

2025-2026

City of Horseshoe Bay Approved Budget



CITY OF HORSESHOE BAY, TEXAS

FISCAL YEAR 2025-26 ANNUAL BUDGET

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Adopted Budget-Tax Increase (Decrease) Notice

October 1, 2025 – September 30, 2026

This budget will raise more revenue from property taxes than last year's budget by an amount of \$563,153 which is a 5.25% 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 \$330,232.

FY 2025-26 CITY COUNCIL RECORD VOTE

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

FOR: Jeff Jones – Mayor Pro Tem
 Frank Hosea – Council Member
 Elaine Waddill – Council Member
 Buck Weatherby – Council Member
 Larry Morgan – Council Member

AGAINST:

PRESENT AND NOT VOTING:

ABSENT:

Property Tax Rate Comparison:

| Tax Year | 2024 | 2025 |
|---|-------------|-------------|
| Fiscal Year | 2025 | 2026 |
| Property Tax Rate | 0.26775 | 0.26775 |
| No-New-Revenue Tax Rate | 0.24882 | 0.26031 |
| No-New-Revenue M&O (Maintenance and Operation) Tax Rate | 0.18823 | 0.19004 |
| Voter-Approval Tax Rate | 0.26942 | 0.27207 |
| De Minimis Tax Rate | 0.27443 | 0.27524 |

The total amount of outstanding debt obligations: \$33,635,000

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City Council Members



Elsie Thurman – Mayor



Jeff Jones – Council Member
Mayor Pro Tem



Frank Hosea – Council Member



Elaine Waddill – Council Member



Buck Weatherby – Council Member



Larry Morgan – Council Member

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Appointed Officials

| | |
|-----------------|---------------------------------------|
| Jeff Koska | City Manager |
| Susie Quinn | Interim Legislative Services Director |
| Dorothy Palumbo | City Attorney |
| Kevin Madison | Municipal Court Judge |

Executive Managers

| | |
|---------------|-------------------------------|
| Rick Williams | Assistant City Manager |
| Tim Foran | Public Works Director |
| Doug Fowler | Fire Chief |
| Rachel Hearne | Human Resources Director |
| Cindee Sharp | Communications Director |
| Jules Martin | IT Administrator |
| John Byrum | Development Services Director |
| Molly Jester | Finance Director |
| Jason Graham | Police Chief |
| Ray Garcia | Utilities Director |
| Jim Williams | GIS Administrator |

CITY OF HORSESHOE BAY, TEXAS

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GFOA Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Horseshoe Bay
Texas**

For the Fiscal Year Beginning

October 01, 2024

Christopher P. Monell

Executive Director

CITY OF HORSESHOE BAY, TEXAS

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Other Awards



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SECTION 1: INTRODUCTION

City Location and Profile

While the FY 2025-26 budget is foremost a financial planning document, it is also an opportunity to introduce readers to the history, economy, community highlights, and municipal services that define the City of Horseshoe Bay. Together with the financial information, these profile elements help illustrate why Horseshoe Bay continues to be a great place to visit, live, work, or do business.

CITY GOVERNMENT

The City of Horseshoe Bay operates under a Home Rule Charter with a Council-Manager form of government. The governing body, the Horseshoe Bay City Council, is comprised of the Mayor elected by a majority vote and five Council Members elected “at-large” by a plurality vote. The Mayor and two Council Members are elected in November of odd-numbered years. Three Council Members are elected in November of even-numbered years.

The Mayor and Council are responsible for creating a vision and providing direction for the City by enacting legislation in the form of ordinances and resolutions, adopting and amending budgets, making appointments to the boards and commissions, and determining the general policies of the City.

The Horseshoe Bay City Council generally meets on the third Tuesday of each month at 3:00 p.m. in the council chambers of City Hall, located at 1 Community Drive in Horseshoe Bay, Texas.

HISTORY OF HORSESHOE BAY

Horseshoe Bay is a unique community located on Lake Lyndon B. Johnson with properties inside both Llano and Burnet Counties. The community began in the early 1970's with land acquisition by cousins Norman and Wayne Hurd who developed the area as an upscale retirement community with a private club and some rental units. The community included many amenities, highlighted by three golf courses and two dining facilities. Home sites were developed for full-time and part-time citizens, and many of the houses remain in use today as seasonal or vacation homes.

Horseshoe Bay citizens voted to incorporate as a TYPE A General Law City under Texas law on September 10, 2005. The boundaries of the city coincided with those of the Lake LBJ Municipal Utility District, apart from The Trails and a 20-acre parcel on the corner of Highway 71 and Ranch Road 2831. These areas were not initially included, but they were annexed shortly after incorporation.

The first Mayor and City Council were elected at a general election on November 8, 2005. They were sworn in at Quail Point during ceremonies on November 18, 2005. The City held the first Council meeting on November 22, 2005, where the first Council Members were elected. In 2009, HSB citizens voted to adopt a Home Rule Charter, which was amended in 2012.

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ECONOMY OF HORSESHOE BAY

This section is intended to provide a brief snapshot of the Horseshoe Bay, Llano County, and Burnet County economies.

| County | Year | Population | Labor Force (Employed/Avg) | Unemployment Rate | Per-Capita Income | Median Household Income |
|---------------|------|------------|-------------------------------|----------------------|----------------------|-------------------------------|
| Burnet | 2010 | 42,750 | 19,119 | — | — | — |
| | 2020 | 49,130 | — | — | — | — |
| | 2023 | 53,991 | — | — | \$67,112 | \$77,158 |
| | 2024 | 55,722 | 25,652 (avg) | 3.5% | — | — |
| | 2025 | 57,108* | — | — | — | — |
| Llano | 2010 | 19,301 | 7,451 | — | — | — |
| | 2020 | 21,243 | — | — | — | — |
| | 2023 | 22,875 | — | — | \$52,514 | \$65,636 |
| | 2024 | 23,163 | — | ~3.2–3.5% | — | — |
| | 2025 | 23,443* | — | — | — | — |

Notes:

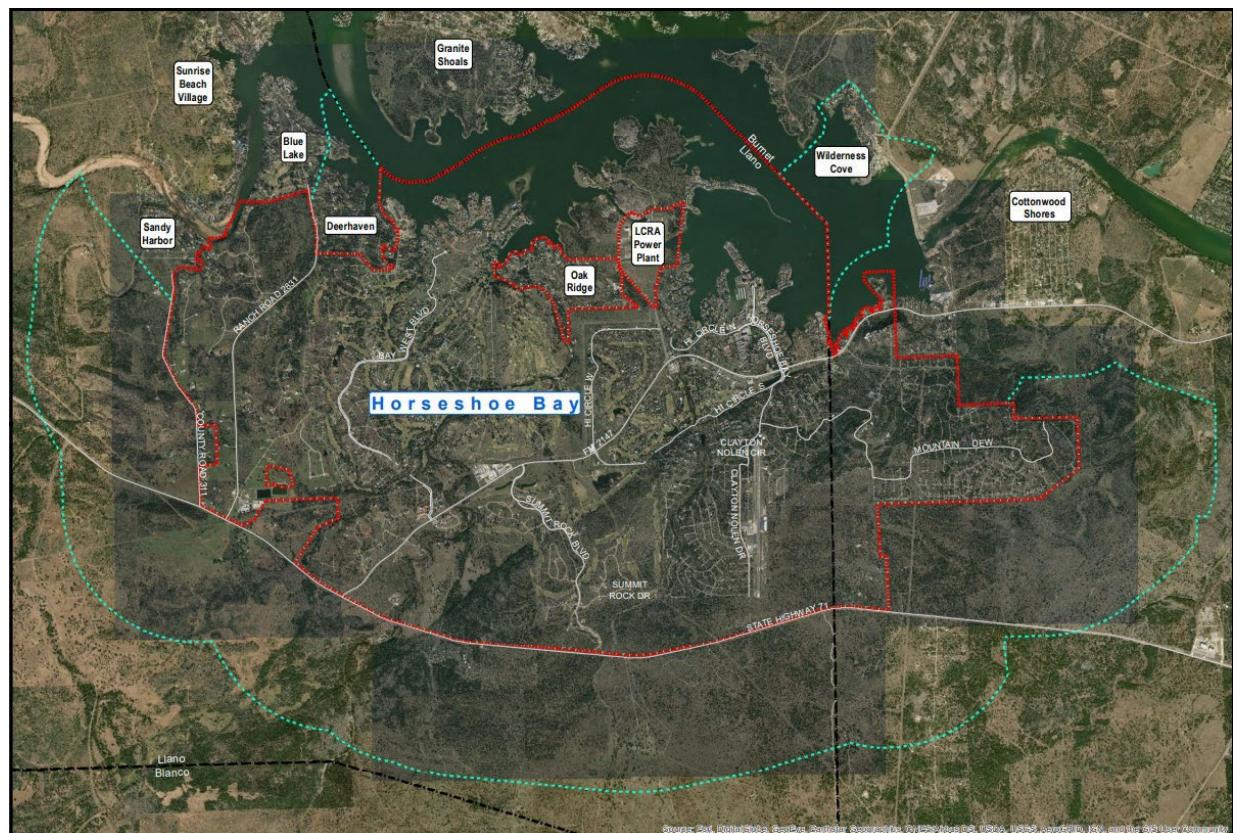
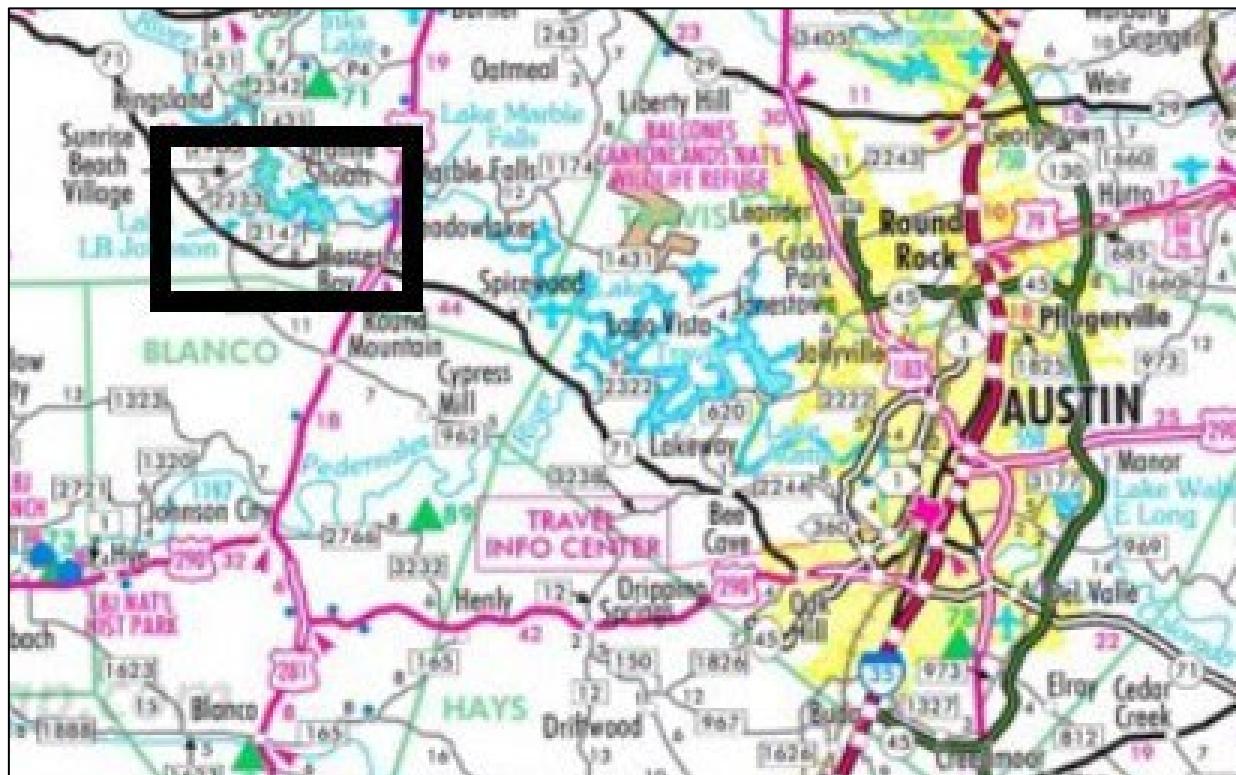
- Labor force and unemployment data are based on annual averages; monthly figures may vary slightly.
- Per-capita and median household income values come from 5-year ACS estimates or BEA/FRED data.
- Exact employment numbers for Llano County in 2024–2025 were not available in publicly published sources.

Economic clusters, according to information from the U.S. Economic Development Administration, are geographic concentrations of competing, complimentary, or interdependent firms and industries that do business with each other and/or have common needs for talent, technology, and infrastructure. This analysis can be beneficial for a small community to identify its unique clusters. For Burnet County, a total of twenty industrial clusters were identified based on the data provided. The five strongest industrial clusters in Burnet County are Retail, Construction, Health Care, Hospitality and Educational Services. For Llano County, a total of twenty industrial clusters were identified based on the data. The five strongest industrial clusters in Llano County are Construction, Retail, Healthcare, Hospitality, and Other Services.

The Horseshoe Bay local economy has a relatively strong service base. Located in the Highland Lakes area and on Lake Lyndon B. Johnson, the Horseshoe Bay area draws a lot of tourism. The second largest employer is Horseshoe Bay Resort, located in the City. The major employers in the immediate Horseshoe Bay area is Marble Falls ISD, Horseshoe Bay Resort, Baylor Scott & White, HEB, and Wal Mart.

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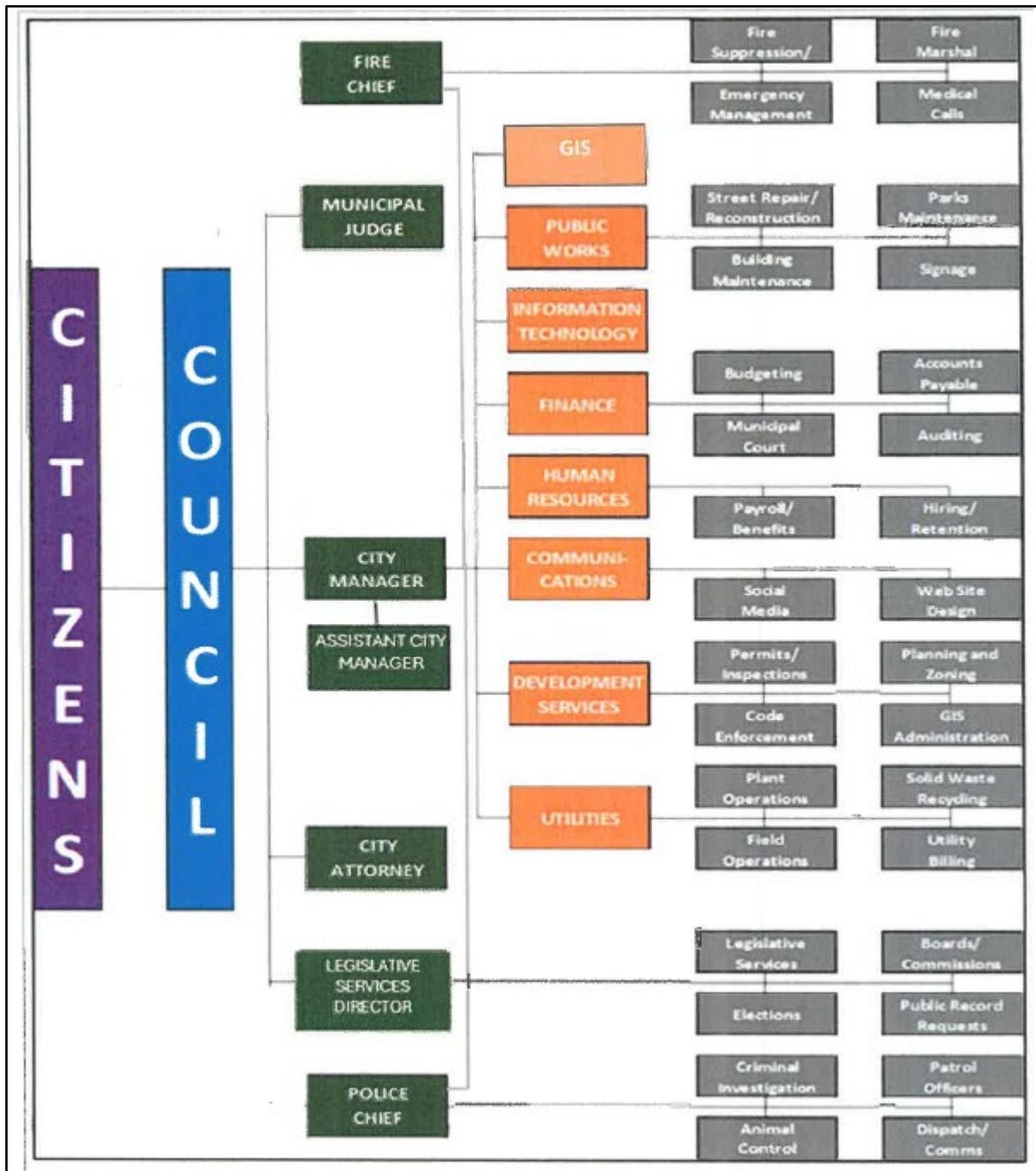
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Organizational Chart



An organization chart plays a pivotal role in achieving the goals by providing a clear representation of its structure and hierarchy. It identifies roles, responsibilities, and reporting relationships, ensuring that every team member understands their function within the organization. This clarity minimizes confusion and fosters efficient communication and collaboration, enabling teams to work cohesively towards shared objectives.

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Personnel Table – Organization

Office space is limited in City Hall. For FY 26 the City Manager added a Fire Captain, Legislative Services Administrator, and a Public Works Operator (both mid-yr hires). The Utility Dpt. added a field operator. The Animal Control Dpt. combines with the Police Dpt. The Fire Dpt. transferred one part-time employee to full-time. Fire captain was hired to enhance emergency response leadership, other staff were hired to improve administrative support, growing operation needs, and service reliability.

| DEPARTMENT SUMMARY | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|
| ADMIN PERSONNEL SCHEDULE | 9 | 10 | 11 | 12 | 13 |
| TECHNOLOGY PERSONNEL SCHEDULE | 2 | 1 | 1 | 1 | 3 |
| FIRE PERSONNEL SCHEDULE | 23 | 23 | 24 | 25 | 27 |
| Part-Time Firefighter | 0 | 3 | 2 | 1 | 0 |
| POLICE PERSONNEL SCHEDULE | 23 | 24 | 24 | 26 | 28 |
| ANIMAL CONTROL PERSONNEL SCHEDULE | 1 | 1 | 1 | 2 | 0 |
| Part-Time Animal Control Officer | 1 | 1 | 1 | 0 | 0 |
| DEV SERVICES PERSONNEL SCHEDULE | 7 | 9 | 10 | 10 | 9 |
| PUBLIC WORKS PERSONNEL SCHEDULE | 2 | 2 | 2 | 2 | 4 |
| UTILITY ADMIN PERSONNEL SCHEDULE | 9 | 8 | 10 | 10 | 8 |
| PLANT PERSONNEL SCHEDULE | 9 | 10 | 11 | 11 | 11 |
| FIELD PERSONNEL SCHEDULE | 15 | 16 | 16 | 15 | 16 |
| RECYCLE PERSONNEL SCHEDULE | 1 | 2 | 3 | 3 | 3 |
| Part-Time Recycle Monitor | 2 | 1 | 0 | 0 | 0 |
| GRAND TOTAL | 104 | 111 | 116 | 118 | 122 |

| ADMIN PERSONNEL SCHEDULE | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Actual | FY 26 Budget |
|---|--------------|--------------|--------------|--------------|--------------|
| City Manager | 1 | 1 | 1 | 1 | 1 |
| Executive Assistant to the City Manager | 0 | 0 | 1 | 1 | 1 |
| Assistant City Manager | 0 | 0 | 0 | 1 | 1 |
| City Secretary/Legislative Services Director | 1 | 1 | 1 | 1 | 1 |
| Deputy City Secretary/Records & Information Manager | 1 | 1 | 1 | 1 | 1 |
| Legislative Services Administrator | | | | | 1 |
| Finance Director | 1 | 1 | 1 | 1 | 1 |
| Senior Accountant/Court Administrator | 1 | 1 | 1 | 1 | 1 |
| Finance Clerk | 1 | 1 | 1 | 1 | 1 |
| Finance Administrative Asst (moved to PW FY26) | 1 | 1 | 1 | 1 | 0 |
| Purchasing Coordinator | | | | | 1 |
| Human Resources Director | 1 | 1 | 1 | 1 | 1 |
| Human Resources Administrator | 1 | 1 | 1 | 1 | 1 |
| Communications Director | 0 | 1 | 1 | 1 | 1 |
| TOTAL | 9 | 10 | 11 | 12 | 13 |

| TECHNOLOGY PERSONNEL SCHEDULE | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Information Technology Administrator | 1 | 1 | 1 | 1 | 1 |
| GIS Administrator | 1 | 0 | 0 | 0 | 1 |
| Asset Management Technician | | | | | 1 |
| TOTAL | 2 | 1 | 1 | 1 | 3 |

| FIRE PERSONNEL SCHEDULE | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|-------------------------|--------------|--------------|--------------|--------------|--------------|
| Fire Chief | 1 | 1 | 1 | 1 | 1 |
| Assistant Fire Chief | 1 | 0 | 0 | 0 | 0 |
| Fire Captain | | | | | 1 |
| Fire Marshal | 0 | 1 | 1 | 1 | 1 |
| Captain | 3 | 3 | 3 | 3 | 3 |
| Lieutenant | 3 | 3 | 3 | 3 | 3 |
| Engineer | 6 | 6 | 6 | 6 | 6 |
| Firefighter | 9 | 9 | 10 | 11 | 12 |
| TOTAL | 23 | 23 | 24 | 25 | 27 |
| Part-Time Firefighter | 0 | 3 | 2 | 1 | 0 |

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| POLICE PERSONNEL SCHEDULE | | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|---------------------------|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Police Chief | | 1 | 1 | 1 | 1 | 1 |
| Assistant Police Chief | | 1 | 1 | 1 | 1 | 1 |
| Captain | | 1 | 1 | 1 | 1 | 1 |
| Lieutenant | | 2 | 2 | 2 | 2 | 2 |
| Sergeant | | 2 | 2 | 2 | 2 | 2 |
| Criminal Investigator | | 3 | 3 | 3 | 3 | 3 |
| Police Officer | | 10 | 10 | 10 | 12 | 12 |
| Communication Operator | | 3 | 4 | 4 | 4 | 4 |
| Animal Control Officer | | | | | | 2 |
| TOTAL | | 23 | 24 | 24 | 26 | 28 |

| ANIMAL CONTROL PERSONNEL SCHEDULE | | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|-----------------------------------|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Animal Control Officer | | 1 | 1 | 1 | 2 | 0 |
| TOTAL | | 1 | 1 | 1 | 2 | 0 |
| Part-Time Animal Control Officer | | 1 | 1 | 1 | 0 | 0 |

| DEV SERVICES PERSONNEL SCHEDULE | | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|--|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Development Services Director | | 1 | 1 | 1 | 1 | 1 |
| Building Official | | 0 | 0 | 0 | 0 | 0 |
| Building Inspector | | 0 | 0 | 0 | 0 | 0 |
| Assistant Planner | | 1 | 0 | 1 | 1 | 1 |
| Senior Planner | | 0 | 1 | 1 | 1 | 1 |
| Dev. Serv. Supervisor/Dep. Building Official | | 1 | 0 | 1 | 1 | 1 |
| Code Enforcement Officer | | 1 | 1 | 1 | 1 | 1 |
| Code Compliance Officer | | 1 | 1 | 1 | 1 | 1 |
| Code Compliance Officer/Inspector | | 0 | 1 | 1 | 1 | 1 |
| Development Services Admin. Technician | | 1 | 1 | 1 | 1 | 1 |
| Development Services Technician | | 1 | 1 | 0 | 0 | 0 |
| Permit Technician | | 0 | 1 | 1 | 1 | 1 |
| GIS Administrator | | 0 | 1 | 1 | 1 | 0 |
| TOTAL | | 7 | 9 | 10 | 10 | 9 |

| PUBLIC WORKS (PW) PERSONNEL SCHEDULE | | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|--------------------------------------|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Public Works Director | | 1 | 1 | 1 | 1 | 1 |
| Public Works Assistant | | 1 | 1 | 1 | 1 | 1 |
| Finance Administrative Assistant | | | | | | 1 |
| Public Works Operator | | | | | | 1 |
| TOTAL | | 2 | 2 | 2 | 2 | 4 |

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| UTILITY ADMIN PERSONNEL SCHEDULE | | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Actual | FY 26 Budget |
|---|----------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Utilities Director | 1 | 1 | 1 | 1 | 1 | 1 |
| Utilities Superintendent (Assistant Director) | 0 | 0 | 1 | 1 | 1 | 1 |
| Technical Administrator | 1 | 1 | 1 | 1 | 0 | 0 |
| Regulatory and Compliance Administrator | 0 | 0 | 0 | 1 | 1 | 1 |
| Water Conservation/Inspector | 1 | 1 | 1 | 1 | 1 | 1 |
| Purchasing Coordinator | 1 | 1 | 1 | 1 | 0 | 0 |
| Utilities Dispatcher | 1 | 0 | 0 | 0 | 0 | 0 |
| Utility Billing Supervisor | 1 | 1 | 1 | 1 | 1 | 1 |
| Customer Service Clerk | 2 | 2 | 2 | 2 | 2 | 2 |
| Utilities Administrative Assistant | 1 | 1 | 1 | 0 | 0 | 0 |
| Warehouse Technician | 0 | 0 | 1 | 1 | 1 | 1 |
| TOTAL | 9 | 8 | 10 | 10 | 8 | |

| PLANT PERSONNEL SCHEDULE | | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|---------------------------------------|----------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Plant Operations Supervisor | 1 | 1 | 1 | 1 | 1 | 1 |
| Plant Operator | 4 | 6 | 4 | 5 | 5 | 5 |
| Water Quality Technician | 1 | 0 | 1 | 0 | 0 | 0 |
| Chief Operator | 1 | 0 | 2 | 2 | 2 | 2 |
| Maintenance Foreman | 0 | 1 | 1 | 1 | 1 | 1 |
| Maintenance Operator | 1 | 1 | 1 | 1 | 1 | 1 |
| Water Quality Conservation Technician | 0 | 0 | 0 | 0 | 0 | 0 |
| SCADA Technician | 1 | 1 | 1 | 1 | 1 | 1 |
| TOTAL | 9 | 10 | 11 | 11 | 11 | |

| FIELD PERSONNEL SCHEDULE | | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|-----------------------------|-----------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Field Operations Supervisor | 1 | 1 | 1 | 1 | 1 | 1 |
| Crew Lead | 2 | 1 | 3 | 3 | 3 | 3 |
| Field Operator | 10 | 11 | 8 | 7 | 8 | 8 |
| Field Technician | 1 | 0 | 0 | 0 | 0 | 0 |
| Utilities Dispatcher | 0 | 1 | 1 | 1 | 1 | 1 |
| Warehouse Technician | 1 | 1 | 1 | 1 | 1 | 1 |
| Fleet Mechanic | 0 | 0 | 1 | 1 | 1 | 1 |
| Pump & Motor Tech | 0 | 1 | 1 | 1 | 1 | 1 |
| TOTAL | 15 | 16 | 16 | 15 | 16 | |

| RECYCLE PERSONNEL SCHEDULE | | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|----------------------------|----------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Lead Recycle Monitor | 0 | 0 | 1 | 1 | 1 | 1 |
| Recycle Monitor | 1 | 2 | 2 | 2 | 2 | 2 |
| TOTAL | 1 | 2 | 3 | 3 | 3 | |
| Part-Time Recycle Monitor | 2 | 1 | 0 | 0 | 0 | 0 |

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Strategic Plan

MISSION STATEMENT: TO SERVE AND PROTECT OUR CITIZENS WHILE PRESERVING OUR HERITAGE AND PLANNING FOR OUR FUTURE.

In 2015, the City of Horseshoe Bay created a Long-Range Planning Advisory Committee (LRPAC), which consisted of community members, tasked with updating the City's Comprehensive Plan. In 2021 and 2023, the LRPAC was tasked with updating that plan. In FY25, a new Comprehensive Plan 2040 was discussed in a Town Hall Meeting as a forum for public input. The initiatives from the Comp Plan 2040 discussed were as follows:

INITIATIVE 1: Preserve Our Character

- Define small town leisure lifestyle
- Balancing preservation with appropriate growth
- Natural resource protection priorities
- Leisure lifestyle community and social connectivity

INITIATIVE 2: Attractive and Safe Neighborhoods

- Establish and maintain standards for different housing types that preserve neighborhood character.
- Enhance provisions for emergency services and safety measures throughout residential areas.
- Response times triggers before expansion of services. Ensure adequate maintenance standards for neighborhood infrastructure.
- Improve neighborhood connectivity and access to community amenities.
- Shared pathways for alternative transportation.

INITIATIVE 3: Balanced Commercial Development

- Define "balanced" commercial development.
- Target business types and development scale.
- Town Center development and timeline.
- Light industry and Commercial District on HWY 71.

INITIATIVE 4: Parks and Open Spaces

- Parks and open space acquisition priorities
- Trail system development timeline and funding
- Maintenance responsibilities and long-term costs
- Community programming and facility management
- Use of drainage ways for nature trails

INITIATIVE 5: Walkable Town Center

- Determine optimal town center location and development timeline
- Establish architectural requirements and design guidelines
- Integrate parking and multi-modal transportation options
- Explore public-private partnership opportunities

INITIATIVE 6: Efficient Transportation Network

- Transportation mode priorities
- Traffic design standards for new commercial and residential
- Asset management objectives related to existing street maintenance and improvements
- Funding mechanisms and timeline

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INITIATIVE 7: Intelligent Growth Management

- Establish growth rate targets and capacity limitations
- Streamline development review while maintaining quality standards
- Ensure development is coordinated with infrastructure capacity
- Implement quality assurance and growth monitoring systems

INITIATIVE 8: Lifecycle Housing Choices

- Housing diversity vs. community character
- Aging in place support services
- Market demand assessment
- Workforce housing issues

INITIATIVE 9: Sustainable Development and Resource Conservation

- Environmental and economic balance
- Water conservation
- Energy efficiency
- Climate resilience

INITIATIVE 10: Diverse Tax Base

- Revenue diversification strategies and targets
- Smart commercial development incentives and requirements
- Mitigate property tax rate implications and with long term projections
- Economic development resource allocation

INITIATIVE 11: Uphold Home Values

- Develop value protection strategies
- Community amenity maintenance
- Market positioning and competitive advantage
- Strong POA management and community pride in ownership

Next steps are to collect and summarize public input and Council direction. Assign staff responsibilities. Schedule revised plan review and to finalize a public hearing and adoption timeline.

Link to Comprehensive Plan 2040 (copy/paste to website, click on Com Plan through 2040-Town Hall Presentation):

<https://www.horseshoe-bay-tx.gov/961/2025-Town-Hall-Meeting>

Link to Long-Range Plan which is still in place until Comprehensive Plan 2040 is adopted in FY26:

<https://www.horseshoe-bay-tx.gov/895/Long-Range-Plan-Implementation-Guide>

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Executive Budget Summary

Each annual budget is shaped by unique circumstances and external factors that influence how the coming year's financial plan is developed. For the FY26 budget, as with most prior years, the City Council's direction centered on maintaining the current property tax rate while preserving the high level of service expected by Horseshoe Bay residents. Achieving this goal is increasingly challenging as citywide property values rose by approximately 8% over the prior year's appraisal.

To meet service demands without increasing the tax rate, the City evaluated financing tools to support needed infrastructure investments. A bond sale was identified as the most effective option, allowing the City to sustain the desired tax rate while advancing priority projects related to streets, utilities, system upgrades, and new infrastructure. Just as the FY25 budget emphasized infrastructure needs, the FY26 budget continues that focus. Many of the capital projects planned for FY26 are continuation projects from FY25 or they are new multi-year projects that will continue into FY27.

Another significant consideration for staff was the limited number of supplemental revenue sources supporting the General Fund beyond property taxes.

- Sales tax revenue has remained steady following the post-pandemic return to normal spending patterns.
- Inflation and operating costs continue to rise, increasing pressure on the General Fund.
- Staff and Council have long prioritized maintaining Horseshoe Bay mostly as a residential community for many years, but recent discussions during budget workshops have acknowledged the need to gradually diversify the revenue streams.
- Future strategies may begin looking more towards bringing in commercial properties to increase sales tax revenue in case property tax revenue falls for any reason and obtaining a grant services organization to apply for grants.

Other revenue streams, although not as significant, did provide additional income into the General Fund during FY25. Unlike last year, interest income decreased from the previous year as the bonds were being spent down, and revenues from development permits and permit extension also decreased. However, the City did receive unexpected revenue from the Fire Department's deployment to four different emergency incidents, which helped offset the shortfalls in other categories. The fire department increased the deployment revenue for FY26 by 35% as the deployment revenue for FY25 represented only half a year.

The City also engaged a grant services firm to pursue grant opportunities for FY26 (see Goal IV.C.). While this engagement may result in future awards, no grant revenue was budgeted for FY26 due to the uncertainty inherent in competitive grant processes. Any grant(s) received will be a welcome additional but are not relied upon for the FY26 budget.

The revenue streams for the Utilities Fund increased slightly from the previous budget year. As there continues to be several capital projects that are going to be needed to maintain the water and wastewater systems throughout the City, a discussion on increasing fees for water was part of the budget process.

- A 9% increase was budgeted to prepare for the cost of the projects and to ensure that revenues were keeping pace with expenditures.
- The fee for garbage was increased 3% as the contracted company the City uses incurred

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increases in their expenses and needed to increase revenues to maintain the level of service the citizens need and expect.

- In addition, the water sewer tap rates were increased 15% to cover costs associated with new tap installations.

During FY25, a chemical accident occurred at the Central water plant that has resulted in more than \$1 million in expenses to date, with an additional \$1 million expected in FY26. The FY26 budget did not include these costs due to the uncertainty surrounding the final amounts. Once the total expenses are known, a budget amendment will be required to increase both the related expenditures and the corresponding insurance proceeds revenue. FY25 is also the final year the Utility Fund will receive principal and interest payments (avg. \$500,000 annually) from a PID promissory note. In FY26, a \$1 million contribution from an external funding partner was budgeted to help offset the cost of the 16-inch Sewer Transmission Main project.

Fortunately for the accounting department and budget, not many laws enacted by the State during the 2025 session targeted municipal taxation or budgeting for the City. While the Legislature focused significant attention on statewide issues such as public education, no major legislation was passed that required substantial policy or procedural changes within the City departments. Several proposed bills affected municipal taxation and municipal bond issuances and debt service requirements but did not advance out of the committee, resulting in no impact on the City's planned financing activities.

The priorities for spending on expenses throughout the departments did not change considerably from FY 25 to this year. In FY25, the City started constructing a new City Hall (see goal XII) which should be occupied in late January 2026. The new City Hall will have more office space as there is no extra space to hire multiple employees at this time. There is a big push in the FY26 budget to complete the multi-year projects that carried out from last fiscal year, then to start this year's multi-year projects. The bond sale should provide funds for projects during the Spring and Summer months to upgrade infrastructure. One of the biggest expenditure plans centered around the City's desire to purchase a new fire engine. In FY24, the City created a new fund for vehicle and equipment replacement due to a lengthy build time for the truck combined with a hefty price tag. Unspent revenues will be set aside for the next three fiscal years to lessen the amount needed to pay for the truck through a bond or lease, or possibly to have enough cash saved when the truck is ready to not have to incur hefty interest expenses. Moving forward, this fund can be used to offset future vehicle purchases or possibly larger equipment for street and water/wastewater repairs so that bonds or leases with high interest rates can be avoided. The fire department is also accepting donations for a rescue boat (see goal VIII.E).

When the budget process concluded, the FY26 budget closely resembled the prior year's plan, with only minor shifts in priorities. Although many dollar amounts remained relatively stable, the factors and philosophies guiding the budget have evolved. Each year brings a new set of external influences, and staff will continue to adjust as needed.

This budget places a stronger emphasis on preparing for future needs than in past years, while still fully meeting the City's current operational requirements.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Short-Term Factors and Budget Guidelines

The FY 2026 budget is designed to maintain high-quality services, adjust for population and property growth, and comply with state legislation that limits revenue growth while advancing the City's long-range priorities. Key assumptions include:

- **Revenue and expenditure estimates.** Projections are conservative but realistic, ensuring sufficient resources are available to meet obligations. This conservative approach is also built into the City's long-range financial forecast models.
- **Annual fee reviews.** All major fees are reviewed annually and adjusted as needed, particularly in the Utilities Fund where revenues are fee-based rather than tax-based. Frequently moderate adjustments are preferred over larger, infrequent increases.
- **Service delivery.** Staffing levels are adjusted to keep pace with growth and demand. For FY 2026, staffing has been increased slightly to maintain low response times, legislative services administration, and minimize construction delays.
- **Competitive tax rates.** An ability to maintain competitive tax rates. Maintaining competitive tax rates is one of the primary goals of the City Council. The Council held the 2022 tax rate (Fiscal Year 2023) at \$0.27 per \$100 of valuation. That was the fourth consecutive year in which the same tax rate was adopted. The 2023, 2024, and 2025 tax rate (Fiscal Year 2024, 2025, and 2026, respectively) will be slightly lower, but even at \$0.26775 per \$100 of valuation, the budget can support the lower tax rate.
- **Fund balance targets.** Fund balances in the General Fund and Utilities Fund exceed Council's policy goals. These reserves help preserve financial stability and provide flexibility for capital projects and large purchases.
- **Compensation.** Salaries include a 3% merit-based increase effective October 1, 2025.
- **Employee benefits.** Employee health insurance rates remain stable in FY 2026, with only minor adjustments.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Long-Range Financial Forecast

The goal of the financial forecast is to anticipate problems and assess opportunities which may arrive during future budget cycles. This exercise also allows the City Council to plan future goals. Some issues identified in this financial forecast are:

- Fund Balance – Ensuring the fund balance and cash reserve position complies with the City's Financial Policy. As the operating expenses increase yearly, the fund balances should grow proportionally since the fund balance targets are based on a percentage of expenses for the Utilities and General Fund.
- Revenue and Fees – Each year the City reviews the tax and utilities rates to analyze how Horseshoe Bay compares with other communities in the surrounding area.
- Debt Capacity and other payment requirements.

This forecast has been prepared to provide the following benefits:

- Can be used by the City Council for policy decisions with long-term implications.
- Can serve as an aid to both elected officials and administrative staff to anticipate future fiscal conditions. Strategies can be developed, and actions can be implemented to correct, minimize, or counteract any potential difficulties.
- Can assist the City Manager and department directors in operational planning.
- Can indicate to bond rating agencies and other interested parties that Horseshoe Bay does have a systematic financial planning process in place.
- Can help the public understand long-term costs associated with current and proposed City activities that may affect the municipal government of Horseshoe Bay.

A forecast is only one component of a financial planning program. The financial forecast, as presented, does not attempt to predict the future. Current economic and regulatory conditions can be volatile, and the forecast is only as good as its underlying assumptions. However, the forecast has the potential for accuracy, and the true benefit is the discussion and deliberation resulting. The long-range forecast contains many underlying assumptions for each projection. Each section details the assumptions used in projecting revenues and expenditures and in some cases, identifies policy changes or environmental factors that may cause inaccuracy.

The City of Horseshoe Bay uses expert judgement, trend analysis, and incremental change as the three basic techniques to forecast revenue and expenditures. The expert judgment, also known as the "best guess" approach, is used to project some revenues. This method relies on a variety of experts on the staff as well as outside sources.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Trend analysis assumes that revenues and expenditures are most often a function of linear factors. Once revenues or expenditures are separated into line-item accounts, the City's future activity can be projected based upon trends experienced over the past several years. At a minimum, data collected over the past three years is used.

Expenditures and revenues are also forecasted using an incremental and deterministic model unless specifically denoted. This assumes a consistent level of services, unless otherwise noted, that accounts for inflation yet ignores service enhancement or improvement. Personnel expenditures reflect cost of living adjustments and usually increases to health insurance costs, as well as staffing increases. The forecast sorts of expenditures by prime accounts and provides for an annual inflation factor.

Property tax collections are projected using the following assumptions and methodology:

- The net taxable values for FY 2025 are certified and provided by the Llano County Appraisal District (LCAD) and the Burnet County Appraisal District (BCAD). The values increased 8% for FY 2025.
- The net taxable values for FY 2026 are calculated at 8% annual increase, FY 2027 through FY 2029 are also calculated at a 7% annual increase. This amount reflects a conservative actual trend of growth which is supported by a significant increase in new construction offset by depreciation in existing properties.
- The property tax revenue and tax rate projections are based on the maximum tax increase allowed by current state laws.

The City revised its Fiscal Administration Policy in FY 2017 and FY 2018. The Policy directs General Fund reserve balances to be maintained at a minimum of the greater of \$2.5 million or three months of annual expenditures. At this point, the City has moved to three months of annual expenditures being the greater of the two values. The Policy also directs the Utilities Fund to begin creating a cash reserve to target three months of personnel and general operating expenditures. The Utilities Fund met this goal in FY 2021 and continues to maintain the three months of operating expenditures in fund balance. The City's actual cash position will always be different than the amount reflected in the financials. Included in the reported fund balance are various receivables and other non-cash assets. It is important to note that the fund balance position is not a true cash position.

