calculated to one of the following applicable formulas:

(A) For a special taxing unit:

$$\text{VOTER-APPROVAL TAX RATE} = (\text{NO-NEW REVENUE M\&O RATE} \times 1.08) + \text{CURRENT DEBT}$$

(B) For a taxing unit other than a special taxing unit:

$$\text{VOTER-APPROVAL TAX RATE} = (\text{NO-NEW-REVENUE M\&O RATE} \times 1.035) + \text{CURRENT DEBT RATE} + \text{UNUSED INCREMENT RATE}$$

2022 CERTIFIED TOTALS

CNA - CITY OF NATALIA

Property Count: 894

ARB Approved Totals

7/25/2022

4:45:06PM

Land		Value			
Homesite:		4,231,231			
Non Homesite:		7,558,500			
Ag Market:		91,480			
Timber Market:		0	Total Land	(+) 11,881,211	
Improvement		Value			
Homesite:		23,287,961			
Non Homesite:		17,862,432	Total Improvements	(+) 41,150,393	
Non Real		Count	Value		
Personal Property:	70		5,756,070		
Mineral Property:	0		0		
Autos:	0		0	Total Non Real	(+) 5,756,070
			Market Value	=	58,787,674
Ag	Non Exempt	Exempt			
Total Productivity Market:	91,480	0			
Ag Use:	1,320	0	Productivity Loss	(-) 90,160	
Timber Use:	0	0	Appraised Value	=	58,697,514
Productivity Loss:	90,160	0	Homestead Cap	(-) 2,750,505	
			Assessed Value	=	55,947,009
			Total Exemptions Amount (Breakdown on Next Page)	(-) 3,995,481	
			Net Taxable	=	51,951,528

APPROXIMATE TOTAL LEVY = NET TAXABLE * (TAX RATE / 100)
 372,076.84 = 51,951,528 * (0.716200 / 100)

Certified Estimate of Market Value:	58,787,674
Certified Estimate of Taxable Value:	51,951,528
Tax Increment Finance Value:	0
Tax Increment Finance Levy:	0.00

MCAD Certified Totals	This Year's Appraisal	Last Year's Appraisal
Net Taxable Value	\$51,951,528	\$45,961,133
Appraised Value Average (Market value + Property Count)	\$58,111	\$50,067
Net Taxable changes from prior tax year's assessment	\$5,990,395	\$4,343,360

Notice about 2022 Tax Rates

Property tax rates in City of Natalia.

This notice concerns the 2022 property tax rates for City of Natalia. This notice provides information about two tax rates used in adopting the current tax year's tax rate. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. In most cases, the voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per \$100 of property value.

This year's no-new-revenue tax rate	\$0.6339/\$100
This year's voter-approval tax rate	\$0.6573/\$100

To see the full calculations, please visit for a copy of the Tax Rate Calculation Worksheet.

Unencumbered Fund Balances

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

Type of Fund	Balance
	0

Current Year Debt Service

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

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
	0	0	0	0
Total required for 2022 debt service				\$0
- Amount (if any) paid from funds listed in unencumbered funds				\$0
- Amount (if any) paid from other resources				\$0
- Excess collections last year				\$0
= Total to be paid from taxes in 2022				\$0
+ Amount added in anticipation that the unit will collect only 100.00% of its taxes in 2022				\$0
= Total debt levy				\$0

This notice contains a summary of actual no-new-revenue and voter-approval calculations as certified by , on 08/09/2022 .

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

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

FIVE-YEAR UTILITY RATE STRUCTURE PLAN

ADOPTED MARCH 9, 2017 & AMENDED JULY 15, 2019 & AMENDED AUGUST 29, 2022

To sustain safe and reliable water and wastewater resources, restructuring of utility rates were necessary to address the imbalance of revenue and expenses, and to additionally generate sufficient revenue to cover annual inflation of maintenance and operating costs. The City of Natalia conducted a Utility Rate Study, led by Raul Gonzales, Operations Management Specialist of Communities Unlimited, Inc., which were reviewed and modified numerous times by the City Council and City Administrator before determining that a gradual rate-increase plan was the most realistically affordable process to accomplish the planned infrastructure improvements and to afford the repayment of such debt.