The City's long-range operating financial plan provides a multi-year view of expected revenues, expenditures, and service demands for the next four years. By identifying future financial opportunities and constraints, the plan helps ensure that current budget decisions are sustainable. This long-term outlook allows the City to align annual budget choices with its strategic goals—such as maintaining service levels, investing in infrastructure, supporting economic growth, and managing debt—by showing whether planned initiatives can be funded over time. The plan serves as an early warning tool also, enabling the City to adjust policies, rates, or spending before challenges arise, and ensures that strategic priorities can be achieved within available resources.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| General Fund Revenue Forecast | | | | | | | | | |
|---|---------------------|---------------------|------------------------|-----------------------|-------------|------------------------|------------------------|------------------------|------------------------|
| | FY 23 Actual | FY 24 Actual | FY 25 Estimated | FY 26 Budgeted | % | FY 27 Projected | FY 28 Projected | FY 29 Projected | FY 30 Projected |
| Property Taxes | 6,465,772 | 7,050,818 | 7,790,649 | 8,252,903 | 52% | 8,903,467 | 9,111,411 | 9,666,415 | 10,292,098 |
| Property Taxes - P&I | 61,392 | 57,514 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 |
| Mixed Beverage Taxes | 134,416 | 143,378 | 156,000 | 160,730 | 1% | 165,620 | 170,640 | 175,820 | 181,150 |
| Sales Taxes | 2,273,381 | 2,403,732 | 2,610,555 | 2,907,730 | 18% | 3,208,651 | 3,577,796 | 4,030,066 | 4,584,020 |
| Emergency Services | 461,202 | 533,334 | 701,015 | 874,400 | 5% | 820,270 | 848,000 | 873,000 | 898,000 |
| Franchise Fees | 273,795 | 281,381 | 271,630 | 274,444 | 2% | 274,444 | 274,444 | 274,444 | 274,444 |
| Development Services | 1,132,031 | 1,017,998 | 761,008 | 760,500 | 5% | 779,800 | 799,500 | 819,800 | 840,800 |
| Municipal Court | 105,809 | 73,208 | 77,190 | 76,050 | 0% | 76,050 | 76,050 | 76,050 | 76,050 |
| Administration Fee | 660,500 | 841,830 | - | - | - | - | - | - | - |
| Interest | 546,977 | 728,197 | 528,000 | 300,000 | 2% | 300,000 | 300,000 | 300,000 | 300,000 |
| Mowing & Clearing | 539,681 | 505,534 | 561,325 | 565,000 | 4% | 565,000 | 565,000 | 565,000 | 565,000 |
| Street Maintenance | 974,024 | 1,026,474 | 1,088,777 | 1,149,510 | 7% | 1,213,979 | 1,288,814 | 1,376,124 | 1,478,660 |
| Miscellaneous | 14,125 | 18,252 | 42,000 | 28,000 | 0% | 28,000 | 28,000 | 28,000 | 28,000 |
| Transfer In | - | - | - | 600,000 | 4% | - | - | - | - |
| TOTAL | 13,643,105 | 14,681,650 | 14,643,149 | 16,004,267 | 100% | 16,390,280 | 17,094,655 | 18,239,719 | 19,573,222 |
| General Fund Expenditure Forecast | | | | | | | | | |
| | FY 23 Actual | FY 24 Actual | FY 25 Estimated | FY 26 Budgeted | | FY 27 Projected | FY 28 Projected | FY 29 Projected | FY 30 Projected |
| Personnel Costs | 7,614,350 | 7,893,998 | 8,220,026 | 9,192,297 | 48% | 9,558,133 | 9,925,329 | 10,310,325 | 10,714,021 |
| Operating Expenses | 4,749,254 | 3,956,080 | 4,069,256 | 4,647,830 | 24% | 4,674,816 | 4,734,408 | 4,837,994 | 4,907,286 |
| Capital Expenses | 131,507 | 772,190 | 912,425 | 2,107,007 | 11% | 426,500 | 316,040 | 237,000 | 233,000 |
| Transfer Out to Capital/Vehicle Replacement Funds | - | 380,139 | 1,707,879 | 3,333,538 | 17% | 200,000 | 200,000 | 200,000 | 200,000 |
| TOTAL | 12,495,111 | 13,002,407 | 14,909,586 | 19,280,672 | 100% | 14,859,449 | 15,175,777 | 15,585,319 | 16,054,306 |
| General Fund Balance Forecast | | | | | | | | | |
| | FY 23 Actual | FY 24 Actual | FY 25 Estimated | FY 26 Budgeted | | FY 27 Projected | FY 28 Projected | FY 29 Projected | FY 30 Projected |
| Estimated Beginning Fund Balance | 6,241,445 | 7,389,439 | 9,068,681 | 8,802,244 | | 5,525,838 | 7,056,669 | 8,975,547 | 11,629,947 |
| Revenues less Expenditures | 1,147,995 | 1,679,244 | (266,437) | (3,276,406) | | 1,530,831 | 1,918,878 | 2,654,400 | 3,518,915 |
| Estimated Ending Fund Balance | 7,389,439 | 9,068,681 | 8,802,244 | 5,525,838 | | 7,056,669 | 8,975,547 | 11,629,947 | 15,148,862 |
| Estimated Restricted Fund Balance - 3 Mos Personnel/Operating Exp | 3,090,901 | 2,962,520 | 3,072,321 | 3,460,032 | | 3,558,237 | 3,664,934 | 3,787,080 | 3,905,327 |
| Estimated Restricted Fund Balance - PEG Fees | 48,247 | 5,000 | - | - | | - | - | - | - |
| Estimated Restricted Fund Balance - Fuchs House | 35,372 | 20,679 | - | - | | - | - | - | - |
| Estimated Restricted Fund Balance - Building Construction Reserve | 500,000 | 4,291,725 | 3,133,538 | - | | - | - | - | - |
| Estimated Restricted Fund Balance - Pre. Design Phase of the Roundabout | | | | 399,225 | | | | | |
| Estimated Restricted Fund Balance - Monarch Ridge Deposit | 31,471 | 30,371 | 30,371 | - | | | | | |
| Estimated Restricted Fund Balance - ARPA Grant Deferred | 397,072 | 320,333 | - | - | | | | | |
| Estimated Restricted Fund Balance - DRC Deposit/Escrows | 76,840 | 85,200 | 854,696 | 854,696 | | | | | |
| Estimated Restricted Fund Balance - Next Year Vehicle Replacement Fund | - | 200,000 | 200,000 | 200,000 | | 200,000 | 200,000 | 200,000 | 200,000 |
| Estimated Restricted Fund Balance - Police Radios Reserve | - | 60,000 | - | - | | | | | |
| Estimated Restricted Fund Balance - Boat | - | | 30,000 | 60,000 | | 65,000 | 70,000 | 75,000 | 80,000 |
| Estimated Restricted Fund Balance - TAC | | 712,639 | 663,000 | 95,000 | | 10,000 | 10,000 | - | - |
| Estimated Restricted Fund Balance - Combined Facilities Yard | | | | 213,200 | | | | | |
| Estimated Restricted Fund Balance - Drainage Study | | - | 300,000 | | | | | | |
| Estimated Unassigned Fund Balance | 3,209,536 | 380,214 | 518,318 | 243,685 | | 3,223,432 | 5,030,613 | 7,567,867 | 10,963,536 |
| Est. Property Tax Rate: | | \$0.270000/\$100 | \$0.267750/\$100 | \$0.267750/\$100 | | \$0.267750/\$100 | \$0.267750/\$100 | \$0.267750/\$100 | \$0.267750/\$100 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| Utilities Fund Revenue Forecast | | | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | FY 23 Actual | FY 24 Actual | FY 25 Estimated | FY 26 Budgeted | FY 27 Projected | FY 28 Projected | FY 29 Projected | FY 30 Projected |
| Water Service Revenue | 6,039,225 | 5,641,925 | 6,392,043 | 6,565,562 | 6,762,000 | 6,964,400 | 7,173,550 | 7,388,350 |
| Wastewater Service Revenue | 4,598,351 | 4,584,467 | 4,863,000 | 4,938,680 | 5,086,700 | 5,239,400 | 5,396,600 | 5,558,400 |
| Solid Waste Service Revenue | 1,395,871 | 1,594,820 | 1,699,778 | 1,885,876 | 1,942,400 | 2,000,700 | 2,060,800 | 2,122,600 |
| Other Revenue (Administrative, Standby, Interest) | 341,316 | 1,213,466 | 1,743,439 | 1,286,733 | 153,600 | 157,000 | 160,500 | 164,100 |
| Transfer Revenue | - | 623,249 | 3,973,139 | - | - | - | - | - |
| TOTAL | 12,374,764 | 13,657,927 | 18,671,399 | 14,676,851 | 13,944,700 | 14,361,500 | 14,791,450 | 15,233,450 |
| Utilities Fund Expenditure Forecast | | | | | | | | |
| | FY 23 Actual | FY 24 Actual | FY 25 Estimated | FY 26 Budgeted | FY 27 Projected | FY 28 Projected | FY 29 Projected | FY 30 Projected |
| Personnel Costs | 2,846,721 | 3,399,990 | 4,047,636 | 4,229,840 | 4,405,600 | 4,582,100 | 4,768,700 | 4,965,600 |
| Operating Expenses | 6,590,992 | 6,814,635 | 7,823,276 | 6,817,049 | 7,041,090 | 7,272,380 | 7,512,070 | 7,698,860 |
| Debt Service Obligations | 1,646,314 | 1,659,659 | 1,893,629 | 2,066,141 | 2,063,083 | 1,520,323 | 1,517,991 | 1,523,166 |
| Routine Capital Expenses | 345,815 | 887,527 | 1,025,167 | 770,000 | 995,000 | 925,000 | 680,000 | 672,000 |
| Major Capital Projects | 1,427,005 | 1,263,303 | 5,167,094 | 4,611,483 | 4,835,000 | 3,675,000 | 2,580,000 | 4,850,000 |
| Transfer Out | - | - | 459,650 | 92,500 | - | - | - | - |
| TOTAL | 12,856,847 | 14,025,113 | 20,416,452 | 18,587,012 | 19,339,773 | 17,974,803 | 17,058,761 | 19,709,626 |
| Utilities Fund Balance Forecast | | | | | | | | |
| | FY 23 Actual | FY 24 Actual | FY 25 Estimated | FY 26 Budgeted | FY 27 Projected | FY 28 Projected | FY 29 Projected | FY 30 Projected |
| Estimated Beginning Cash Balance | 4,668,938 | 4,005,831 | 4,884,880 | 10,729,175 | 6,819,013 | 6,258,941 | 6,320,638 | 6,633,327 |
| Revenues less Expenditures | | | (1,745,052) | (3,910,162) | (5,395,073) | (3,613,303) | (2,267,311) | (4,476,176) |
| Series 2025 Bond Proceeds (3M(FY26) + .5M(FY26) + 1M(FY25)) | | - | 4,500,000 | | 4,835,000 | 3,675,000 | 2,580,000 | 4,850,000 |
| Advance paid off Summit Rock PID | | - | 3,089,347 | | | | | |
| Estimated Ending Cash Balance | 4,005,831 | 4,884,880 | 10,729,175 | 6,819,013 | 6,258,941 | 6,320,638 | 6,633,327 | 7,007,151 |
| 3 Months Personnel/Operating Expenses | | | 2,967,728 | 2,761,722 | 2,861,673 | 2,963,620 | 3,070,193 | 3,166,115 |
| Estimated Restricted Fund Balance - ARPA Grant Deferred | | | 174,300 | - | | | | |
| New Series 2025 Bond for FY25-reserve \$3.5m less 3% for FY26 | | | 3,395,000 | | | | | |
| Drainage | | | 500,000 | | | | | |
| Advance paid off Summit Rock PID-\$2.5m for SUP in FY26 | | 3,089,347 | 2,550,000 | | | | | |
| Ending Estimated Unrestricted | | 1,102,800 | 1,007,291 | 3,397,268 | 3,357,018 | 3,563,134 | 3,841,036 | |
| Est. Annual Rate Increase % | 0% | 2% | 5% | 9% | 3% | 3% | 3% | 3% |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Budget Format

This budget document seeks to present much more information for the reader to better understand the operations of the City of Horseshoe Bay. The information included in the budget is organized into columns (financial data over time) and budget units. The financial information contained in the budget is as follows.

FY 2023 Final Actuals

Actual revenues, expenditures, and balances recorded for the period ending Sept. 30, 2023.

FY 2024 Final Actuals

Actual revenues, expenditures, and balances recorded for the period ending Sept. 30, 2024.

FY 2025 Revised Budget

Amounts for revenues, expenditures, and balances updated through budget amendments during the FY2024-25 year approved by City Council.

FY 2025 Estimated Actuals

Estimated revenues, expenditures, and balances recorded for the period ending Sept. 30, 2025.

FY 2026 Adopted Budget

Budgeted amounts for each category for the fiscal year ending September 30, 2026.

The budget process begins with requests sent to the different department directors for budget proposals and capital requests. The Finance Department consolidates the requests and compares the expenses to revenue estimates for the upcoming year. The City Council holds budget workshops to prioritize the budget requests and to provide their input on funding priorities. A more detailed budget calendar is provided below.

The budget must be adopted by the City Council before the later of September 30th or 60 days following the submittal of a proposed budget. Public hearings are held for both budget and tax rates to gain input from citizens. After the workshops, public hearings, and proposed budgets are discussed and completed, final approval by the City Council is given.

As the fiscal year progresses, situations affecting the budget may sometimes arise that were not anticipated. From time to time, the Finance Director may present the City Council with requests for budget amendments as all budget amendments require approval.

The budget document summarizes and condenses a substantial amount of information. However, there are times when more detailed information may be needed. In these instances, citizens and users may contact City Hall. For additional information about the City of Horseshoe Bay, to download important forms and applications, and to view meeting agendas please visit the website at <https://www.horseshoe-bay-tx.gov/>.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Budget Calendar

April 16, 2025 – Draft budget format sent to Department Heads

May 12, 2025 – Department Heads return first departmental drafts to Finance Director

May 19 – 23, 2025 – Department Heads meet with Finance Director to discuss submissions and make revisions as necessary

June 2, 2025 – Final department budget drafts due to City Manager

June 9 – 13, 2025 – City Manager and Finance Director review budget data with Department Heads; Budget book development begins

June 24, 2025 – City Manager reviews budget data with Mayor

June 26, 2025 – Final consolidated proposed budget is provided for workshop packet

July 8, 2025 – City Council holds the first budget workshop; Tax rate proposed for FY 2025

July 25, 2025 – Certified valuations due from counties or certified estimations if needed

August 7, 2025 – No-new-revenue and voter-approval tax rates to be calculated

August 11, 2025 – Proposed budget filed with Legislative Services Director and placed on the web site

August 12, 2025 – Last day to publish notice of budget hearing meeting

August 26, 2025 – City Council holds the second budget workshop

August 26, 2025 – Regular City Council meeting where public hearing for budget is held

September 16, 2025 – Last day to publish notice of public hearing on tax rate

September 16, 2025 – Regular City Council meeting where public hearing on tax rate is held

September 16, 2025 – Budget is adopted, and tax rate ratified if needed

September 17, 2025 – Budget is filed and placed on web site for public view

October 1, 2025 – New budget is implemented

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Budget Philosophy

The City Council annually adopts a spending and tax collection plan to fund service provisions for the citizens and businesses of Horseshoe Bay. The Council makes taxing and spending decisions by operating within established principles and/or philosophical foundations. A balanced budget is defined as recurring revenues funding recurring expenditures with adherence to fund balance policies. One-time sources will be avoided as budget balancing techniques. One-time revenues may be used to finance non-recurring expenditures. The following values provide guidance for staff in developing the City's budget:

- Link comprehensive and strategic plan components to the annual operating budget.
- Realign organizational priorities to focus more efforts on those capital projects that will affect the long-term growth of the City, including quality of life projects (parks, trails, etc..) and sustainable growth projects (water/wastewater system upgrades, streets, etc...) that seek to make Horseshoe Bay a more desirable place to live.
- Provide a reasonable property tax rate that minimizes the property tax burden on citizens and commercial property.
- Sustain current levels of service that citizens have come to expect of Horseshoe Bay.
- Ensure a competitive workforce by maintaining a competitive pay and benefits schedule.
- Moderate growth of financial reserves to a targeted level to ensure that the City has sufficient cash to continue operations through a short-term disruption of income. This is to ensure an ability to provide uninterrupted services during times of disaster or short-term economic decline.
- Continue to be good stewards of the funds of taxpayers by keeping a balanced budget where expenditures do not exceed revenues and by maintaining a solid credit rating.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Accounting Funds

The City of Horseshoe Bay uses multiple funds to accomplish its goals. The audited financial statements for the City include the funds listed here and included in the chart below. Governmental Funds are used to account for the City's general service provision activities and use the modified accrual basis of budgeting. This modified accrual basis is used for the Governmental Funds in the audited financial statements as well. Most City departments receive their funding from these Governmental Funds. The City's Governmental Funds include:

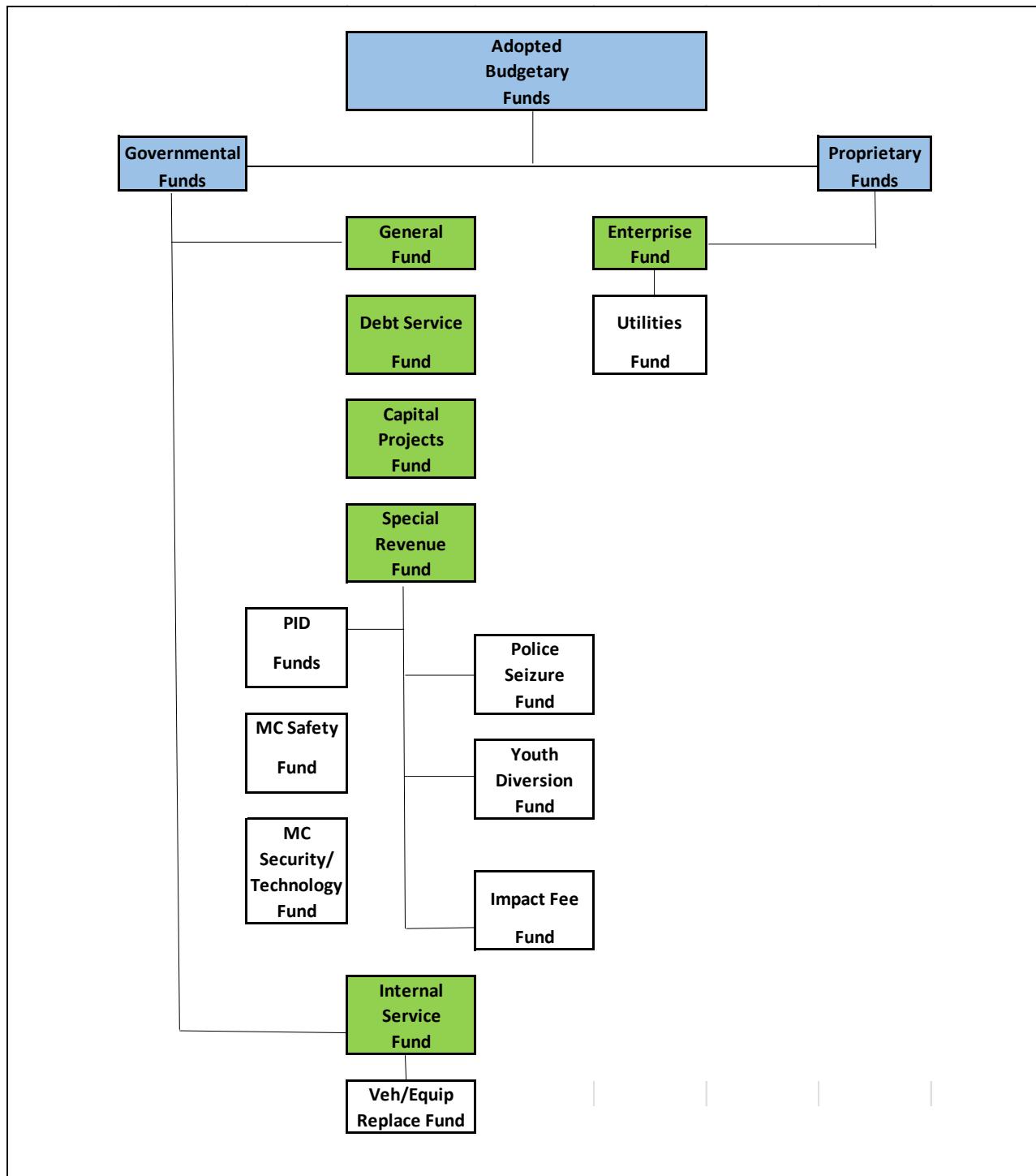
- General Fund – This fund includes major financial resources of the City except those required to be accounted for in another fund. Major funding sources include property taxes, sales tax, franchise fees, operational fees, and contractual services with other entities.
- Debt Service Fund – This fund is budgeted to service the repayment of principal and interest expenses relating to the various tax supported debt instruments the City has issued.
- Capital Improvement Fund – All General Fund capital projects are operated through this fund. Utilities capital projects are included in the Utilities Fund currently.
- Child Safety Fund – This fund is budgeted to account for collection of the child safety fees from each municipal court conviction. Money collected is to be used for specific purposes related to child safety per state legislation.
- Consolidated Court Technology/Security Fund – This fund was consolidated and accounts for the collection of both the court technology fee and the court security fee assessed on each municipal court conviction. The consolidated revenues are used to support technology needs and security measures for the municipal court and the facility in which it operates.
- Youth Diversion Fund – Established January 1, 2025, this fund is used to account for revenues and expenditures associated with the City's youth diversion initiatives. Resources support programs designed to redirect juveniles from formal court involvement by providing education, intervention, and alternative corrective measures. The fund ensures transparent financial tracking of all activities related to youth diversion services.
- Vehicle Replacement Fund – This fund is currently used to reserve for an upcoming fire engine purchase.

This budget is presented using a modified accrual basis to enhance the understanding of how funds are used. Basis of accounting refers to the point in time where revenues and expenditures are recognized in the City's financial system and statements. The modified accrual basis of accounting recognizes revenues when they become available and recognizes liabilities when they are incurred. The Governmental Funds use this basis of accounting, and all are appropriated.

Proprietary Fund types use the accrual basis of budgeting. Revenues are recorded when earned and expenses are recognized when liabilities are incurred. The City's financial audit utilizes the full accrual basis for these fund types which are different. For example, principal repayments are not reported as expenses, instead, they are recorded as reductions to long term liabilities on the balance sheet. The City's Proprietary Fund is the Utility Fund which is also appropriated. These funds are used to account for those City operations that mirror private business, where the intent is to provide a good or service to customers which are financed through user charges. The concept is to match incoming revenues to outgoing expenses when a transaction occurs rather than when cash is exchanged.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====



CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| Department | Major Funds | | | | Non-Major Funds | | |
|------------------------------|------------------|------------------|------------------|------------------------------|-------------------|------------------------|-----------------------|
| | General Fund | Enterprise Fund | Capital Fund | Public Improvement Districts | Debt Service Fund | Internal Service Funds | Special Revenue Funds |
| Administration | | | | | | | |
| Finance | X | | | | | | |
| Human Resources | X | | | | | | |
| Municipal Court | X | | | | | | X |
| Legislative | X | | | | | | |
| Communications | X | | | | | | |
| Technology Services | X | | | | | | X |
| Fire | X | | | | | X | |
| Police | X | | | | | | X |
| Animal Control | X | | | | | | |
| Development Services | X | | | | | | |
| Public Works | X | | X | | | | |
| Mowing | X | | | | | | |
| Utility | | | | | | | |
| Water | | X | | | | | |
| Wastewater | | X | | | | | |
| Solid Waste-Recycle | | X | | | | | |
| Debt Service | | X | | | | | |
| Capital | | X | X | | X | | X |
| Public Improvement Districts | | | | | | | |
| Escondido | | | | X | | | |
| Summit Rock | | | | X | | | |
| Included in Budget | Modified Accrual | Modified Accrual | Modified Accrual | Modified Accrual | Modified Accrual | Modified Accrual | Modified Accrual |
| Included in ACFR | Modified Accrual | Full Accrual | Modified Accrual | Modified Accrual | Modified Accrual | Modified Accrual | Modified Accrual |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Financial Management Policies

The City of Horseshoe Bay has an important responsibility to its citizens to carefully account for public funds, to manage municipal finances wisely, and to plan for adequate funding of services desired by the public. The main objective of the Financial Management Policy is to enable the City to achieve a long-term stable and positive financial condition. The key words of the City's financial management policy include integrity, stewardship, planning, accountability, and full disclosure.

The purpose of the Financial Management Policy is to provide guidelines for planning and directing the City's day-to-day financial affairs and to assist staff in developing recommendations to the City Council. Specifically, this policy framework mandates the pursuit of the following fiscal objectives:

Revenues: Design, maintain, and administer a revenue system that will assure a reliable, equitable, diversified, and sufficient revenue stream to support desired City services.

- The City shall strive to maintain a balance diversified revenue system to protect the City from fluctuation in any one source.
- For services that benefit specific users, when possible, the City shall establish and collect fees to recover the cost of those services. Where feasible and desirable, the City shall seek to recover full direct and indirect costs whereas not to prohibit economic development. City staff shall review user fees on a regular basis to calculate their full costs recovery levels, to compare them to the current fee structure, and to recommend adjustments where necessary.
- The City shall endeavor to balance its reliance on property tax revenues by revenue diversification, implementation and continued use of user fees, and economic development. The city should also strive to minimize tax rate increases.
- Utility rates and other Enterprise Funds user fees shall be set at levels sufficient to cover operating expenditures, meet debt obligations, provide additional funding for all improvements, and provide adequate levels of working capital.
- To maintain a stable level of services, the City shall use a conservative, objective, and analytical approach when preparing revenue estimates for current and multi-year periods. The process shall include the analysis and probability of 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 mid-year service reductions.

Expenditures: Identify priority services, establish and define appropriate service levels, and administer the expenditure of available resources to assure fiscal stability and the efficient delivery of services.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

- The City shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues plus the planned use of fund balances accumulated through prior years' savings.
- The City will utilize contracted labor for the provision of City services whenever private contractors can perform the established levels of service at the least expense to the City.
- The City shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue estimates are such that an operating deficit is projected at year-end.
- Through the Vehicle/Equipment Replacement Fund and within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at a sufficient level to protect the City's investment, to minimize future replacement and maintenance costs, and to continue services levels.
- Periodic program reviews for efficiency and effectiveness shall be performed. Programs not meeting efficiency or effectiveness shall be brought up to required standards or be subject to reduction or elimination.
- The City shall make every effort to maximize any discounts offered by creditors/vendors. Vendors with balances due to the City will have payments due to the vendor offset against the amount due the City.
- The City will follow state law concerning the amount of the purchase requiring formal bidding procedures and approval by the City Council. For purchases where competitive bidding is not required, the City shall obtain the most favorable terms and pricing possible. Every effort will be made to include minority business enterprises in the bidding process.

Capital Expenditures and Improvements: Annually review and monitor the condition of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives, and availability of resources.

- The City shall annually review the Capital Improvement Plan (CIP), the status of the City's infrastructure, replacement and renovation needs, and potential new projects to update the plan as appropriate. All projects, ongoing and proposed, shall be prioritized based on an analysis of current needs and resource availability. For every project, all operation, maintenance, and replacement costs shall be fully estimated and disclosed. The CIP shall also present the City's long-term borrowing plan, debt payment schedules, and other debt outstanding or planned, including general obligation bonds, revenue bonds, certificates of obligation, and lease/purchase agreements when appropriate.
- A capital asset will generally be defined as equipment that exceeds \$5,000 and has a useful life that exceeds one year.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

- The City shall annually prepare a schedule for the replacement of its vehicle/equipment capital assets associated with General Fund and Utilities Fund operations through the Vehicle/Equipment Replacement Fund. Capital assets included in this fund will be authorized by charges to the departments using the assets. The amortization charges will be sufficient for replacing the capital equipment at the end of its expected useful life. The amortization charges application of those funds for replacement purposes will be accounted for in the Vehicle/Equipment Replacement Fund.

Staffing and Training: Staffing levels shall be adequate for the fiscal departments of the City to function effectively. Overtime should be used only to address temporary or seasonal demands that require excessive hours. Possible ways to increase efficiency shall be explored before adding staff. However, the staffing levels should not be inadequate or marginal such that the internal controls are jeopardized, or personnel turnover rates are unacceptable. The City shall support the continuing educational efforts of all staff, including investment in time and materials for maintaining a current perspective concerning financial issues. Staff shall be held accountable for communicating, teaching, and sharing with other staff members all information and training materials acquired from seminars, conferences, and related education efforts.

Fund Balance/Working Capital/Retained Earnings: Maintain the fund balance, working capital and retained earnings of the various operating funds at levels sufficient to protect the City's creditworthiness as well as its financial position from emergencies which includes reserving 3 months personnel/operating expenses.

Debt Management: Establish guidelines for debt financing that will provide needed capital equipment and infrastructure improvements while minimizing the impact of the debt payments on current and future revenues.

- Debt financing shall only include general obligation bonds, revenue bonds, certificates of obligation, tax notes and lease/purchase agreements.
- Amortization of debt shall be structured in accordance with a multi-year capital improvement plan. The term of a debt issue will never exceed the useful life of the capital asset being financed.
- The City shall use an objective analytical approach to determine whether it can afford to assume new debt beyond the amount it retires each year. This process shall compare general accepted standards of affordability to the current values for the City. These standards shall include debt per capita, debt as a percent of taxable value, debt service payments as a percent of current revenues and current expenditures, and the level of overlapping net debt of all local taxing jurisdictions. The process shall also examine the direct costs and benefits of the proposed expenditures as determined in the City's annual update to the Capital Improvement Plan. The decision on whether to assume new debt shall be based on these costs and benefits.
- The notice of sale will be carefully constructed to ensure the best possible bid for the City, considering the existing market condition and other prevailing factors. Parameters to be examined may include limits between lowest and highest coupons, coupon requirements

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

relative to the yield curve, method of underwriter compensation, discount or premium coupons use of True Interest Cost (TIC) vs. Net Interest Cost (NIC), use of bond insurance, deep discount bonds, variable rate bonds, or call provisions.

- The City will be actively involved in the selection of all financial advisors, underwriters, paying agents, and bond counsel. The City will carefully itemize and scrutinize all costs associated with the issuance of the bonds.
- The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated bid.
- Full disclosure of operations and open lines of communication shall be made to the rating agencies. City staff, with the assistance of financial advisors, shall prepare the necessary materials and presentation for the rating agencies.
- The City is committed to continuing disclosure of financial and pertinent credit information relevant to the City's outstanding securities.
- The Finance Director and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. A proposed refunding of debt should provide value benefit as a percent of refunded principal of at least 3.5%.
- The maximum debt service rate is 2/3 of the maximum overall debt limit (which is \$1.50 for the City) or \$1.00/\$100 valuation.

Investments: Invest in the City's operating cash to ensure its safety, provide necessary liquidity and optimize yield.

Intergovernmental Relations: Coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing governmental services on an equitable basis and support appropriate favorable legislation at the state and federal level.

Grants: Investigate, pursue, and effectively administer federal, state and foundation grants-in-aid, which address the City's current priorities and policy objectives.

Economic Development: Initiate, encourage, and participate in economic development efforts to create job opportunities and strengthen the local economy and tax base.

Fiscal Monitoring: Prepare and present reports for the current and multi-year periods that analyze, evaluate, and forecast the City's financial performance and economic condition.

Accounting, Auditing, and Financial Reporting: Comply with prevailing federal, state, and local statutes and regulations. Conform to generally accepted accounting principles (GAAP) as implemented by the Governmental Accounting Standards Board (GASB), The American Institute of Certified Public Accountants (AICPA), and the Government Finance Officers' Association (GFOA).

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

- The City Council shall select an independent firm of certified public accountants to perform an annual audit of all operations. The audit firm must demonstrate that they have the breadth and depth of staff to handle the City's audit in a timely manner. The audited financial statement should be prepared and presented to Council for approval within 180 days of the close of the fiscal year.
- Consideration regarding the potential for inclusion of other entities, organizations, or functions in the City's reporting entity is based on criteria prescribed by generally accepted accounting principles (GAAP). These same criteria are evaluated in considering whether the City is a part of any other governmental or reporting entity. The overriding elements associated with prescribed criteria considered in determining the City's financial reporting entity status as that of a primary government are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments.
- Additional prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Internal Controls: maintain an environment to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition.

Risk Management: Prevent and/or reduce financial impact to the City due to claims and losses through prevention, through transfer of liability, and/or through a program of self-insuring of the liability.

Budget: Develop and maintain a balanced budget which presents a clear understanding of goals, services levels, and performance standards and which shall be to the extent possible "user friendly" for citizens. A balanced budget means revenues that meet or exceed expenditures.

| Financial Policy | Requirement | FY26 Budget | Complies |
|----------------------|---|-------------|----------|
| General Fund Reserve | 3 months (25%) | > 25% | Yes |
| Utility Fund Reserve | 3 months (25%) | > 25% | Yes |
| | 2/3 of maximum overall debt limit which is \$1.50 for the City) | | |
| Debt Service Rate | \$0.06675 | | Yes |
| Balanced Budget | Revenues > Expenditures | Yes | Yes |
| | | | |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Revenues by Type – All Funds

Revenue sources projected for FY 2025-26 total \$39 million (excluding transfers). In any budget, transfers between departments as well as transfers inside funds (e.g., transfers from fund balances to recognize revenues previously collected to be used for current projects) should not be recognized as current year revenue since money is being moved instead of generated for the City.

The largest source of these transfers occurs in the Capital Projects Fund where some projects are funded by bonds but take one or more fiscal years to complete or even begin. Excluding these transfers, the primary revenue categories for FY 26 are ad valorem tax revenues, utility revenues, sales and use tax revenues, and other source revenues (this year largely due to a proposed bond sale). These comprise 95% of the total budgeted revenues. The remaining categories total \$ million and include franchise fee revenues, license and permit revenues, fine and fee revenues, and interest revenues.

Many of the budgeted revenue sources are based on trend analysis of the data collected from the previous three years. Using prior totals can provide a solid starting point for predicting the next year's budget points and only require slight modifications for any economic factors which may change the total. The underlying assumption is that without a strong stimulus for change, the revenues should remain consistent. A large bond issue will disrupt the continuity, but the total amount to be included in the revenues should be known before the budget is completed. Other factors like residential growth and commercial growth can affect sales taxes or property taxes, but any development that will significantly alter the revenues will generally be known in advance through the permitting process and the revenues can be adjusted before budgeting.

There are forces which act on revenues that cannot be analyzed or anticipated even using historical trends. Revenues from utilities depend heavily on what the weather patterns are throughout the year. Court revenues vary with citations issued, which are dependent on human behavior and very difficult to predict. Interest rates have shown many finance departments how volatile and unpredictable the market can be in recent years. The only preventative measures that budget officers can take to decrease the impact of the more unpredictable revenue sources include constantly monitoring the financial and social world around to anticipate sharp changes, and to budget conservatively so that any sharp downward changes do not leave the City with revenue sources that cannot fully provide the services to the citizens that are expected.

Budgeted revenues from ad valorem (or property) taxes represent \$11.76 million of total revenues. Property tax revenues are based on a total tax rate for FY 2025-26 of \$0.267750 per \$100 of assessed valuation. Property tax collection is authorized by the State of Texas with a maximum of \$1.50 per \$100 of assessed valuation for maintenance and operations and debt service in cities with populations under 5,000 residents.

Sales and use tax revenues account for \$3.48 million in the budget. This includes the total sales tax collected for Horseshoe Bay (a portion goes directly towards maintaining streets), as well as the mixed beverage tax rate for the City. The sales tax rate in Horseshoe Bay is 8.25% for goods or services sold or delivered within the boundaries of the City. The tax is collected by businesses

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

that make the sales and is remitted to the State Comptroller of Public Accounts on a monthly, quarterly, or annual basis. Of the 8.25% tax, the State retains 6.25% and distributes 2% to the local municipalities. Of the total local share, 7/8 is deposited to the General Fund and 1/8 is allocated to the Public Works Department for street construction and maintenance.

Franchise fee and right-of-way revenues are anticipated to total \$274,444. Franchise fee revenues are derived from nonexclusive agreements the City has with utility providers that use the City's right-of-way to conduct business. Generally, the fees are based on a percentage of gross receipts or a per-unit usage charge (generated by customers located within the City's corporate limits).

License and permit revenues are projected to generate \$766,500 of total City revenues. These revenues cannot be relied upon while budgeting conservatively, so the budgeted amount was based on normal growth within the City.

Fine and fee revenues represent \$91,250 of total City revenues and consist of municipal court payments. As this category is based on humans and how they behave, there will be some fluctuation. The previous year marked an increase higher than most years and could be attributed to the growth in the housing market and the extra workers needed in the City who are being fined for their infractions.

Interest revenues are projected at \$820,000 for the year. After years of smaller interest rates (and one very low year) the interest paid on investments and pooled fund accounts increased dramatically in FY 23 and FY24 and levelled out in FY25. The FY 26 interest revenue is conservative which will temper expectations and excess earned interest may be used for expenditures which may arise during the year.

Other source revenues for FY 26 are budgeted at \$8.44 million of total revenues. This total includes a proposed \$4.9 million bond sale for street reconstruction and seal coating. Other items in this category may include insurance proceeds, contribution for a capital asset, sale of assets, grants, awards, and other revenues that do not fall into any of the other categories.

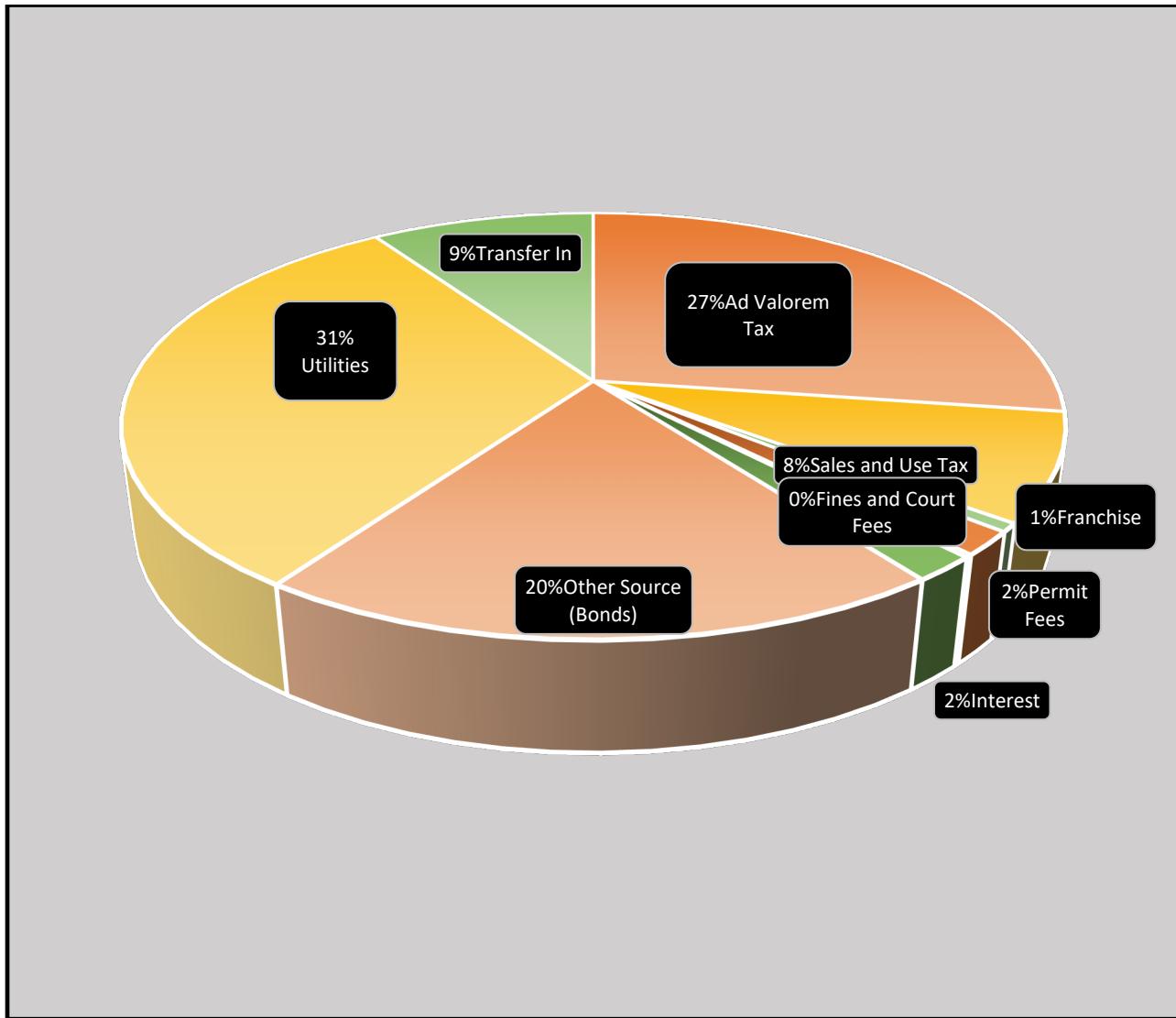
Utilities revenues are comprised of water, wastewater, and recycling charges for services. The projected amount for FY 26 is \$13.37 million of total City revenues. The service provider for trash collections requested a 3% increase in charges for the year. The water rates increased 9% to fund capital projects for the adopted 5-year capital plan. The water and sewer tap rates reflect a 15% increase to cover costs associated with new tap installations. There are several capital projects needed, and the Utilities Fund pays for bonds sold for projects by using fees collected. The slight increase is needed so that residents will hopefully not be burdened with a steep increase in the future should conditions normalize and the need for excess water consumption diminish.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Revenues by Type

FY 2025-26: \$42,029,258



CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Budget-In-Brief

This section serves as a concise overview of the budget—like a set of Cliff's Notes—providing the reader with a summary of the key information contained in the pages ahead. The overall tax rate for the City remained the same at \$0.26775/\$100. However, the property tax revenue budgeted for FY 26 is anticipated to increase \$563,153 (or 5.25%) compared to the FY 25 budgeted amount. The overall revenues for the General Fund (excluding transfers) are budgeted to increase to just over \$761,118 (or 5%). Most of the increases will come from property taxes, sales taxes, and fire department deployment revenue. After a steady trend from FY 22-FY25, the trend will continue for FY26.

Expenses for the General Fund also increased, due to new positions, fire department expenses (offset by revenue), and transfers of money both to the Vehicle Replacement Fund (which started in FY24 and is being used to set aside funds to help pay for a fire truck that should be delivered in 24 months) and to the capital fund for the new City Hall. In addition, most departments in the General Fund will see an increase in expenditures between \$100,000 and \$175,000. This is mainly due to the increase in pricing for goods (tariffs) and services still lingering from supply chain issues and product scarcity. Like the revenues for the General Fund, the expenditures will have risen four of the past five years. The fund balance has enough for the minimum reserve required by policy, has money earmarked for building a new City Hall, and still there is an unrestricted balance for any additional expenses that arise during the year.

Revenues for the Utilities Fund are projected to decrease in FY26, primarily because the FY25 budget included a one-time transfer of bond funds from the Capital Fund to offset capital improvement costs. That transfer will not recur in FY26. In addition, the insurance proceeds received in FY25 related to the chemical accident are not budgeted in FY26 due to remaining uncertainties; once final costs are identified, a budget amendment will be prepared to offset revenues and expenses and will net to zero. Overall, revenues will decline by nearly \$4 million (approximately 22%), entirely due to the nonrecurring bond fund transfer noted above and chemical accident insurance revenue.

Because the Utilities Fund is an enterprise-type fund, the capital projects are not presented separately as they are in the General Fund. This fact means that as the revenues increase/decrease for capital projects, the expenses in the fund should increase/decrease proportionately. As was stated in the revenues, approximately \$1 million of that decrease is attributable to the chemical accident expenditures in FY25 not recurring in FY26. Because capital projects are not separated out in the Utilities Fund, comparing budgets of different years becomes difficult as the reader must search to know how much of the variance is caused by single year projects.

To maintain fiscal health across the departments, the bond for the projects to be completed for FY25 relating to utilities will be repaid using property tax income instead of being backed by revenue from water and wastewater fees as is normally the procedure. In Fy26, the bond will be paid back by revenue from water and wastewater fees.

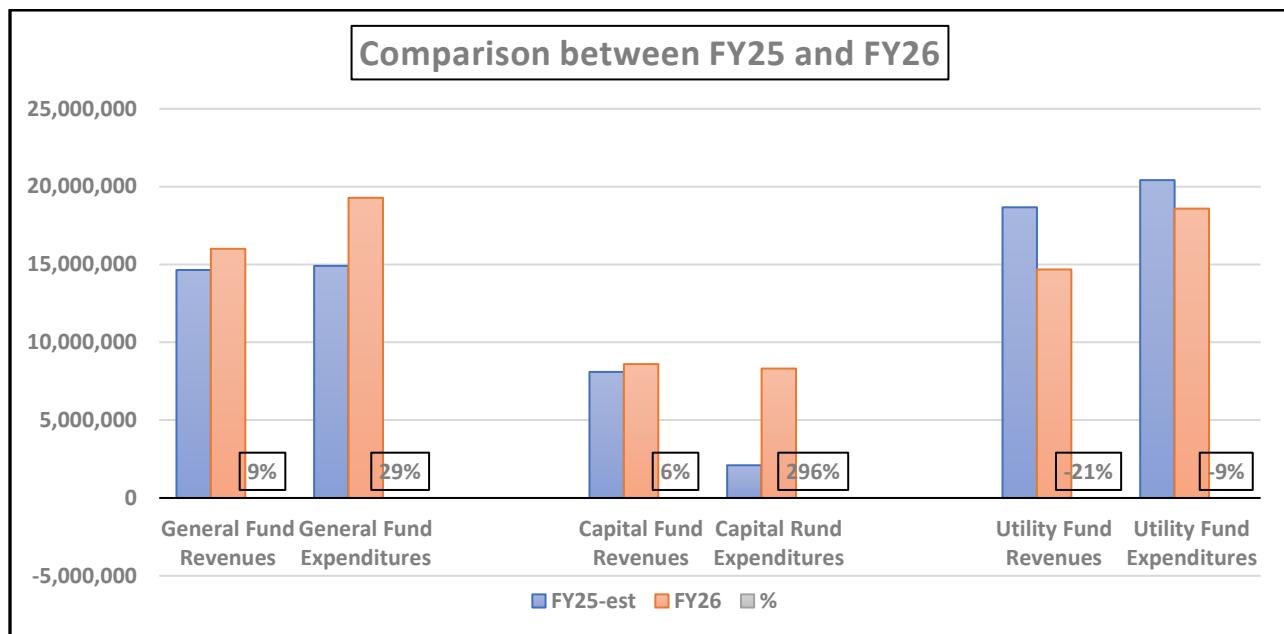
CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Also, impacting revenue and expenses will be transfers from the fund balance where money from previous bond sales and transfers into the balance are kept until the corresponding project requires funding to move forward with expenditures. As many of the projects planned for FY 25 should be completed during the year or the following year, and as most of the previous years did not see as much capital project activity, the total revenues and expenditures will be budgeted at \$14.7 and \$18.6 million respectively, (or -21% and -9% respectively) decrease. As stated previously in the budget messages, FY25 was more about working on larger-dollar capital improvements to infrastructure versus FY26.

For other capital projects not in the Utilities Fund, there will be a slight decrease in revenues and big increase in expenditures as bond money was used during FY 25 to begin, continue, and possibly complete several capital projects in various stages of progress such as the new City Hall and renovation of a fire station and will carry forward to FY26 when construction will be completed.

Even with all the development and work towards improving infrastructure, each fund is balanced and some even have surplus revenues which will be placed in the fund balance if that money is not needed for surprise expenditures which can and do arise most years. The City is financially healthy while not overburdening the taxpayers and service users. Any extra funds are held for emergency use or are being redirected, when possible, towards larger-dollar items to avoid interest payments from bond or lease payments. No significant changes were made to the proposed budget before it became the approved budget. After the July workshop and direction from City Council, staff was able to propose a budget that met the needs of the citizens, staff, and the Council members and had little to change to adopt other than estimated year-end totals as the City closed out FY 25.



CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

All Funds Summary

| 9.16.25 Council | UTILITIES FUND | GENERAL FUND | ESCONDIDO FUND | CAPITAL PROJECTS FUND | DEBT SERVICE FUND |
|---|--------------------|--------------------|-------------------|-----------------------------|-------------------------|
| SUMMARY FY26 BY TYPE | | | | | |
| Fund Balance - Beginning 10.1.25-unaudited | | | | | |
| | 10,729,175 | 8,802,244 | 936,442 | 516,452 | 30,961 |
| Revenues by Type | | | | | |
| Ad Valorem Tax Revenues | 750 | 8,307,903 | 347,000 | - | 3,102,903 |
| Sales and Use Tax Revenues | - | 3,483,850 | - | - | - |
| Franchise Fee/R.O.W. Revenues | - | 274,444 | - | - | - |
| Licenses and Permits Revenues | 7,500 | 759,000 | - | - | - |
| Fines and Fees Revenues | - | 76,050 | - | - | - |
| Interest Revenues | 111,000 | 300,000 | 34,000 | 325,000 | 50,000 |
| Other Source Revenues | 1,189,983 | 2,203,020 | - | 5,047,000 | - |
| Utilities Revenues | 13,367,618 | - | - | - | - |
| Transfer In Revenues | - | 600,000 | - | 3,227,038 | - |
| Total Revenues by Type | 14,676,851 | 16,004,267 | 381,000 | 8,599,038 | 3,152,903 |
| Expenditures by Type | | | | | |
| Personnel Services | 4,229,840 | 9,192,297 | - | - | - |
| Contractual Services | 3,968,533 | 2,226,875 | - | - | - |
| Maintenance/Repair | 2,114,400 | 478,315 | - | - | - |
| Other Services | 734,116 | 1,942,640 | 333,410 | 147,000 | - |
| Capital Outlays | 5,381,483 | 2,107,007 | - | 8,166,044 | - |
| Debt Service | 2,066,141 | - | - | - | 3,088,647 |
| Transfer Out | 92,500 | 3,333,538 | - | - | - |
| Total Expenditures by Fund | 18,587,012 | 19,280,672 | 333,410 | 8,313,044 | 3,088,647 |
| Revenues less Expenditures | (3,910,162) | (3,276,406) | 47,590 | 285,994 | 64,257 |
| Ending Fund Balance 9.30.26-unaudited | 6,819,013 | 5,525,838 | 984,032 | 802,446 | 95,217 |

| 9.16.25 Council | MC CHILD SAFETY FUND | CONS. COURT SEC/TECH FUND | YOUTH DIVERSION FUND | VEH/EQUIP REPLACE FUND | TOTAL |
|---|----------------------------|---------------------------------|----------------------------|------------------------------|--------------------|
| SUMMARY FY26 BY TYPE | | | | | |
| Fund Balance - Beginning 10.1.25-unaudited | | | | | |
| | 35,887 | (0) | - | 400,000 | 21,451,159 |
| Revenues by Type | | | | | |
| Ad Valorem Tax Revenues | - | - | - | - | 11,758,556 |
| Sales and Use Tax Revenues | - | - | - | - | 3,483,850 |
| Franchise Fee/R.O.W. Revenues | - | - | - | - | 274,444 |
| Licenses and Permits Revenues | - | - | - | - | 766,500 |
| Fines and Fees Revenues | 10,000 | 3,100 | 2,100 | - | 91,250 |
| Interest Revenues | - | - | - | - | 820,000 |
| Other Source Revenues | - | - | - | - | 8,440,003 |
| Utilities Revenues | - | - | - | - | 13,367,618 |
| Transfer In Revenues | - | - | - | 200,000 | 4,027,038 |
| Total Revenues by Type | 10,000 | 3,100 | 2,100 | 200,000 | 43,029,258 |
| Expenditures by Type | | | | | |
| Personnel Services | - | - | - | - | 13,422,137 |
| Contractual Services | - | - | - | - | 6,195,408 |
| Maintenance/Repair | - | - | - | - | 2,592,715 |
| Other Services | 6,000 | 2,100 | 2,100 | - | 3,167,366 |
| Capital Outlays | - | - | - | - | 15,654,534 |
| Debt Service | - | - | - | - | 5,154,787 |
| Transfer Out | - | 1,000 | - | 600,000 | 4,027,038 |
| Total Expenditures by Fund | 6,000 | 3,100 | 2,100 | 600,000 | 50,213,985 |
| Revenues less Expenditures | 4,000 | - | - | (400,000) | (7,184,726) |
| Ending Fund Balance 9.30.26-unaudited | 39,887 | (0) | - | - | 14,266,433 |

CITY OF HORSESHOE BAY, TEXAS

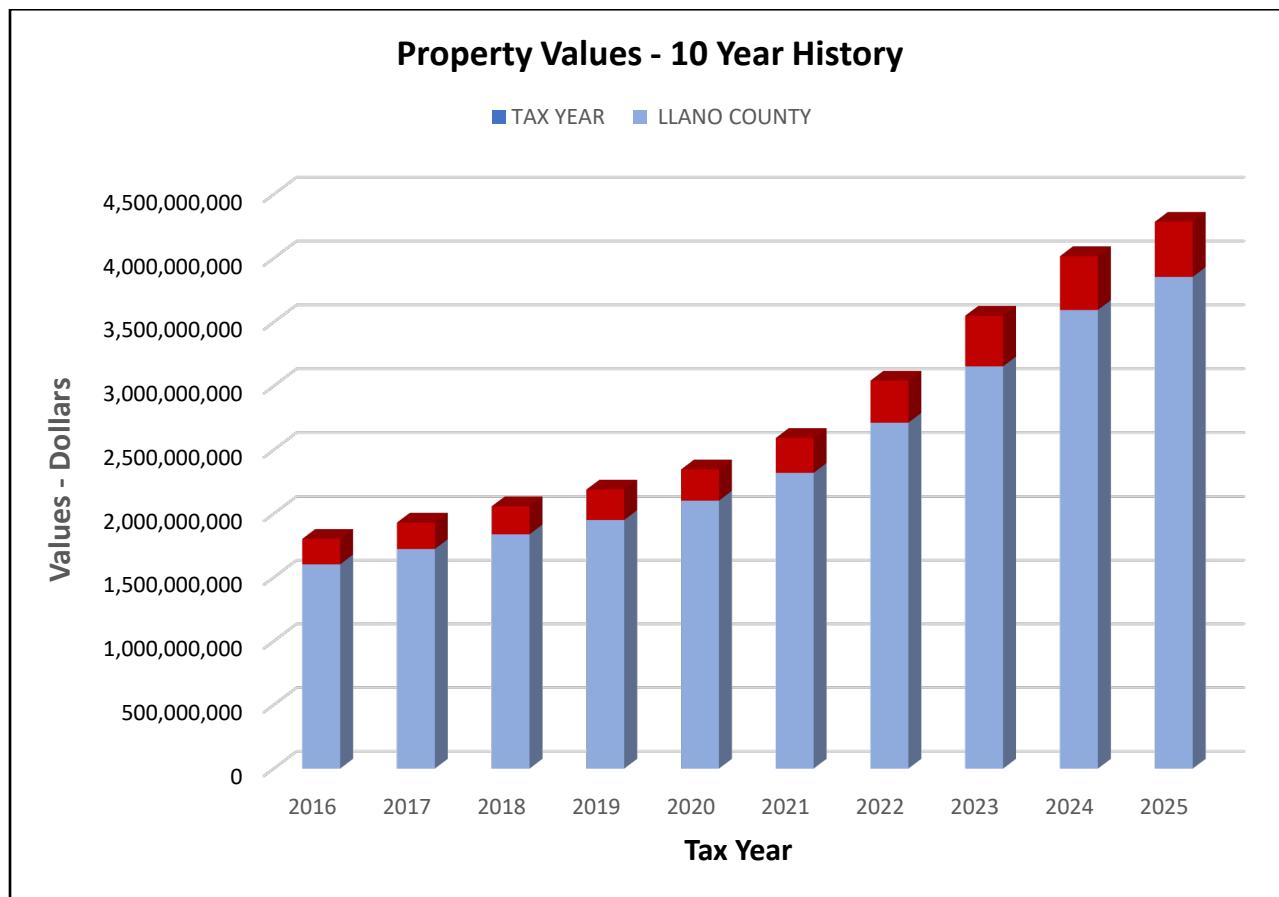
=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

SECTION 2: GENERAL FUND

The General Fund provides financing for the City's governmental services, which excludes water, wastewater, and solid waste operations. General Fund services consist of all public safety functions (including police, animal control and fire services), community services (including streets, parks, inspections, planning, and code enforcement), and administrative functions (including general management, legislative and legal services, elections, finance, and human resources). The City's main governmental buildings are maintained and operated as assets within the General Fund. General Fund revenues come from multiple sources but are mostly derived from property tax receipts. The City's largest expenditure category is compensation to personnel who ensure the provision of the services mentioned. The modified accrual basis of accounting is used for the General Fund.

The City of Horseshoe Bay receives operating revenue from multiple streams. Much like a well-organized business, the City does not solely rely on one large revenue source, but rather, the revenue is diversified. General Fund revenues are collected from property taxes, sales taxes, fund transfers, and street maintenance contracts.

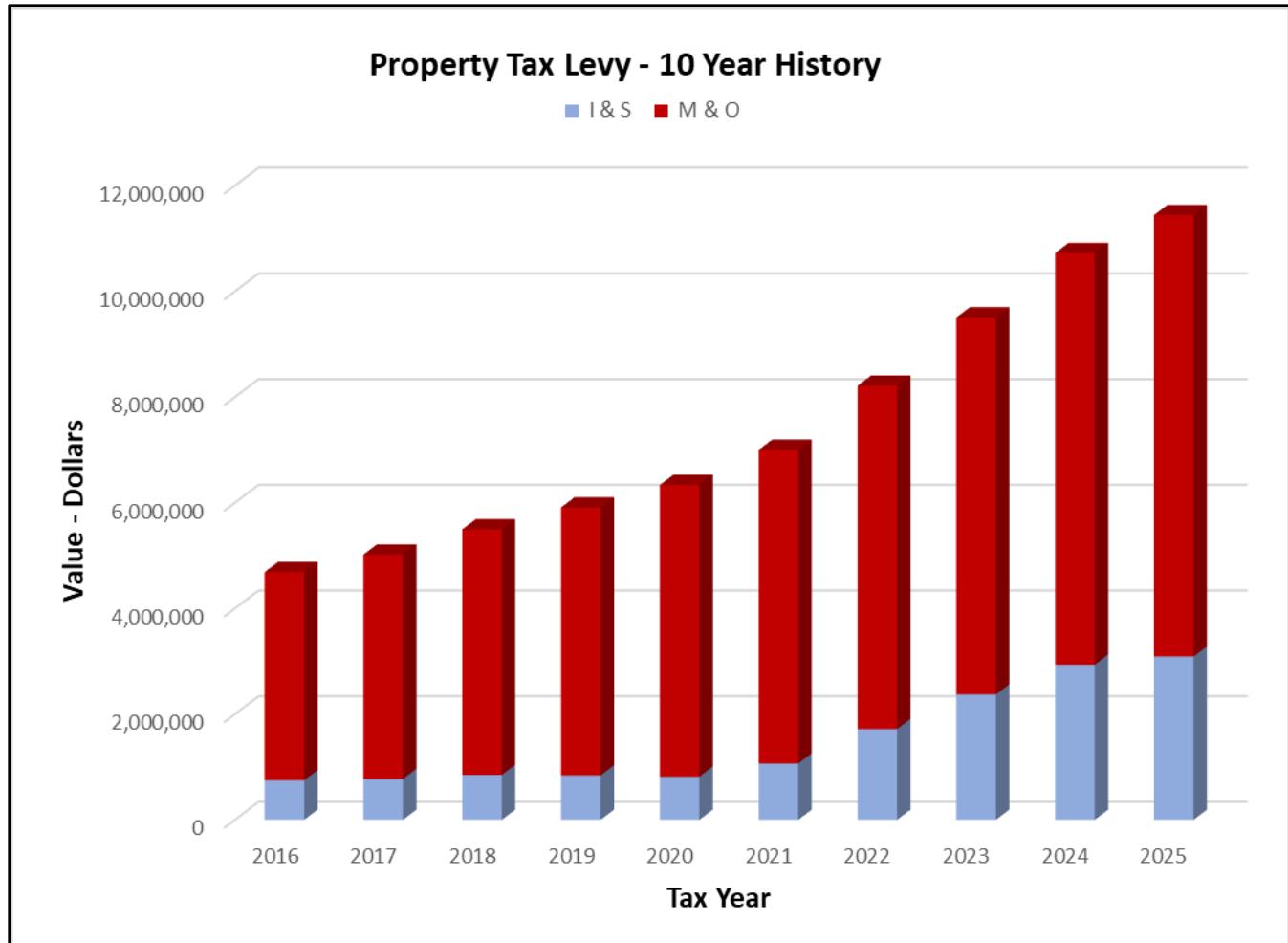
The largest source of City revenues is from property tax receipts, which are projected to account for 52% of the City's General Fund revenue. The City's total appraised taxable value exceeded \$2 billion in tax year 2018, in tax year 2022 it exceeded \$3 billion, and in tax year 2024 exceeded \$4 billion. For tax year 2025, the City saw an 8% increase in property valuations.



CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

The City's total property tax rate is divided into two portions. The first piece is the Maintenance and Operations (M&O) rate, and this part of the property tax levy is deposited into the City's General Fund to combine with other revenues to pay for the operations of the City each year. The second portion is the Interest and Sinking (I&S) rate. Proceeds from this levy are deposited into the separate Debt Service Fund and are used to repay debt that has been secured with property tax revenues.



CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

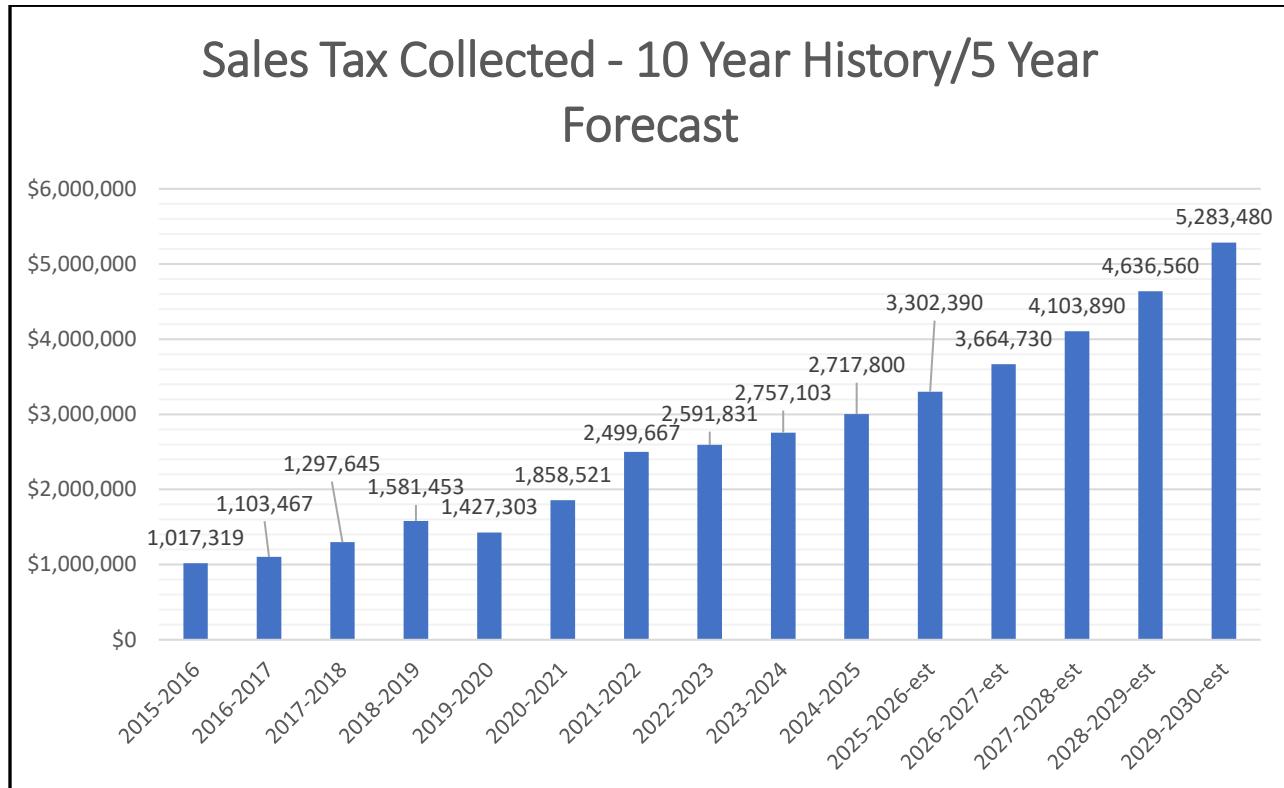
Many citizens are often unclear as to how much of their total tax bill is comprised of City taxes compared to other taxing entities. For those property taxpayers in the City within the boundaries of Llano County, there are four taxing entities: City of Horseshoe Bay, Llano Emergency Services District #1, Llano Independent School District, and Llano County, which also includes a separate Road and Bridge Tax. For those property taxpayers in the City within Burnet County limits, there are five taxing entities: City of Horseshoe Bay, Burnet Emergency Services District #1, Marble Falls Independent School District, Water Conservation District of Central Texas, and Burnet County, which also includes a separate Road and Bridge Tax. For a home valued at \$100,000, the property will pay an estimated \$267.75 in annual City property taxes, or \$22.31 per month, at the proposed \$0.26775 tax rate.

| TAX RATE HISTORY TABLE | | | | | | | | | | |
|------------------------|----------|----------|----------|----------------------------------|----------------|------------------|--------------|--------------|---------------|--------------|
| TAX YEAR | TAX RATE | | | APPROVED TAX ROLL ASSESSED VALUE | | | TAX LEVY | | | |
| | I & S | M & O | TOTAL | LLANO COUNTY | BURNET COUNTY | TOTAL | I & S | M & O | TOTAL | |
| 2006 | | | 0.500000 | | | | | | | |
| 2007 | | | 0.400000 | | | | | | | \$ 5,005,096 |
| 2008 | | | 0.350000 | | | | | | | \$ 5,044,091 |
| 2009 | | | 0.330000 | | | | | | | \$ 5,241,223 |
| 2010 | 0.028000 | 0.222000 | 0.250000 | \$ 1,412,000,000 | \$ 171,000,000 | \$ 1,583,000,000 | \$ 443,240 | \$ 3,514,260 | \$ 3,957,500 | |
| 2011 | 0.028000 | 0.222000 | 0.250000 | \$ 1,374,533,707 | \$ 173,407,475 | \$ 1,547,941,182 | \$ 433,424 | \$ 3,436,429 | \$ 3,869,853 | |
| 2012 | 0.028000 | 0.222000 | 0.250000 | \$ 1,343,758,031 | \$ 183,355,207 | \$ 1,527,113,238 | \$ 427,592 | \$ 3,390,191 | \$ 3,817,783 | |
| 2013 | 0.028000 | 0.222000 | 0.250000 | \$ 1,384,324,964 | \$ 186,946,922 | \$ 1,571,271,886 | \$ 439,956 | \$ 3,488,224 | \$ 3,928,180 | |
| 2014 | 0.028000 | 0.222000 | 0.250000 | \$ 1,437,323,807 | \$ 185,403,017 | \$ 1,622,726,824 | \$ 454,364 | \$ 3,602,454 | \$ 4,056,817 | |
| 2015 | 0.028000 | 0.222000 | 0.250000 | \$ 1,494,521,653 | \$ 196,022,157 | \$ 1,690,543,810 | \$ 473,352 | \$ 3,753,007 | \$ 4,226,360 | |
| 2016 | 0.041400 | 0.218600 | 0.260000 | \$ 1,601,593,349 | \$ 199,955,517 | \$ 1,801,548,866 | \$ 745,841 | \$ 3,938,186 | \$ 4,684,027 | |
| 2017 | 0.040000 | 0.220000 | 0.260000 | \$ 1,722,168,060 | \$ 207,280,938 | \$ 1,929,448,998 | \$ 771,780 | \$ 4,244,788 | \$ 5,016,567 | |
| 2018 | 0.041230 | 0.225790 | 0.267020 | \$ 1,837,165,951 | \$ 219,793,421 | \$ 2,056,959,372 | \$ 848,084 | \$ 4,644,409 | \$ 5,492,493 | |
| 2019 | 0.038364 | 0.231636 | 0.270000 | \$ 1,949,503,369 | \$ 238,574,138 | \$ 2,188,077,507 | \$ 839,434 | \$ 5,068,375 | \$ 5,907,809 | |
| 2020 | 0.034730 | 0.235270 | 0.270000 | \$ 2,101,237,471 | \$ 244,902,405 | \$ 2,346,139,876 | \$ 814,814 | \$ 5,519,763 | \$ 6,334,578 | |
| 2021 | 0.041036 | 0.228964 | 0.270000 | \$ 2,319,710,754 | \$ 272,686,943 | \$ 2,592,397,697 | \$ 1,063,816 | \$ 5,935,657 | \$ 6,999,474 | |
| 2022 | 0.056391 | 0.213609 | 0.270000 | \$ 2,711,835,180 | \$ 329,226,699 | \$ 3,041,061,879 | \$ 1,714,885 | \$ 6,495,982 | \$ 8,210,867 | |
| 2023 | 0.066744 | 0.201006 | 0.267750 | \$ 3,153,176,338 | \$ 396,192,325 | \$ 3,549,368,663 | \$ 2,368,991 | \$ 7,134,444 | \$ 9,503,435 | |
| 2024 | 0.073750 | 0.194000 | 0.267750 | \$ 3,594,340,575 | \$ 421,121,597 | \$ 4,015,462,172 | \$ 2,931,888 | \$ 7,790,649 | \$ 10,722,537 | |
| 2025 | 0.068510 | 0.199240 | 0.267750 | \$ 3,853,349,584 | \$ 431,029,751 | \$ 4,284,379,335 | \$ 3,086,903 | \$ 8,353,341 | \$ 11,440,244 | |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

The second largest source of City revenues is derived from sales tax receipts. FY 2026 sales tax revenues are budgeted at \$2,907,730. The City held an election in November 2025 in which the voters approved the use of the remaining 0.25% of the total sales tax allocated to counties and cities after the state collects 6.25%. The total local allocation is 2.00% and the City receives all that amount after the election where the City claimed the last percentages. City sales tax receipts are split into three ways to fund different activities. Of the 2.00% collection rate, the breakdown is as follows: 1.25% is dedicated to the City's General Fund operations; 0.50% is allocated to provide property tax payment reduction for Horseshoe Bay taxpayers; and 0.25% is dedicated to maintenance and repairs of City streets. The following chart shows historical totals of sales tax collected with a five-year forecast.



CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

General Fund Summary

| GENERAL FUND SUMMARY 9.16.25 | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|--------------------------|--------------------------|---------------------------|--------------------------|---------------------------|
| General Fund Revenues | | | | | |
| Administration | 780,434 | 933,290 | 106,050 | 119,190 | 104,050 |
| Fire Dept | 393,906 | 464,349 | 534,861 | 642,515 | 819,900 |
| Emerg Service District | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 |
| Taxes/Franchise Fees | 9,208,755 | 9,936,822 | 10,629,179 | 10,883,834 | 11,650,807 |
| Police Dept | 58,296 | 59,985 | 54,852 | 49,500 | 45,500 |
| Development Services | 1,132,031 | 1,017,998 | 1,009,500 | 761,008 | 760,500 |
| Street Maintenance | 974,024 | 1,026,474 | 1,147,400 | 1,088,777 | 1,149,510 |
| Mowing and Clearing | 539,681 | 505,534 | 558,824 | 561,325 | 565,000 |
| Interest | 546,977 | 728,197 | 550,000 | 528,000 | 300,000 |
| Transfer In | - | - | - | - | 600,000 |
| Total General Fund Revenues | <u>13,643,105</u> | <u>14,681,650</u> | <u>14,599,666</u> | <u>14,643,149</u> | <u>16,004,267</u> |
| General Fund Expenditures | | | | | |
| Administration | 2,441,919 | 2,764,776 | 2,371,567 | 2,237,290 | 2,566,339 |
| IT | 222,757 | 230,164 | 190,800 | 198,226 | 468,988 |
| Fire Dept | 2,937,323 | 3,522,109 | 3,426,466 | 3,501,972 | 5,109,007 |
| Police Dept | 3,045,928 | 3,157,188 | 3,415,679 | 3,450,872 | 4,008,140 |
| Animal Control | 125,505 | 166,872 | 293,672 | 321,572 | - |
| Development Services | 1,270,559 | 1,339,890 | 1,397,292 | 1,329,871 | 1,254,150 |
| Street Maintenance | 1,826,463 | 820,652 | 1,663,439 | 1,556,904 | 1,910,510 |
| Mowing and Clearing | 624,657 | 620,616 | 610,000 | 605,000 | 630,000 |
| Transfer Out | - | 380,139 | 4,551,725 | 1,707,879 | 3,333,538 |
| Total General Fund Expenditures | <u>12,495,111</u> | <u>13,002,407</u> | <u>17,920,640</u> | <u>14,909,586</u> | <u>19,280,672</u> |
| Net Revenues over (Expenditures) | <u>1,147,995</u> | <u>1,679,244</u> | <u>(3,320,974)</u> | <u>(266,437)</u> | <u>(3,276,406)</u> |
| Fund Balance - Beginning | 6,241,445 | 7,389,439 | 9,068,681 | 9,068,681 | 8,802,244 |
| Fund Balance - Ending | <u>7,389,439</u> | <u>9,068,681</u> | <u>5,747,707</u> | <u>8,802,244</u> | <u>5,525,838</u> |
| Restricted: Reserve-greater of 3 months (25%) or 2.5M | | | | | 3,460,032 |
| Restricted: Preliminary Design phase of the roundabout | | | | | 399,225 |
| Restricted - DRC Deposit/Escrows | | | | | 854,696 |
| Estimated Restricted Fund Balance - Next Year Vehicle Replacement Fund | | | | | 200,000 |
| Estimated Restricted Fund Balance - TAC | | | | | 95,000 |
| Estimated Restricted Fund Balance - Combined Facilities Yard | | | | | 213,200 |
| Reserve for Boat | | | | | 60,000 |
| Unrestricted | | | | | 243,685 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

General Fund Revenues

| Red GL Numbers are new. | | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|-------------------------------|------------------|------------------|--------------------|-------------------|-------------------|
| General Fund Revenues | | | | | | |
| Administration Revenue | | | | | | |
| 02-1000-40170 | ADMINISTRATIVE FEES | 660,500 | 841,830 | - | - | - |
| 02-1000-40175 | INSURANCE PROCEEDS | - | 7,539 | - | - | - |
| 02-1000-40179 | MILFOIL REIMBURSE - LLANO CO | - | - | 18,000 | 18,000 | 18,000 |
| 02-1000-40180 | OTHER INCOME | 14,125 | 10,713 | 10,000 | 24,000 | 10,000 |
| 02-1000-40189 | DONATIONS - FUCHS HOUSE | - | - | - | - | - |
| 02-1000-40193 | MUNICIPAL COURT REVENUE | 17,013 | 15,664 | 17,500 | 17,500 | 17,500 |
| 02-1000-40194 | TRAFFIC FINES | 79,883 | 51,713 | 55,000 | 55,000 | 55,000 |
| 02-1000-40198 | COLLECTION AGENCY REVENUE | 2,963 | 1,116 | 1,000 | 1,000 | 1,000 |
| 02-1000-40199 | FEES - WARRANTS | 3,668 | 3,034 | 2,500 | 2,500 | 2,500 |
| 02-1000-40201 | FEES - TRUANCY PREVENTION | 2,238 | 1,648 | 2,000 | 1,140 | - |
| 02-1000-40202 | FEES - JURY | 45 | 33 | 50 | 50 | 50 |
| 02-1000-40203 | AMERICAN RESCUE PLAN ACT | - | - | - | - | - |
| 02-1000-40204 | FEMA GRANT - WINTER STORM 21 | - | - | - | - | - |
| 02-1000-49999 | LEASE REVENUE | - | - | - | - | - |
| Total Administration Revenue | | 780,434 | 933,290 | 106,050 | 119,190 | 104,050 |
| Fire Dept Revenue | | | | | | |
| 02-5000-40175 | INSURANCE PROCEEDS | - | 6,564 | - | - | - |
| 02-5000-40180 | OTHER INCOME | 8,324 | 1,560 | 500 | - | - |
| 02-5000-40182 | SALE OF PROPERTY | - | 1,450 | 17,450 | 10,000 | 28,000 |
| 02-5000-40186 | OTHER INCOME - DONATION | 300 | 10,750 | 3,000 | 42,000 | 30,000 |
| 02-5000-40205 | GRANT-LCRA | - | 25,000 | - | - | - |
| 02-5000-40506 | FIRE FIGHTING SERVICES | 385,282 | 419,025 | 429,600 | 401,100 | 461,900 |
| 02-5000-40510 | DEPLOYMENT REV (TIFMAS REIMB) | - | - | 84,311 | 189,415 | 300,000 |
| Total Fire Dept Revenue | | 393,906 | 464,349 | 534,861 | 642,515 | 819,900 |
| Emerg Service District Revenue | | | | | | |
| 02-6000-40191 | LLANO COUNTY ESD #1 - RENT | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 |
| Total Emerg Service District Revenue | | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 |
| Taxes/Franchise Fees Revenue | | | | | | |
| 02-7000-40160 | PROPERTY TAX (M&O) | 6,465,772 | 7,050,818 | 7,790,649 | 7,790,649 | 8,252,903 |
| 02-7000-40162 | PENALTY & INTEREST (M&O) | 61,392 | 57,514 | 55,000 | 55,000 | 55,000 |
| 02-7000-40163 | MIXED BEVERAGE TAX | 134,416 | 143,378 | 153,860 | 156,000 | 160,730 |
| 02-7000-40165 | SALES TAX | 2,273,381 | 2,403,732 | 2,378,100 | 2,610,555 | 2,907,730 |
| 02-7000-40166 | PEC FRANCHISE FEE | 228,337 | 245,509 | 235,570 | 251,060 | 251,060 |
| 02-7000-40167 | TELEPHONE FRANCHISE FEE | 8,237 | 3,872 | 8,000 | 4,000 | 4,000 |
| 02-7000-40180 | OTHER INCOME | - | - | - | - | - |
| 02-7000-40211 | CABLE/VIDEO FRANCHISE FEE | 37,220 | 32,001 | 8,000 | 16,570 | 19,384 |
| 02-7000-40213 | PEG CHANNEL FEE | - | - | - | - | - |
| Total Taxes/Franchise Fees Revenue | | 9,208,755 | 9,936,822 | 10,629,179 | 10,883,834 | 11,650,807 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

General Fund Revenues (cont.)

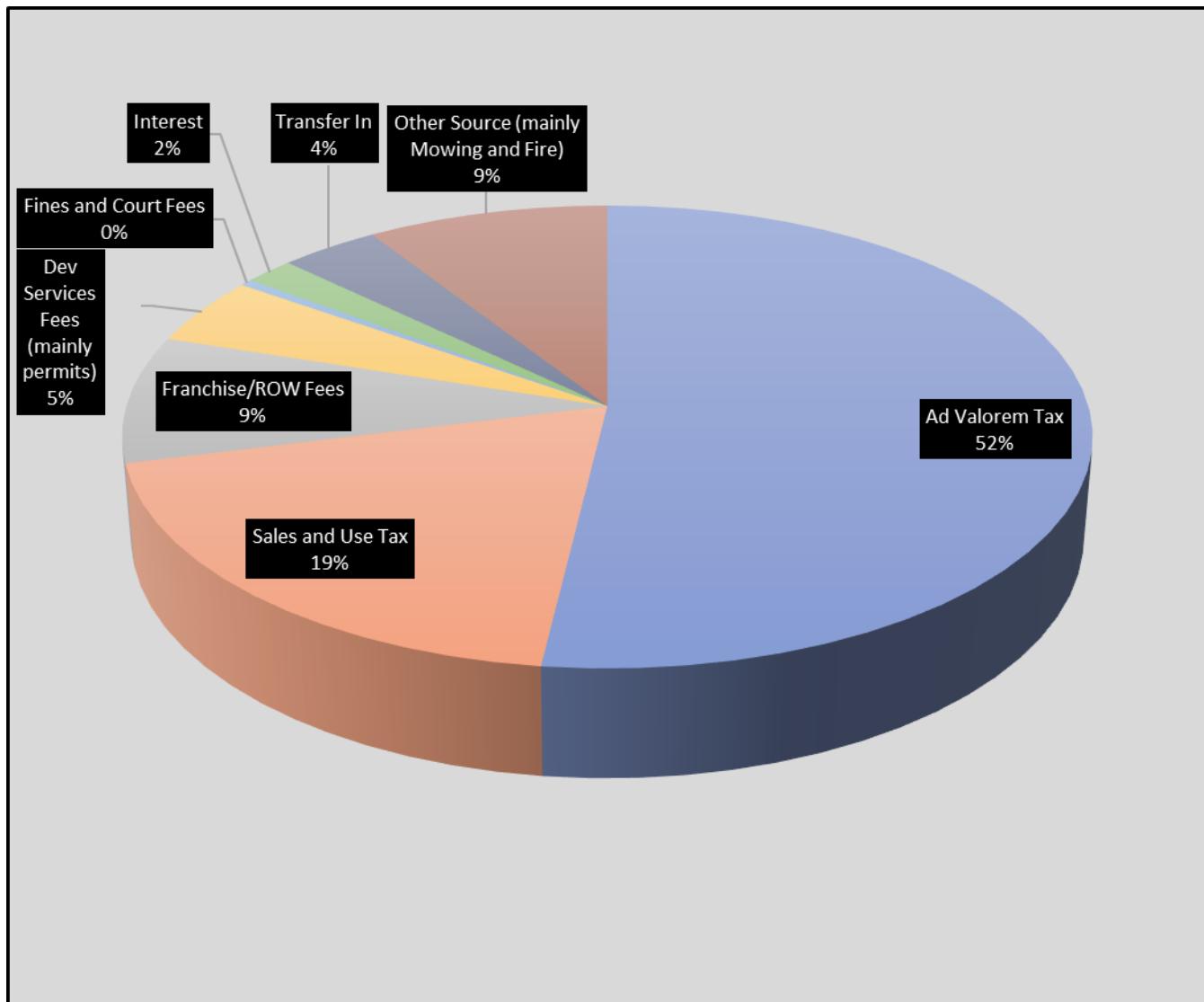
| Red GL Numbers are new. | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AND BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|---|-------------------|--------------------|-------------------|-------------------|
| General Fund Revenues | | | | | |
| Police Dept Revenue | | | | | |
| 02-8000-40175 | INSURANCE PROCEEDS | 14,367 | 36,544 | 15,000 | 15,000 |
| 02-8000-40180 | OTHER INCOME | 16,429 | 10,304 | 19,352 | 19,000 |
| 02-8000-40182 | SALE OF PROPERTY | 27,500 | 13,137 | 18,000 | 13,000 |
| 02-8000-40186 | OTHER INCOME - DONATION | - | - | 2,500 | 2,500 |
| Total Police Dept Revenue | 58,296 | 59,985 | 54,852 | 49,500 | 45,500 |
| Development Services Revenue | | | | | |
| 02-9500-40171 | CC CONVENIENCE FEE | 8,839 | 8,445 | 6,000 | 6,951 |
| 02-9500-40180 | OTHER INCOME | 4,900 | 2,788 | 1,500 | 600 |
| 02-9500-40182 | SALE OF PROPERTY | 1,000 | - | - | - |
| 02-9500-40183 | BUILDING PERMIT FEES-SF RESIDENCE | 953,997 | 928,145 | 825,000 | 323,781 |
| 02-9500-40184 | PLAT FEES | 24,640 | 20,220 | 17,500 | 11,000 |
| 02-9500-40185 | IRRIGATION PERMIT FEES | 24,271 | 10,073 | 8,500 | 7,000 |
| 02-9500-40187 | CONTRACTOR REGISTRATION | 8,100 | 10,128 | 8,000 | 8,000 |
| 02-9500-40188 | BLDG PERMITS-COMMERCIAL | - | - | 5,000 | 5,000 |
| 02-9500-40189 | BLDG PERMITS-RE-PERMIT FEE | - | - | 121,000 | 105,000 |
| 02-9500-40190 | BLDG PERMITS-ACCESSORY STRUCTURE | - | - | 81,150 | 70,000 |
| 02-9500-40191 | BLDG PERMITS-MISC FEE | - | - | 134,525 | 90,000 |
| 02-9500-40192 | ZONING FEES | 8,200 | 7,700 | 3,000 | 7,000 |
| 02-9500-40195 | MONARCH RIDGE REIMBURSEMENT | 23,034 | 1,100 | 50,000 | - |
| 02-9500-40205 | STR REGISTRATION FEE | 75,050 | 29,400 | 65,000 | 55,000 |
| 02-9500-40218 | DEVELOPMENT REVIEW COMM FEE | - | - | 25,000 | - |
| Total Development Services Revenue | 1,132,031 | 1,017,998 | 1,009,500 | 761,008 | 760,500 |
| Street Maintenance Revenue | | | | | |
| 02-9600-40165 | SALES TAX | 328,431 | 343,390 | 339,700 | 372,936 |
| 02-9600-40175 | INSURANCE PROCEEDS | 8,300 | 25,068 | 10,000 | 10,000 |
| 02-9600-40206 | THE HILLS POA | 5,972 | 6,163 | 6,300 | 6,329 |
| 02-9600-40207 | PECAN CREEK POA | 4,829 | 4,984 | 5,100 | 5,118 |
| 02-9600-40208 | APPLEHEAD POA | 7,528 | 7,769 | 7,900 | 7,979 |
| 02-9600-40209 | APPLEHEAD ISLAND POA | - | - | 1,500 | 2,753 |
| 02-9600-40210 | HORSESHOE BAY POA | 618,963 | 639,100 | 776,900 | 683,662 |
| Total Street Maintenance Revenue | 974,024 | 1,026,474 | 1,147,400 | 1,088,777 | 1,149,510 |
| 02-9800-40215 | MOWING | 539,681 | 505,534 | 558,824 | 561,325 |
| Total Mowing Revenue | 539,681 | 505,534 | 558,824 | 561,325 | 565,000 |
| 02-9900-40220 | INTEREST INCOME | 546,977 | 728,197 | 550,000 | 528,000 |
| Total Interest Revenue | 546,977 | 728,197 | 550,000 | 528,000 | 300,000 |
| 02-9995-48001 | XFER FROM - VEHICLE REPLACE FUND | - | - | - | 600,000 |
| Total Transfer In Revenue | - | - | - | - | 600,000 |
| Total General Fund Revenues | 13,643,105 | 14,681,650 | 14,599,666 | 14,643,149 | 16,004,267 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

General Fund Revenues by Type

FY 2025-26: \$16,004,267

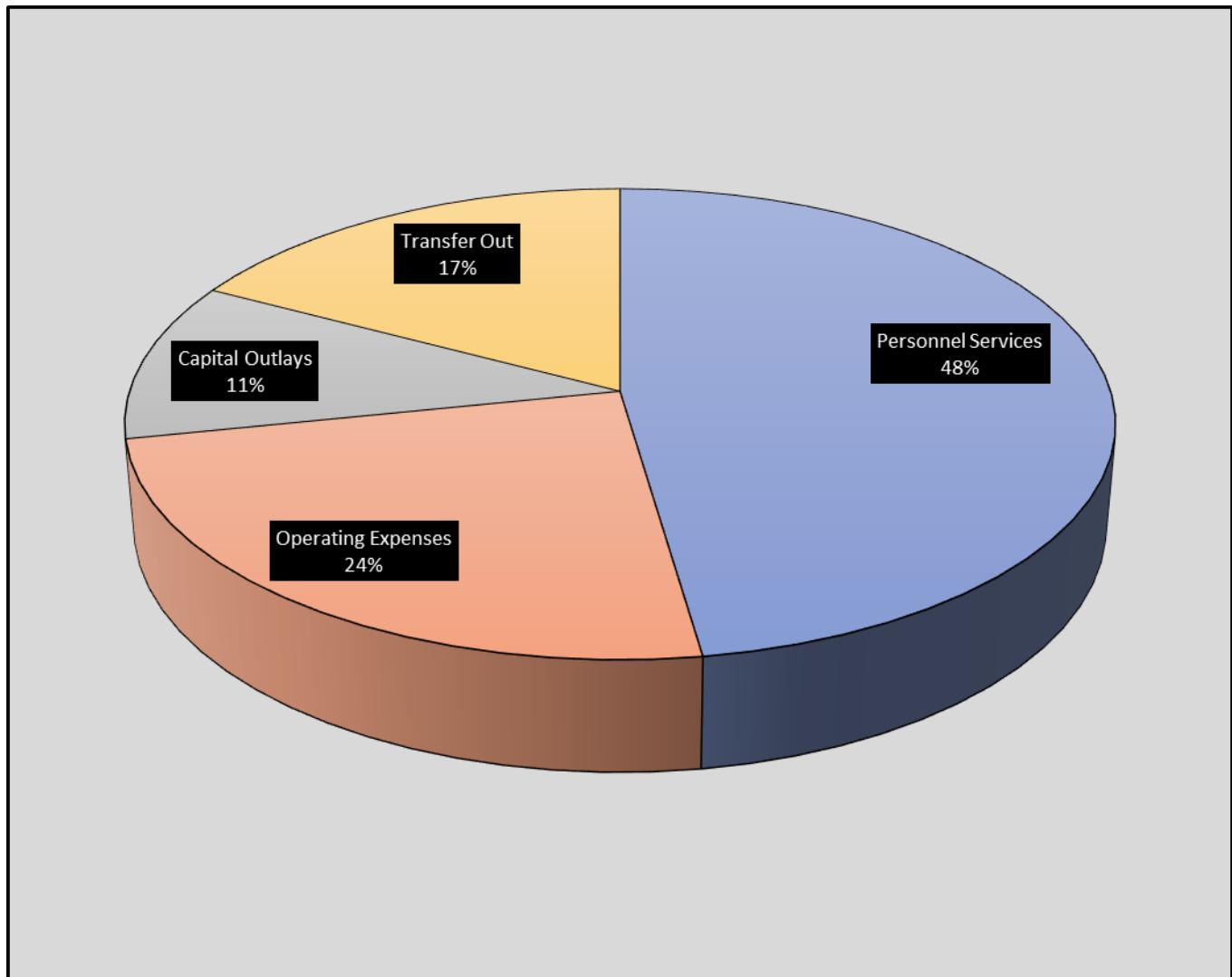


CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

General Fund Expenditures by Type

FY 2025-26: \$19,280,672



CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

General Fund – Administration

To provide professional management and administration for the City, implementing City Council policy decisions by directing, coordinating, monitoring, and evaluating all City government activities.