<u>FISCAL YEAR ENDING 9/30/----</u>	Actual total customers as of July 2022	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>
		Current Rates	% Inflation Step Increase Plan				
			1.2%	1.2%	1.2%	1.2%	1.2%
<u>WATER RATES (per 1,000)</u>							
Residential:	495						
Service Availability (up to 1,000 gal.)		\$26.27	\$26.59	\$26.90	\$27.23	\$27.55	\$27.88
1,001 - 10,000 gallons		\$3.51	\$3.55	\$3.59	\$3.64	\$3.68	\$3.73
10,001 - 30,000 gallons		\$4.05	\$4.10	\$4.15	\$4.20	\$4.25	\$4.30
30,001- 50,000 gallons		\$4.57	\$4.62	\$4.68	\$4.74	\$4.79	\$4.85
50,001 - 75,000 gallons		\$5.11	\$5.17	\$5.23	\$5.30	\$5.36	\$5.42
Over 75,000 gallons		\$5.63	\$5.70	\$5.77	\$5.84	\$5.91	\$5.98
Monthly Average Bill for 5,000 Gal.		\$40.31	\$40.79	\$41.28	\$41.78	\$42.28	\$42.78
Est. Annual Residential Revenue		\$239,441	\$242,315	\$245,222	\$248,165	\$251,143	\$254,134
Commercial:	42						
Service Availability (up to 1,000 gal.)		\$28.90	\$29.25	\$29.60	\$29.95	\$30.31	\$30.68
1,001 - 10,000 gallons		\$4.05	\$4.10	\$4.15	\$4.20	\$4.25	\$4.30
10,001 - 30,000 gallons		\$4.57	\$4.62	\$4.68	\$4.74	\$4.79	\$4.85
30,001- 50,000 gallons		\$5.11	\$5.17	\$5.23	\$5.30	\$5.36	\$5.42
50,001 - 75,000 gallons		\$5.63	\$5.70	\$5.77	\$5.84	\$5.91	\$5.98
Over 75,000 gallons		\$5.96	\$6.03	\$6.10	\$6.18	\$6.25	\$6.33
Average Bill for 15,000 Gal.		\$88.20	\$89.26	\$90.33	\$91.41	\$92.51	\$93.62
Est. Annual Revenue for 1" Meters		\$44,453	\$44,986	\$45,526	\$46,072	\$46,625	\$47,185
Commercial - 2" Meters & Larger:	15						
Service Availability (up to 1,000 gal.)		\$57.79	\$58.48	\$59.19	\$59.90	\$60.61	\$61.34
1,001 - 10,000 gallons		\$4.05	\$4.10	\$4.15	\$4.20	\$4.25	\$4.30
10,001 - 30,000 gallons		\$4.57	\$4.62	\$4.68	\$4.74	\$4.79	\$4.85
30,001- 50,000 gallons		\$5.11	\$5.17	\$5.23	\$5.30	\$5.36	\$5.42
50,001 - 75,000 gallons		\$5.63	\$5.70	\$5.77	\$5.84	\$5.91	\$5.98
Over 75,000 gallons		\$5.96	\$6.03	\$6.10	\$6.18	\$6.25	\$6.33
Average Bill for 25,000 Gal.		\$162.79	\$164.74	\$166.72	\$168.72	\$170.75	\$172.79
Annual Average Revenue for 2" Meters		\$29,302	\$29,654	\$30,010	\$30,370	\$30,734	\$31,103
Total Water Customers (No City Accts)	552	\$ 313,196	\$ 316,955	\$ 320,758	\$ 324,607	\$ 328,503	\$ 332,422
<u>SEWER RATES (per 1,000)</u>							
Residential:							
Service Availability (up to 1,000 gallons)	457	\$21.88	\$22.14	\$22.41	\$22.68	\$22.95	\$23.22
Per 1,000 gallons Over 1,000 gallons		\$2.65	\$2.68	\$2.71	\$2.75	\$2.78	\$2.81
Monthly Average Bill for 5,000 Gal.		\$32.48	\$32.87	\$33.26	\$33.66	\$34.07	\$34.48
Est. Annual Residential Revenue		\$178,120	\$180,258	\$182,421	\$184,610	\$186,825	\$189,067
Commercial:							
Service Availability (up to 1,000 gallons)	50	\$24.01	\$24.30	\$24.59	\$24.88	\$25.18	\$25.49
Per 1,000 gallons Over 1,000 gallons		\$2.86	\$2.89	\$2.93	\$2.96	\$3.00	\$3.04
Average Bill for 15,000 Gal.		\$64.05	\$64.82	\$65.60	\$66.38	\$67.18	\$67.99
Est. Annual Commercial Revenue		\$38,430	\$38,891	\$39,358	\$39,830	\$40,308	\$40,792

END OF REPORT