DESCRIPTIONS/PRIORITIES

- Execute the policies established by the City Council and administer the affairs of the City consistent with the City Charter and Code of Ordinances
- Develop the City's legislative platform, monitor pending legislation, and report on adopted bills in collaboration with the Texas Municipal League and the City's representatives.
- Promote open and responsive government through proper recording, maintenance, and preservation of the City's legislative history and official documents; provide responsive customer service to our citizens and neighbors; conduct fair and impartial City elections; enhance public participation in the municipal government process; improve public access to municipal records' and manage the City's monthly legislative processes.
- Collect, invest, distribute, and document all City funds
- Monitor and approve all City revenues and expenditures included in the budget and added through the budget amendment process
- Prepare the City employee payroll and administer employee benefits programs
- Prepare annual budget and Certified Annual Financial Report (CAFR) for the City
- Brand management and communication of news and events with citizens and employees
- Administration and disposition of Class C Misdemeanor charges within City boundaries as prescribed by the Texas Code of Criminal Procedure and Code of Judicial Conduct

GOALS FY 26

- Monitor and report on the 89th Texas Legislative Session (Leg Svs)
- Respond to all public information requests (PIR) within two days (Leg Svs)
- Codify all City Council approved Ordinances within 30 days of approval (Leg Svs)
- Successfully conduct general election and special elections (Leg Svs)
- Earn the Municipal Clerks Office Achievement of Excellence Award (Leg Svs Odd years)
- Earn GFOA Distinguished Budget Award (Fin)
- Maintain AA+ bond rating through Standard & Poor's (Fin)
- Finalize bond sale of \$8.9 million for infrastructure projects (Fin)
- Work with other departments to create public awareness campaigns (Comm)
- Maintains low turnover rate for employees throughout the City (HR)-ensures continuity of services, preserved City wide knowledge, reduces recruitment and training costs.
- Receive tier 3 certification through Texas Municipal Courts Education Ctr. (MC-ongoing)

| | FY 2023-24 | FY 2024-25 | FY 2024-25 | FY 2025-26 |
|-----------------------------------|----------------------|------------|------------|------------|
| | Actual | Target | Estimate | Target |
| Standard & Poor Bond Rating | AA+ | AA+ | AA+ | AA+ |
| Obtain GFOA Award | 7th Year | 8th Year | 8th Year | 9th Year |
| Earn the MCOAEA Award | 1 st Year | N/A | N/A | 2nd Year |
| PIR Responded to w/in 48 Hours | 97% | 90% | 97% | 97% |
| Ordinances Submitted w/in 30 Days | 73% | 100% | 73% | 73% |
| Turnover Rate for All Departments | 4.29% | 3.5% | 4.5% | 4.0% |
| New Cases Filed for Court | 435 | 615 | 415 | 425 |
| Warrants Issued | 200 | 70 | 152 | 175 |
| Public Awareness Campaigns | 6 | 6 | 7 | 6 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| | | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|------------------------------------|-------------------------------|--------------------|--------------------|-----------------------|----------------------|-------------------|
| Administration Expenditures | | | | | | |
| Personnel Services | | | | | | |
| 02-1000-50410 | SALARIES & WAGES | 840,686 | 936,457 | 690,400 | 650,800 | 718,100 |
| 02-1000-50411 | OVERTIME | 191 | 119 | 1,000 | 200 | 1,000 |
| 02-1000-50415 | FICA EXPENSE - ER | 60,718 | 68,751 | 52,900 | 47,300 | 55,000 |
| 02-1000-50420 | GROUP INSURANCE PREMIUM | 119,937 | 144,834 | 109,793 | 108,207 | 123,100 |
| 02-1000-50430 | 401(A) MONEY PURCHASE | 8,687 | - | - | - | - |
| 02-1000-50432 | 401(A) MATCH | 6,180 | - | - | - | - |
| 02-1000-50433 | TMRS | 71,327 | 74,950 | 57,100 | 56,000 | 57,500 |
| 02-1000-50435 | UNEMPLOYMENT EXPENSE | 7,611 | - | - | - | - |
| Total Personnel Services | | 1,115,338 | 1,225,111 | 911,193 | 862,507 | 954,700 |
| Contractual Services | | | | | | |
| 02-1000-50500 | ACCOUNTING/AUDITING FEES | 21,671 | 26,621 | 12,600 | 12,600 | 12,393 |
| 02-1000-50505 | PROFESSIONAL SERVICES | 25,582 | 56,754 | 120,000 | 70,000 | 73,800 |
| 02-1000-50506 | ELECTION CONTRACTS | 6,646 | 8,311 | 15,000 | 15,000 | 15,000 |
| 02-1000-50509 | APPRAISAL DIST FEES - BURNET | 12,368 | 12,245 | 17,454 | 17,483 | 18,303 |
| 02-1000-50510 | APPRAISAL DIST FEES - LLANO | 118,383 | 127,081 | 143,039 | 145,411 | 173,260 |
| 02-1000-50511 | DRAINAGE STUDY | 63,706 | 271,591 | 104,400 | 109,000 | 60,000 |
| 02-1000-50514 | TRANSPORTATION STUDY | 48,097 | 8,899 | 15,000 | 2,004 | - |
| 02-1000-50545 | MAINTENANCE CONTRACTS | 58,401 | 61,505 | 75,000 | 75,000 | 82,500 |
| 02-1000-50548 | CONTRACT LABOR-GRANTS | - | - | 45,000 | 45,000 | 45,000 |
| 02-1000-50564 | CODIFICATION | 6,419 | 6,720 | 12,000 | 12,000 | 12,000 |
| 02-1000-50565 | CITY COUNCIL EXPENSES | 10,297 | 25,918 | 20,000 | 20,000 | 20,000 |
| 02-1000-50566 | HISTORICAL COMMITTEE | - | 2,635 | 3,000 | 3,000 | 8,000 |
| 02-1000-50568 | ADVISORY COMMITTEES | - | 725 | 5,000 | 5,000 | 6,000 |
| 02-1000-50570 | DISPATCH EXPENSE | - | - | - | - | - |
| 02-1000-50575 | DUES/FEES/SUBSCRIPTIONS | 42,194 | 43,481 | 40,000 | 40,000 | 40,301 |
| 02-1000-50576 | LEASE - COPIER/STORAGE | - | 4,036 | 11,000 | 11,000 | 13,052 |
| 02-1000-50585 | ELECTRICITY | 35,763 | 38,909 | 38,000 | 40,831 | 91,000 |
| 02-1000-50591 | EOC TRAINING/SUPPLIES | 2,646 | - | 5,000 | 5,000 | 5,000 |
| 02-1000-50592 | EQUIPMENT/SUPPLIES | 4,425 | 17,121 | 25,846 | 25,846 | 25,000 |
| 02-1000-50593 | TRAVEL/TRAINING/SCHOOL | 27,664 | 37,003 | 44,675 | 44,675 | 58,855 |
| 02-1000-50596 | EMPLOYEE AWARDS PROGRAM | 18,921 | 14,949 | 22,000 | 22,000 | 22,000 |
| 02-1000-50597 | SPECIAL EVENTS | 11,100 | 14,705 | 36,200 | 25,000 | 28,000 |
| 02-1000-50610 | INSURANCE - PROPERTY/LIABILIT | 115,778 | 125,021 | 37,400 | 25,000 | 31,250 |
| 02-1000-50611 | WORKERS COMP INSURANCE | 155,878 | 149,533 | 87,300 | 82,033 | 82,745 |
| 02-1000-50620 | LEGAL EXPENSES | 124,695 | 118,139 | 115,000 | 115,000 | 123,500 |
| 02-1000-50625 | FIREWORKS | 12,875 | 15,000 | 15,000 | 17,000 | 17,000 |
| Total Contractual Services | | 923,510 | 1,186,900 | 1,064,914 | 984,883 | 1,063,959 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| | | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|------------------------------|--------------------|--------------------|-----------------------|----------------------|-------------------|
| Administration Expenditures | | | | | | |
| Maintenance/Repair | | | | | | |
| 02-1000-50630 | M&R - BUILDING | 70,634 | 76,595 | 88,352 | 85,000 | 125,000 |
| 02-1000-50650 | M&R - GROUNDS | 81,731 | 71,892 | 75,000 | 75,000 | 125,000 |
| Total Maintenance/Repair | | 152,365 | 148,487 | 163,352 | 160,000 | 250,000 |
| Other Services | | | | | | |
| 02-1000-50753 | CITY BANKING FEES | 4,259 | 4,985 | 4,500 | 4,500 | 4,500 |
| 02-1000-50765 | OTHER EXPENSES | 16,315 | 23,041 | 16,100 | 16,100 | 18,000 |
| 02-1000-50775 | POSTAGE | 5,293 | 6,380 | 7,000 | 7,000 | 7,000 |
| 02-1000-50780 | PRINTING/OFFICE SUPPLIES | 28,286 | 16,062 | 28,000 | 28,000 | 40,000 |
| 02-1000-50781 | GENERAL SUPPLIES | 9,735 | 7,590 | 9,000 | 9,000 | 18,000 |
| 02-1000-50810 | PHONE/INTERNET | 48,041 | 49,992 | 53,000 | 53,000 | 73,000 |
| 02-1000-50812 | PUBLIC CAMPAIGNS | - | 2,493 | 10,000 | 10,000 | 18,000 |
| 02-1000-50824 | EXPENSE - WARRANTS | 2,000 | 2,350 | 2,000 | 2,000 | 2,000 |
| 02-1000-50826 | MUNICIPAL COURT JUDICIAL STA | 36,000 | 36,000 | 36,000 | 36,000 | 48,000 |
| 02-1000-50830 | UNIFORMS | - | - | - | 500 | 1,680 |
| 02-1000-50841 | CENTRAL TEXAS WATER COALITIC | - | - | - | 5,000 | 5,000 |
| 02-1000-50842 | WORKFORCE NETWORK | 10,000 | - | 10,000 | 5,000 | 5,000 |
| 02-1000-50867 | GOLDEN NUGGET NATURE PARK | 12,500 | - | - | - | - |
| 02-1000-50870 | FUCHS HOUSE | - | 12,240 | 26,008 | 23,300 | - |
| 02-1000-50871 | MILFOIL TREATMENT | - | - | 18,000 | 18,000 | 18,000 |
| 02-1000-50997 | PEG FEES REPAYMENT | 37,220 | 11,027 | - | - | - |
| 02-1000-50998 | LEASES - INTEREST | 2,268 | 1,968 | - | - | - |
| 02-1000-50999 | LEASES - PRINCIPAL | 15,109 | 19,748 | - | - | - |
| Total Other Services | | 237,526 | 204,277 | 232,108 | 229,900 | 270,680 |
| Capital Outlays | | | | | | |
| 02-1000-50955 | CAP OUT - MACHINE/EQUIPMENT | 13,180 | - | - | - | 27,000 |
| Total Capital Outlays | | 13,180 | - | - | - | 27,000 |
| Total Administration Expenditures | | 2,441,919 | 2,764,776 | 2,371,567 | 2,237,290 | 2,566,339 |

| ADMIN PERSONNEL SCHEDULE | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Actual | FY 26 Budget |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| City Manager | 1 | 1 | 1 | 1 | 1 |
| Executive Assistant to the City Manager | 0 | 0 | 1 | 1 | 1 |
| Assistant City Manager | 0 | 0 | 0 | 1 | 1 |
| City Secretary/Legislative Services Director | 1 | 1 | 1 | 1 | 1 |
| Deputy City Secretary/Records & Information Manager | 1 | 1 | 1 | 1 | 1 |
| Legislative Services Administrator | | | | | 1 |
| Finance Director | 1 | 1 | 1 | 1 | 1 |
| Senior Accountant/Court Administrator | 1 | 1 | 1 | 1 | 1 |
| Finance Clerk | 1 | 1 | 1 | 1 | 1 |
| Finance Administrative Asst (moved to PW FY26) | 1 | 1 | 1 | 1 | 0 |
| Purchasing Coordinator | | | | | 1 |
| Human Resources Director | 1 | 1 | 1 | 1 | 1 |
| Human Resources Administrator | 1 | 1 | 1 | 1 | 1 |
| Communications Director | 0 | 1 | 1 | 1 | 1 |
| TOTAL | 9 | 10 | 11 | 12 | 13 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

General Fund – Technology Services/GIS

Responsible for implementing and maintaining all computer hardware and software systems for the City of Horseshoe Bay.

DESCRIPTIONS/PRIORITIES

- First and primary point of contact for the activities associated with the City's server and computer network, help desk, and assigned specialty systems
- Responsible for all storage and backup management by performing, monitoring, documenting, and verifying information storage systems, schedules, and tests
- Maintains organizational service levels and business targets for the use of Information Technology Systems, including LAN/WAN networks, hardware, software, infrastructure, security, and other specialty systems
- Plots and collected location valves, water lines, and sewer lines

GOALS FY 26

- Continue cybersecurity training and use phishing testing for employee education (IT)
- Reduce the number of antivirus-detected threats by increasing employee awareness (IT)- this will reduce vulnerabilities, protect city systems and data, and minimize the risk of operational disruptions and financial losses from cyber threats.
- GNSS receiver – start plotting/collection location valves/water lines/sewer lines (GIS)
- Update data every 14 days (GIS)

| | FY 2023-24 | FY 2024-25 | FY 2024-25 | FY 2025-26 |
|----------------------------------|------------|------------|------------|------------|
| | Actual | Target | Estimate | Target |
| Cybersecurity Training | 100% | 100% | 100% | 100% |
| Phish Rate (clicks by employees) | 3.00% | 2.00% | 2.00% | 0.00% |
| GIS Updates within 14 days | 100.00% | 100.00% | 100.00% | 100.00% |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| new GL number | | FY 2022 ACTUAL | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|-----------------------------|-------------------|--------------------|--------------------|-----------------------|----------------------|-------------------|
| Technical Services Expenditures (incl GIS in FY26 forward) | | | | | | | |
| Personnel Services | | | | | | | |
| 02-3000-50410 | SALARIES & WAGES | 141,757 | 89,321 | 99,285 | 71,200 | 68,400 | 186,800 |
| 02-3000-50415 | FICA EXPENSE - ER | 10,062 | 6,444 | 7,351 | 5,400 | 5,100 | 14,300 |
| 02-3000-50420 | GROUP INSURANCE PREMIUM | 29,552 | 16,373 | 15,988 | 10,400 | 10,666 | 35,660 |
| 02-3000-50430 | 401(A) MONEY PURCHASE | 8,435 | 1,193 | - | - | - | - |
| 02-3000-50432 | 401(A) MATCH | 3,008 | - | - | - | - | - |
| 02-3000-50433 | TMRS | - | 5,932 | 8,238 | 5,900 | 5,890 | 14,900 |
| Total Personnel Services | | 192,814 | 119,263 | 130,863 | 92,900 | 90,056 | 251,660 |
| Contractual Services | | | | | | | |
| 02-3000-50505 | PROFESSIONAL SERVICES | 664 | 3,748 | 2,931 | 5,000 | 5,000 | 8,750 |
| 02-3000-50545 | MAINTENANCE CONTRACTS | 100,576 | 58,423 | 47,783 | 39,800 | 43,100 | 119,811 |
| 02-3000-50575 | DUES/FEES/SUBSCRIPTIONS | 41,036 | 40,406 | 48,216 | 36,800 | 36,770 | 39,841 |
| 02-3000-50576 | COPIER LEASE | - | - | - | - | - | 7,896 |
| 02-3000-50592 | EQUIPMENT/SUPPLIES | 132 | 622 | 95 | 3,000 | 3,000 | 3,000 |
| 02-3000-50593 | TRAVEL/TRAINING/SCHOOL | 160 | 296 | - | 1,000 | - | 12,570 |
| Total Contractual Services | | 142,568 | 103,495 | 99,025 | 85,600 | 87,870 | 191,868 |
| Other Services | | | | | | | |
| 02-3000-50765 | OTHER EXPENSE | - | - | - | - | - | 1,700 |
| 02-3000-50780 | PRINTING/OFFICE SUPPLIES | - | - | - | - | - | 2,460 |
| 02-3000-50830 | UNIFORMS | - | - | 277 | 300 | 300 | 1,300 |
| Total Other Services | | - | - | 277 | 300 | 300 | 5,460 |
| Capital Outlays | | | | | | | |
| 02-3000-50955 | CAP OUT - MACHINE/EQUIPMENT | - | - | - | 12,000 | 20,000 | 20,000 |
| Total Capital Outlays | | - | - | - | 12,000 | 20,000 | 20,000 |
| Total Technical Services Expenditures | | 335,381 | 222,757 | 230,164 | 190,800 | 198,226 | 468,988 |

| TECHNOLOGY PERSONNEL SCHEDULE | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Information Technology Administrator | 1 | 1 | 1 | 1 | 1 |
| GIS Administrator | 1 | 0 | 0 | 0 | 1 |
| Asset Management Technician | | | | | 1 |
| TOTAL | 2 | 1 | 1 | 1 | 3 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

General Fund – Fire Department

The mission of the Fire Department is to provide a safe, professional, and courteous team that strives to exceed the expectations of the community. Our team will maintain a capable, aggressive, all-hazard Fire Department that is focused on “Serving and protecting our citizens while preserving our heritage and planning for our future.”

DESCRIPTIONS/PRIORITIES

- Department is staffed by 27 full-time firefighters; this staff includes a Fire Chief, an Assistant Chief and three (3) Shift Captains
- Department operates out of two fire stations with the Central Fire Station located next to City Hall and Station 2 in Horseshoe Bay West. There is a minimum of six (6) firefighters on duty 24 hours a day.
- Horseshoe Bay is an all-hazard Fire Department. The firefighters respond to structure fires, brush fires, vehicle fires, technical rescues, and medical incidents
- Conduct fire safety inspections on all commercial properties annually
- Coordinate all planning and preparedness activities for emergency management
- Conduct fire investigations to determine cause and origin

GOALS FY26

- Complete required training hours per person
- Reduce Insurance Services Office (ISO) classification which affects property insurance costs throughout the community-lower ISO ratings improve property insurance classifications for the community, which can reduce homeowners' and businesses' insurance premiums. This supports public safety objectives and community economic well-being.
- Complete all inspections and pre-plans of commercial buildings/facilities
- Meet or exceed national standards for response times
- Test and maintain all fire hoses, ladders, and pumping apparatus
- Outfit apparatus for wildfire and all-hazards TIFMAS deployments
- Place new Station 2 into full service
- Accept and place in service new Engine 12

| | FY 2023-24 | FY 2024-25 | FY 2024-25 | FY 2025-26 |
|------------------------------------|------------|------------|------------|------------|
| | Actual | Target | Estimate | Target |
| Completed 192 Hours Training | 128.00% | 100.00% | 109% | 100.00% |
| EMS Turnout Time <60 Seconds | 76.92% | 100.00% | 65.93% | 90.00% |
| Fire Turnout Time <80 Seconds | 100.00% | 100.00% | 79.20% | 90.00% |
| Average Response Time - Fire Calls | 00:06:40 | 00:04:00 | 00:08:18 | 00:06:00 |
| Average Response Time - EMS Calls | 00:06:17 | 00:08:00 | 00:06:47 | 00:08:00 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| Red GL Numbers are new. | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|------------------|------------------|--------------------|-------------------|------------------|
| Fire Dept Expenditures | | | | | |
| Personnel Services | | | | | |
| 02-5000-50410 SALARIES & WAGES | 1,869,939 | 1,895,263 | 2,087,364 | 2,005,500 | 2,327,100 |
| SALARIES & WAGES-deployment | - | - | - | 53,540 | 84,798 |
| 02-5000-50411 OVERTIME | 169,817 | 163,133 | 212,537 | 154,500 | 160,000 |
| OVERTIME-deployment | - | - | - | 66,732 | 105,692 |
| 02-5000-50412 SALARIES - PART TIME | 24,137 | 27,477 | 22,300 | 22,300 | - |
| 02-5000-50415 FICA EXPENSE - ER | 147,109 | 152,669 | 172,500 | 172,500 | 190,300 |
| FICA EXPENSE - ER-deployment | - | - | - | 9,789 | 15,504 |
| 02-5000-50420 GROUP INSURANCE PREMIUM | 314,383 | 335,713 | 315,700 | 354,648 | 392,260 |
| GROUP INSURANCE PREM-deployment | - | - | - | 13,136 | 20,806 |
| 02-5000-50430 401(A) MONEY PURCHASE | 21,932 | - | - | - | - |
| 02-5000-50432 401(A) MATCH | 16,553 | - | - | - | - |
| 02-5000-50433 TMRS | 128,056 | 168,621 | 184,400 | 200,000 | 199,000 |
| TMRS-deployment | - | - | - | 9,242 | 14,638 |
| Total Personnel Services | 2,691,928 | 2,742,877 | 2,994,801 | 3,061,888 | 3,510,097 |
| Contractual Services | | | | | |
| 02-5000-50437 RELOCATION EXPENSE | 8,530 | - | - | - | - |
| 02-5000-50505 PROFESSIONAL SERVICES | 29,833 | 8,719 | 8,000 | 8,000 | 8,500 |
| 02-5000-50545 MAINTENANCE CONTRACTS | 10,025 | 6,788 | 9,800 | 10,000 | 10,500 |
| 02-5000-50548 CONTRACT SERVICES | - | 1,500 | 29,500 | 7,359 | 7,000 |
| 02-5000-56008 CONTRACT SERVICES-chemical accident | - | - | - | 6,318 | - |
| 02-5000-50575 DUES/FEES/SUBSCRIPTIONS | 7,727 | 4,897 | 6,250 | 6,000 | 6,250 |
| 02-5000-50576 LEASE - COPIER | - | 50 | 4,500 | 3,000 | 3,500 |
| 02-5000-50592 EQUIPMENT/SUPPLIES | 45,116 | 37,988 | 40,000 | 52,000 | 42,000 |
| 02-5000-50593 TRAVEL/TRAINING/SCHOOL | 28,570 | 32,249 | 37,381 | 36,590 | 35,590 |
| 02-5000-50593 TRAVEL/TRAINING/SCHOOL-deployment | - | - | - | 15,941 | 25,248 |
| 02-5000-50594 FIRE PROTECTION GEAR | 21,941 | 24,036 | 18,000 | 18,000 | 30,000 |
| 02-5000-50595 FUEL/MAINTENANCE | 20,108 | 21,066 | 24,000 | 23,000 | 24,000 |
| 02-5000-50598 WELLNESS PROGRAM | 7,190 | 21,875 | 22,500 | 22,542 | 24,000 |
| Total Contractual Services | 179,041 | 159,168 | 199,931 | 208,751 | 216,588 |
| Maintenance/Repair | | | | | |
| 02-5000-50640 M&R - EQUIPMENT | 9,942 | 10,980 | 18,000 | 18,000 | 19,000 |
| 02-5000-50650 M&R - GROUND | - | 2,400 | 4,200 | 3,900 | 5,000 |
| 02-5000-50651 M&R - FIRE HYDRANT | - | - | - | - | 25,000 |
| 02-5000-50685 M&R - VEHICLES-deployment | - | - | - | 21,034 | 33,315 |
| 02-5000-50685 M&R - VEHICLES | 28,440 | 82,433 | 81,034 | 60,000 | 90,000 |
| Total Maintenance/Repair | 38,382 | 95,813 | 103,234 | 102,934 | 172,315 |
| Other Services | | | | | |
| 02-5000-50765 OTHER EXPENSES | 13,181 | 17,735 | 10,600 | 12,000 | 12,000 |
| 02-5000-50775 POSTAGE | 239 | 228 | 250 | 250 | 250 |
| 02-5000-50780 PRINTING/OFFICE SUPPLIES | 531 | 1,116 | 1,500 | 1,500 | 1,500 |
| 02-5000-50800 SAFETY EQUIPMENT/SUPPLIES | 4,923 | 9,211 | 10,000 | 10,000 | 11,000 |
| 02-5000-50811 TELECARE PROGRAM | - | 144 | 750 | 250 | 250 |
| 02-5000-50829 PUBLIC SAFETY DONATIONS | - | 10,163 | 1,000 | - | - |
| 02-5000-50830 UNIFORMS | 9,099 | 18,394 | 18,000 | 18,000 | 24,000 |
| Total Other Services | 27,973 | 56,990 | 42,100 | 42,000 | 49,000 |
| Capital Outlays | | | | | |
| 02-5000-50955 CAP OUT - MACHINE/EQUIPMENT | - | 63,186 | - | - | - |
| 02-5000-50956 CAP OUT - VEHICLES | - | 404,075 | 86,400 | 86,400 | 1,161,007 |
| Total Capital Outlays | - | 467,261 | 86,400 | 86,400 | 1,161,007 |
| Total Fire Dept Expenditures | 2,937,323 | 3,522,109 | 3,426,466 | 3,501,972 | 5,109,007 |
| FIRE PERSONNEL SCHEDULE | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
| Fire Chief | 1 | 1 | 1 | 1 | 1 |
| Assistant Fire Chief | 1 | 0 | 0 | 0 | 0 |
| Fire Captain | | | | | 1 |
| Fire Marshal | 0 | 1 | 1 | 1 | 1 |
| Captain | 3 | 3 | 3 | 3 | 3 |
| Lieutenant | 3 | 3 | 3 | 3 | 3 |
| Engineer | 6 | 6 | 6 | 6 | 6 |
| Firefighter | 9 | 9 | 10 | 11 | 12 |
| TOTAL | 23 | 23 | 24 | 25 | 27 |
| Part-Time Firefighter | 0 | 3 | 2 | 1 | 0 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

General Fund – Police/Animal Control Department

To work cooperatively with the public to preserve the peace, protect life and property, and reduce fear of crime within the community through a fair and equal enforcement of the law within the framework of the Constitution of the United States.

DESCRIPTIONS/PRIORITIES

- Oversee all major criminal investigations within the City
- Respond to calls from the public who request services from the Police Department during emergency and non-emergency situations
- Respond to traffic-related incidents and accidents
- Issue warnings and citations for traffic violations
- Respond to calls from the public requesting Animal Control services
- Provide assistance to victims of crime or persons in distress
- Provide assistance to surrounding law enforcement agencies

GOALS FY 26

- Maintain fleet by replacing vehicles through capital purchase program
- Maintain or upgrade drone fleet and increase number of officers trained to use them
- Maintain 100% level of patrol officers certified by the State as Mental Health Officers (MHO)-ensures the dpt. meets state standards for advanced investigative capabilities, strengthens public safety, and maintains readiness to handle complex criminal investigations. Certification levels also support professional development and departmental accreditation requirements.
- Maintain low response time average for all Calls For Service (CFS)

| | FY 2023-24 | FY 2024-25 | FY 2024-25 | FY 2025-26 |
|------------------------------------|------------|------------|------------|------------|
| | Actual | Target | Estimate | Target |
| MHO Certification by Officers | 100.00% | 100.00% | 95.23% | 100% |
| Average Response time to CFS (min) | 1.89 | 4.00 | 1.34 | 4.00 |
| Case Clearance Rate | 92% | 90% | 93.5% | 90% |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| | | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|----------------------------|------------------|------------------|--------------------|-------------------|------------------|
| Police Dept Expenditures (Incl An Cont in fy26) | | | | | | |
| Personnel Services | | | | | | |
| 02-8000-50410 | SALARIES & WAGES | 1,945,634 | 1,976,149 | 2,203,301 | 2,203,301 | 2,424,400 |
| 02-8000-50411 | OVERTIME | 17,346 | 41,823 | 20,000 | 20,000 | 32,000 |
| 02-8000-50415 | FICA EXPENSE - ER | 144,702 | 149,705 | 170,100 | 170,100 | 188,000 |
| 02-8000-50420 | GROUP INSURANCE PREMIUM | 308,020 | 312,381 | 307,000 | 341,473 | 377,760 |
| 02-8000-50430 | 401(A) MONEY PURCHASE | 23,346 | - | - | - | - |
| 02-8000-50432 | 401(A) MATCH | 15,241 | - | - | - | - |
| 02-8000-50433 | TMRS | 127,399 | 166,818 | 183,600 | 183,600 | 196,500 |
| Total Personnel Services | | 2,581,688 | 2,646,877 | 2,884,001 | 2,918,474 | 3,218,660 |
| Contractual Services | | | | | | |
| 02-8000-50502 | ANIMAL SHELTER | - | - | - | - | 15,000 |
| 02-8000-50548 | CONTRACT SERVICES | 40,212 | 40,036 | 48,700 | 48,700 | 88,000 |
| 02-8000-50570 | DISPATCH EXPENSE | 164,534 | 106,808 | 97,318 | 97,318 | 146,000 |
| 02-8000-50575 | DUES/FEES/SUBSCRIPTIONS | 5,652 | 6,914 | 7,000 | 7,000 | 10,000 |
| 02-8000-50576 | LEASE - COPIER | - | - | 4,500 | 4,500 | 6,500 |
| 02-8000-50592 | EQUIPMENT/SUPPLIES | 59,900 | 9,908 | 25,000 | 25,000 | 41,000 |
| 02-8000-50593 | TRAVEL/TRAINING/SCHOOL | 18,135 | 6,593 | 22,410 | 23,130 | 23,130 |
| 02-8000-50595 | FUEL/MAINTENANCE | 55,441 | 52,751 | 57,000 | 57,000 | 66,000 |
| 02-8000-50615 | INVESTIGATION EXPENSES | 4,243 | 860 | 4,500 | 4,500 | 4,500 |
| 02-8000-50616 | JAIL EXPENSES | - | 200 | 1,000 | 1,000 | 3,500 |
| Total Contractual Services | | 348,115 | 224,069 | 267,428 | 268,148 | 403,630 |
| Maintenance/Repair | | | | | | |
| 02-8000-50640 | M&R - EQUIPMENT | 387 | 1,138 | 1,500 | 1,500 | 3,500 |
| 02-8000-50685 | M & R - VEHICLES | 36,914 | 43,602 | 36,000 | 36,000 | 44,000 |
| 02-8000-50686 | M & R - WEAPONS | 1,170 | 450 | 1,000 | 1,000 | 1,000 |
| Total Maintenance/Repair | | 38,471 | 45,190 | 38,500 | 38,500 | 48,500 |
| Other Services | | | | | | |
| 02-8000-50760 | MEDICAL EXPENSES | - | 600 | 1,000 | 1,000 | 1,000 |
| 02-8000-50765 | OTHER EXPENSES | 3,590 | 3,719 | 5,000 | 5,000 | 8,000 |
| 02-8000-50775 | POSTAGE | 256 | 244 | 250 | 250 | 250 |
| 02-8000-50780 | PRINTING/OFFICE SUPPLIES | 1,940 | 1,716 | 3,500 | 3,500 | 5,800 |
| 02-8000-50800 | SAFETY EQUIPMENT/SUPPLIES | 3,041 | 6,297 | 7,500 | 7,500 | 7,500 |
| 02-8000-50829 | PUBLIC SAFETY DONATIONS | - | - | - | - | - |
| 02-8000-50830 | UNIFORMS | 9,074 | 6,288 | 10,000 | 10,000 | 12,000 |
| 02-8000-50862 | DEER MANAGEMENT | - | - | - | - | 46,800 |
| Total Other Services | | 17,901 | 18,864 | 27,250 | 27,250 | 81,350 |
| Capital Outlays | | | | | | |
| 02-8000-50955 | CAP OUT - MACHINE/EQUIPMEN | - | - | 70,000 | 70,000 | 25,000 |
| 02-8000-50956 | CAP OUT - VEHICLES | 59,753 | 222,188 | 128,500 | 128,500 | 231,000 |
| Total Capital Outlays | | 59,753 | 222,188 | 198,500 | 198,500 | 256,000 |
| Total Police Dept Expenditures | | 3,045,928 | 3,157,188 | 3,415,679 | 3,450,872 | 4,008,140 |

| POLICE/ANIMAL CONTROL PERSONNEL SCHEDULE | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|--|--------------|--------------|--------------|--------------|--------------|
| Police Chief | 1 | 1 | 1 | 1 | 1 |
| Assistant Police Chief | 1 | 1 | 1 | 1 | 1 |
| Captain | 1 | 1 | 1 | 1 | 1 |
| Lieutenant | 2 | 2 | 2 | 2 | 2 |
| Sergeant | 2 | 2 | 2 | 2 | 2 |
| Criminal Investigator | 3 | 3 | 3 | 3 | 3 |
| Police Officer | 10 | 10 | 10 | 12 | 12 |
| Communication Operator | 3 | 4 | 4 | 4 | 4 |
| Animal Control Officer | | | | | 2 |
| TOTAL | 23 | 24 | 24 | 26 | 28 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

General Fund – Animal Control

| | | FY 2022 ACTUAL | FY 2023 ACTUALS | FY 2024 BUDGET | FY 2024 ESTIMATED | FY 2025 BUDGET |
|--|-------------------------|-------------------|--------------------|-------------------|----------------------|-------------------|
| Animal Control Expenditures | | | | | | |
| Personnel Services | | | | | | |
| 02-9000-50410 | SALARIES & WAGES | 56,407 | 64,359 | 55,000 | 55,000 | 106,202 |
| 02-9000-50411 | OVERTIME | 788 | 2,080 | 2,500 | 2,500 | 2,000 |
| 02-9000-50412 | SALARIES - PART TIME | - | - | 21,000 | 21,000 | - |
| 02-9000-50415 | FICA EXPENSE - ER | 4,024 | 4,721 | 6,000 | 6,000 | 8,300 |
| 02-9000-50420 | GROUP INSURANCE PREMIUM | 15,066 | 16,009 | 17,000 | 17,000 | - |
| 02-9000-50430 | 401(A) MONEY PURCHASE | 2,333 | 513 | - | - | - |
| 02-9000-50432 | 401(A) MATCH | 2,333 | 513 | - | - | - |
| 02-9000-50433 | TMRS | - | 3,634 | 7,000 | 7,000 | 8,900 |
| Total Personnel Services | | 80,952 | 91,830 | 108,500 | 108,500 | 125,402 |
| Contractual Services | | | | | | |
| 02-9000-50502 | ANIMAL SHELTER | 13,500 | 15,000 | 15,000 | 15,000 | 15,000 |
| 02-9000-50548 | CONTRACT SERVICES | - | 10,000 | 10,000 | - | 10,000 |
| 02-9000-50592 | EQUIPMENT/SUPPLIES | 872 | 705 | 1,000 | 1,000 | 9,500 |
| 02-9000-50593 | TRAVEL/TRAINING/SCHOOL | - | 163 | 500 | 500 | 720 |
| 02-9000-50595 | FUEL/MAINTENANCE | 4,922 | 4,394 | 4,000 | 4,000 | 6,500 |
| Total Contractual Services | | 19,293 | 30,262 | 30,500 | 20,500 | 41,720 |
| Maintenance/Repair | | | | | | |
| 02-9000-50685 | M&R - VEHICLES | 2,284 | 2,672 | 3,500 | 3,500 | 4,000 |
| Total Maintenance/Repair | | 2,284 | 2,672 | 3,500 | 3,500 | 4,000 |
| Other Services | | | | | | |
| 02-9000-50765 | OTHER EXPENSES | - | 235 | 500 | 500 | 800 |
| 02-9000-50830 | UNIFORMS | 180 | 506 | 500 | 500 | 750 |
| 02-9000-50862 | DEER MANAGEMENT | 42,130 | - | 30,000 | 30,000 | 30,000 |
| Total Other Services | | 42,310 | 741 | 31,000 | 31,000 | 31,550 |
| Capital Outlays | | | | | | |
| 02-9000-50956 | CAP OUT - VEHICLES | - | - | - | - | 79,000 |
| Total Capital Outlays | | - | - | - | - | 79,000 |
| Total Animal Control Expenditures | | 144,839 | 125,505 | 173,500 | 163,500 | 281,672 |

| ANIMAL CONTROL PERSONNEL SCHEDULE | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Animal Control Officer | 1 | 1 | 1 | 2 | 0 |
| TOTAL | 1 | 1 | 1 | 2 | 0 |
| Part-Time Animal Control Officer | 1 | 1 | 1 | 0 | 0 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

General Fund – Development Services

We strive to continually provide world class customer service by working as partners with the development community to help our property owners and residents maintain and enhance the community's quality of life. We assist them in understanding the process and application requirements for development and building construction that comply with applicable codes and regulations, which we continually strive to keep updated for increased standards for public health and safety and hazard mitigation.

DESCRIPTION/PRIORITIES

- Maintain world class customer service by increasing staff knowledge of regulatory and procedural practices through ongoing staff training
- Maintain an average response time of 5-6 days for plan reviews
- Maintain an average response time of one day for inspections
- Respond within 48 hours to complaints regarding code violations, focusing primarily on education and compliance, and process the violations through Municipal Court when necessary
- Provide quality administrative services and monthly reports to City Council regarding building permits, inspections, planning activities and code enforcement
- Provide advice and assistance to the City Council, Planning and Zoning Commission, and Board of Adjustment

GOALS FY 26

- Manage and monitor Short Term Rentals (STR) using software programs
- Complete training opportunities to maintain or increase staff knowledge and to better inform elected and appointed officials.
- Implement and improve new permitting software to decrease wait times for citizens and contractors
- Continue to update ordinances to match changes in State statutes and to better meet the expectations of our residents and property owners-specifically Chapter 10 subdivision ordinance, and evaluate chapter 14 zoning

| | FY 2023-24 | FY 2024-25 | FY 2024-25 | FY 2025-26 |
|--------------------------------------|------------|------------|------------|------------|
| | Actual | Target | Estimate | Target |
| Plan Review Response Time (days) | 3.00 | 4.00 | 6.00 | 3.00 |
| Inspections Response Time (days) | 1.00 | 1.00 | 1.00 | 1.00 |
| Training Hours per Employee per Year | 24 | 36 | 30 | 36 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| Red GL Numbers are new. | | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|---------------------------------|------------------|------------------|--------------------|-------------------|------------------|
| Development Services Expenditures | | f | h | j | n | p |
| Personnel Services | | | | | | |
| 02-9500-50410 | SALARIES & WAGES | 552,582 | 586,453 | 696,400 | 641,814 | 675,300 |
| 02-9500-50411 | OVERTIME | 67 | 2,834 | 3,000 | 4,500 | 3,000 |
| 02-9500-50415 | FICA EXPENSE - ER | 40,121 | 42,842 | 53,500 | 47,741 | 51,900 |
| 02-9500-50420 | GROUP INSURANCE PREMIUM | 117,603 | 105,723 | 82,700 | 111,085 | 94,720 |
| 02-9500-50430 | 401(A) MONEY PURCHASE | 4,951 | - | - | - | - |
| 02-9500-50432 | 401(A) MATCH | 3,374 | - | - | - | - |
| 02-9500-50433 | TMRS | 36,580 | 47,800 | 57,800 | 55,620 | 54,300 |
| Total Personnel Services | | 755,277 | 785,652 | 893,400 | 860,760 | 879,220 |
| Contractual Services | | | | | | |
| 02-9500-50505 | PROFESSIONAL SERVICES | 280,966 | 240,687 | 35,200 | 85,000 | 30,000 |
| 02-9500-50510 | MONARCH RIDGE EXPENSES | 12,753 | 8,304 | 50,000 | - | 50,000 |
| 02-9500-50545 | MAINTENANCE CONTRACTS | 47,263 | 66,374 | 80,000 | 89,300 | 29,500 |
| 02-9500-50575 | DUES/FEES/SUBSCRIPTIONS | 28,551 | 11,633 | 13,500 | 13,500 | 13,500 |
| 02-9500-50576 | LEASE - COPIER | 3,542 | 1,004 | 13,000 | 13,000 | 3,900 |
| 02-9500-50590 | ENGINEERING FEES | 22,435 | 98,211 | 50,000 | 80,436 | 75,000 |
| 02-9500-50591 | CONTRACT INSPECTION FEES | | | 161,000 | 101,560 | 75,000 |
| 02-9500-50592 | EQUIPMENT/SUPPLIES | 6,020 | 9,580 | 8,322 | 12,000 | 10,500 |
| 02-9500-50593 | TRAVEL/TRAINING/SCHOOL | 5,941 | 7,797 | 18,120 | 18,120 | 13,280 |
| 02-9500-50595 | FUEL/MAINTENANCE | 3,250 | 3,898 | 6,500 | 4,434 | 6,500 |
| Total Contractual Services | | 410,721 | 447,488 | 435,642 | 417,350 | 307,180 |
| Maintenance/Repair | | | | | | |
| 02-9500-50685 | M&R - VEHICLES | 1,764 | 2,465 | 4,000 | 3,500 | 4,000 |
| Total Maintenance/Repair | | 1,764 | 2,465 | 4,000 | 3,500 | 4,000 |
| Other Services | | | | | | |
| 02-9500-50753 | CITY BANKING FEES | 8,753 | 11,634 | 10,000 | 8,416 | 8,500 |
| 02-9500-50765 | OTHER EXPENSE | 2,061 | 1,211 | 2,000 | 1,063 | 2,000 |
| 02-9500-50777 | ADVERTISEMENTS/NOTICES | 3,605 | 112 | 2,500 | 728 | 1,500 |
| 02-9500-50780 | PRINTING/OFFICE SUPPLIES | 1,815 | 4,331 | 2,250 | 4,194 | 2,000 |
| 02-9500-50812 | PUBLIC CAMPAIGNS | - | 778 | 4,000 | 4,000 | 4,000 |
| 02-9500-50827 | Substandard Structure Abatement | - | - | 20,000 | 20,000 | 20,000 |
| 02-9500-50828 | CODE ENFORCEMENT ACTIONS | 25,066 | 30,999 | 20,000 | 6,750 | 6,750 |
| 02-9500-50830 | UNIFORMS | 2,922 | 2,482 | 3,500 | 3,110 | 4,000 |
| 02-9500-50848 | DRC ENGINEERING FEES | - | - | - | - | - |
| 02-9500-50874 | DRC REVIEW FEES | - | - | - | - | 15,000 |
| Total Other Services | | 44,223 | 51,546 | 64,250 | 48,261 | 63,750 |
| Capital Outlays | | | | | | |
| 02-9500-50956 | VEHICLE REPLACEMENT | 58,574 | 52,740 | - | - | - |
| Total Capital Outlays | | 58,574 | 52,740 | - | - | - |
| Total Development Services Expenditures | | 1,270,559 | 1,339,890 | 1,397,292 | 1,329,871 | 1,254,150 |

| DEV SERVICES PERSONNEL SCHEDULE | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|--|--------------|--------------|--------------|--------------|--------------|
| Development Services Director | 1 | 1 | 1 | 1 | 1 |
| Building Official | 0 | 0 | 0 | 0 | 0 |
| Building Inspector | 0 | 0 | 0 | 0 | 0 |
| Assistant Planner | 1 | 0 | 1 | 1 | 1 |
| Senior Planner | 0 | 1 | 1 | 1 | 1 |
| Dev. Serv. Supervisor/Dep. Building Official | 1 | 0 | 1 | 1 | 1 |
| Code Enforcement Officer | 1 | 1 | 1 | 1 | 1 |
| Code Compliance Officer | 1 | 1 | 1 | 1 | 1 |
| Code Compliance Officer/Inspector | 0 | 1 | 1 | 1 | 1 |
| Development Services Admin. Technician | 1 | 1 | 1 | 1 | 1 |
| Development Services Technician | 1 | 1 | 0 | 0 | 0 |
| Permit Technician | 0 | 1 | 1 | 1 | 1 |
| GIS Administrator | 0 | 1 | 1 | 1 | 0 |
| TOTAL | 7 | 9 | 10 | 10 | 9 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

General Fund – Public Works

To provide and maintain a transportation system of streets for safe and efficient vehicular traffic, and to provide clean, safe, and well-maintained rights-of-way and vacant lots.

DESCRIPTION/PRIORITIES

- Repair streets damaged by water line breaks and failure of road base material
- Install and maintain traffic control signs
- Mow rights-of-way and maintain vacant lots through City programs
- Maintain City property and equipment including buildings, vehicles, and grounds
- Maintain parks and trails located in the City

GOALS FY 26

- Upgrade/construct one-plus miles of roads throughout the City
- Seal coat and repair streets as needed and as funding allows
- Better define a project to measure road assets in Horseshoe Bay to realize needed revenue to keep roads upgraded yearly from revenue streams instead of relying on bond issuances

| | FY 2023-24 | FY 2024-25 | FY 2024-25 | FY 2025-26 |
|---|------------|------------|------------|------------|
| | Actual | Target | Estimate | Target |
| Number of Lots in Mowing Program | 3,062 | 3000 | 3100 | 3200 |
| Miles of Roadway Reconstructed | 1.00 | 1.70 | 1.267 | 2.00 |
| Patching/Sealcoating Distance (sq yard) | 85,643 | 85,000 | 76,000 | 163,116 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| Red GL Numbers are new. | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|--------------------|--------------------|-----------------------|----------------------|-------------------|
| Street Maintenance Expenditures | | | | | |
| Personnel Services | | | | | |
| 02-9600-50410 SALARIES & WAGES | 196,572 | 201,484 | 206,600 | 206,600 | 295,100 |
| 02-9600-50411 OVERTIME | - | - | 1,500 | 1,500 | 1,500 |
| 02-9600-50415 FICA EXPENSE - ER | 14,296 | 15,099 | 15,900 | 15,900 | 22,700 |
| 02-9600-50420 GROUP INSURANCE PREMIUM | 30,869 | 26,246 | 25,700 | 31,440 | 34,960 |
| 02-9600-50430 401(A) MONEY PURCHASE | 2,658 | - | - | - | - |
| 02-9600-50432 401(A) MATCH | 1,772 | - | - | - | - |
| 02-9600-50433 TMRS | 12,859 | 16,628 | 17,200 | 17,600 | 23,700 |
| Total Personnel Services | 259,028 | 259,457 | 266,900 | 273,040 | 377,960 |
| Contractual Services | | | | | |
| 02-9600-50545 MAINTENANCE CONTRACTS | - | - | 55,000 | - | - |
| 02-9600-50575 DUES, FEES, & SUBSCRIPTIONS | - | - | 25,000 | 5,000 | 5,000 |
| 02-9600-50590 ENGINEERING FEES | - | 8,500 | 201,800 | 36,639 | 15,000 |
| 02-9600-50592 EQUIPMENT/SUPPLIES | 5,386 | 6,062 | 15,000 | 10,000 | 10,000 |
| 02-9600-50593 TRAVEL/TRAINING/SCHOOL | 59 | 3,601 | 1,500 | 1,500 | 1,650 |
| 02-9600-50595 FUEL/MAINTENANCE | 2,168 | 2,541 | 8,000 | 8,000 | 12,000 |
| Total Contractual Services | 7,613 | 20,704 | 306,300 | 61,139 | 43,650 |
| Maintenance/Repair | | | | | |
| 02-9600-50630 M&R - BUILDING | - | 1,278 | 5,000 | 1,500 | 1,500 |
| 02-9600-50685 M&R - VEHICLES | 1,615 | 1,359 | 6,500 | 2,000 | 2,000 |
| Total Maintenance/Repair | 1,615 | 2,636 | 11,500 | 3,500 | 3,500 |
| Other Services | | | | | |
| 02-9600-50765 OTHER EXPENSES | 1,192 | 1,592 | 2,500 | 2,500 | 2,500 |
| 02-9600-50800 SAFETY EQUIPMENT & SUPPLIES | - | - | 2,500 | 2,500 | - |
| 02-9600-50830 UNIFORMS | 785 | 921 | 2,000 | 2,000 | 2,000 |
| 02-9600-50853 STREET STRIPING | - | 9,122 | 110,000 | 50,000 | 110,000 |
| 02-9600-50854 STREET MAINTENANCE/LABOR-60% | 1,082,646 | 70,787 | 140,000 | 140,000 | 140,000 |
| 02-9600-50855 STREET PATCHING MATERIALS-40% | 66,256 | 39,008 | 107,000 | 95,000 | 107,000 |
| 02-9600-50856 DRAINAGE | 22,607 | 35,380 | 32,800 | 32,800 | 35,000 |
| 02-9600-50857 TRAFFIC SIGN CONTRACT | 8,990 | 6,950 | 25,000 | 25,000 | 25,000 |
| 02-9600-50858 TRAFFIC SIGN MATERIALS | 10,896 | 4,746 | 50,000 | 20,000 | 50,000 |
| 02-9600-50859 LITTER CONTROL CONTRACT | 56,932 | 40,800 | 60,000 | 40,800 | 40,800 |
| 02-9600-50865 ROW MAINTENANCE | 297,401 | 301,173 | 240,000 | 240,000 | 280,000 |
| 02-9600-50867 GOLDEN NUGGET NATURE PARK | - | 10,600 | 10,600 | 10,600 | 10,600 |
| 02-9600-50868 MARTIN PARK/CITY CENTER PARK | 9,803 | 16,741 | 13,000 | 13,000 | 23,000 |
| 02-9600-50869 STORM DAMAGE CLEANUP | - | - | 10,000 | 10,000 | 10,000 |
| 02-9600-50872 HORSESHOE CREEK HIKING TRAIL | 700 | 36 | 6,500 | 6,500 | 6,500 |
| Total Other Services | 1,558,207 | 537,855 | 811,900 | 690,700 | 842,400 |
| Capital Outlays | | | | | |
| 02-9600-50955 CAP OUT-MACHINE/EQUIP | - | - | - | - | 75,000 |
| 02-9600-50956 CAP OUT-Vehicles | - | - | 96,000 | 90,525 | - |
| 02-9600-50959 CAP OUT-Building Purchases | - | - | 170,839 | - | - |
| 02-9600-50972 CAP OUT-Infrastructure/Trans Impr. | - | - | - | 438,000 | 568,000 |
| Total Capital Outlays | - | - | 266,839 | 528,525 | 643,000 |
| Total Street Maintenance Expenditures | 1,826,463 | 820,652 | 1,663,439 | 1,556,904 | 1,910,510 |

| PUBLIC WORKS (PW) PERSONNEL SCHEDULE | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Public Works Director | 1 | 1 | 1 | 1 | 1 |
| Public Works Assistant | 1 | 1 | 1 | 1 | 1 |
| Finance Administrative Assistant | 1 | 1 | 1 | 1 | 1 |
| Public Works Operator | 1 | 1 | 1 | 1 | 1 |
| TOTAL | 2 | 2 | 2 | 2 | 4 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

General Fund – Mowing/Clearing

| Red GL Numbers are new. | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|-----------------|-----------------|--------------------|-------------------|----------------|
| Mowing and Clearing Expenditures | f | h | j | n | p |
| Other Services | | | | | |
| 02-9800-50863 LOT MOWING | 624,657 | 593,600 | 600,000 | 600,000 | 600,000 |
| 02-9800-50864 LOT CLEARING | - | 27,016 | 10,000 | 5,000 | 30,000 |
| Total Other Services | 624,657 | 620,616 | 610,000 | 605,000 | 630,000 |
| Total Mowing and Clearing Expenditures | 624,657 | 620,616 | 610,000 | 605,000 | 630,000 |

General Fund – Transfers

| | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|-----------------|-----------------|--------------------|-------------------|------------------|
| Transfer Out Expenditures | | | | | |
| Transfer Out | | | | | |
| 02-9995-58021 XFER TO - VEH REPLACE FUND | - | 200,000 | 200,000 | 200,000 | 200,000 |
| 02-9995-58007 XFER TO - CAP FUND-CC/CCFFE | - | - | 4,291,725 | 1,333,187 | 2,866,038 |
| 02-9995-58007 XFER TO - CAP FUND-FS#2-FFE | - | - | - | 60,000 | - |
| 02-9995-58007 XFER TO - CAP FUND-Old City Hall | - | - | - | 25,000 | 267,500 |
| 02-9995-58007 XFER TO - CAP FUND-CC Trails | - | - | - | 14,000 | - |
| 02-9995-58007 XFER TO - CAP FUND-Martin Park | - | 180,139 | 60,000 | 75,692 | - |
| Total Transfer Out | - | 380,139 | 4,551,725 | 1,707,879 | 3,333,538 |
| Total Transfer Out Expenditures | - | 380,139 | 4,551,725 | 1,707,879 | 3,333,538 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

SECTION 3: UTILITIES FUND

The Utilities Fund is an enterprise fund that includes all water and wastewater system operations as well as solid waste operations. The City provides water and wastewater services within its designated Certificate of Convenience and Necessity (CCN) area to all visitors, businesses, and approximately 8,535 full-time and part-time residents, as well as various contracted customers outside city limits.

The City obtains untreated water from Lake LBJ on the Colorado River under a purchasing contract with the Lower Colorado River Authority (LCRA). The City operates two water treatment plants (WTP), West WTP and Central WTP. The City operates one (1) wastewater treatment plant, located west of Horseshoe Bay.

The City's sewer system is a low-pressure sewer system and was the first to be installed in Texas. This is now a popular option for many areas where rock or groundwater problems exist. Customers have grinder pump system basins on their property, where the wastewater is collected, ground up, and pumped into the City's sewer mainline. The City utilizes eight wastewater lift stations and has over 88 miles of wastewater main lines.

The City of Horseshoe Bay also operates a reclamation center where residents can bring their recyclables. The reclamation center has a brush disposal site available to residents and to permitted commercial customers that are hauling brush from within the corporate boundaries of Horseshoe Bay.

As the City has been experiencing rapid growth, there has been a corresponding expansion of the utility service area. The City now provides water, wastewater services, and solid waste services to more households and businesses than ever before. This budget provides funding for all positions with an average 3% merit increase for all employees and no increase in health insurance costs.

The budget also considers increases in operating costs such as utilities and chemicals. The water and wastewater rates for residents and businesses are proposed to have a 9% and 0% respectively increase and the solid waste rates have a 3% increase from the solid waste collection company. The water and sewer tap rates reflect a 15% increase to cover costs associated with new tap installations.

Utility revenue is collected by the City through water sales to customers, fees for wastewater collections and treatment, and fees for solid waste services. Approximately 94% of total recurring revenues (bond issuances and transfers are excluded as they are one-time increases) into this fund originates from water sales, wastewater fees, and solid waste fees. Water sales are calculated based on metered water consumption. Wastewater fees and solid waste fees are monthly flat rates for residential customers. Wastewater fees for commercial customers are charged based on water consumption each month and solid waste fees are monthly flat fees. Horseshoe Bay's residential utility rates are competitive with other cities. This information is significant as surface water is much more expensive to treat than groundwater, which most cities in Texas have access to. It is also important to note that the City charges a flat fee for residential wastewater no matter what the usage while most other cities charge based on the level of usage.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Utilities Fund Summary

| | FY 2022 | FY 2023 | FY 2024 | FY 2024 | FY 2025 |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | ACTUAL | ACTUALS | BUDGET | ESTIMATED | BUDGET |
| Utilities Fund Revenues | | | | | |
| Administration | 203,324 | 314,209 | 1,119,000 | 1,162,862 | 789,643 |
| Water Production | 6,467,688 | 6,039,225 | 5,807,900 | 5,553,250 | 6,286,750 |
| Wastewater Treatment | 4,972,552 | 4,598,351 | 4,873,000 | 4,805,750 | 5,563,000 |
| Solid Waste Recycling | 1,285,817 | 1,395,871 | 1,515,000 | 1,651,000 | 1,766,567 |
| Standby | 1,471 | 248 | 750 | 750 | 750 |
| Interest | 10,111 | 26,859 | 20,000 | 13,000 | 12,500 |
| Transfer In | - | - | 4,500,000 | 900,000 | 3,100,000 |
| Total Utilities Fund Revenues | <u>12,940,962</u> | <u>12,374,764</u> | <u>17,835,650</u> | <u>14,086,612</u> | <u>17,519,210</u> |
| Utilities Fund Expenditures | | | | | |
| Administration | 4,094,123 | 4,068,231 | 2,624,080 | 2,502,630 | 2,836,447 |
| Water Production | 1,377,269 | 1,612,634 | 1,824,000 | 1,733,110 | 1,909,800 |
| Water Distribution | 1,452,566 | 916,258 | 1,785,200 | 1,558,363 | 1,861,250 |
| Wastewater Treatment | 567,763 | 640,687 | 763,000 | 752,712 | 891,500 |
| Wastewater Collection | 1,751,034 | 1,970,559 | 2,265,500 | 2,342,100 | 2,258,250 |
| Solid Waste Recycling | 1,051,843 | 1,121,451 | 1,275,610 | 1,351,800 | 1,453,000 |
| Debt Service | 1,650,241 | 1,646,314 | 1,724,600 | 1,722,840 | 1,826,341 |
| Transfer Out | - | - | - | - | - |
| Capital Outlays - Routine | 337,158 | 345,815 | 833,000 | 945,403 | 824,500 |
| Capital Outlays - Major | 637,009 | 1,427,005 | 732,100 | 1,531,193 | 3,923,044 |
| Total Utilities Fund Expenditures | <u>12,919,005</u> | <u>13,748,954</u> | <u>13,827,090</u> | <u>14,440,151</u> | <u>17,784,132</u> |
| Net Revenues over (Expenditures) | | | | | |
| | 21,957 | (1,374,190) | 4,008,560 | (353,539) | (264,922) |
| Cash Balance - Beginning | | | | | |
| New Series 2025 Bond for FY26/27 capital | | | 4,005,831 | 4,005,831 | 3,652,292 |
| Cash Balance - Ending 9.30.23 per audit | <u>4,005,831</u> | <u>8,014,391</u> | <u>3,652,292</u> | <u>6,887,370</u> | |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Utilities Fund Revenues

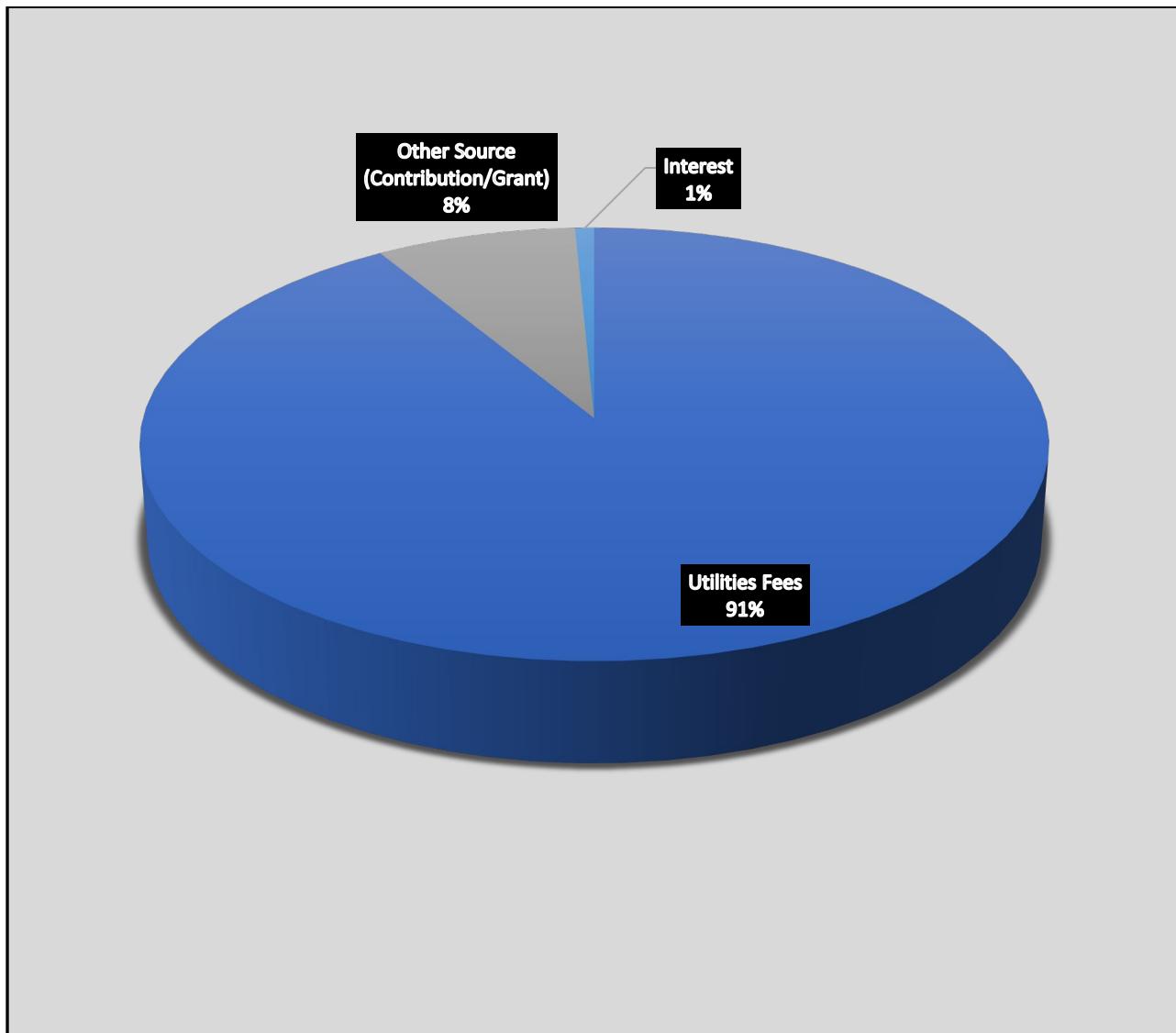
| new account | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|-------------------|-------------------|--------------------|-------------------|-------------------|
| Utility Fund Revenues | | | | | |
| Administration Revenue | | | | | |
| 01-1000-40175 INSURANCE PROCEEDS | 19,947 | 2,948 | 638,345 | 850,000 | 10,000 |
| 01-1000-40180 OTHER INCOME | 2,996 | 7,610 | 2,238 | 4,000 | 3,500 |
| 01-1000-40182 SALE OF PROPERTY | 28,829 | 36,189 | 75,000 | 75,000 | 50,000 |
| 01-1000-40205 ARPA REIMBURSE - LLANO CO | - | 679,667 | 298,523 | 208,850 | 111,483 |
| 01-1000-40214 CONTRIBUTIONS CAP PROJECTS | - | - | - | - | 1,000,000 |
| 01-1000-40225 PID PRINCIPAL - PROMISSORY NC | - | 246,076 | 325,000 | 317,312 | - |
| 01-1000-40226 INTEREST REVENUE - SUMMIT RO | 262,437 | 230,431 | 191,600 | 176,527 | - |
| Total Administration Revenue | 314,209 | 1,202,921 | 1,530,706 | 1,631,689 | 1,174,983 |
| Water Production Revenue | | | | | |
| 01-1001-40110 WATER SERVICE FEES - DIST | 5,012,330 | 4,763,812 | 5,013,750 | 5,396,543 | 5,464,988 |
| 01-1001-40111 WATER SERVICE FEES - NON DIST | 294,007 | 234,444 | 290,000 | 256,000 | 298,700 |
| 01-1001-40112 WATER TAP CONNECTION FEES | 628,068 | 526,710 | 858,000 | 620,000 | 664,100 |
| 01-1001-40115 RECONNECTION FEES | 7,200 | 10,931 | 9,000 | 10,200 | 9,270 |
| 01-1001-40117 PENALTIES/INTEREST | 28,158 | 26,078 | 30,000 | 24,800 | 30,900 |
| 01-1001-40171 CC CONVENIENCE FEES | 54,849 | 55,998 | 62,500 | 62,500 | 75,104 |
| 01-1001-40178 OTHER INCOME - LEASES | 12,600 | 15,000 | 15,000 | 15,000 | 15,000 |
| 01-1001-40180 OTHER INCOME | 2,013 | 382 | 1,000 | - | - |
| 01-1001-40185 IRRIGATION PERMIT FEES | - | 8,570 | 7,500 | 7,000 | 7,500 |
| Total Water Production Revenue | 6,039,225 | 5,641,925 | 6,286,750 | 6,392,043 | 6,565,562 |
| Wastewater Treatment Revenue | | | | | |
| 01-2001-40117 PENALTIES/INTEREST | 22,125 | 25,465 | 30,000 | 26,000 | 30,900 |
| 01-2001-40120 SEWER SERVICE FEES | 3,104,517 | 3,307,671 | 3,750,000 | 3,380,000 | 3,481,400 |
| 01-2001-40122 SEWER TAP CONNECTION FEES | 525,509 | 410,269 | 770,000 | 605,000 | 569,250 |
| 01-2001-40124 SEWER - COTTONWOOD SHORES | 239,123 | 251,471 | 265,000 | 218,000 | 272,950 |
| 01-2001-40125 SEWER - LLANO CO MUD #1 | 101,713 | 116,772 | 110,000 | 110,000 | 113,300 |
| 01-2001-40127 GRINDER SALES | 602,636 | 472,438 | 637,000 | 524,000 | 470,880 |
| 01-2001-40180 OTHER INCOME | 2,729 | 382 | 1,000 | - | - |
| Total Wastewater Treatment Revenue | 4,598,351 | 4,584,467 | 5,563,000 | 4,863,000 | 4,938,680 |
| Solid Waste Revenue | | | | | |
| 01-3001-40126 BRUSH DISPOSAL | 36,883 | 23,826 | 38,500 | 22,000 | 40,500 |
| 01-3001-40130 GARBAGE FEES - COMMERCIAL | 216,984 | 241,977 | 250,522 | 240,665 | 272,257 |
| 01-3001-40135 GARBAGE FEES - RESIDENTIAL | 1,142,005 | 1,329,017 | 1,477,545 | 1,437,113 | 1,573,119 |
| Total Solid Waste Revenue | 1,395,871 | 1,594,820 | 1,766,567 | 1,699,778 | 1,885,876 |
| Standby Revenue | | | | | |
| 01-4000-40140 PROPERTY TAX - STANDBY | 131 | 238 | 250 | 250 | 250 |
| 01-4000-40142 PENALTY/INTEREST - STANDBY | 117 | 492 | 500 | 500 | 500 |
| Total Standby Revenue | 248 | 730 | 750 | 750 | 750 |
| Interest Revenue | | | | | |
| 01-9900-40220 INTEREST INCOME | 26,859 | 9,814 | 111,000 | 111,000 | 111,000 |
| Total Interest Revenue | 26,859 | 9,814 | 111,000 | 111,000 | 111,000 |
| Transfer In Revenue | | | | | |
| 01-9995-48021 XFER FROM - IMPACT FEE | - | - | 583,388 | 583,388 | - |
| 01-9995-40310 XFER FROM - GENERAL FUND | - | - | 13,000 | 13,000 | - |
| 01-9995-48007 XFER FROM - CAP PROJ FUND | - | 623,249 | 3,100,000 | 3,376,751 | - |
| Total Transfer In Revenue | - | 623,249 | 3,696,388 | 3,973,139 | - |
| Total Utility Fund Revenues | 12,374,764 | 13,657,927 | 18,955,161 | 18,671,399 | 14,676,851 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Utilities Fund Revenues by Type

FY 2025-26: \$14,676,851

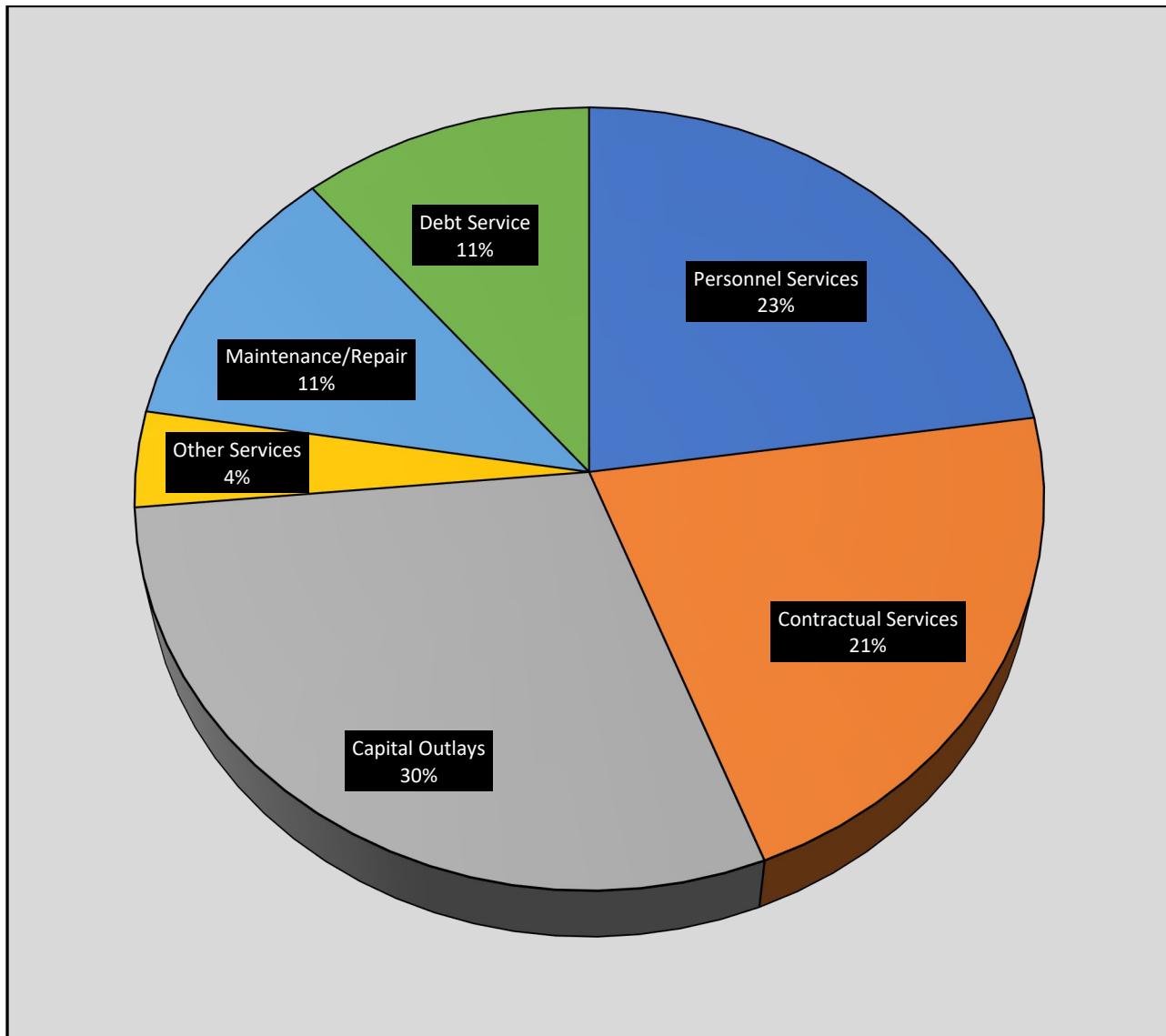


CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Utilities Fund Expenditures by Type

FY 2025-26: \$18,587,012



CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Utilities Fund – Administration

To protect the public health, safety, and environment of the communities served by ensuring safe and adequate water, wastewater, and solid waste services are provided in a reliable, professional, and economical manner.

DESCRIPTIONS/PRIORITIES

- Provide safe and potable water through effective treatment and distribution to customers
- Rapid response to customer calls for services to support community health and wellbeing
- Ensure compliance with regulatory mandates and reporting as required by state and federal regulators
- Manage Capital Improvement Projects for existing and future demands on infrastructure and operations
- Provide programs and services to support conservation and education related to utilities and the environment

GOALS FY 26

- Complete repairs on high storage tank 1.3mg and replace D2 tank at wastewater plant
- Complete High Zone Transmission Main Line project
- Complete reclamation center upgrades for heavier usage
- Complete engineering plans to prepare for expansion of plant in western area of the City to prepare for construction in the following years after plans are approved
- Complete upgrades to Wastewater plant
- Continue sludge removal after rehab of sewer treatment plant and pond liners

| | FY 2023-24 | FY 2024-25 | FY 2024-25 | FY 2025-26 |
|----------------------------------|------------|------------|------------|------------|
| | Actual | Target | Estimate | Target |
| Customers Using Auto-draft | 1100 | 1200 | 3904 | 4200 |
| Accounts Billed Monthly | 5100 | 5610 | 5000 | 5700 |
| Percentage of LCRA Contract Used | 38% | 55% | 42% | 55% |
| Employees with Certifications | 68.50% | 100.00% | 75% | 100% |
| Dry Tons of Sludge | 145 | 150 | 34.09 | 40 |
| Gallons of Wastewater Treated | 204.47MG | 235MG | 205.5MG | 247MG |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| | | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|-------------------------------------|------------------|------------------|--------------------|-------------------|------------------|
| Administration Expenditures | | | | | | |
| Personnel Services-UF | | | | | | |
| 01-1000-50410 | SALARIES & WAGES | 523,729 | 645,437 | 702,900 | 601,423 | 596,600 |
| 01-1000-50411 | OVERTIME | 1,481 | 4,751 | 2,500 | 2,512 | 2,500 |
| 01-1000-50415 | FICA EXPENSE - ER | 37,979 | 47,992 | 54,000 | 40,000 | 45,800 |
| 01-1000-50420 | GROUP INSURANCE PREMIUM | 97,495 | 107,763 | 112,629 | 90,000 | 88,900 |
| 01-1000-50430 | 401(A) MONEY PURCHASE | 5,616 | - | - | - | - |
| 01-1000-50432 | 401(A) MATCH | 2,206 | - | - | - | - |
| 01-1000-50433 | TMRS | 1,796 | 57,273 | 58,300 | 50,000 | 47,900 |
| Total Personnel Services-UF | | 670,300 | 863,216 | 930,329 | 783,935 | 781,700 |
| Personnel Services-GF,DS,IT | | | | | | |
| Total Personnel Services-GF,DS,IT | | - | - | 669,900 | 687,341 | 817,760 |
| Contractual Services | | | | | | |
| 01-1000-50505 | PROFESSIONAL SERVICES | 58,052 | 92,809 | 104,000 | 125,230 | 112,270 |
| 01-1000-50512 | UTILITY BILLING | 31,108 | 33,032 | 33,000 | 35,000 | 36,050 |
| 01-1000-50545 | MAINTENANCE CONTRACTS-incl Software | 39,839 | 101,612 | 96,546 | 97,000 | 41,000 |
| 01-1000-50567 | CUSTOMER EDUCATION COMMITTEE | - | 953 | 2,500 | 2,066 | 2,500 |
| 01-1000-50569 | INNOVATION/TECH COMMITTEE | - | 1,776 | 2,500 | - | 2,500 |
| 01-1000-50575 | DUES/FEES/SUBSCRIPTIONS | 36,970 | 42,043 | 37,500 | 42,632 | 38,700 |
| 01-1000-50576 | LEASE - COPIER | 3,339 | 3,463 | 4,700 | 3,953 | 4,450 |
| 01-1000-50581 | ELECTRICITY - RECYCLE CENTER | 1,077 | 1,188 | 1,300 | 1,396 | 1,400 |
| 01-1000-50582 | ELECTRICITY - WWTR | 117,972 | 132,882 | 141,775 | 128,000 | 146,500 |
| 01-1000-50583 | ELECTRICITY - WEST WATER PL | 73,278 | 75,657 | 80,000 | 76,000 | 85,000 |
| 01-1000-50585 | ELECTRICITY | 7,560 | (1,499) | 7,900 | 6,826 | 8,100 |
| 01-1000-50586 | ELECTRICITY - CENTRAL WATER PL | 125,644 | 121,937 | 150,000 | 112,000 | 155,000 |
| 01-1000-50587 | IMPACT FEE STUDY | 17,997 | - | - | - | 33,533 |
| 01-1000-50590 | ENGINEERING FEES | 66,046 | 23,590 | 72,100 | 55,000 | 75,000 |
| 01-1000-50592 | EQUIPMENT/SUPPLIES | - | 1,000 | 9,739 | 15,000 | - |
| 01-1000-50593 | TRAVEL/TRAINING/SCHOOL | 55,252 | 50,998 | 65,300 | 65,300 | 67,580 |
| 01-1000-50596 | EMPLOYEE AWARDS PROGRAM | 7,657 | 9,125 | 8,500 | 5,600 | 8,500 |
| Total Contractual Services | | 641,790 | 690,564 | 817,360 | 771,003 | 818,083 |
| Maintenance/Repair | | | | | | |
| 01-1000-50630 | M&R - BUILDING | 38,762 | 11,718 | 11,000 | 2,800 | 11,000 |
| 01-1000-50650 | M&R - GROUNDS | 44,591 | 9,876 | 11,000 | 4,000 | 11,000 |
| Total Maintenance/Repair | | 83,353 | 21,594 | 22,000 | 6,800 | 22,000 |
| Other Services-UF | | | | | | |
| 01-1000-50753 | CITY BANKING FEES | 59,076 | 67,639 | 73,500 | 72,514 | 75,705 |
| 01-1000-50765 | OTHER EXPENSE | 11,266 | 16,643 | 14,949 | 12,842 | 12,000 |
| 01-1000-56000 OTHER EXPENSE-chemical accident | | - | - | 541 | 1,000 | - |
| 01-1000-50775 | POSTAGE | 1,135 | 2,484 | 1,300 | 1,228 | 1,300 |
| 01-1000-50780 | PRINTING/OFFICE SUPPLIES | 39,491 | 32,673 | 29,900 | 25,289 | 30,000 |
| 01-1000-56001 PRINTING/OFFICE SUPPLIES-chemical accide | | - | - | 392 | 400 | - |
| 01-1000-50810 | PHONE/INTERNET | 54,244 | 62,600 | 65,000 | 32,884 | 67,000 |
| 01-1000-50830 | UNIFORMS | 3,540 | 5,430 | 4,000 | 3,830 | 4,150 |
| 01-1000-50840 | ADMINISTRATIVE FEES | 660,500 | 841,830 | - | - | - |
| Total Other Services-UF | | 829,252 | 1,029,299 | 189,582 | 149,987 | 190,155 |
| Other Services-General/Technology Fund | | | | | | |
| Total Other Services-GF/Tech | | - | - | 227,926 | 213,716 | 334,111 |
| Total Administration Expenditures | | 2,224,695 | 2,604,673 | 2,857,097 | 2,612,782 | 2,963,809 |

| UTILITY ADMIN PERSONNEL SCHEDULE | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Actual | FY 26 Budget |
|---|--------------|--------------|--------------|--------------|--------------|
| Utilities Director | 1 | 1 | 1 | 1 | 1 |
| Utilities Superintendent (Assistant Director) | 0 | 0 | 1 | 1 | 1 |
| Technical Administrator | 1 | 1 | 1 | 1 | 0 |
| Regulatory and Compliance Administrator | 0 | 0 | 0 | 1 | 1 |
| Water Conservation/Inspector | 1 | 1 | 1 | 1 | 1 |
| Purchasing Coordinator | 1 | 1 | 1 | 1 | 0 |
| Utilities Dispatcher | 1 | 0 | 0 | 0 | 0 |
| Utility Billing Supervisor | 1 | 1 | 1 | 1 | 1 |
| Customer Service Clerk | 2 | 2 | 2 | 2 | 2 |
| Utilities Administrative Assistant | 1 | 1 | 1 | 0 | 0 |
| Warehouse Technician | 0 | 0 | 1 | 1 | 1 |
| TOTAL | 9 | 8 | 10 | 10 | 8 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Utilities Fund – Water Production

| | | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|--|------------------|------------------|--------------------|-------------------|------------------|
| Water Production Expenditures | | f | h | j | n | p |
| Personnel Services | | | | | | |
| 01-1001-50410 SALARIES & WAGES | | 294,003 | 302,845 | 335,400 | 286,000 | 333,900 |
| 01-1001-50411 OVERTIME | | 34,904 | 46,995 | 56,702 | 52,360 | 41,200 |
| 01-1001-50415 FICA EXPENSE - ER | | 24,320 | 26,086 | 28,700 | 26,400 | 28,700 |
| 01-1001-50420 GROUP INSURANCE PREMIUM | | 56,422 | 68,185 | 67,700 | 55,200 | 61,500 |
| 01-1001-50430 401(A) MONEY PURCHASE | | 2,868 | - | - | - | - |
| 01-1001-50432 401(A) MATCH | | 1,337 | - | - | - | - |
| 01-1001-50433 TMRS | | 1,128 | 31,979 | 31,000 | 30,200 | 30,000 |
| Total Personnel Services | | 414,983 | 476,090 | 519,502 | 450,160 | 495,300 |
| Contractual Services | | | | | | |
| 01-1001-50535 LCRA (RAW WATER PURCHASE) | | 576,182 | 475,793 | 650,000 | 600,000 | 625,000 |
| 01-1001-50540 CHEMICALS - WATER | | 129,803 | 168,411 | 180,000 | 156,862 | 185,400 |
| 01-1001-56002 Chemicals / Water-chemical Accident | | - | - | 10,800 | 32,726 | - |
| 01-1001-50548 CONTRACT SERVICES | | 1,327 | 2,686 | 5,800 | 11,708 | 6,000 |
| 01-1001-50555 LAB EXPENSES | | 52,621 | 47,627 | 56,000 | 40,171 | 56,000 |
| 01-1001-56003 Lab Expense-chemical accident | | - | - | 1,829 | 1,829 | - |
| 01-1001-50560 WATER QUALITY | | 1,084 | 235 | 8,000 | 8,000 | 8,000 |
| 01-1001-50592 EQUIPMENT/SUPPLIES | | 5,460 | 16,088 | 12,298 | 20,436 | 10,100 |
| 01-1001-56004 Equipment & Supplies-chemical accident | | - | - | 7,111 | 7,111 | - |
| 01-1001-56005 Fuel & Lubricants-chemical accident | | - | - | 263 | 263 | - |
| 01-1001-50595 FUEL/MAINTENANCE | | 9,896 | 22,189 | 17,500 | 24,621 | 18,100 |
| Total Contractual Services | | 776,373 | 733,028 | 949,601 | 903,727 | 908,600 |
| Maintenance/Repair | | | | | | |
| 01-1001-50630 M&R - BUILDING | | - | 19,325 | 13,100 | 18,304 | 13,500 |
| 01-1001-56006 M & R - Building-chemical accident | | - | - | 185 | 185 | - |
| 01-1001-50640 M&R - EQUIPMENT | | 3,707 | 13,803 | 7,900 | 22,726 | 8,200 |
| 01-1001-50641 M&R - SCADA | | - | 39,163 | 50,000 | 32,900 | 50,000 |
| 01-1001-56007 M & R - SCADA-chemical accident | | - | - | 12,734 | 13,695 | - |
| 01-1001-50650 M&R - GROUNDS | | - | 37,381 | 36,000 | 60,440 | 37,100 |
| 01-1001-50675 M&R - PLANT | | 402,716 | 507,350 | 385,577 | 353,000 | 360,500 |
| 01-1001-50676 M&R - PLANT-Chem Acc | | - | - | 495,287 | 762,880 | - |
| 01-1001-50687 M & R - Vehicles-chemical accident non TML | | - | - | - | 2,734 | - |
| 01-1001-50685 M&R - VEHICLES | | 7,632 | 8,829 | 15,565 | 17,352 | 8,200 |
| Total Maintenance/Repair | | 414,055 | 625,851 | 1,016,348 | 1,284,216 | 477,500 |
| Other Services | | | | | | |
| 01-1001-50765 OTHER EXPENSES | | 101 | 1,929 | 1,600 | 4,962 | 1,700 |
| 01-1001-50785 LEASE - RENT | | 1,064 | 1,025 | 2,300 | 2,300 | 2,400 |
| 01-1001-56010 Rent / Lease-chemical accident | | - | - | 43,788 | 142,315 | - |
| 01-1001-50800 SAFETY EQUIPMENT/SUPPLIES | | 1,779 | 5,465 | 5,300 | 7,116 | 5,500 |
| 01-1001-50830 UNIFORMS | | 4,280 | 5,025 | 5,800 | 7,800 | 6,000 |
| Total Other Services | | 7,224 | 13,444 | 58,788 | 164,493 | 15,600 |
| Total Water Production Expenditures | | 1,612,634 | 1,848,414 | 2,544,239 | 2,802,596 | 1,897,000 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Utilities Fund – Water Distribution

| | | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|-------------------------------|--------------------|--------------------|-----------------------|----------------------|-------------------|
| Water Distribution Expenditures | | | | | | |
| Personnel Services | | | | | | |
| 01-1002-50410 | SALARIES & WAGES | 374,587 | 425,120 | 413,800 | 432,000 | 425,500 |
| 01-1002-50411 | OVERTIME | 83,725 | 84,181 | 75,000 | 95,000 | 85,000 |
| 01-1002-50415 | FICA EXPENSE - ER | 33,059 | 37,429 | 37,400 | 40,000 | 39,100 |
| 01-1002-50420 | GROUP INSURANCE PREMIUM | 103,947 | 103,407 | 98,400 | 108,750 | 120,860 |
| 01-1002-50430 | 401(A) MONEY PURCHASE | 3,679 | - | - | - | - |
| 01-1002-50432 | 401(A) MATCH | 2,046 | - | - | - | - |
| 01-1002-50433 | TMRS | 1,568 | 45,962 | 40,400 | 45,600 | 40,800 |
| Total Personnel Services | | 602,612 | 696,099 | 665,000 | 721,350 | 711,260 |
| Contractual Services | | | | | | |
| 01-1002-50545 | MAINTENANCE CONTRACTS | 10,875 | 27,343 | 24,000 | 26,363 | 26,400 |
| 01-1002-50548 | CONTRACT SERVICES | 8,377 | 13,535 | 14,500 | 14,500 | 15,000 |
| 01-1002-50549 | CONTRACT SERVICES - TAPS/NEV | 446,406 | 386,814 | 475,000 | 310,000 | 340,000 |
| 01-1002-50550 | CONTRACT SERVICES - LEAK DETE | - | - | 30,000 | 28,053 | 33,000 |
| 01-1002-50592 | EQUIPMENT/SUPPLIES | 33,576 | 32,790 | 36,500 | 36,000 | 37,000 |
| 01-1002-50595 | FUEL/MAINTENANCE | 24,042 | 26,056 | 29,500 | 22,000 | 29,500 |
| Total Contractual Services | | 523,275 | 486,537 | 609,500 | 436,916 | 480,900 |
| Maintenance/Repair | | | | | | |
| 01-1002-50630 | M&R - BUILDING | - | 14,274 | 10,000 | 10,000 | 11,000 |
| 01-1002-50640 | M&R - EQUIPMENT | 8,132 | 14,382 | 21,000 | 20,400 | 22,000 |
| 01-1002-50650 | M&R - GROUNDS | 19,950 | 13,340 | 13,000 | 12,388 | 14,000 |
| 01-1002-50651 | M&R - FIRE HYDRANTS | - | - | 50,000 | 30,000 | 60,000 |
| 01-1002-50685 | M&R - VEHICLES | 12,726 | 8,272 | 22,174 | 13,000 | 14,500 |
| 01-1002-50725 | MATERIALS - M&R LINES | 24,539 | 50,591 | 74,000 | 74,000 | 77,500 |
| 01-1002-50726 | STREET REPAIR - PAVING | 3,833 | 10,987 | 20,000 | 20,000 | 21,000 |
| 01-1002-50730 | MATERIALS - M&R WT TAP | 152,924 | 203,133 | 300,000 | 200,000 | 220,000 |
| Total Maintenance/Repair | | 222,105 | 314,979 | 510,174 | 379,788 | 440,000 |
| Other Services | | | | | | |
| 01-1002-50755 | METER EXPENSE - NEW SERVICE | 58,618 | 22,576 | 60,000 | 60,000 | 47,500 |
| 01-1002-50765 | OTHER EXPENSES | 2,599 | 2,646 | 2,750 | 2,750 | 2,750 |
| 01-1002-50785 | LEASE - RENT | (1,797) | 1,323 | 4,000 | 0.0000 | 4,000 |
| 01-1002-50800 | SAFETY EQUIPMENT/SUPPLIES | 4,447 | 7,783 | 6,500 | 6,500 | 7,500 |
| 01-1002-50830 | UNIFORMS | 9,423 | 10,398 | 12,500 | 12,000 | 12,500 |
| Total Other Services | | 73,290 | 44,726 | 85,750 | 81,250 | 74,250 |
| Total Water Distribution Expenditures | | 1,421,282 | 1,542,341 | 1,870,424 | 1,619,304 | 1,706,410 |
| Total Water Production Expenditures | | 1,612,634 | 1,848,414 | 2,544,239 | 2,802,596 | 1,897,000 |

| PLANT PERSONNEL SCHEDULE | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Plant Operations Supervisor | 1 | 1 | 1 | 1 | 1 |
| Plant Operator | 4 | 6 | 4 | 5 | 5 |
| Water Quality Technician | 1 | 0 | 1 | 0 | 0 |
| Chief Operator | 1 | 0 | 2 | 2 | 2 |
| Maintenance Foreman | 0 | 1 | 1 | 1 | 1 |
| Maintenance Operator | 1 | 1 | 1 | 1 | 1 |
| Water Quality Conservation Technician | 0 | 0 | 0 | 0 | 0 |
| SCADA Technician | 1 | 1 | 1 | 1 | 1 |
| TOTAL | 9 | 10 | 11 | 11 | 11 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Utilities Fund – Wastewater Treatment

| | | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|------------------------------|-----------------|-----------------|--------------------|-------------------|----------------|
| Wastewater Treatment Expenditures | | f | h | j | n | p |
| Personnel Services | | | | | | |
| 01-2001-50410 | SALARIES & WAGES | 293,684 | 302,844 | 335,400 | 286,000 | 333,900 |
| 01-2001-50411 | OVERTIME | 34,323 | 46,390 | 40,000 | 69,000 | 41,200 |
| 01-2001-50415 | FICA EXPENSE - ER | 24,252 | 26,039 | 28,700 | 26,200 | 28,700 |
| 01-2001-50420 | GROUP INSURANCE PREMIUM | 56,230 | 67,949 | 67,700 | 55,200 | 61,500 |
| 01-2001-50430 | 401(A) MONEY PURCHASE | 2,868 | - | - | - | - |
| 01-2001-50432 | 401(A) MATCH | 1,337 | - | - | - | - |
| 01-2001-50433 | TMRS | 1,124 | 31,907 | 31,000 | 30,200 | 30,000 |
| Total Personnel Services | | 413,818 | 475,131 | 502,800 | 466,600 | 495,300 |
| Contractual Services | | | | | | |
| 01-2001-50543 | CHEMICALS - WASTEWATER | 83,415 | 72,119 | 88,000 | 28,840 | 88,000 |
| 01-2001-50548 | CONTRACT SERVICES | - | 843 | 5,200 | 10,336 | 5,400 |
| 01-2001-50555 | LAB EXPENSES | 14,549 | 14,905 | 12,400 | 7,172 | 12,400 |
| 01-2001-50592 | EQUIPMENT/SUPPLIES | 4,724 | 7,034 | 8,800 | 17,160 | 9,100 |
| 01-2001-56005 | FUEL/MAINT-chemical accident | - | - | 263 | 263 | - |
| 01-2001-50595 | FUEL/MAINTENANCE | 13,853 | 15,709 | 17,500 | 28,372 | 18,000 |
| Total Contractual Services | | 116,542 | 110,611 | 132,163 | 92,143 | 132,900 |
| Maintenance/Repair | | | | | | |
| 01-2001-50640 | M&R - EQUIPMENT | 3,141 | 3,363 | 7,700 | 25,780 | 8,000 |
| 01-2001-50670 | M&R - LIFT STATION | - | - | 128,217 | 167,540 | 132,000 |
| 01-2001-50675 | M&R - PLANT | 75,086 | 92,042 | 149,498 | 316,016 | 154,000 |
| 01-2001-50685 | M&R - VEHICLES | 7,665 | 7,918 | 7,900 | 10,360 | 8,200 |
| Total Maintenance/Repair | | 85,891 | 103,323 | 293,315 | 519,696 | 302,200 |
| Other Services | | | | | | |
| 01-2001-50742 | BIO SOLIDS - COMPOST | 17,508 | 8,900 | 50,550 | 50,550 | 50,550 |
| 01-2001-50765 | OTHER EXPENSES | 10 | 1,435 | 1,650 | 2,616 | 1,700 |
| 01-2001-50785 | LEASE - RENT | 1,120 | 1,999 | 3,000 | 25,470 | 3,100 |
| 01-2001-50800 | SAFETY EQUIPMENT/SUPPLIES | 1,623 | 4,928 | 5,300 | 11,842 | 5,500 |
| 01-2001-50830 | UNIFORMS | 4,175 | 3,786 | 5,700 | 9,404 | 5,900 |
| Total Other Services | | 24,435 | 21,049 | 66,200 | 99,882 | 66,750 |
| Total Wastewater Treatment Expenditures | | 640,687 | 710,113 | 994,478 | 1,178,321 | 997,150 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Utilities Fund – Wastewater Collection

| | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|------------------|------------------|--------------------|-------------------|------------------|
| Wastewater Collection Expenditures | f | h | j | n | p |
| Personnel Services | | | | | |
| 01-2002-50410 SALARIES & WAGES | 377,831 | 425,119 | 413,800 | 432,000 | 425,500 |
| 01-2002-50411 OVERTIME | 83,724 | 84,180 | 75,000 | 95,000 | 85,000 |
| 01-2002-50415 FICA EXPENSE - ER | 33,057 | 37,425 | 37,400 | 39,200 | 39,100 |
| 01-2002-50420 GROUP INSURANCE PREMIUM | 103,682 | 103,093 | 98,400 | 108,750 | 120,860 |
| 01-2002-50430 401(A) MONEY PURCHASE | 3,679 | - | - | - | - |
| 01-2002-50432 401(A) MATCH | 2,046 | - | - | - | - |
| 01-2002-50433 TMRS | 1,567 | 45,944 | 40,400 | 45,500 | 40,800 |
| Total Personnel Services | 605,587 | 695,762 | 665,000 | 720,450 | 711,260 |
| Contractual Services | | | | | |
| 01-2002-50542 CHEMICALS - COLLECTION | 16,705 | 19,209 | 21,000 | 15,000 | 20,000 |
| 01-2002-50548 CONTRACT SERVICES | 8,377 | 13,666 | 12,500 | 12,500 | 13,500 |
| 01-2002-50549 CONTRACT SERVICES - TAPS/NEV | 446,406 | 386,814 | 370,000 | 310,000 | 306,000 |
| 01-2002-50550 CONTRACT SERVICES - LEAK DETE | - | - | - | - | - |
| 01-2002-50592 EQUIPMENT/SUPPLIES | 30,167 | 31,003 | 36,500 | 36,000 | 37,000 |
| 01-2002-50595 FUEL/MAINTENANCE | 24,017 | 22,368 | 29,500 | 22,000 | 29,500 |
| Total Contractual Services | 525,671 | 473,060 | 469,500 | 395,500 | 406,000 |
| Maintenance/Repair | | | | | |
| 01-2002-50630 M&R - BUILDING | - | 15,548 | 13,000 | 13,000 | 14,000 |
| 01-2002-50640 M&R - EQUIPMENT | 7,506 | 15,173 | 16,000 | 16,000 | 17,500 |
| 01-2002-50645 M&R - GRINDER PUMPS | 85,862 | 44,045 | 75,000 | 75,000 | 75,000 |
| 01-2002-50646 GRINDER PURCHASES | 949,300 | 554,242 | 550,000 | 550,000 | 369,000 |
| 01-2002-50647 M&R - GRINDER PANELS | - | 24,397 | 60,000 | 60,000 | 60,000 |
| 01-2002-50650 M&R - GROUNDS | - | 12,610 | 13,000 | 13,000 | 14,000 |
| 01-2002-50670 M&R - LIFT STATION | 37,656 | 49,589 | - | - | - |
| 01-2002-50685 M&R - VEHICLES | 12,468 | 8,240 | 14,509 | 13,000 | 14,500 |
| 01-2002-50715 M&R MATERIALS-GP TAP | 145,643 | 176,780 | 245,000 | 170,000 | 162,000 |
| 01-2002-50730 M&R MATERIALS-WP TAP | - | 3,653 | - | - | - |
| 01-2002-50725 M&R MATERIALS-LINE | 29,160 | 48,994 | 88,000 | 88,000 | 90,000 |
| Total Maintenance/Repair | 1,267,595 | 953,271 | 1,074,509 | 998,000 | 816,000 |
| Other Services | | | | | |
| 01-2002-50726 STREET REPAIR - PAVING | 3,833 | 10,987 | 25,000 | 25,000 | 26,500 |
| 01-2002-50765 OTHER EXPENSES | 2,378 | 2,639 | 2,750 | 2,750 | 2,750 |
| 01-2002-50785 LEASE - RENT | (1,797) | 1,323 | 4,000 | - | 4,000 |
| 01-2002-50800 SAFETY EQUIPMENT/SUPPLIES | 4,445 | 7,783 | 6,500 | 6,500 | 7,500 |
| 01-2002-50830 UNIFORMS | 9,253 | 9,304 | 12,500 | 12,000 | 12,500 |
| Total Other Services | 18,112 | 32,037 | 50,750 | 46,250 | 53,250 |
| Total Wastewater Collection Expenditures | 2,416,965 | 2,154,130 | 2,259,759 | 2,160,200 | 1,986,510 |

| FIELD PERSONNEL SCHEDULE | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|
| Field Operations Supervisor | 1 | 1 | 1 | 1 | 1 |
| Crew Lead | 2 | 1 | 3 | 3 | 3 |
| Field Operator | 10 | 11 | 8 | 7 | 8 |
| Field Technician | 1 | 0 | 0 | 0 | 0 |
| Utilities Dispatcher | 0 | 1 | 1 | 1 | 1 |
| Warehouse Technician | 1 | 1 | 1 | 1 | 1 |
| Fleet Mechanic | 0 | 0 | 1 | 1 | 1 |
| Pump & Motor Tech | 0 | 1 | 1 | 1 | 1 |
| TOTAL | 15 | 16 | 16 | 15 | 16 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Utilities Fund – Solid Waste Recycling

| | | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|-------------------------------|------------------|------------------|--------------------|-------------------|------------------|
| Solid Waste Recycling Expenditures | | f | h | j | n | p |
| Personnel Services | | | | | | |
| 01-3001-50410 | SALARIES & WAGES | 107,344 | 139,379 | 153,600 | 152,800 | 157,900 |
| 01-3001-50411 | OVERTIME | 10,216 | 9,478 | 10,000 | 17,000 | 10,300 |
| 01-3001-50415 | FICA EXPENSE - ER | 8,904 | 11,318 | 12,500 | 13,000 | 12,900 |
| 01-3001-50420 | GROUP INSURANCE PREMIUM | 11,913 | 20,131 | 19,900 | 20,400 | 22,660 |
| 01-3001-50430 | 401(A) MONEY PURCHASE | 567 | - | - | - | - |
| 01-3001-50432 | 401(A) MATCH | 156 | - | - | - | - |
| 01-3001-50433 | TMRS | 322 | 13,386 | 13,500 | 14,600 | 13,500 |
| Total Personnel Services | | 139,421 | 193,692 | 209,500 | 217,800 | 217,260 |
| Contractual Services | | | | | | |
| 01-3001-50599 | COMPACTOR SERVICE | 19,550 | 12,650 | 15,000 | 5,200 | 15,500 |
| 01-3001-50600 | GARBAGE SERVICE - COMMERCIAL | 170,124 | 201,139 | 239,900 | 215,982 | 223,560 |
| 01-3001-50605 | GARBAGE SERVICE - RESIDENTIAL | 733,906 | 856,960 | 906,100 | 914,299 | 945,990 |
| 01-3001-50606 | RECYCLING SERVICE | 32,520 | 39,195 | 27,500 | 52,400 | 37,000 |
| Total Contractual Services | | 956,100 | 1,109,944 | 1,188,500 | 1,187,881 | 1,222,050 |
| Maintenance/Repair | | | | | | |
| 01-3001-50676 | M&R - BRUSH SITE | 25,930 | 51,317 | 96,451 | 92,028 | 56,700 |
| 01-3001-50785 | LEASE - RENT | - | - | - | - | - |
| Total Other Services | | 25,930 | 51,317 | 96,451 | 92,028 | 56,700 |
| Total Solid Waste Recycling Expenditures | | 1,121,451 | 1,354,954 | 1,494,451 | 1,497,709 | 1,496,010 |

| RECYCLE PERSONNEL SCHEDULE | FY 22 Actual | FY 23 Actual | FY 24 Actual | FY 25 Budget | FY 26 Budget |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| Lead Recycle Monitor | 0 | 0 | 1 | 1 | 1 |
| Recycle Monitor | 1 | 2 | 2 | 2 | 2 |
| TOTAL | 1 | 2 | 3 | 3 | 3 |
| Part-Time Recycle Monitor | 2 | 1 | 0 | 0 | 0 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Utilities Fund – Debt

| Red GL Numbers are new. | | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|------------------------------|------------------|------------------|--------------------|-------------------|------------------|
| Debt Service Expenditures | | f | h | j | n | p |
| 01-9994-50515 | 2007 SERIES - PRINCIPAL | 445,000 | 465,000 | 485,000 | 485,000 | 505,000 |
| 01-9994-50516 | 2007 SERIES - INTEREST | 97,777 | 79,992 | 61,206 | 61,206 | 41,612 |
| 01-9994-50521 | 2014 SERIES - INTEREST | 116,935 | 113,498 | 109,085 | 109,085 | 104,135 |
| 01-9994-50522 | 2014 SERIES - PRINCIPAL | 150,000 | 155,000 | 165,000 | 165,000 | 170,000 |
| 01-9994-50523 | 2016 SERIES - INTEREST | 72,650 | 67,400 | 60,000 | 60,000 | 52,400 |
| 01-9994-50524 | 2016 SERIES - PRINCIPAL | 175,000 | 185,000 | 190,000 | 190,000 | 200,000 |
| 01-9994-50527 | 2019 SERIES - PRINCIPAL | 260,000 | 270,000 | 280,000 | 280,000 | 295,000 |
| 01-9994-50528 | 2019 SERIES - INTEREST | 146,850 | 136,450 | 125,650 | 125,650 | 114,450 |
| 01-9994-50529 | 2020 SERIES REF - PRINCIPAL | 190,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| 01-9994-50530 | 2020 SERIES REF - INTEREST | 54,200 | 48,400 | 44,400 | 44,400 | 40,400 |
| 01-9994-50841 | 2025 SERIES - PRINCIPAL | - | - | - | 36,682 | 135,000 |
| 01-9994-50842 | 2025 SERIES - INTEREST | - | - | - | - | 206,338 |
| 01-9994-50998 | 2025 SERIES - ISSUANCE COSTS | - | - | 135,000 | 135,000 | - |
| 01-9994-55099 | BOND PREMIUM AMORTIZATIC | (62,898) | (62,687) | - | - | - |
| 01-9994-50533 | BOND AGENT FEES | 800 | 1,606 | 1,000 | 1,606 | 1,806 |
| Total Debt Service Expenditures | | 1,646,314 | 1,659,659 | 1,856,341 | 1,893,629 | 2,066,141 |

See pages 82-89 for Debt Analysis for the Utility Fund

See pages 98-107 for Debt Analysis for the Debt Service Fund

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Long-Term Debt Principal Balances by Year (Util)

| | 2007 CO (UTIL) | 2014 CO (UTIL) | 2016 CO (UTIL) | 2019 CO (UTIL) | 2020 GO (UTIL) | 2025 CO (UTIL) | TOTAL |
|-----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| 9/30/2025 | \$ 1,030,000 | \$ 3,050,000 | \$ 1,310,000 | \$ 4,860,000 | \$ 1,100,000 | \$ 4,395,000 | \$ 15,745,000 |
| 9/30/2026 | \$ 525,000 | \$ 2,885,000 | \$ 1,110,000 | \$ 4,565,000 | \$ 900,000 | \$ 4,260,000 | \$ 14,245,000 |
| 9/30/2027 | \$ - | \$ 2,710,000 | \$ 905,000 | \$ 4,260,000 | \$ 690,000 | \$ 4,120,000 | \$ 12,685,000 |
| 9/30/2028 | \$ - | \$ 2,530,000 | \$ 690,000 | \$ 3,945,000 | \$ 470,000 | \$ 3,970,000 | \$ 11,605,000 |
| 9/30/2029 | \$ - | \$ 2,345,000 | \$ 470,000 | \$ 3,620,000 | \$ 240,000 | \$ 3,815,000 | \$ 10,490,000 |
| 9/30/2030 | \$ - | \$ 2,150,000 | \$ 240,000 | \$ 3,290,000 | \$ - | \$ 3,650,000 | \$ 9,330,000 |
| 9/30/2031 | \$ - | \$ 1,950,000 | \$ - | \$ 2,955,000 | \$ - | \$ 3,480,000 | \$ 8,385,000 |
| 9/30/2032 | \$ - | \$ 1,740,000 | \$ - | \$ 2,610,000 | \$ - | \$ 3,300,000 | \$ 7,650,000 |
| 9/30/2033 | \$ - | \$ 1,520,000 | \$ - | \$ 2,260,000 | \$ - | \$ 3,110,000 | \$ 6,890,000 |
| 9/30/2034 | \$ - | \$ 1,295,000 | \$ - | \$ 1,905,000 | \$ - | \$ 2,910,000 | \$ 6,110,000 |
| 9/30/2035 | \$ - | \$ 1,060,000 | \$ - | \$ 1,540,000 | \$ - | \$ 2,700,000 | \$ 5,300,000 |
| 9/30/2036 | \$ - | \$ 810,000 | \$ - | \$ 1,170,000 | \$ - | \$ 2,480,000 | \$ 4,460,000 |
| 9/30/2037 | \$ - | \$ 550,000 | \$ - | \$ 790,000 | \$ - | \$ 2,250,000 | \$ 3,590,000 |
| 9/30/2038 | \$ - | \$ 280,000 | \$ - | \$ 400,000 | \$ - | \$ 2,010,000 | \$ 2,690,000 |
| 9/30/2039 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,760,000 | \$ 1,760,000 |
| 9/30/2040 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,495,000 | \$ 1,495,000 |
| 9/30/2041 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,220,000 | \$ 1,220,000 |
| 9/30/2042 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 935,000 | \$ 935,000 |
| 9/30/2043 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 635,000 | \$ 635,000 |
| 9/30/2044 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 325,000 | \$ 325,000 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Long-Term Debt Principal and Interest Payments (Util)

| | 2007 CO (UTIL) | | 2014 CO (UTIL) | | 2016 CO (UTIL) | | 2019 CO (UTIL) | |
|------|---------------------|------------------|---------------------|-------------------|---------------------|-------------------|---------------------|-------------------|
| | Prin | Int | Prin | Int | Prin | Int | Prin | Int |
| FY26 | \$ 505,000 | \$ 41,612 | \$ 165,000 | \$ 104,135 | \$ 200,000 | \$ 52,400 | \$ 295,000 | \$ 114,450 |
| FY27 | \$ 525,000 | \$ 21,210 | \$ 175,000 | \$ 99,035 | \$ 205,000 | \$ 44,400 | \$ 305,000 | \$ 102,650 |
| FY28 | - | - | \$ 180,000 | \$ 93,485 | \$ 215,000 | \$ 36,200 | \$ 315,000 | \$ 90,450 |
| FY29 | - | - | \$ 185,000 | \$ 87,554 | \$ 220,000 | \$ 27,600 | \$ 325,000 | \$ 84,150 |
| FY30 | - | - | \$ 195,000 | \$ 81,379 | \$ 230,000 | \$ 18,800 | \$ 330,000 | \$ 77,650 |
| FY31 | - | - | \$ 200,000 | \$ 74,960 | \$ 240,000 | \$ 9,600 | \$ 335,000 | \$ 71,050 |
| FY32 | - | - | \$ 210,000 | \$ 68,088 | - | - | \$ 345,000 | \$ 64,350 |
| FY33 | - | - | \$ 220,000 | \$ 60,670 | - | - | \$ 350,000 | \$ 57,450 |
| FY34 | - | - | \$ 225,000 | \$ 52,994 | - | - | \$ 355,000 | \$ 50,450 |
| FY35 | - | - | \$ 235,000 | \$ 44,413 | - | - | \$ 365,000 | \$ 42,906 |
| FY36 | - | - | \$ 250,000 | \$ 34,713 | - | - | \$ 370,000 | \$ 35,150 |
| FY37 | - | - | \$ 260,000 | \$ 25,000 | - | - | \$ 380,000 | \$ 26,825 |
| FY38 | - | - | \$ 270,000 | \$ 15,394 | - | - | \$ 390,000 | \$ 18,275 |
| FY39 | - | - | \$ 280,000 | \$ 5,250 | - | - | \$ 400,000 | \$ 9,500 |
| | \$ 1,030,000 | \$ 62,822 | \$ 3,050,000 | \$ 847,068 | \$ 1,310,000 | \$ 189,000 | \$ 4,860,000 | \$ 845,306 |

| | 2020 GO (UTIL) | | 2025 CO (UTIL) | | TOTAL (UTIL) | |
|------|---------------------|-------------------|---------------------|---------------------|----------------------|---------------------|
| | Prin | Int | Prin | Int | Prin | Int |
| FY26 | \$ 200,000 | \$ 40,400 | \$ 135,000 | \$ 206,338 | \$ 1,500,000 | \$ 559,335 |
| FY27 | \$ 210,000 | \$ 34,200 | \$ 140,000 | \$ 199,588 | \$ 1,560,000 | \$ 501,083 |
| FY28 | \$ 220,000 | \$ 25,600 | \$ 150,000 | \$ 192,588 | \$ 1,080,000 | \$ 438,323 |
| FY29 | \$ 230,000 | \$ 16,600 | \$ 155,000 | \$ 185,088 | \$ 1,115,000 | \$ 400,991 |
| FY30 | \$ 240,000 | \$ 6,000 | \$ 165,000 | \$ 177,338 | \$ 1,160,000 | \$ 361,166 |
| FY31 | - | - | 170,000 | \$ 169,088 | \$ 945,000 | \$ 324,698 |
| FY32 | - | - | 180,000 | \$ 160,588 | \$ 735,000 | \$ 293,025 |
| FY33 | - | - | 190,000 | \$ 151,588 | \$ 760,000 | \$ 269,708 |
| FY34 | - | - | 200,000 | \$ 142,088 | \$ 780,000 | \$ 245,531 |
| FY35 | - | - | 210,000 | \$ 132,088 | \$ 810,000 | \$ 219,406 |
| FY36 | - | - | 220,000 | \$ 121,588 | \$ 840,000 | \$ 191,450 |
| FY37 | - | - | 230,000 | \$ 110,588 | \$ 870,000 | \$ 162,413 |
| FY38 | - | - | 240,000 | \$ 99,088 | \$ 900,000 | \$ 132,756 |
| FY39 | - | - | 250,000 | \$ 87,088 | \$ 930,000 | \$ 101,838 |
| FY40 | - | - | 265,000 | \$ 74,588 | \$ 265,000 | \$ 74,588 |
| FY41 | - | - | 275,000 | \$ 63,988 | \$ 275,000 | \$ 63,988 |
| FY42 | - | - | 285,000 | \$ 52,644 | \$ 285,000 | \$ 52,644 |
| FY43 | - | - | 300,000 | \$ 40,531 | \$ 300,000 | \$ 40,531 |
| FY44 | - | - | 310,000 | \$ 27,781 | \$ 310,000 | \$ 27,781 |
| FY45 | - | - | 325,000 | \$ 14,219 | \$ 325,000 | \$ 14,219 |
| | \$ 1,100,000 | \$ 122,800 | \$ 4,395,000 | \$ 2,408,475 | \$ 15,745,000 | \$ 4,475,471 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Certificate of Obligation – Series 2007

(Refunding 2004 CO Issue)

| | PRINCIPAL | INTEREST | TOTAL |
|------------|--------------|-----------|--------------|
| 02/15/2026 | \$ 20,806 | \$ 20,806 | \$ 20,806 |
| 08/15/2026 | \$ 505,000 | \$ 20,806 | \$ 525,806 |
| 02/15/2027 | | \$ 10,605 | \$ 10,605 |
| 08/15/2027 | \$ 525,000 | \$ 10,605 | \$ 535,605 |
| TOTAL | \$ 1,030,000 | \$ 62,822 | \$ 1,092,822 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Certificate of Obligation – Series 2014 –AA+ (Utility Infrastructure Upgrade)

| | PRINCIPAL | INTEREST | TOTAL |
|------------|--------------|------------|--------------|
| 02/15/2026 | \$ 165,000 | \$ 53,305 | \$ 218,305 |
| 08/15/2026 | | \$ 50,830 | \$ 50,830 |
| 02/15/2027 | \$ 175,000 | \$ 50,830 | \$ 225,830 |
| 08/15/2027 | | \$ 48,205 | \$ 48,205 |
| 02/15/2028 | \$ 180,000 | \$ 48,205 | \$ 228,205 |
| 08/15/2028 | | \$ 45,280 | \$ 45,280 |
| 02/15/2029 | \$ 185,000 | \$ 45,280 | \$ 230,280 |
| 08/15/2029 | | \$ 42,274 | \$ 42,274 |
| 02/15/2030 | \$ 195,000 | \$ 42,274 | \$ 237,274 |
| 08/15/2030 | | \$ 39,105 | \$ 39,105 |
| 02/15/2031 | \$ 200,000 | \$ 39,105 | \$ 239,105 |
| 08/15/2031 | | \$ 35,855 | \$ 35,855 |
| 02/15/2032 | \$ 210,000 | \$ 35,855 | \$ 245,855 |
| 08/15/2032 | | \$ 32,233 | \$ 32,233 |
| 02/15/2033 | \$ 220,000 | \$ 32,233 | \$ 252,233 |
| 08/15/2033 | | \$ 28,438 | \$ 28,438 |
| 02/15/2034 | \$ 225,000 | \$ 28,438 | \$ 253,438 |
| 08/15/2034 | | \$ 24,556 | \$ 24,556 |
| 02/15/2035 | \$ 235,000 | \$ 24,556 | \$ 259,556 |
| 08/15/2035 | | \$ 19,856 | \$ 19,856 |
| 02/15/2036 | \$ 250,000 | \$ 19,856 | \$ 269,856 |
| 08/15/2036 | | \$ 14,856 | \$ 14,856 |
| 02/15/2037 | \$ 260,000 | \$ 14,856 | \$ 274,856 |
| 08/15/2037 | | \$ 10,144 | \$ 10,144 |
| 02/15/2038 | \$ 270,000 | \$ 10,144 | \$ 280,144 |
| 08/15/2038 | | \$ 5,250 | \$ 5,250 |
| 02/15/2039 | \$ 280,000 | \$ 5,250 | \$ 285,250 |
| 08/15/2039 | \$ - | \$ - | \$ - |
| TOTAL | \$ 3,050,000 | \$ 847,068 | \$ 3,897,068 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Certificate of Obligation – Series 2016 –AA+ (Infrastructure Improvement Summit Rock)

| | PRINCIPAL | INTEREST | TOTAL |
|------------|--------------|------------|--------------|
| 02/15/2026 | | \$ 26,200 | \$ 26,200 |
| 08/15/2026 | \$ 200,000 | \$ 26,200 | \$ 226,200 |
| 02/15/2027 | | \$ 22,200 | \$ 22,200 |
| 08/15/2027 | \$ 205,000 | \$ 22,200 | \$ 227,200 |
| 02/15/2028 | | \$ 18,100 | \$ 18,100 |
| 08/15/2028 | \$ 215,000 | \$ 18,100 | \$ 233,100 |
| 02/15/2029 | | \$ 13,800 | \$ 13,800 |
| 08/15/2029 | \$ 220,000 | \$ 13,800 | \$ 233,800 |
| 02/15/2030 | | \$ 9,400 | \$ 9,400 |
| 08/15/2030 | \$ 230,000 | \$ 9,400 | \$ 239,400 |
| 02/15/2031 | | \$ 4,800 | \$ 4,800 |
| 08/15/2031 | \$ 240,000 | \$ 4,800 | \$ 244,800 |
| TOTAL | \$ 1,310,000 | \$ 189,000 | \$ 1,499,000 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Certificate of Obligation – Series 2019 – AA+ (Wastewater Plant Expansion)

| | PRINCIPAL | INTEREST | TOTAL |
|------------|--------------|------------|--------------|
| 02/15/2026 | \$ 57,225 | \$ 57,225 | |
| 08/15/2026 | \$ 295,000 | \$ 57,225 | \$ 352,225 |
| 02/15/2027 | | \$ 51,325 | \$ 51,325 |
| 08/15/2027 | \$ 305,000 | \$ 51,325 | \$ 356,325 |
| 02/15/2028 | | \$ 45,225 | \$ 45,225 |
| 08/15/2028 | \$ 315,000 | \$ 45,225 | \$ 360,225 |
| 02/15/2029 | | \$ 42,075 | \$ 42,075 |
| 08/15/2029 | \$ 325,000 | \$ 42,075 | \$ 367,075 |
| 02/15/2030 | | \$ 38,825 | \$ 38,825 |
| 08/15/2030 | \$ 330,000 | \$ 38,825 | \$ 368,825 |
| 02/15/2031 | | \$ 35,525 | \$ 35,525 |
| 08/15/2031 | \$ 335,000 | \$ 35,525 | \$ 370,525 |
| 02/15/2032 | | \$ 32,175 | \$ 32,175 |
| 08/15/2032 | \$ 345,000 | \$ 32,175 | \$ 377,175 |
| 02/15/2033 | | \$ 28,725 | \$ 28,725 |
| 08/15/2033 | \$ 350,000 | \$ 28,725 | \$ 378,725 |
| 02/15/2034 | | \$ 25,225 | \$ 25,225 |
| 08/15/2034 | \$ 355,000 | \$ 25,225 | \$ 380,225 |
| 02/15/2035 | | \$ 21,453 | \$ 21,453 |
| 08/15/2035 | \$ 365,000 | \$ 21,453 | \$ 386,453 |
| 02/15/2036 | | \$ 17,575 | \$ 17,575 |
| 08/15/2036 | \$ 370,000 | \$ 17,575 | \$ 387,575 |
| 02/15/2037 | | \$ 13,413 | \$ 13,413 |
| 08/15/2037 | \$ 380,000 | \$ 13,413 | \$ 393,413 |
| 02/15/2038 | | \$ 9,138 | \$ 9,138 |
| 08/15/2038 | \$ 390,000 | \$ 9,138 | \$ 399,138 |
| 02/15/2039 | | \$ 4,750 | \$ 4,750 |
| 08/15/2039 | \$ 400,000 | \$ 4,750 | \$ 404,750 |
| TOTAL | \$ 4,860,000 | \$ 845,306 | \$ 5,705,306 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

GO Refunding Bonds – Series 2020 – AA+ (Refunding 2011 CO Issue)

| | PRINCIPAL | INTEREST | TOTAL |
|------------|--------------|------------|--------------|
| 02/15/2026 | \$ 200,000 | \$ 21,200 | \$ 221,200 |
| 08/15/2026 | | \$ 19,200 | \$ 19,200 |
| 02/15/2027 | \$ 210,000 | \$ 19,200 | \$ 229,200 |
| 08/15/2027 | | \$ 15,000 | \$ 15,000 |
| 02/15/2028 | \$ 220,000 | \$ 15,000 | \$ 235,000 |
| 08/15/2028 | | \$ 10,600 | \$ 10,600 |
| 02/15/2029 | \$ 230,000 | \$ 10,600 | \$ 240,600 |
| 08/15/2029 | | \$ 6,000 | \$ 6,000 |
| 02/15/2030 | \$ 240,000 | \$ 6,000 | \$ 246,000 |
| TOTAL | \$ 1,100,000 | \$ 122,800 | \$ 1,222,800 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

CO Series 2025 – AA+ (Utility Infrastructure Upgrade)

| | PRINCIPAL | INTEREST | TOTAL |
|--------------|---------------------|---------------------|---------------------|
| 02/15/2026 | \$ 103,169 | \$ 103,169 | \$ 103,169 |
| 08/15/2026 | \$ 135,000 | \$ 103,169 | \$ 238,169 |
| 02/15/2027 | | \$ 99,794 | \$ 99,794 |
| 08/15/2027 | \$ 140,000 | \$ 99,794 | \$ 239,794 |
| 02/15/2028 | | \$ 96,294 | \$ 96,294 |
| 08/15/2028 | \$ 150,000 | \$ 96,294 | \$ 246,294 |
| 02/15/2029 | | \$ 92,544 | \$ 92,544 |
| 08/15/2029 | \$ 155,000 | \$ 92,544 | \$ 247,544 |
| 02/15/2030 | | \$ 88,669 | \$ 88,669 |
| 08/15/2030 | \$ 165,000 | \$ 88,669 | \$ 253,669 |
| 02/15/2031 | | \$ 84,544 | \$ 84,544 |
| 08/15/2031 | \$ 170,000 | \$ 84,544 | \$ 254,544 |
| 02/15/2032 | | \$ 80,294 | \$ 80,294 |
| 08/15/2032 | \$ 180,000 | \$ 80,294 | \$ 260,294 |
| 02/15/2033 | | \$ 75,794 | \$ 75,794 |
| 08/15/2033 | \$ 190,000 | \$ 75,794 | \$ 265,794 |
| 02/15/2034 | | \$ 71,044 | \$ 71,044 |
| 08/15/2034 | \$ 200,000 | \$ 71,044 | \$ 271,044 |
| 02/15/2035 | | \$ 66,044 | \$ 66,044 |
| 08/15/2035 | \$ 210,000 | \$ 66,044 | \$ 276,044 |
| 02/15/2036 | | \$ 60,794 | \$ 60,794 |
| 08/15/2036 | \$ 220,000 | \$ 60,794 | \$ 280,794 |
| 02/15/2037 | | \$ 55,294 | \$ 55,294 |
| 08/15/2037 | \$ 230,000 | \$ 55,294 | \$ 285,294 |
| 02/15/2038 | | \$ 49,544 | \$ 49,544 |
| 08/15/2038 | \$ 240,000 | \$ 49,544 | \$ 289,544 |
| 02/15/2039 | | \$ 43,544 | \$ 43,544 |
| 08/15/2039 | \$ 250,000 | \$ 43,544 | \$ 293,544 |
| 02/15/2040 | | \$ 37,294 | \$ 37,294 |
| 08/15/2040 | \$ 265,000 | \$ 37,294 | \$ 302,294 |
| 02/15/2041 | | \$ 31,994 | \$ 31,994 |
| 08/15/2041 | \$ 275,000 | \$ 31,994 | \$ 306,994 |
| 02/15/2042 | | \$ 26,322 | \$ 26,322 |
| 08/15/2042 | \$ 285,000 | \$ 26,322 | \$ 311,322 |
| 02/15/2043 | | \$ 20,266 | \$ 20,266 |
| 08/15/2043 | \$ 300,000 | \$ 20,266 | \$ 320,266 |
| 02/15/2044 | | \$ 13,891 | \$ 13,891 |
| 08/15/2044 | \$ 310,000 | \$ 13,891 | \$ 323,891 |
| 02/15/2045 | | \$ 7,109 | \$ 7,109 |
| 08/15/2045 | \$ 325,000 | \$ 7,109 | \$ 332,109 |
| TOTAL | \$ 4,395,000 | \$ 2,408,475 | \$ 6,803,475 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Utilities Fund – Transfers

| | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|--------------------|--------------------|-----------------------|----------------------|-------------------|
| Transfer Out Expenditures | | | | | |
| Transfer Out | | | | | |
| 01-9995-58002 XFER TO - GENERAL FUND | - | - | - | - | - |
| 01-9995-58999 XFER TO - CAPITAL FUND-ARPA | - | - | 204,800 | 459,650 | 92,500 |
| Total Transfer Out | - | - | 204,800 | 459,650 | 92,500 |
| Total Transfer Out Expenditures | - | - | 204,800 | 459,650 | 92,500 |

Utilities Fund – Capital Projects

| | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|--------------------|--------------------|-----------------------|----------------------|-------------------|
| Capital Outlay Expenditures | f | h | j | n | p |
| 01-9999-50955 CAP OUT - MACHINE/EQUIPMENT | 162,915 | 520,519 | 460,000 | 460,000 | 480,000 |
| 01-9999-50956 CAP OUT - VEHICLES | 157,487 | 302,589 | 210,000 | 210,000 | 165,000 |
| 01-9999-50957 CAP OUT - OFFICE EQUIP/FURN | - | - | - | - | - |
| 01-9999-50959 CAP OUT - BUILDING IMPROVEMENT | 16,158 | 54,356 | 447,667 | 355,167 | 125,000 |
| 01-9999-50968 CAP OUT - SEWER LINE IMPROVE | 1,203,297 | 313,245 | 450,000 | 450,000 | 1,625,000 |
| 01-9999-50969 CAP OUT - WATER PLANT IMPROVE | 223,708 | 950,058 | 4,889,999 | 4,717,094 | 2,986,483 |
| 01-9999-59999 ALLOWANCE - UNCOLLECTED ACCTS | 9,255 | 10,063 | - | - | - |
| Total Capital Outlay Expenditures | 1,772,820 | 2,150,830 | 6,457,666 | 6,192,261 | 5,381,483 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| 5 YEAR CAPITAL IMPROVEMENT/NEEDS ASSESSMENT PLAN FY26-FY30 (FY25 FOR REFERENCE ONLY) | | | | | | |
|---|------------------|------------------|------------------|------------------|---|---------------------|
| UTILITY FUND | FY25 Amended | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 |
| Routine Capital Purchases & Projects: (Covered by Fees) | | | | | | |
| Water Meter Replacement Program | 110,000 | 125,000 | 125,000 | 125,000 | 125,000 | \$ 125,000 |
| Fence Lakawana Lift Station | | | | | | |
| Drought tolerant demo gardens CH and Utility Admin | 17,067 | 50,000 | | | | |
| Vehicle Replacement | 175,000 | 165,000 | 150,000 | 205,000 | 135,000 | \$ 137,000 |
| Utility Trailer | 35,000 | | | | | |
| Utility Terrain Vehicle | | | | | | |
| Lakawana Lift Station Portable Generator | - | | | | | |
| Heavy Equipment Replacement | 140,000 | 130,000 | 250,000 | 175,000 | - | \$ - |
| Replace Obsolete Grinder Systems | 90,000 | 100,000 | 100,000 | 100,000 | 100,000 | \$ 90,000 |
| Water/Wastewater Main Replacement Program (field projects only) | 60,000 | 75,000 | 200,000 | 100,000 | 100,000 | \$ 100,000 |
| Expansion and redesign of Reclamation center | 124,900 | 75,000 | | | | |
| Utility/P.W. service center (Land purchase) | 213,200 | | | | | |
| Emergency equipment replacement | 60,000 | 50,000 | 50,000 | 50,000 | 50,000 | \$ 50,000 |
| Disaster response emergency fund | - | | 45,000 | 45,000 | 45,000 | \$ 45,000 |
| Utility Capital Reserve Fund | - | | 75,000 | 125,000 | 125,000 | \$ 125,000 |
| Total Routine Capital Purchases & Projects: | 1,025,167 | 770,000 | 995,000 | 925,000 | 680,000 | \$ 672,000 |
| UTILITY FUND | FY25 Amended | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 |
| Major Capital Purchases & Projects: | | | | | FY27-FY30-covered by bonds or grants | |
| STP sludge removal from ponds - WWTP | 250,000 | | | | | |
| Summit Rock Lift Station -future bond | - | | 2,550,000 | | | |
| Trails Lift Station Rehabilitation | 100,000 | | | | | |
| Chemical storage and pumping upgrades | - | - | 85,000 | 100,000 | 80,000 | \$ 100,000 |
| Internet Project (Llano County ARPA) | 208,850 | 111,483 | | | | |
| Blister Gold Lift Station | | | | | | |
| West water plant expansion | | | | | 2,500,000 | |
| West water plant engineering from FY24-4.5M bond | 417,062 | 381,859 | | | | |
| Central Water Plant capital improvements and expansions | | | 750,000 | 3,150,000 | | |
| Central Water Plant Capital Improvements from FY24-4.5M | 473,830 | | | | | |
| Sewer Transmission Main 16" Summit -Blister Gold-effluent water | | 1,000,000 | 900,000 | | | |
| Hi Circle South Pump Station/interconnect | | | | 425,000 | 4,250,000 | |
| High Storage transmission main expansion | 2,094,538 | 500,000 | | | | |
| High Storage transmission main expansion-impact fees funded | 583,388 | | | | | |
| Fencing for lift stations and tanks per TCEQ regulations | - | 175,000 | | | | |
| Water Storage Tanks Rehabilitation | 75,000 | 1,593,141 | | | | |
| Water Storage Tanks Rehabilitation from FY24-4.5M | 864,426 | | | | | |
| WWTP Upgrades | | 400,000 | | | | |
| Slickrock Lift station Upgrades | | 200,000 | | | | |
| Pecan Creek Lift Station Rehab/Generator | 100,000 | 250,000 | | | | |
| Total Major Capital Purchases & Projects: | 5,167,094 | 4,611,483 | 4,285,000 | 3,675,000 | 2,580,000 | \$ 4,350,000 |
| TOTAL ANNUAL CIP REQUIREMENTS | 6,192,261 | 5,381,483 | 5,280,000 | 4,600,000 | 3,260,000 | \$ 5,022,000 |

A capital expenditure is defined as money spent to acquire or maintain a fixed asset. A fixed asset can usually be defined as anything over \$5,000 which will last more than one year. To be a bit simpler, a capital expenditure is usually a project (build or maintenance) that is usually more than \$25,000 and may take multiple years to complete. These types of expenditures can disrupt a budget, and the balance needed, so many of the projects are funded through bond sales or possibly by saving excess funds over several years. Each director may add projects to the revolving five-year plan (see above) for projects they need completed. As revenue funds become available, either through bonds or by excess revenues for smaller dollar projects, these projects are initiated with Council, City Manager, and Finance Director concurrence during budgeting. The dollar amounts for these expenditures and corresponding revenues can be found either in the Capital Projects Fund for any non-utility project, or in the Utilities Fund listed in the Capital Projects department. These high dollar totals are also used in the forecast models shown in the long-range planning section to assist staff and City Council with planning for paying for these necessary projects without ruining the balance of the budget.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

SECTION 4: SPECIALTY FUNDS

Escondido PID Fund

The Escondido PID Fund is used to track the revenues and expenditures for the Escondido Subdivision. Bonds were sold and then refunded for a better interest rate. A third-party company handles the day-to-day operations for the City, but the Fund is used to keep track of revenues paid for the assessments by residents and the expenses required to repay the bond issued for infrastructure projects.

| | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|-----------------|-----------------|--------------------|-------------------|----------------|
| Escondido Fund Revenues | | | | | |
| Administration | | | | | |
| 04-1000-40224 PID ASSESSMENT | 347,544 | 346,641 | 359,500 | 347,000 | 347,000 |
| Total Administration | 347,544 | 346,641 | 359,500 | 347,000 | 347,000 |
| Interest | | | | | |
| 04-9900-40220 INTEREST INCOME | 30,372 | 40,956 | 36,387 | 33,800 | 34,000 |
| 04-9900-40180 INTEREST INCOME | - | - | - | - | - |
| Total Interest | 30,372 | 40,956 | 36,387 | 33,800 | 34,000 |
| Total Escondido Fund Revenues | 377,916 | 387,597 | 395,887 | 380,800 | 381,000 |
| Escondido Fund Expenditures | | | | | |
| Debt Service | | | | | |
| 04-1000-50622 INTEREST PAYMENT | 90,688 | 84,557 | 77,488 | 72,924 | 65,650 |
| 04-1000-50690 PRINCIPAL PAYMENT | 210,000 | 243,000 | 230,000 | 229,000 | 240,000 |
| 04-1000-50691 MUNICAP EXPENSES | - | - | - | - | - |
| 04-1000-50840 ADMINISTRATIVE FEES | 26,219 | 27,996 | 28,760 | 27,760 | 27,760 |
| Total Debt Service | 326,907 | 355,553 | 336,248 | 329,684 | 333,410 |
| Total Escondido Fund Expenditures | 326,907 | 355,553 | 336,248 | 329,684 | 333,410 |
| Net Revenues over (Expenditures) | 51,010 | 32,044 | 59,639 | 51,116 | 47,590 |
| Fund Balance - Beginning | 802,274 | 853,283 | 885,326 | 885,326 | 936,442 |
| Fund Balance - Transfer Out | - | - | - | - | - |
| Fund Balance - Ending | 853,283 | 885,326 | 944,965 | 936,442 | 984,032 |
| Reserve: Escondido bond and required reserves | | | | | (984,032) |
| Balance after Reserves | | | | | - |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Summit Rock PID Fund

The Summit Rock PID Fund is used to track revenues and expenditures for the Summit Rock Subdivision. Assessments are charged on lots created by subdividing the original tract of land. Once the lots are purchased, an assessment is charged for 15 years. The assessments were in lieu of impact fees but were used for infrastructure projects. The City calculates interest and payments and keeps track of fund balances and transfers. The principal and interest payments are used to pay off an advance from the Utility Fund which was budgeted for FY25.

| | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|--------------------|--------------------|--------------------|-------------------|----------------|
| Summit Rock Fund Revenues | | | | | |
| Administration Revenue | | | | | |
| 05-1000-40224 PID ASSESSMENT | 503,839 | 416,549 | 516,600 | 3,583,837 | - |
| Total Administration Revenue | 503,839 | 416,549 | 516,600 | 3,583,837 | - |
| Interest Revenue | | | | | |
| 05-9900-40220 INTEREST INCOME | 8,651 | 6,132 | 7,000 | 4,434 | - |
| Total Interest Revenue | 8,651 | 6,132 | 7,000 | 4,434 | - |
| Total Summit Rock Fund Revenues | 512,490 | 422,680 | 523,600 | 3,588,271 | - |
| Summit Rock Fund Expenditures | | | | | |
| Other Services | | | | | |
| 05-1000-50622 INTEREST PAYMENT | 262,437 | 230,431 | 191,600 | 176,527 | - |
| 05-1000-50890 PRINCIPAL PAYMENT | - | - | 325,000 | 317,312 | - |
| Total Other Services | 262,437 | 230,431 | 516,600 | 493,839 | - |
| Transfer Out | | | | | |
| 05-1000-58001 XFER TO - UTILITIES FUND | - | - | - | - | - |
| 05-1000-58999 XFER TO - FUND BALANCE | - | - | - | - | - |
| Total Transfer Out | - | - | - | - | - |
| Total Summit Rock Fund Expenditures | 262,437 | 230,431 | 516,600 | 493,839 | - |
| Net Revenues over (Expenditures) | | | | | |
| Fund Balance - Beginning | (3,880,643) | (3,630,589) | (3,438,341) | (3,438,341) | 0 |
| Reclass Principal to advance paydown increases Net | - | - | - | 343,909 | - |
| Fund Balance - Ending | (3,630,589) | (3,438,341) | (3,431,341) | 0 | 0 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Police Seizure Fund

The Police Seizure Fund (or Asset Forfeiture Fund) is used to account for revenues collected from forfeiture of cash or goods through legal proceedings. Expenditures are also tracked when money is spent as the legislation surrounding forfeiture outlines some specific items that the Police Department can purchase through this fund.

| | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|--------------------|--------------------|-----------------------|----------------------|-------------------|
| Seizure Fund Revenues | | | | | |
| Other Source Revenue | | | | | |
| 06-8000-40169 PD SEIZURE FUNDS | - | - | - | - | - |
| Total Other Source Revenue | - | - | - | - | - |
| Interest Revenue | | | | | |
| 06-9900-40169 INTEREST INCOME | 18 | - | - | - | - |
| 06-9900-40220 INTEREST INCOME (DNU) | - | - | - | - | - |
| Total Interest Revenue | 18 | - | - | - | - |
| Transfer In Revenue | | | | | |
| 06-8000-48999 XFER FROM - FUND BALANCE | - | - | - | - | - |
| Total Transfer In Revenue | - | - | - | - | - |
| Total Seizure Fund Revenues | 18 | - | - | - | - |
| Seizure Fund Expenditures | | | | | |
| Other Services | | | | | |
| 06-8000-50592 EQUIPMENT/SUPPLIES | - | 8,984 | - | - | - |
| Total Other Services | - | 8,984 | - | - | - |
| Total Seizure Fund Expenditures | - | 8,984 | - | - | - |
| Net Revenues over (Expenditures) | 18 | (8,984) | - | - | - |
| Fund Balance - Beginning | 8,967 | 8,984 | (0) | (0) | (0) |
| Fund Balance - Transfer Out | - | - | - | - | - |
| Fund Balance - Ending | 8,984 | (0) | (0) | (0) | (0) |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Capital Projects Fund (Gen)

The Capital Projects Fund (General Fund items) accounts for the capital projects repaid by tax income as opposed to the Utilities Fund projects which are funded by fees. Capital projects are usually high-dollar endeavors which typically span more than one fiscal year. Bond sales are used to fund many capital projects either in part or in whole and revenues from those sales are recognized in this fund and transferred if needed.

| | | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|---------------------------------|-------------------|-------------------|--------------------|-------------------|------------------|
| Capital Outlay Fund Revenues | | | | | | |
| Administration Revenue | | | | | | |
| 07-9999-40310 | TRANSFER IN - GEN-CC/CCFFE | - | - | 4,351,725 | 1,333,187 | 2,866,038 |
| 07-9999-40310 | TRANSFER IN - GEN-FS#2FFE | - | - | - | 60,000 | - |
| 07-9999-40310 | TRANSFER IN - GEN-OLD CITY HALL | - | - | - | 25,000 | 267,500 |
| 07-9999-40310 | TRANSFER IN - GEN-CC TRAILS | - | - | - | 14,000 | - |
| 07-9999-40310 | TRANSFER IN - GEN-MARTIN PARK | - | 180,139 | - | 75,692 | - |
| Total Administration Revenue | | - | 180,139 | 4,351,725 | 1,507,879 | 3,133,538 |
| Interest Revenue | | | | | | |
| 07-9999-40220 | INTEREST INCOME | 322,199 | 819,534 | 543,965 | 543,965 | 325,000 |
| Total Interest Revenue | | 322,199 | 819,534 | 543,965 | 543,965 | 325,000 |
| Bonds Revenue | | | | | | |
| 07-9999-40300 | BOND PROCEEDS | 11,845,000 | 8,390,000 | 5,346,000 | 5,346,000 | 4,851,000 |
| 07-9999-40301 | BOND PREMIUM | 604,972 | 749,960 | 216,000 | 216,000 | 196,000 |
| Total Bonds Revenue | | 12,449,972 | 9,139,960 | 5,562,000 | 5,562,000 | 5,047,000 |
| Transfer In Revenue | | | | | | |
| 07-9999-48999 | XFER FROM - UTILITY FUND-arpa | - | - | 204,800 | 459,650 | 92,500 |
| 07-9999-40195 | XFER FROM - COURT TECHNOLOGY | - | - | 7,323 | 8,564 | 1,000 |
| 07-9999-40195 | XFER FROM - COURT SECURITY | - | - | 13,957 | 13,591 | - |
| Total Transfer In Revenue | | - | - | 226,080 | 481,805 | 93,500 |
| Total Capital Outlay Fund Revenues | | 12,772,171 | 10,139,633 | 10,683,770 | 8,095,649 | 8,599,038 |
| Capital Outlay Fund Expenditures | | | | | | |
| Other Services | | | | | | |
| 07-9999-50930 | BOND ISSUANCE COSTS | 343,862 | 184,652 | 162,000 | 162,000 | 147,000 |
| Total Other Services | | 343,862 | 184,652 | 162,000 | 162,000 | 147,000 |
| Capital Outlays | | | | | | |
| 07-9999-50961 | CAPITAL OUTLAY | 755,790 | - | - | - | - |
| 07-9999-50970 | CAP OUT - PRE CONSTRUCTION-CC | 169,452 | - | - | - | - |
| 07-9999-50970 | CAP OUT - PRE CONSTRUCTION-FS#2 | 13,600 | - | - | - | - |
| 07-9999-57001 | CP - CITY CENTER SOFT COSTS | - | 611,267 | 422,429 | 337,943 | 84,486 |
| 07-9999-57008 | CP - CITY CENTER HARD COSTS | - | 22,485 | 10,977,179 | 9,266,547 | 2,354,137 |
| 07-9999-57002 | CP - FIRE STATION SOFT COSTS | - | 260,562 | 197,962 | 178,166 | 19,796 |
| 07-9999-57009 | CP - FIRE STATION HARD COSTS | - | - | 3,916,881 | 3,469,256 | 447,625 |
| 07-9999-57003 | CP - STREET SEAL COAT | - | 794,730 | 900,000 | 900,000 | 900,000 |
| 07-9999-57004 | CP - STREET RECONSTRUCT-CO2024 | - | 3,075,331 | 4,000,000 | 1,706,148 | - |
| 07-9999-57004 | CP - STREET RECONSTRUCT-CO2025 | - | - | - | 2,446,588 | - |
| 07-9999-57004 | CP - STREET RECONSTRUCT-CO2025 | - | - | - | 1,530,123 | - |
| 07-9999-57004 | CP - STREET RECONSTRUCT-CO2026 | - | - | - | - | 4,000,000 |
| 07-9999-57005 | CP - MARTIN PARK IMPROVEMENTS | - | 180,139 | 75,692 | 75,692 | - |
| 07-9999-57005 | CP - CC TRAILS | - | - | - | 14,000 | - |
| 07-9999-57005 | CP - CC LANDSCAPING | - | - | 150,000 | 150,000 | - |
| 07-9999-57006 | CP - CITY HALL REPAIRS | - | - | 292,500 | 25,000 | 360,000 |
| 07-9999-57007 | CP - INTERNET SERVICE | 134,186 | - | - | - | - |
| Total Capital Outlays | | 1,073,028 | 4,944,514 | 20,932,643 | 20,099,463 | 8,166,044 |
| Transfer Out | | | | | | |
| 07-9999-58001 | XFER TO - UTILITIES FUND | - | 489,063 | 3,100,000 | 3,510,937 | - |
| Total Transfer Out | | - | 489,063 | 3,100,000 | 3,510,937 | - |
| Total Capital Outlay Fund Expenditures | | 1,416,891 | 5,618,229 | 24,194,643 | 23,772,400 | 8,313,044 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| GENERAL FUND | Department | FIVE YEAR CAPITAL IMPROVEMENT/NEEDS ASSESSMENT PLAN | | | | |
|---|----------------|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | | FY 2026 Projected Budget | FY 2027 Projected Budget | FY 2028 Projected Budget | FY 2029 Projected Budget | FY 2030 Projected Budget |
| Placeholder | Admin | 27,000 | 27,000 | 27,000 | 27,000 | 27,000 |
| IT Reserve | Technology | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Ram/Chevy 2500 Pickup Truck (outfitted) | Fire | - | - | 95,040 | - | - |
| New Engine 12 Replacement (Offset \$600k vehicle replacement fund) | Fire | 1,161,007 | - | - | - | - |
| Quint replacement for Engine 11 (Offset \$ from vehicle replacement fund) | Fire | - | - | - | - | - |
| Remodel West FS#2 to house 2 MF personnel for a 2nd ambulance end of 2027 | Fire | - | 25,000 | - | - | - |
| Vehicle-Patrol Unit-Outfitted Chev Tahoe | Police | 231,000 | 160,000 | 174,000 | 180,000 | 186,000 |
| guard bumper, cargo storage system, firearm locker | Police | - | 59,500 | - | - | - |
| MDT (Mobile Data Terminal) Computers-7 at \$9k | Police | - | 50,000 | - | - | - |
| Deer Trap | Animal Control | 25,000 | - | - | - | - |
| Tractor Attachments | Public Works | 25,000 | - | - | - | - |
| Chipper | Public Works | 50,000 | - | - | - | - |
| Intersection Safety Improvements | Transportation | 225,000 | 50,000 | - | - | - |
| Engineering for Future Roundabout | Transportation | 200,000 | - | - | - | - |
| SUP Implementation (Shared Use Path) | Transportation | 78,000 | - | - | - | - |
| Regional Coordination | Transportation | 25,000 | 25,000 | - | - | - |
| Future Planning | Transportation | 40,000 | 10,000 | - | 10,000 | - |
| TOTAL GENERAL FUND | | 2,107,007 | 426,500 | 316,040 | 237,000 | 233,000 |

| CAPITAL FUND | 5 YEAR CAPITAL IMPROVEMENT/NEEDS ASSESSMENT PLAN | | | | |
|---------------------------|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | FY 2026 Proposed Budget | FY 2027 Projected Budget | FY 2028 Projected Budget | FY 2029 Projected Budget | FY 2030 Projected Budget |
| CP - CITY CENTER | 2,438,623 | - | - | - | - |
| CP - FIRE STATION | 467,421 | - | - | - | - |
| CP - STREET SEAL COAT | 900,000 | 900,000 | 900,000 | 900,000 | 900,000 |
| CP - STREET RECONSTRUCT | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 |
| CP - CITY HALL REPAIRS | 360,000 | - | - | - | - |
| TOTAL CAPITAL FUND | 8,166,044 | 4,900,000 | 4,900,000 | 4,900,000 | 4,900,000 |

A capital expenditure is defined as money spent to acquire or maintain a fixed asset. A fixed asset can usually be defined as anything over \$5,000 which will last more than one year. To be a bit simpler, a capital expenditure is usually a project (build or maintenance) that is usually more than \$25,000 and may take multiple years to complete. These types of expenditures can disrupt a budget, and the balance needed, so many of the projects are funded through bond sales or possibly by saving excess funds over several years. All capital fund projects are bond funded. Each director may add projects to the revolving five-year plan (see above) for projects they need completed. As revenue funds become available, either through bonds or by excess revenues for smaller dollar projects, these projects are initiated with Council, City Manager, and Finance Director concurrence during budgeting. The dollar amounts for these expenditures and corresponding revenues can be found either in the Capital Projects Fund for any non-utility project, or in the Utilities Fund listed in the Capital Projects department. These high dollar totals are also used in the forecast models shown in the long-range planning section to assist staff and City Council with planning for paying for these necessary projects without ruining the balance of the budget.

Capital projects often create ongoing operating impacts once they are completed. These may include additional staffing, utilities, equipment, maintenance, software costs, or higher replacement needs. Future Operating impact for the new City Center is approximately \$140,000 in FY26. The renovated fire station will have minimal effect on FY26.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Debt Service Fund (Gen)

The Debt Service Fund is used to account for revenues from the Interest and Sinking (I&S) portion of property taxes which are used to pay back bond obligations owed by the City. Every August and February, the City makes interest payments or a combination of interest and principal payments. This fund is only used for bond sales backed by property taxes as the bonds backed by fees are recognized in the Utilities Fund. The maximum debt service rate is 2/3 of the maximum overall debt limit (which is \$1.50 for the City) or \$1.00/\$100 valuation. Horseshoe Bay adopted a \$0.06675/\$100 valuation for FY 26. This will cover all the debt payments for the City during the year.

See pages 82-89 for Debt Analysis for the Utility Fund

See pages 98-107 for Debt Analysis for the Debt Service Fund

| Red GL Numbers are new | | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|--------------------------------|------------------------|------------------------|---------------------------|--------------------------|-----------------------|
| Debt Service Fund Revenues | | | | | | |
| Tax Revenue | | | | | | |
| 08-7000-40150 | PROPERTY TAX (I&S) | 1,715,980 | 2,334,763 | 2,931,888 | 2,931,888 | 3,086,903 |
| 08-7000-40152 | PENALTY/INTEREST (I&S) | 14,753 | 17,817 | 16,000 | 16,000 | 16,000 |
| Total Tax Revenue | | 1,730,734 | 2,352,580 | 2,947,888 | 2,947,888 | 3,102,903 |
| Interest Revenue | | | | | | |
| 08-9900-40220 | INTEREST INCOME | 34,738 | 49,211 | 50,000 | 50,000 | 50,000 |
| Total Interest Revenue | | 34,738 | 49,211 | 50,000 | 50,000 | 50,000 |
| Total Debt Service Fund Revenues | | 1,765,471 | 2,401,791 | 2,997,888 | 2,997,888 | 3,152,903 |
| Debt Service Fund Expenditures | | | | | | |
| Debt Service | | | | | | |
| 08-9994-50518 | 2011 SERIES - INTEREST | - | - | - | - | - |
| 08-9994-50520 | 2011 SERIES - PRINCIPAL | - | - | - | - | - |
| 08-9994-50521 | 2014 SERIES - INTEREST | 132,896 | 130,043 | 123,871 | 92,115 | 86,490 |
| 08-9994-50522 | 2014 SERIES - PRINCIPAL | 175,000 | 180,000 | 185,000 | 185,000 | 190,000 |
| 08-9994-50522 | 2014 SERIES - PRINCIPAL-pdown | - | 865,000 | 545,957 | 230,000 | - |
| 08-9994-50523 | 2016 SERIES - INTEREST | 16,350 | 13,200 | 9,000 | 9,000 | 4,600 |
| 08-9994-50524 | 2016 SERIES - PRINCIPAL | 105,000 | 105,000 | 110,000 | 110,000 | 115,000 |
| 08-9994-50529 | 2020 SERIES REF - PRINCIPAL | 85,550 | 76,450 | 70,150 | 70,150 | 63,650 |
| 08-9994-50530 | 2020 SERIES REF - INTEREST | 300,000 | 310,000 | 320,000 | 320,000 | 330,000 |
| 08-9994-50531 | 2020 SERIES - INTEREST | 75,100 | 71,600 | 68,000 | 68,000 | 64,300 |
| 08-9994-50532 | 2020 SERIES - PRINCIPAL | 175,000 | 180,000 | 185,000 | 185,000 | 185,000 |
| 08-9994-50534 | 2022 SERIES - INTEREST | 126,885 | 175,188 | 168,688 | 168,688 | 161,938 |
| 08-9994-50535 | 2022 SERIES - PRINCIPAL | 180,000 | 130,000 | 135,000 | 135,000 | 140,000 |
| 08-9994-50537 | 2023 SERIES - INTEREST | - | 404,080 | 341,913 | 341,913 | 336,713 |
| 08-9994-50538 | 2023 SERIES - PRINCIPAL | - | 70,000 | 130,000 | 130,000 | 135,000 |
| 08-9994-50539 | 2024 SERIES - INTEREST | - | - | 539,310 | 539,310 | 362,900 |
| 08-9994-50840 | 2024 SERIES - PRINCIPAL | - | - | - | - | 285,000 |
| 08-9994-50541 | 2025 SERIES - INTEREST | - | - | - | 44,678 | 226,313 |
| 08-9994-50542 | 2025 SERIES - PRINCIPAL | - | - | - | 500,000 | 400,000 |
| 08-9994-50998 | ISSUANCE COSTS | - | - | - | - | - |
| 08-9994-50533 | BOND AGENT FEES | 875 | 1,644 | 1,544 | 1,544 | 1,744 |
| Total Debt Service | | 1,372,656 | 2,712,204 | 2,933,433 | 3,130,396 | 3,088,647 |
| Total Debt Service Fund Expenditures | | 1,372,656 | 2,712,204 | 2,933,433 | 3,130,396 | 3,088,647 |
| Net Revenues over (Expenditures) | | 392,815 | (310,414) | 64,455 | (132,508) | 64,257 |
| Fund Balance - Beginning | | 81,066 | 473,882 | 163,469 | 163,469 | 30,961 |
| Fund Balance - Ending | | 473,882 | 163,469 | 227,924 | 30,961 | 95,217 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Long-Term Debt Principal Balances by Year (Gen)

| | 2014 CO | 2016 CO | 2020 GO | 2020 CO | 2022 CO | 2023 GO | 2024 CO | 2025 CO | TOTAL |
|-----------|--------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| 9/30/2025 | \$ 3,465,000 | \$ 115,000 | \$ 1,745,000 | \$ 3,215,000 | \$ 3,605,000 | \$ 7,595,000 | \$ 8,390,000 | \$ 4,805,000 | \$ 32,935,000 |
| 9/30/2026 | \$ 3,275,000 | \$ - | \$ 1,415,000 | \$ 3,030,000 | \$ 3,465,000 | \$ 7,460,000 | \$ 8,105,000 | \$ 4,405,000 | \$ 31,155,000 |
| 9/30/2027 | \$ 3,080,000 | \$ - | \$ 1,080,000 | \$ 2,840,000 | \$ 3,315,000 | \$ 7,320,000 | \$ 7,805,000 | \$ 4,260,000 | \$ 29,700,000 |
| 9/30/2028 | \$ 2,875,000 | \$ - | \$ 735,000 | \$ 2,645,000 | \$ 3,160,000 | \$ 7,175,000 | \$ 7,485,000 | \$ 4,105,000 | \$ 28,180,000 |
| 9/30/2029 | \$ 2,660,000 | \$ - | \$ 375,000 | \$ 2,445,000 | \$ 2,995,000 | \$ 7,020,000 | \$ 7,155,000 | \$ 3,945,000 | \$ 26,595,000 |
| 9/30/2030 | \$ 2,440,000 | \$ - | \$ - | \$ 2,245,000 | \$ 2,820,000 | \$ 6,860,000 | \$ 6,810,000 | \$ 3,775,000 | \$ 24,950,000 |
| 9/30/2031 | \$ 2,210,000 | \$ - | \$ - | \$ 2,040,000 | \$ 2,640,000 | \$ 6,690,000 | \$ 6,450,000 | \$ 3,600,000 | \$ 23,630,000 |
| 9/30/2032 | \$ 1,970,000 | \$ - | \$ - | \$ 1,830,000 | \$ 2,450,000 | \$ 6,510,000 | \$ 6,065,000 | \$ 3,415,000 | \$ 22,240,000 |
| 9/30/2033 | \$ 1,725,000 | \$ - | \$ - | \$ 1,615,000 | \$ 2,250,000 | \$ 6,320,000 | \$ 5,660,000 | \$ 3,220,000 | \$ 20,790,000 |
| 9/30/2034 | \$ 1,465,000 | \$ - | \$ - | \$ 1,395,000 | \$ 2,040,000 | \$ 6,120,000 | \$ 5,245,000 | \$ 3,015,000 | \$ 19,280,000 |
| 9/30/2035 | \$ 1,195,000 | \$ - | \$ - | \$ 1,175,000 | \$ 1,820,000 | \$ 5,915,000 | \$ 4,815,000 | \$ 2,800,000 | \$ 17,720,000 |
| 9/30/2036 | \$ 675,000 | \$ - | \$ - | \$ 950,000 | \$ 1,590,000 | \$ 5,695,000 | \$ 4,355,000 | \$ 2,575,000 | \$ 15,840,000 |
| 9/30/2037 | \$ 320,000 | \$ - | \$ - | \$ 720,000 | \$ 1,350,000 | \$ 5,465,000 | \$ 3,880,000 | \$ 2,340,000 | \$ 14,075,000 |
| 9/30/2038 | \$ - | \$ - | \$ - | \$ 485,000 | \$ 1,100,000 | \$ 5,225,000 | \$ 3,390,000 | \$ 2,090,000 | \$ 12,290,000 |
| 9/30/2039 | \$ - | \$ - | \$ - | \$ 245,000 | \$ 840,000 | \$ 4,975,000 | \$ 2,885,000 | \$ 1,830,000 | \$ 10,775,000 |
| 9/30/2040 | \$ - | \$ - | \$ - | \$ - | \$ 570,000 | \$ 4,710,000 | \$ 2,350,000 | \$ 1,555,000 | \$ 9,185,000 |
| 9/30/2041 | \$ - | \$ - | \$ - | \$ - | \$ 290,000 | \$ 4,430,000 | \$ 1,795,000 | \$ 1,270,000 | \$ 7,785,000 |
| 9/30/2042 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,140,000 | \$ 1,220,000 | \$ 975,000 | \$ 6,335,000 |
| 9/30/2043 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,835,000 | \$ 620,000 | \$ 665,000 | \$ 5,120,000 |
| 9/30/2044 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,515,000 | \$ - | \$ 340,000 | \$ 3,855,000 |
| 9/30/2045 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,185,000 | \$ - | \$ - | \$ 3,185,000 |
| 9/30/2046 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,840,000 | | | \$ 2,840,000 |
| 9/30/2047 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,480,000 | | | \$ 2,480,000 |
| 9/30/2048 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,105,000 | | | \$ 2,105,000 |
| 9/30/2049 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,715,000 | | | \$ 1,715,000 |
| 9/30/2050 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,310,000 | | | \$ 1,310,000 |
| 9/30/2051 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 890,000 | | | \$ 890,000 |
| 9/30/2052 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 455,000 | | | \$ 455,000 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Long-Term Debt Principal and Interest Payments (Gen)

| | 2014 CO (DEBT) | | | 2016 CO (DEBT) | | | 2020 GO (DEBT)-ref | | | 2020 CO (DEBT) | | | 2022 CO (DEBT) | | |
|------------|----------------|------------|--------------|----------------|------------|------------|--------------------|------------|--------------|----------------|------------|--------------|----------------|--------------|--------------|
| | PRINCIPAL | INTEREST | TOTAL | PRINCIPAL | INTEREST | TOTAL | PRINCIPAL | INTEREST | TOTAL | PRINCIPAL | INTEREST | TOTAL | PRINCIPAL | INTEREST | TOTAL |
| 02/15/2026 | \$ 190,000 | \$ 60,548 | \$ 250,548 | \$ 2,300 | \$ 2,300 | \$ 330,000 | \$ 33,475 | \$ 363,475 | \$ 32,150 | \$ 32,150 | \$ 80,969 | \$ 80,969 | \$ 80,969 | \$ 80,969 | \$ 80,969 |
| 08/15/2026 | \$ 57,698 | \$ 57,698 | \$ 115,000 | \$ 2,300 | \$ 117,300 | \$ 30,175 | \$ 30,175 | \$ 185,000 | \$ 32,150 | \$ 217,150 | \$ 140,000 | \$ 80,969 | \$ 220,969 | \$ 220,969 | \$ 220,969 |
| 02/15/2027 | \$ 195,000 | \$ 57,698 | \$ 252,698 | - | - | \$ 335,000 | \$ 30,175 | \$ 365,175 | \$ 30,300 | \$ 30,300 | \$ 77,469 | \$ 77,469 | \$ 77,469 | \$ 77,469 | \$ 77,469 |
| 08/15/2027 | \$ 54,773 | \$ 54,773 | \$ 115,000 | \$ 2,300 | \$ 117,300 | \$ 23,475 | \$ 23,475 | \$ 190,000 | \$ 30,300 | \$ 220,300 | \$ 150,000 | \$ 77,469 | \$ 227,469 | \$ 227,469 | \$ 227,469 |
| 02/15/2028 | \$ 205,000 | \$ 54,773 | \$ 259,773 | - | - | \$ 345,000 | \$ 23,475 | \$ 368,475 | \$ 28,400 | \$ 28,400 | \$ 73,719 | \$ 73,719 | \$ 73,719 | \$ 73,719 | \$ 73,719 |
| 08/15/2028 | \$ 51,442 | \$ 51,442 | \$ 215,000 | \$ 2,300 | \$ 217,300 | \$ 16,575 | \$ 16,575 | \$ 195,000 | \$ 28,400 | \$ 223,400 | \$ 155,000 | \$ 73,719 | \$ 228,719 | \$ 228,719 | \$ 228,719 |
| 02/15/2029 | \$ 215,000 | \$ 51,442 | \$ 266,442 | - | - | \$ 360,000 | \$ 16,575 | \$ 376,575 | \$ 26,450 | \$ 26,450 | \$ 69,844 | \$ 69,844 | \$ 69,844 | \$ 69,844 | \$ 69,844 |
| 08/15/2029 | \$ 47,948 | \$ 47,948 | \$ 215,000 | \$ 2,300 | \$ 217,300 | \$ 9,375 | \$ 9,375 | \$ 200,000 | \$ 26,450 | \$ 226,450 | \$ 165,000 | \$ 69,844 | \$ 234,844 | \$ 234,844 | \$ 234,844 |
| 02/15/2030 | \$ 220,000 | \$ 47,948 | \$ 267,948 | - | - | \$ 375,000 | \$ 9,375 | \$ 384,375 | \$ 24,450 | \$ 24,450 | \$ 65,719 | \$ 65,719 | \$ 65,719 | \$ 65,719 | \$ 65,719 |
| 08/15/2030 | \$ 44,373 | \$ 44,373 | \$ 230,000 | \$ 2,300 | \$ 232,300 | - | - | \$ 200,000 | \$ 24,450 | \$ 224,450 | \$ 175,000 | \$ 65,719 | \$ 240,719 | \$ 240,719 | \$ 240,719 |
| 02/15/2031 | \$ 230,000 | \$ 44,373 | \$ 274,373 | - | - | \$ 205,000 | \$ 22,450 | \$ 227,450 | \$ 22,450 | \$ 227,450 | \$ 180,000 | \$ 61,344 | \$ 61,344 | \$ 61,344 | \$ 61,344 |
| 08/15/2031 | \$ 40,636 | \$ 40,636 | \$ 240,000 | \$ 2,300 | \$ 242,300 | - | - | \$ 210,000 | \$ 20,400 | \$ 230,400 | \$ 190,000 | \$ 56,844 | \$ 246,844 | \$ 246,844 | \$ 246,844 |
| 02/15/2032 | \$ 245,000 | \$ 36,496 | \$ 281,496 | - | - | \$ 215,000 | \$ 18,300 | \$ 233,300 | \$ 20,400 | \$ 236,150 | \$ 210,000 | \$ 52,094 | \$ 252,094 | \$ 252,094 | \$ 252,094 |
| 08/15/2032 | \$ 32,269 | \$ 32,269 | \$ 260,000 | \$ 2,300 | \$ 262,300 | - | - | \$ 220,000 | \$ 16,150 | \$ 236,150 | \$ 210,000 | \$ 47,094 | \$ 257,094 | \$ 257,094 | \$ 257,094 |
| 02/15/2033 | \$ 270,000 | \$ 27,784 | \$ 297,784 | - | - | \$ 225,000 | \$ 11,750 | \$ 236,750 | \$ 230,000 | \$ 236,750 | \$ 41,844 | \$ 41,844 | \$ 41,844 | \$ 41,844 | \$ 41,844 |
| 08/15/2033 | \$ 22,384 | \$ 22,384 | \$ 280,000 | \$ 2,300 | \$ 282,300 | - | - | \$ 230,000 | \$ 13,950 | \$ 239,500 | \$ 220,000 | \$ 41,844 | \$ 261,844 | \$ 261,844 | \$ 261,844 |
| 02/15/2034 | \$ 280,000 | \$ 22,384 | \$ 302,384 | - | - | \$ 235,000 | \$ 7,200 | \$ 242,200 | \$ 250,000 | \$ 242,200 | \$ 37,444 | \$ 37,444 | \$ 37,444 | \$ 37,444 | \$ 37,444 |
| 08/15/2034 | \$ 16,784 | \$ 16,784 | \$ 290,000 | \$ 2,300 | \$ 292,300 | - | - | \$ 240,000 | \$ 9,500 | \$ 244,850 | \$ 260,000 | \$ 23,044 | \$ 283,044 | \$ 283,044 | \$ 283,044 |
| 02/15/2035 | \$ 305,000 | \$ 11,528 | \$ 316,528 | - | - | \$ 245,000 | \$ 2,450 | \$ 247,450 | \$ 270,000 | \$ 247,450 | \$ 17,681 | \$ 17,681 | \$ 17,681 | \$ 17,681 | \$ 17,681 |
| 08/15/2035 | \$ 6,000 | \$ 6,000 | \$ 305,000 | \$ 2,300 | \$ 307,300 | - | - | \$ 250,000 | \$ 2,450 | \$ 252,450 | \$ 280,000 | \$ 12,113 | \$ 292,113 | \$ 292,113 | \$ 292,113 |
| 02/15/2036 | \$ 320,000 | \$ 6,000 | \$ 326,000 | - | - | \$ 255,000 | \$ 4,850 | \$ 259,850 | \$ 230,000 | \$ 259,850 | \$ 6,163 | \$ 6,163 | \$ 6,163 | \$ 6,163 | \$ 6,163 |
| 08/15/2036 | - | - | - | - | - | \$ 260,000 | \$ 4,850 | \$ 264,850 | \$ 230,000 | \$ 264,850 | \$ 290,000 | \$ 6,163 | \$ 296,163 | \$ 296,163 | \$ 296,163 |
| Total | \$ 3,465,000 | \$ 960,781 | \$ 4,425,781 | \$ 115,000 | \$ 4,600 | \$ 119,600 | \$ 1,745,000 | \$ 192,675 | \$ 1,937,675 | \$ 3,215,000 | \$ 537,500 | \$ 3,752,500 | \$ 3,605,000 | \$ 1,568,538 | \$ 5,173,538 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Long-Term Debt Principal and Interest Payments (cont.)

| | 2023 GO (DEBT) | | | 2024 CO (DEBT) | | | 2025 CO (DEBT) | | | TOTAL | |
|------------|----------------|--------------|---------------|----------------|--------------|---------------|----------------|--------------|--------------|---------------|---------------|
| | PRINCIPAL | INTEREST | TOTAL | PRINCIPAL | INTEREST | TOTAL | PRINCIPAL | INTEREST | TOTAL | PRINCIPAL | INTEREST |
| 02/15/2026 | \$ 168,356 | \$ 168,356 | \$ 168,356 | \$ 181,450 | \$ 181,450 | \$ 181,450 | \$ 113,156 | \$ 113,156 | \$ 113,156 | \$ 520,000 | \$ 672,404 |
| 08/15/2026 | \$ 135,000 | \$ 168,356 | \$ 303,356 | \$ 285,000 | \$ 181,450 | \$ 466,450 | \$ 400,000 | \$ 113,156 | \$ 513,156 | \$ 1,260,000 | \$ 666,254 |
| 02/15/2027 | \$ 165,656 | \$ 165,656 | \$ 165,656 | \$ 174,235 | \$ 174,235 | \$ 174,235 | \$ 103,156 | \$ 103,156 | \$ 103,156 | \$ 530,000 | \$ 638,689 |
| 08/15/2027 | \$ 140,000 | \$ 165,656 | \$ 305,656 | \$ 300,000 | \$ 174,235 | \$ 474,235 | \$ 145,000 | \$ 103,156 | \$ 248,156 | \$ 925,000 | \$ 629,064 |
| 02/15/2028 | \$ 162,856 | \$ 162,856 | \$ 162,856 | \$ 166,825 | \$ 166,825 | \$ 166,825 | \$ 99,531 | \$ 99,531 | \$ 99,531 | \$ 550,000 | \$ 609,579 |
| 08/15/2028 | \$ 145,000 | \$ 162,856 | \$ 307,856 | \$ 320,000 | \$ 166,825 | \$ 486,825 | \$ 155,000 | \$ 99,531 | \$ 254,531 | \$ 970,000 | \$ 599,348 |
| 02/15/2029 | \$ 159,231 | \$ 159,231 | \$ 159,231 | \$ 158,825 | \$ 158,825 | \$ 158,825 | \$ 95,656 | \$ 95,656 | \$ 95,656 | \$ 575,000 | \$ 578,023 |
| 08/15/2029 | \$ 155,000 | \$ 159,231 | \$ 314,231 | \$ 330,000 | \$ 158,825 | \$ 488,825 | \$ 160,000 | \$ 95,656 | \$ 255,656 | \$ 1,010,000 | \$ 567,329 |
| 02/15/2030 | \$ 155,356 | \$ 155,356 | \$ 155,356 | \$ 150,575 | \$ 150,575 | \$ 150,575 | \$ 91,656 | \$ 91,656 | \$ 91,656 | \$ 595,000 | \$ 545,079 |
| 08/15/2030 | \$ 160,000 | \$ 155,356 | \$ 315,356 | \$ 345,000 | \$ 150,575 | \$ 495,575 | \$ 170,000 | \$ 91,656 | \$ 261,656 | \$ 1,050,000 | \$ 532,129 |
| 02/15/2031 | \$ 151,356 | \$ 151,356 | \$ 151,356 | \$ 141,950 | \$ 141,950 | \$ 141,950 | \$ 87,406 | \$ 87,406 | \$ 87,406 | \$ 230,000 | \$ 508,879 |
| 08/15/2031 | \$ 170,000 | \$ 151,356 | \$ 321,356 | \$ 360,000 | \$ 141,950 | \$ 501,950 | \$ 175,000 | \$ 87,406 | \$ 262,406 | \$ 1,090,000 | \$ 505,142 |
| 02/15/2032 | \$ 147,106 | \$ 147,106 | \$ 147,106 | \$ 132,950 | \$ 132,950 | \$ 132,950 | \$ 83,031 | \$ 83,031 | \$ 83,031 | \$ 240,000 | \$ 480,967 |
| 08/15/2032 | \$ 180,000 | \$ 147,106 | \$ 327,106 | \$ 385,000 | \$ 132,950 | \$ 517,950 | \$ 185,000 | \$ 83,031 | \$ 268,031 | \$ 1,150,000 | \$ 476,827 |
| 02/15/2033 | \$ 142,606 | \$ 142,606 | \$ 142,606 | \$ 123,325 | \$ 123,325 | \$ 123,325 | \$ 78,406 | \$ 78,406 | \$ 78,406 | \$ 245,000 | \$ 451,227 |
| 08/15/2033 | \$ 190,000 | \$ 142,606 | \$ 332,606 | \$ 405,000 | \$ 123,325 | \$ 528,325 | \$ 195,000 | \$ 78,406 | \$ 273,406 | \$ 1,205,000 | \$ 447,001 |
| 02/15/2034 | \$ 137,856 | \$ 137,856 | \$ 137,856 | \$ 113,200 | \$ 113,200 | \$ 113,200 | \$ 73,531 | \$ 73,531 | \$ 73,531 | \$ 260,000 | \$ 420,101 |
| 08/15/2034 | \$ 200,000 | \$ 137,856 | \$ 337,856 | \$ 415,000 | \$ 113,200 | \$ 528,200 | \$ 205,000 | \$ 73,531 | \$ 278,531 | \$ 1,250,000 | \$ 415,616 |
| 02/15/2035 | \$ 132,856 | \$ 132,856 | \$ 132,856 | \$ 104,900 | \$ 104,900 | \$ 104,900 | \$ 68,406 | \$ 68,406 | \$ 68,406 | \$ 270,000 | \$ 389,741 |
| 08/15/2035 | \$ 205,000 | \$ 132,856 | \$ 337,856 | \$ 430,000 | \$ 104,900 | \$ 534,900 | \$ 215,000 | \$ 68,406 | \$ 283,406 | \$ 1,290,000 | \$ 384,341 |
| 02/15/2036 | \$ 127,731 | \$ 127,731 | \$ 127,731 | \$ 96,300 | \$ 96,300 | \$ 96,300 | \$ 63,031 | \$ 63,031 | \$ 63,031 | \$ 280,000 | \$ 358,641 |
| 08/15/2036 | \$ 220,000 | \$ 127,731 | \$ 347,731 | \$ 460,000 | \$ 96,300 | \$ 556,300 | \$ 225,000 | \$ 63,031 | \$ 288,031 | \$ 1,360,000 | \$ 353,041 |
| 02/15/2037 | \$ 122,231 | \$ 122,231 | \$ 122,231 | \$ 87,100 | \$ 87,100 | \$ 87,100 | \$ 57,406 | \$ 57,406 | \$ 57,406 | \$ 290,000 | \$ 325,866 |
| 08/15/2037 | \$ 230,000 | \$ 122,231 | \$ 352,231 | \$ 475,000 | \$ 87,100 | \$ 562,100 | \$ 235,000 | \$ 57,406 | \$ 292,406 | \$ 1,410,000 | \$ 320,609 |
| 02/15/2038 | \$ 116,481 | \$ 116,481 | \$ 116,481 | \$ 77,600 | \$ 77,600 | \$ 77,600 | \$ 51,531 | \$ 51,531 | \$ 51,531 | \$ 305,000 | \$ 292,384 |
| 08/15/2038 | \$ 240,000 | \$ 116,481 | \$ 356,481 | \$ 490,000 | \$ 77,600 | \$ 567,600 | \$ 250,000 | \$ 51,531 | \$ 301,531 | \$ 1,465,000 | \$ 286,856 |
| 02/15/2039 | \$ 110,481 | \$ 110,481 | \$ 110,481 | \$ 67,800 | \$ 67,800 | \$ 67,800 | \$ 45,281 | \$ 45,281 | \$ 45,281 | \$ 320,000 | \$ 257,456 |
| 08/15/2039 | \$ 250,000 | \$ 110,481 | \$ 360,481 | \$ 505,000 | \$ 67,800 | \$ 572,800 | \$ 260,000 | \$ 45,281 | \$ 305,281 | \$ 1,515,000 | \$ 251,456 |
| 02/15/2040 | \$ 104,231 | \$ 104,231 | \$ 104,231 | \$ 57,700 | \$ 57,700 | \$ 57,700 | \$ 38,781 | \$ 38,781 | \$ 38,781 | \$ - | \$ 220,844 |
| 08/15/2040 | \$ 265,000 | \$ 104,231 | \$ 369,231 | \$ 535,000 | \$ 57,700 | \$ 592,700 | \$ 275,000 | \$ 38,781 | \$ 313,781 | \$ 1,590,000 | \$ 220,844 |
| 02/15/2041 | \$ 97,606 | \$ 97,606 | \$ 97,606 | \$ 47,000 | \$ 47,000 | \$ 47,000 | \$ 33,281 | \$ 33,281 | \$ 33,281 | \$ - | \$ 190,000 |
| 08/15/2041 | \$ 280,000 | \$ 97,606 | \$ 377,606 | \$ 555,000 | \$ 47,000 | \$ 602,000 | \$ 285,000 | \$ 33,281 | \$ 318,281 | \$ 1,400,000 | \$ 190,000 |
| 02/15/2042 | \$ 90,606 | \$ 90,606 | \$ 90,606 | \$ 35,900 | \$ 35,900 | \$ 35,900 | \$ 27,403 | \$ 27,403 | \$ 27,403 | \$ - | \$ 160,072 |
| 08/15/2042 | \$ 290,000 | \$ 90,606 | \$ 380,606 | \$ 575,000 | \$ 35,900 | \$ 610,900 | \$ 295,000 | \$ 27,403 | \$ 322,403 | \$ 1,450,000 | \$ 160,072 |
| 02/15/2043 | \$ 83,356 | \$ 83,356 | \$ 83,356 | \$ 24,400 | \$ 24,400 | \$ 24,400 | \$ 21,134 | \$ 21,134 | \$ 21,134 | \$ - | \$ 128,891 |
| 08/15/2043 | \$ 305,000 | \$ 83,356 | \$ 388,356 | \$ 600,000 | \$ 24,400 | \$ 624,400 | \$ 310,000 | \$ 21,134 | \$ 331,134 | \$ 1,215,000 | \$ 128,891 |
| 02/15/2044 | \$ 77,256 | \$ 77,256 | \$ 77,256 | \$ 12,400 | \$ 12,400 | \$ 12,400 | \$ 14,547 | \$ 14,547 | \$ 14,547 | \$ - | \$ 104,203 |
| 08/15/2044 | \$ 320,000 | \$ 77,256 | \$ 397,256 | \$ 620,000 | \$ 12,400 | \$ 632,400 | \$ 325,000 | \$ 14,547 | \$ 339,547 | \$ 1,265,000 | \$ 104,203 |
| 02/15/2045 | \$ 70,856 | \$ 70,856 | \$ 70,856 | \$ - | \$ - | \$ - | \$ 7,438 | \$ 7,438 | \$ 7,438 | \$ - | \$ 78,294 |
| 08/15/2045 | \$ 330,000 | \$ 70,856 | \$ 400,856 | \$ - | \$ - | \$ - | \$ 340,000 | \$ 7,438 | \$ 347,438 | \$ 670,000 | \$ 78,294 |
| 02/15/2046 | \$ 64,256 | \$ 64,256 | \$ 64,256 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 64,256 |
| 08/15/2046 | \$ 345,000 | \$ 64,256 | \$ 409,256 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 345,000 | \$ 64,256 |
| 02/15/2047 | \$ 57,356 | \$ 57,356 | \$ 57,356 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 57,356 |
| 08/15/2047 | \$ 360,000 | \$ 57,356 | \$ 417,356 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 360,000 | \$ 57,356 |
| 02/15/2048 | \$ 50,156 | \$ 50,156 | \$ 50,156 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 50,156 |
| 08/15/2048 | \$ 375,000 | \$ 50,156 | \$ 425,156 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 375,000 | \$ 50,156 |
| 02/15/2049 | \$ 42,656 | \$ 42,656 | \$ 42,656 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 42,656 |
| 08/15/2049 | \$ 390,000 | \$ 42,656 | \$ 432,656 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 390,000 | \$ 42,656 |
| 02/15/2050 | \$ 34,856 | \$ 34,856 | \$ 34,856 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 34,856 |
| 08/15/2050 | \$ 405,000 | \$ 34,856 | \$ 439,856 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 405,000 | \$ 34,856 |
| 02/15/2051 | \$ 26,756 | \$ 26,756 | \$ 26,756 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 26,756 |
| 08/15/2051 | \$ 420,000 | \$ 26,756 | \$ 446,756 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 420,000 | \$ 26,756 |
| 02/15/2052 | \$ 18,356 | \$ 18,356 | \$ 18,356 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 18,356 |
| 08/15/2052 | \$ 435,000 | \$ 18,356 | \$ 453,356 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 435,000 | \$ 18,356 |
| 02/15/2053 | \$ 9,384 | \$ 9,384 | \$ 9,384 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 9,384 |
| 08/15/2053 | \$ 455,000 | \$ 9,384 | \$ 464,384 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 455,000 | \$ 9,384 |
| Total | \$ 7,595,000 | \$ 5,655,706 | \$ 13,250,706 | \$ 8,390,000 | \$ 3,908,870 | \$ 12,298,870 | \$ 4,805,000 | \$ 2,507,544 | \$ 7,312,544 | \$ 32,935,000 | \$ 15,336,213 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Certificate of Obligation – Series 2014 –AA+ (Street Repair/Construction)

| 2014 CO (DEBT) | | | |
|----------------|---------------------|-------------------|--------------------|
| | PRINCIPAL | INTEREST | TOTAL |
| 02/15/2026 | \$ 190,000 | \$ 60,548 | \$ 250,548 |
| 08/15/2026 | | \$ 57,698 | \$ 57,698 |
| 02/15/2027 | \$ 195,000 | \$ 57,698 | \$ 252,698 |
| 08/15/2027 | | \$ 54,773 | \$ 54,773 |
| 02/15/2028 | \$ 205,000 | \$ 54,773 | \$ 259,773 |
| 08/15/2028 | | \$ 51,442 | \$ 51,442 |
| 02/15/2029 | \$ 215,000 | \$ 51,442 | \$ 266,442 |
| 08/15/2029 | | \$ 47,948 | \$ 47,948 |
| 02/15/2030 | \$ 220,000 | \$ 47,948 | \$ 267,948 |
| 08/15/2030 | | \$ 44,373 | \$ 44,373 |
| 02/15/2031 | \$ 230,000 | \$ 44,373 | \$ 274,373 |
| 08/15/2031 | | \$ 40,636 | \$ 40,636 |
| 02/15/2032 | \$ 240,000 | \$ 40,636 | \$ 280,636 |
| 08/15/2032 | | \$ 36,496 | \$ 36,496 |
| 02/15/2033 | \$ 245,000 | \$ 36,496 | \$ 281,496 |
| 08/15/2033 | | \$ 32,269 | \$ 32,269 |
| 02/15/2034 | \$ 260,000 | \$ 32,269 | \$ 292,269 |
| 08/15/2034 | | \$ 27,784 | \$ 27,784 |
| 02/15/2035 | \$ 270,000 | \$ 27,784 | \$ 297,784 |
| 08/15/2035 | | \$ 22,384 | \$ 22,384 |
| 02/15/2036 | \$ 280,000 | \$ 22,384 | \$ 302,384 |
| 08/15/2036 | | \$ 16,784 | \$ 16,784 |
| 02/15/2037 | \$ 290,000 | \$ 16,784 | \$ 306,784 |
| 08/15/2037 | | \$ 11,528 | \$ 11,528 |
| 02/15/2038 | \$ 305,000 | \$ 11,528 | \$ 316,528 |
| 08/15/2038 | | \$ 6,000 | \$ 6,000 |
| 02/15/2039 | \$ 320,000 | \$ 6,000 | \$ 326,000 |
| Total | \$ 3,465,000 | \$ 960,781 | \$4,425,781 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Certificate of Obligation – Series 2016 –AA+ (Fire Truck)

| 2016 CO (DEBT) | | | |
|----------------|------------|----------|------------|
| | PRINCIPAL | INTEREST | TOTAL |
| 02/15/2026 | | \$ 2,300 | \$ 2,300 |
| 08/15/2026 | \$ 115,000 | \$ 2,300 | \$ 117,300 |
| Total | \$ 115,000 | \$ 4,600 | \$ 119,600 |

GO Refunding Bond – Series 2020 – AA+ (Refunding 2011 CO Issue)

| 2020 GO (DEBT)-ref | | | |
|--------------------|--------------|------------|--------------|
| | PRINCIPAL | INTEREST | TOTAL |
| 02/15/2026 | \$ 330,000 | \$ 33,475 | \$ 363,475 |
| 08/15/2026 | | \$ 30,175 | \$ 30,175 |
| 02/15/2027 | \$ 335,000 | \$ 30,175 | \$ 365,175 |
| 08/15/2027 | | \$ 23,475 | \$ 23,475 |
| 02/15/2028 | \$ 345,000 | \$ 23,475 | \$ 368,475 |
| 08/15/2028 | | \$ 16,575 | \$ 16,575 |
| 02/15/2029 | \$ 360,000 | \$ 16,575 | \$ 376,575 |
| 08/15/2029 | | \$ 9,375 | \$ 9,375 |
| 02/15/2030 | \$ 375,000 | \$ 9,375 | \$ 384,375 |
| Total | \$ 1,745,000 | \$ 192,675 | \$ 1,937,675 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Certificate of Obligation – Series 2020 – AA+ (Street Repair/Construction)

| | 2020 CO (DEBT) | | |
|--------------|---------------------|-------------------|---------------------|
| | PRINCIPAL | INTEREST | TOTAL |
| 02/15/2026 | | \$ 32,150 | \$ 32,150 |
| 08/15/2026 | \$ 185,000 | \$ 32,150 | \$ 217,150 |
| 02/15/2027 | | \$ 30,300 | \$ 30,300 |
| 08/15/2027 | \$ 190,000 | \$ 30,300 | \$ 220,300 |
| 02/15/2028 | | \$ 28,400 | \$ 28,400 |
| 08/15/2028 | \$ 195,000 | \$ 28,400 | \$ 223,400 |
| 02/15/2029 | | \$ 26,450 | \$ 26,450 |
| 08/15/2029 | \$ 200,000 | \$ 26,450 | \$ 226,450 |
| 02/15/2030 | | \$ 24,450 | \$ 24,450 |
| 08/15/2030 | \$ 200,000 | \$ 24,450 | \$ 224,450 |
| 02/15/2031 | | \$ 22,450 | \$ 22,450 |
| 08/15/2031 | \$ 205,000 | \$ 22,450 | \$ 227,450 |
| 02/15/2032 | | \$ 20,400 | \$ 20,400 |
| 08/15/2032 | \$ 210,000 | \$ 20,400 | \$ 230,400 |
| 02/15/2033 | | \$ 18,300 | \$ 18,300 |
| 08/15/2033 | \$ 215,000 | \$ 18,300 | \$ 233,300 |
| 02/15/2034 | | \$ 16,150 | \$ 16,150 |
| 08/15/2034 | \$ 220,000 | \$ 16,150 | \$ 236,150 |
| 02/15/2035 | | \$ 13,950 | \$ 13,950 |
| 08/15/2035 | \$ 220,000 | \$ 13,950 | \$ 233,950 |
| 02/15/2036 | | \$ 11,750 | \$ 11,750 |
| 08/15/2036 | \$ 225,000 | \$ 11,750 | \$ 236,750 |
| 02/15/2037 | | \$ 9,500 | \$ 9,500 |
| 08/15/2037 | \$ 230,000 | \$ 9,500 | \$ 239,500 |
| 02/15/2038 | | \$ 7,200 | \$ 7,200 |
| 08/15/2038 | \$ 235,000 | \$ 7,200 | \$ 242,200 |
| 02/15/2039 | | \$ 4,850 | \$ 4,850 |
| 08/15/2039 | \$ 240,000 | \$ 4,850 | \$ 244,850 |
| 02/15/2040 | | \$ 2,450 | \$ 2,450 |
| 08/15/2040 | \$ 245,000 | \$ 2,450 | \$ 247,450 |
| Total | \$ 3,215,000 | \$ 537,500 | \$ 3,752,500 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Certificate of Obligation – Series 2022 – AA+ (Street Repair/Construction, Fire Dept Building)

| 2022 CO (DEBT) | | | |
|----------------|---------------------|---------------------|---------------------|
| | PRINCIPAL | INTEREST | TOTAL |
| 02/15/2026 | | \$ 80,969 | \$ 80,969 |
| 08/15/2026 | \$ 140,000 | \$ 80,969 | \$ 220,969 |
| 02/15/2027 | | \$ 77,469 | \$ 77,469 |
| 08/15/2027 | \$ 150,000 | \$ 77,469 | \$ 227,469 |
| 02/15/2028 | | \$ 73,719 | \$ 73,719 |
| 08/15/2028 | \$ 155,000 | \$ 73,719 | \$ 228,719 |
| 02/15/2029 | | \$ 69,844 | \$ 69,844 |
| 08/15/2029 | \$ 165,000 | \$ 69,844 | \$ 234,844 |
| 02/15/2030 | | \$ 65,719 | \$ 65,719 |
| 08/15/2030 | \$ 175,000 | \$ 65,719 | \$ 240,719 |
| 02/15/2031 | | \$ 61,344 | \$ 61,344 |
| 08/15/2031 | \$ 180,000 | \$ 61,344 | \$ 241,344 |
| 02/15/2032 | | \$ 56,844 | \$ 56,844 |
| 08/15/2032 | \$ 190,000 | \$ 56,844 | \$ 246,844 |
| 02/15/2033 | | \$ 52,094 | \$ 52,094 |
| 08/15/2033 | \$ 200,000 | \$ 52,094 | \$ 252,094 |
| 02/15/2034 | | \$ 47,094 | \$ 47,094 |
| 08/15/2034 | \$ 210,000 | \$ 47,094 | \$ 257,094 |
| 02/15/2035 | | \$ 41,844 | \$ 41,844 |
| 08/15/2035 | \$ 220,000 | \$ 41,844 | \$ 261,844 |
| 02/15/2036 | | \$ 37,444 | \$ 37,444 |
| 08/15/2036 | \$ 230,000 | \$ 37,444 | \$ 267,444 |
| 02/15/2037 | | \$ 32,844 | \$ 32,844 |
| 08/15/2037 | \$ 240,000 | \$ 32,844 | \$ 272,844 |
| 02/15/2038 | | \$ 28,044 | \$ 28,044 |
| 08/15/2038 | \$ 250,000 | \$ 28,044 | \$ 278,044 |
| 02/15/2039 | | \$ 23,044 | \$ 23,044 |
| 08/15/2039 | \$ 260,000 | \$ 23,044 | \$ 283,044 |
| 02/15/2040 | | \$ 17,681 | \$ 17,681 |
| 08/15/2040 | \$ 270,000 | \$ 17,681 | \$ 287,681 |
| 02/15/2041 | | \$ 12,113 | \$ 12,113 |
| 08/15/2041 | \$ 280,000 | \$ 12,113 | \$ 292,113 |
| 02/15/2042 | | \$ 6,163 | \$ 6,163 |
| 08/15/2042 | \$ 290,000 | \$ 6,163 | \$ 296,163 |
| Total | \$ 3,605,000 | \$ 1,568,538 | \$ 5,173,538 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| 2023 GO (DEBT) | | | |
|----------------|--------------|--------------|---------------|
| | PRINCIPAL | INTEREST | TOTAL |
| 02/15/2026 | | \$ 168,356 | \$ 168,356 |
| 08/15/2026 | \$ 135,000 | \$ 168,356 | \$ 303,356 |
| 02/15/2027 | | \$ 165,656 | \$ 165,656 |
| 08/15/2027 | \$ 140,000 | \$ 165,656 | \$ 305,656 |
| 02/15/2028 | | \$ 162,856 | \$ 162,856 |
| 08/15/2028 | \$ 145,000 | \$ 162,856 | \$ 307,856 |
| 02/15/2029 | | \$ 159,231 | \$ 159,231 |
| 08/15/2029 | \$ 155,000 | \$ 159,231 | \$ 314,231 |
| 02/15/2030 | | \$ 155,356 | \$ 155,356 |
| 08/15/2030 | \$ 160,000 | \$ 155,356 | \$ 315,356 |
| 02/15/2031 | | \$ 151,356 | \$ 151,356 |
| 08/15/2031 | \$ 170,000 | \$ 151,356 | \$ 321,356 |
| 02/15/2032 | | \$ 147,106 | \$ 147,106 |
| 08/15/2032 | \$ 180,000 | \$ 147,106 | \$ 327,106 |
| 02/15/2033 | | \$ 142,606 | \$ 142,606 |
| 08/15/2033 | \$ 190,000 | \$ 142,606 | \$ 332,606 |
| 02/15/2034 | | \$ 137,856 | \$ 137,856 |
| 08/15/2034 | \$ 200,000 | \$ 137,856 | \$ 337,856 |
| 02/15/2035 | | \$ 132,856 | \$ 132,856 |
| 08/15/2035 | \$ 205,000 | \$ 132,856 | \$ 337,856 |
| 02/15/2036 | | \$ 127,731 | \$ 127,731 |
| 08/15/2036 | \$ 220,000 | \$ 127,731 | \$ 347,731 |
| 02/15/2037 | | \$ 122,231 | \$ 122,231 |
| 08/15/2037 | \$ 230,000 | \$ 122,231 | \$ 352,231 |
| 02/15/2038 | | \$ 116,481 | \$ 116,481 |
| 08/15/2038 | \$ 240,000 | \$ 116,481 | \$ 356,481 |
| 02/15/2039 | | \$ 110,481 | \$ 110,481 |
| 08/15/2039 | \$ 250,000 | \$ 110,481 | \$ 360,481 |
| 02/15/2040 | | \$ 104,231 | \$ 104,231 |
| 08/15/2040 | \$ 265,000 | \$ 104,231 | \$ 369,231 |
| 02/15/2041 | | \$ 97,606 | \$ 97,606 |
| 08/15/2041 | \$ 280,000 | \$ 97,606 | \$ 377,606 |
| 02/15/2042 | | \$ 90,606 | \$ 90,606 |
| 08/15/2042 | \$ 290,000 | \$ 90,606 | \$ 380,606 |
| 02/15/2043 | | \$ 83,356 | \$ 83,356 |
| 08/15/2043 | \$ 305,000 | \$ 83,356 | \$ 388,356 |
| 02/15/2044 | | \$ 77,256 | \$ 77,256 |
| 08/15/2044 | \$ 320,000 | \$ 77,256 | \$ 397,256 |
| 02/15/2045 | | \$ 70,856 | \$ 70,856 |
| 08/15/2045 | \$ 330,000 | \$ 70,856 | \$ 400,856 |
| 02/15/2046 | | \$ 64,256 | \$ 64,256 |
| 08/15/2046 | \$ 345,000 | \$ 64,256 | \$ 409,256 |
| 02/15/2047 | | \$ 57,356 | \$ 57,356 |
| 08/15/2047 | \$ 360,000 | \$ 57,356 | \$ 417,356 |
| 02/15/2048 | | \$ 50,156 | \$ 50,156 |
| 08/15/2048 | \$ 375,000 | \$ 50,156 | \$ 425,156 |
| 02/15/2049 | | \$ 42,656 | \$ 42,656 |
| 08/15/2049 | \$ 390,000 | \$ 42,656 | \$ 432,656 |
| 02/15/2050 | | \$ 34,856 | \$ 34,856 |
| 08/15/2050 | \$ 405,000 | \$ 34,856 | \$ 439,856 |
| 02/15/2051 | | \$ 26,756 | \$ 26,756 |
| 08/15/2051 | \$ 420,000 | \$ 26,756 | \$ 446,756 |
| 02/15/2052 | | \$ 18,356 | \$ 18,356 |
| 08/15/2052 | \$ 435,000 | \$ 18,356 | \$ 453,356 |
| 02/15/2053 | | \$ 9,384 | \$ 9,384 |
| 08/15/2053 | \$ 455,000 | \$ 9,384 | \$ 464,384 |
| Total | \$ 7,595,000 | \$ 5,655,706 | \$ 13,250,706 |

**General Obligation Bond –
Series 2023 – AA+
(Construction of New City Hall
Building)**

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Certificate Obligation Bond – Series 2024-AA+

(Street Repair/Construction, Utilities, Fire Dept Building)

| 2024 CO (DEBT) | | | |
|----------------|---------------------|---------------------|----------------------|
| | PRINCIPAL | INTEREST | TOTAL |
| 02/15/2026 | | \$ 181,450 | \$ 181,450 |
| 08/15/2026 | \$ 285,000 | \$ 181,450 | \$ 466,450 |
| 02/15/2027 | | \$ 174,235 | \$ 174,235 |
| 08/15/2027 | \$ 300,000 | \$ 174,235 | \$ 474,235 |
| 02/15/2028 | | \$ 166,825 | \$ 166,825 |
| 08/15/2028 | \$ 320,000 | \$ 166,825 | \$ 486,825 |
| 02/15/2029 | | \$ 158,825 | \$ 158,825 |
| 08/15/2029 | \$ 330,000 | \$ 158,825 | \$ 488,825 |
| 02/15/2030 | | \$ 150,575 | \$ 150,575 |
| 08/15/2030 | \$ 345,000 | \$ 150,575 | \$ 495,575 |
| 02/15/2031 | | \$ 141,950 | \$ 141,950 |
| 08/15/2031 | \$ 360,000 | \$ 141,950 | \$ 501,950 |
| 02/15/2032 | | \$ 132,950 | \$ 132,950 |
| 08/15/2032 | \$ 385,000 | \$ 132,950 | \$ 517,950 |
| 02/15/2033 | | \$ 123,325 | \$ 123,325 |
| 08/15/2033 | \$ 405,000 | \$ 123,325 | \$ 528,325 |
| 02/15/2034 | | \$ 113,200 | \$ 113,200 |
| 08/15/2034 | \$ 415,000 | \$ 113,200 | \$ 528,200 |
| 02/15/2035 | | \$ 104,900 | \$ 104,900 |
| 08/15/2035 | \$ 430,000 | \$ 104,900 | \$ 534,900 |
| 02/15/2036 | | \$ 96,300 | \$ 96,300 |
| 08/15/2036 | \$ 460,000 | \$ 96,300 | \$ 556,300 |
| 02/15/2037 | | \$ 87,100 | \$ 87,100 |
| 08/15/2037 | \$ 475,000 | \$ 87,100 | \$ 562,100 |
| 02/15/2038 | | \$ 77,600 | \$ 77,600 |
| 08/15/2038 | \$ 490,000 | \$ 77,600 | \$ 567,600 |
| 02/15/2039 | | \$ 67,800 | \$ 67,800 |
| 08/15/2039 | \$ 505,000 | \$ 67,800 | \$ 572,800 |
| 02/15/2040 | | \$ 57,700 | \$ 57,700 |
| 08/15/2040 | \$ 535,000 | \$ 57,700 | \$ 592,700 |
| 02/15/2041 | | \$ 47,000 | \$ 47,000 |
| 08/15/2041 | \$ 555,000 | \$ 47,000 | \$ 602,000 |
| 02/15/2042 | | \$ 35,900 | \$ 35,900 |
| 08/15/2042 | \$ 575,000 | \$ 35,900 | \$ 610,900 |
| 02/15/2043 | | \$ 24,400 | \$ 24,400 |
| 08/15/2043 | \$ 600,000 | \$ 24,400 | \$ 624,400 |
| 02/15/2044 | | \$ 12,400 | \$ 12,400 |
| 08/15/2044 | \$ 620,000 | \$ 12,400 | \$ 632,400 |
| Total | \$ 8,390,000 | \$ 3,908,870 | \$ 12,298,870 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Certificate Obligation Bond – Series 2025-AA+ (Street Repair/Construction)

| | 2025 CO (DEBT) | | |
|------------|----------------|--------------|--------------|
| | PRINCIPAL | INTEREST | TOTAL |
| 02/15/2026 | | \$ 113,156 | \$ 113,156 |
| 08/15/2026 | \$ 400,000 | \$ 113,156 | \$ 513,156 |
| 02/15/2027 | | \$ 103,156 | \$ 103,156 |
| 08/15/2027 | \$ 145,000 | \$ 103,156 | \$ 248,156 |
| 02/15/2028 | | \$ 99,531 | \$ 99,531 |
| 08/15/2028 | \$ 155,000 | \$ 99,531 | \$ 254,531 |
| 02/15/2029 | | \$ 95,656 | \$ 95,656 |
| 08/15/2029 | \$ 160,000 | \$ 95,656 | \$ 255,656 |
| 02/15/2030 | | \$ 91,656 | \$ 91,656 |
| 08/15/2030 | \$ 170,000 | \$ 91,656 | \$ 261,656 |
| 02/15/2031 | | \$ 87,406 | \$ 87,406 |
| 08/15/2031 | \$ 175,000 | \$ 87,406 | \$ 262,406 |
| 02/15/2032 | | \$ 83,031 | \$ 83,031 |
| 08/15/2032 | \$ 185,000 | \$ 83,031 | \$ 268,031 |
| 02/15/2033 | | \$ 78,406 | \$ 78,406 |
| 08/15/2033 | \$ 195,000 | \$ 78,406 | \$ 273,406 |
| 02/15/2034 | | \$ 73,531 | \$ 73,531 |
| 08/15/2034 | \$ 205,000 | \$ 73,531 | \$ 278,531 |
| 02/15/2035 | | \$ 68,406 | \$ 68,406 |
| 08/15/2035 | \$ 215,000 | \$ 68,406 | \$ 283,406 |
| 02/15/2036 | | \$ 63,031 | \$ 63,031 |
| 08/15/2036 | \$ 225,000 | \$ 63,031 | \$ 288,031 |
| 02/15/2037 | | \$ 57,406 | \$ 57,406 |
| 08/15/2037 | \$ 235,000 | \$ 57,406 | \$ 292,406 |
| 02/15/2038 | | \$ 51,531 | \$ 51,531 |
| 08/15/2038 | \$ 250,000 | \$ 51,531 | \$ 301,531 |
| 02/15/2039 | | \$ 45,281 | \$ 45,281 |
| 08/15/2039 | \$ 260,000 | \$ 45,281 | \$ 305,281 |
| 02/15/2040 | | \$ 38,781 | \$ 38,781 |
| 08/15/2040 | \$ 275,000 | \$ 38,781 | \$ 313,781 |
| 02/15/2041 | | \$ 33,281 | \$ 33,281 |
| 08/15/2041 | \$ 285,000 | \$ 33,281 | \$ 318,281 |
| 02/15/2042 | | \$ 27,403 | \$ 27,403 |
| 08/15/2042 | \$ 295,000 | \$ 27,403 | \$ 322,403 |
| 02/15/2043 | | \$ 21,134 | \$ 21,134 |
| 08/15/2043 | \$ 310,000 | \$ 21,134 | \$ 331,134 |
| 02/15/2044 | | \$ 14,547 | \$ 14,547 |
| 08/15/2044 | \$ 325,000 | \$ 14,547 | \$ 339,547 |
| 02/15/2045 | | \$ 7,438 | \$ 7,438 |
| 08/15/2045 | \$ 340,000 | \$ 7,438 | \$ 347,438 |
| Total | \$ 4,805,000 | \$ 2,507,544 | \$ 7,312,544 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Municipal Court Child Safety Fund

The Municipal Court Child Safety Fund is used to account for revenues from municipal court fines which are directed to be used for child safety programs. The expenditures are tracked based on appropriate items or services allowed by legislation. The primary focus of the expenses should be on child safety, health, or nutrition.

| | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|--------------------|--------------------|-----------------------|----------------------|-------------------|
| Child Safety Fund Revenues | | | | | |
| Fines & Fees Revenue | | | | | |
| 16-9999-40200 FEES - CHILD SAFETY | 8,888 | 6,421 | 6,000 | 12,000 | 10,000 |
| Total Fines & Fees Revenue | 8,888 | 6,421 | 6,000 | 12,000 | 10,000 |
| Transfer In Revenue | | | | | |
| 16-9999-48999 XFER FROM - FUND BALANCE | - | - | - | - | - |
| Total Transfer In Revenue | - | - | - | - | - |
| Total Child Safety Fund Revenues | 8,888 | 6,421 | 6,000 | 12,000 | 10,000 |
| Child Safety Fund Expenditures | | | | | |
| Other Services | | | | | |
| 16-9999-50820 EXPENSES - CHILD SAFETY | 5,488 | 6,000 | 6,000 | 6,000 | 6,000 |
| 16-9999-50831 TRANSFER IN | - | - | - | - | - |
| Total Other Services | 5,488 | 6,000 | 6,000 | 6,000 | 6,000 |
| Total Child Safety Fund Expenditures | 5,488 | 6,000 | 6,000 | 6,000 | 6,000 |
| Net Revenues over (Expenditures) | 3,400 | 421 | - | 6,000 | 4,000 |
| Fund Balance - Beginning | 26,066 | 29,466 | 29,887 | 29,887 | 35,887 |
| Fund Balance - Transfer Out | - | - | - | - | - |
| Fund Balance - Ending | 29,466 | 29,887 | 29,887 | 35,887 | 39,887 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Municipal Court Technology/Security Fund

The Municipal Court Technology/Security Fund were consolidated and account for the collection of both the court technology fee and the court security fee assessed on each municipal court conviction. The consolidated revenues are used to support technological needs and security measures for the municipal court and the facility in which it operates.

| add new acct CONSOLIDATED COURT SECURITY/TECHNOLOGY | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|----------------------------|----------------------------|-------------------------------|------------------------------|---------------------------|
| Fines & Fees Revenue | | | | | |
| 17-9999-40196 FEES - MC TECH | 1,878 | 1,346 | 1,500 | 932 | - |
| 17-9999-40122 FEES - MC TECH/SECURITY | | | | 1,435 | 3,100 |
| Total Fines & Fees Revenue | 1,878 | 1,346 | 1,500 | 2,367 | 3,100 |
| Transfer In Revenue | | | | | |
| 17-9999-48999 XFER FROM - FUND BALANCE | | | | | |
| Total Transfer In Revenue | - | - | - | - | - |
| Total Court Technology Fund Revenues | 1,878 | 1,346 | 1,500 | 2,367 | 3,100 |
| Court Technology Fund Expenditures | | | | | |
| Other Services | | | | | |
| 17-9999-50821 EXPENSES - MC TECH | 954 | 1,710 | 2,000 | 1,560 | 2,100 |
| 17-9999-50831 TRANSFER OUT | - | - | - | 8,564 | 1,000 |
| Total Other Services | 954 | 1,710 | 2,000 | 10,124 | 3,100 |
| Total Court Technology Fund Expenditures | 954 | 1,710 | 2,000 | 10,124 | 3,100 |
| Net Revenues over (Expenditures) | | | | | |
| | 924 | (365) | (500) | (7,757) | - |
| Fund Balance - Beginning | 7,199 | 8,123 | 7,757 | 7,757 | 0 |
| Fund Balance - Transfer Out | - | - | - | - | - |
| Fund Balance - Ending | 8,123 | 7,757 | 7,257 | 0 | 0 |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Municipal Court Security Fund

The Municipal Court Security Fund was consolidated with the Municipal Court Technology Fund. In previous years it was used to account for revenues collected from municipal court fees which are allocated by percentage based on state legislation. Those revenues were used to pay for expenditures which are used for security relating to the court. Those expenses could include personnel, improvements to the building, or equipment purchases/replacements to improve overall security of the court.

| | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|--------------------|--------------------|-----------------------|----------------------|-------------------|
| Court Security Fund Revenues | | | | | |
| Fines & Fees Revenue | | | | | |
| 18-9999-40197 FEES - MC SECURITY | 2,262 | 1,636 | 2,000 | 1,133 | - |
| Total Fines & Fees Revenue | 2,262 | 1,636 | 2,000 | 1,133 | - |
| Total Court Security Fund Revenues | 2,262 | 1,636 | 2,000 | 1,133 | - |
| Court Security Fund Expenditures | | | | | |
| Other Services | | | | | |
| 18-9999-50822 EXPENSES - MC SECURITY | - | 35 | 500 | 500 | - |
| 18-9999-58999 XFR TO CAPITAL FUND | - | - | - | 13,591 | - |
| Total Other Services | - | 35 | 500 | 14,091 | - |
| Total Court Security Fund Expenditures | - | 35 | 500 | 14,091 | - |
| Net Revenues over (Expenditures) | 2,262 | 1,601 | 1,500 | (12,958) | - |
| Fund Balance - Beginning | 9,095 | 11,357 | 12,957 | 12,957 | (0) |
| Fund Balance - Transfer Out | - | - | - | - | - |
| Fund Balance - Ending | 11,357 | 12,957 | 14,457 | (0) | (0) |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Community Impact Fee Fund

The Community Impact Fee Fund is used to account for revenues earned when newer developments pay fees assigned by ordinance from the City. The revenues are used to offset expenses incurred by capital projects which will benefit the residents paying the fees. Expenses can be used in this fund, or the revenues can be transferred to other funds to supplement the expenses where the project may be recognized.

| Red GL Numbers are new. | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|---|-----------------|------------------|--------------------|-------------------|----------------|
| Impact Fee Fund Revenues | | | | | |
| Licenses and Permits Revenue | | | | | |
| 19-9999-40195 IMPACT FEE | - | 561,205 | 2,250,000 | - | - |
| Total Licenses and Permits Revenue | - | 561,205 | 2,250,000 | - | - |
| Transfer In Revenue | | | | | |
| 19-9999-48999 XFER FROM - FUND BALANCE | - | - | - | - | - |
| Total Transfer In Revenue | - | - | - | - | - |
| Total Impact Fees Fund Revenues | 561,205 | 2,250,000 | - | - | - |
| Impact Fee Fund Expenditures | | | | | |
| Other Services | | | | | |
| 19-9999-50765 OTHER EXPENSES | - | - | - | - | - |
| Total Other Services | - | - | - | - | - |
| Capital Outlay/Transfers Expenditures | | | | | |
| 19-9999-50969 CAP OUT - WATER PLANT IMPROVEMENT | - | - | 916,612 | - | - |
| 19-9999-58001 XFR TO UTILITY FUND | - | - | 583,388 | 583,388 | - |
| | - | - | 1,500,000 | 583,388 | - |
| Total Impact Fee Fund Expenditures | - | - | 1,500,000 | 583,388 | - |
| Net Revenues over (Expenditures) | - | 561,205 | 750,000 | (583,388) | - |
| Fund Balance - Beginning | 22,183 | 22,183 | 583,388 | 583,388 | - |
| Fund Balance - Transfer Out | - | - | - | - | - |
| Fund Balance - Ending | 22,183 | 583,388 | 1,333,388 | - | - |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Youth Diversion Fund

Established January 1, 2025, this fund is used to account for revenues and expenditures associated with the City's youth diversion initiatives. Resources support programs designed to redirect juveniles from formal court involvement by providing education, intervention, and alternative corrective measures. The fund ensures transparent financial tracking of all activities related to youth diversion services.

| set up new account Began 1.1.25 | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|--------------------|--------------------|-----------------------|----------------------|-------------------|
| Youth Diversion Fund Revenues | f | | | | |
| 20-9999-40201 FEES - YOUTH DIVERSION | - | - | - | - | 100 |
| 20-9999-40223 LOCAL TRUANCY PREVENTION FEE | | | | 860 | 2,000 |
| Total Diversion Fees Revenue | - | - | - | 860 | 2,100 |
| Total Youth Diversion Fund Revenues | - | - | - | 860 | 2,100 |
| | | | | | |
| Youth Diversion Fund Expenditures | | | | | |
| Other Services | | | | | |
| 20-9999-56999 EXPENSES - YOUTH DIVERSION | - | - | - | 860 | 2,100 |
| Total Other Services | - | - | - | 860 | 2,100 |
| Total Youth Diversion Fund Expenditures | - | - | - | 860 | 2,100 |
| | | | | | |
| Net Revenues over (Expenditures) | - | - | - | - | - |
| Fund Balance - Beginning | - | - | - | - | - |
| Fund Balance - Transfer Out | - | - | - | - | - |
| Fund Balance - Ending | - | - | - | - | - |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Vehicle/Equipment Replacement Fund

The Vehicle/Equipment Replacement Fund was established in FY 2023-24 to plan for future purchases of larger valued items such as heavy machinery or vehicles. Revenues are transferred from other funds and held until expenditures are made, which may require multiple years of transfers. This fund was established to save the City expenses associated with interest in bond issuances by saving for larger purchases to be paid with available funds.

| | FY 2023 ACTUALS | FY 2024 ACTUALS | FY 2025 AMD BUDGET | FY 2025 ESTIMATED | FY 2026 BUDGET |
|--|--------------------|--------------------|-----------------------|----------------------|-------------------|
| Vehicle Equipment Replace Fund Revenues | | | | | |
| Transfer In Revenue | | | | | |
| 21-2121-48002 XFER FROM - GENERAL FUND | - 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| Total Transfer In Revenue | - 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| Total Vehicle Equipment Replace Fund Revenues | - 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| Vehicle Equipment Replace Fund Expenditures | | | | | |
| Capital Outlays | | | | | |
| 21-2121-50955 CAP OUT - MACHINE/EQUIPMENT | - - - - - | - - - - - | - - - - - | - - - - - | - - - - - |
| 21-2121-50956 CAP OUT - VEHICLES | - - - - - | - - - - - | - - - - - | - - - - - | - - - - - |
| Total Capital Outlays | - - - - - | - - - - - | - - - - - | - - - - - | - - - - - |
| Transfer Out | | | | | |
| 21-2121-58002 XFER TO - GENERAL FUND | - - - - - | - - - - - | - - - - - | - - - - - | 600,000 |
| Total Transfer Out | - - - - - | - - - - - | - - - - - | - - - - - | 600,000 |
| Total Vehicle Equipment Replace Fund Expenditures | - - - - - | - - - - - | - - - - - | - - - - - | 600,000 |
| Net Revenues over (Expenditures) | - 200,000 | 200,000 | 200,000 | 200,000 | (400,000) |
| Fund Balance - Beginning | | - 200,000 | 200,000 | 200,000 | 400,000 |
| Fund Balance - Transfer Out | | | | | |
| Fund Balance - Ending | - 200,000 | 400,000 | 400,000 | - | - |

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

SECTION 5: MISCELLANEOUS

Glossary

Account Number: A code made up of numbers used to classify how specific dollar amounts are categorized as revenue or expenditures. Typically, similar revenues or expenditures are classified into the same account.

Accounting Standards: The generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board that guide the recording and reporting of financial information by the state and local governments. The standards establish such guidelines as when transactions are recognized (accrual, modified accrual, or cash basis), the types and purposes of funds, and the content and organization of the annual financial report. At the federal level, accounting standards are developed by the Federal Accounting Standards Advisory Board.

Accounting System: The methods and records established to identify, assemble, analyze, classify, record, and report the City's transactions and to maintain accountability for the related assets and liabilities.

Accounts Payable: A short term (one year or less) liability reflecting amounts owed for goods and services received by the City.

Accounts Receivable: An asset reflecting amounts due from other entities for goods and services provided by the City.

Accrual Accounting: A system of accounting in which revenues and expenditures are recorded at the time they occur, rather than the time cash is received or disbursed by the City.

Ad Valorem Taxes: Also known as property taxes; the taxes levied on all real and certain personal property according to the assessed value of the property and the established tax rate.

Amortization: The process of paying the principal amount of an issue of bonds by the periodic payments either directly to bondholders or to a sinking fund for the benefit of bondholders. Payments are usually calculated to include interest in addition to a partial payment of the original principal amount.

Amortization Schedule: A table showing the gradual repayment of an amount of indebtedness, such as a bond, over a period.

Appraised Value: An evaluation of a property's value based on a given point in time that is performed by Llano Central Appraisal District or Burnet Central Appraisal District.

Appropriation: An authorization made by the City Council which permits the City staff to make expenditures and incur financial obligations.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Audit: An examination of the City's financial accounts and records. The City is required by law to have an audit completed each year by an independent certified public accountant.

Available Fund Balance: Money remaining from prior years that is not committed for other purposes and can be allocated in the upcoming budget.

Balanced Budget: A balanced budget is where total revenues are equal or greater than total expenses; a budget that has no budget deficit.

Bond: A written promise to pay a specified amount of money (the principal) at a specified date or dates in time (maturity dates) and carrying interest at a specified rate. The most common form of bonds are general obligation bonds and certificates of obligation. Bonds are usually used to fund large construction projects that have a long lifespan and/or are too expensive for the City to pay for with cash. Some examples are public buildings, water and sewer infrastructure, and streets.

Bond Contract: The legal agreement between the issuer and the debt holder, which defines the security and terms of the debt.

Bond Covenant: An agreement that governs the use of the borrowed money when a governmental agency sells a bond. The covenant becomes a legally enforceable agreement with the bondholders.

Bonded Debt: The portion of indebtedness represented by unpaid bonds. Or the amount of principal on all bonds issued by the City.

Bondholder: The owner of a municipal bond, to whom payments of principal and interest are made. The owner of a bearer bond is the person having possession of it, while the owner of a registered bond is the person whose name is noted on the bond register.

Bond Proceeds: The money paid to the issuer by the purchaser or underwriter for a new issue of municipal bonds, used to finance the project or purpose for which the bonds were issued and to pay certain costs of issuance, as may be provided in the bond contract.

Bond Purchase Agreement: The contract between the underwriter and the issuer setting forth the final terms, prices, and conditions upon which the underwriter purchases a new issue of municipal bonds for reoffering to the investing public.

Budget: A financial plan for a specified period (the fiscal year for the City) that includes an estimate of proposed revenues, an estimate of anticipated expenditures, and an analysis of the undedicated fund balance.

Budget Amendment: The budget may be formally amended after it has been approved. Amendments may be required, for example, with the incorporation of a new labor contract or if revenues fall or grow beyond projections.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Budget Calendar: A timetable with deadlines for when tasks must be completed for City Council to approve the spending plan before the beginning of the next fiscal year.

Budget Process: The budget process includes preparation of budget requests, legislative approval of the budget requests, budget implementation, and summary reporting on actual budget transactions.

Budget Transmittal Letter: Written to the City Council by the City Manager and provides a high-level preview of the City Manager's proposed budget. It contains hard numbers including the proposed tax rate and proposed fund summaries as well as overview of the departmental business plans. The letter helps tie together the core elements which make up the proposed budget and illustrates how those elements further the City's goals found within the strategic management system.

Capital Improvements: Expenditures for the construction, purchase, or renovation of City facilities or property, usually those projects which have a lifespan of greater than five to seven years.

Capital Outlay: Expenditures resulting in the acquisition of or addition to the City's fixed assets.

Cash: Currency on hand and demand deposits with banks and other financial institutions.

Cash Basis: A method of accounting in which transactions are recorded when cash is received or disbursed.

Cash Flow: A sufficient amount of cash on hand to cover disbursements or payments that are coming due.

Certificates of Obligation (CO): A form of bond used to finance capital improvement projects or purchases. COs are backed by the full faith and credit of the government issuing them. COs can be issued by a vote of the City Council and are not necessarily voter approved.

Chart of Accounts: A way of recording revenues and expenditures that includes all transactions and that fits the organizational structure. A chart of accounts assigns a unique number to each type of transaction (e.g., salaries or property taxes) and to each budgetary unit in the organization.

Contingency: A budgeted account set aside to meet unforeseen circumstances.

Current Assets: Those assets that can be easily converted to cash within the current year.

Current Taxes: Taxes that are levied and due within the ensuing fiscal year.

Date of Acquisition: The date on which an asset is purchased as indicated on a contract or certificate.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Debt Service Fund: A fund established to account for funds needed to make principal and interest payments on outstanding bonds.

Debt Service Requirements: The amount of money required to pay interest and principal on outstanding bonds. Sometimes the bond covenants (terms of the bond) may require special requirements such as cash reserves in the debt service fund.

Deficit: Expenses exceed the income received.

Delinquent Taxes: Property taxes remaining unpaid after the due date. Delinquent taxes incur penalties and interest at rates specified by law.

Department: A functional group of the City with related activities aimed at accomplishing a major City service or program.

Depreciation: The proration of the cost of a fixed asset over the estimated service life of the asset. Each period is charged with a portion of such cost, and through this process, the entire cost of the asset is ultimately charged off as an expense.

Disbursement: Payment for goods or services that have been delivered and invoiced.

Effective Tax Rate: The rate that produces the same amount of property tax revenues compared to the prior year. Based on the total property valuation for the City and how much property tax was levied, the rate is determined by the laws of the State of Texas.

Encumbrance: The commitment of appropriated funds to purchase an item or service. Once an encumbrance is made, a purchase order is issued for the expenditure.

Enterprise Fund: See Proprietary Fund.

Expense: Charges incurred, whether paid or unpaid, for operation, maintenance, interest, and other charges which are made within the current fiscal year.

Equity: The difference between assets and liabilities of the fund.

Financial Advisor: With respect to a new issue of municipal bonds, a consultant who advises the issuer on matters pertinent to the issue, such as structure, timing, fairness of pricing, terms, and bond ratings. Such consultant may be employed in a capacity unrelated to a new issue of municipal securities, such as advising on cash flow and investment matters.

Fiscal Year: The period designated by the City signifying the beginning and ending period for recording financial transactions of the City. The City of Horseshoe Bay's fiscal year begins on October 1 of each year and ends on September 30 of the following year.

Fixed Assets: Assets of a long-term character which are intended to be held or used, such as land, buildings, machinery, furniture, and equipment.

Fund: A separate fiscal and accounting entity with their own resources and budgets necessary to

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

carry out specific duties or programs to accomplish certain objectives.

Fund Accounting: A system of accounting used primarily by non-profit and government organizations. The accounting records take the form of a collection of funds, each fund having a distinct purpose, ranging from operating expenses to funding the various activities of the organization.

Fund Balance: The difference between a fund's assets and its liabilities. Portions of the fund balance may be reserved for various purposes such as contingencies or encumbrances at the end of the fiscal year.

General Fund: The largest fund within the City. It accounts for all resources except those that are required to be in a special fund. The General Fund contains activities commonly associated with municipal government, such as police, fire, and streets.

General Obligation Bonds: Bonds that finance a variety of public capital improvements projects. The repayment of these bonds is typically pledged against property tax revenues. They are backed by the full faith and credit of the City. Voters must approve the issuance of general obligation bonds through a special called bond election.

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards for financial recording and reporting established by the accounting profession through such independent entities as the Governmental Accounting Standards Board.

Generally Accepted Auditing Standards (GAAS): A set of systematic guidelines used by auditors when conducting audits on companies' finances, ensuring the accuracy, consistency, and verifiability of auditors' actions and reports.

Government Finance Officers Association (GFOA): An organization that represents public finance officials throughout the United States and Canada.

Governmental Accounting Standards Board (GASB): The body that sets accounting standards specifically for governmental entities at the state and local level.

Governmental Fund: A grouping used in accounting for tax-supported activities completed by the government entity.

Grant: Contributions or gifts of cash or other assets from another government to be used for a specific purpose, activity, or facility.

Home Rule: A limited grant of discretion from state governments to local governments, concerning either the organization functions or the raising of revenue. Without home rule, local governments are restricted to whatever functions, organization, and revenues sources as specified by the state government, and are bound by whatever limits in revenue or borrowing that state requires.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Infrastructure: Long-term capital assets that normally are stationary in nature (fixed as compared to rolling stock) and can be preserved for a great number of years. Examples include water and sewer lines, roads, bridges, buildings, etc.

Inter-Fund Transfers: An amount of money transferred from one fund to another fund. For example, transferring money from the Utility Fund to the General Fund.

Intergovernmental Revenue: Revenues received from another governmental entity, such as county, state, or federal governments.

Internal Controls: Systematic measures (such as review, checks and balances, methods, and procedures) instituted by an organization.

Investment Policy: A document that outlines general rules for investing and provides the general investment goals and objectives.

Liability: The City's legal debts or obligations that arise during business operations. Liabilities are settled over time through the transfer of economic benefits including money, goods, or services.

Line-Item Budget: A format for budgeting in which departmental outlays are grouped according to the items that will be purchased.

Liquidity: The ability to convert assets into cash.

Machinery and Equipment: Property that does not lose its identity when removed from its location and is not changed materially or consumed immediately by use.

Mission: The basic purpose of a department, the reason for its existence, what the department aims to accomplish.

Modified Accrual: combines accrual basis and cash basis accounting.

Municipal Bonds: A general term referring to bonds of local governmental subdivisions such as cities, towns, villages, counties, and special districts as well as states and subdivisions thereof, where are exempt from federal income taxation.

Operating Budget: Plans for current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most financing activities of the City are controlled.

Operating Expense: Proprietary fund expenses related directly to the fund's primary activities.

Operating Income: The excess of proprietary fund operating revenues over operating expenses.

Operating Revenue: Proprietary fund revenues directly related to the fund's primary activities. They consist primarily of user charges for goods and services.

Ordinance: A formal legislative enactment by the Horseshoe Bay City Council. Principal: The face value of a bond, payable on stated dates of maturity.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Property Taxes: See Ad Valorem Taxes.

Proprietary Fund: Also referred to as an Enterprise Fund. A governmental accounting fund in which the services provided, such as water and sewer service, are financed and operated similarly to those in a private business. The intent is that the costs of providing these services be recovered through user charges.

Public Hearings: Open meetings regarding proposed budget allocations – either operating or capital – that provide citizens an opportunity to voice their views on the merits of proposals.

Purchase Orders: An agreement drawn up to buy goods and services from a specific vendor with a promise to pay when delivered.

Refunding: The issuance of new debt whose proceeds are used to repay previously issued debt. The proceeds may be used immediately for this purpose (current refunding), or they may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at a future time (advanced refunding).

Resolution: A special or temporary order of the Horseshoe Bay City Council. Requires less formality than an ordinance and does not carry with it the force of law.

Revenue Bonds: Bonds whose principal and interest are payable exclusively from the earnings of a proprietary fund.

Special Revenue Fund: Accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Taxable Value: The assessed value of property less any exemptions available on that specific property. The tax rate is applied to the taxable value to calculate a total tax levy.

Tax Base: The total taxable value of all real and personal property in the City as of January 1 of each year as certified by the Llano Central Appraisal District or Burnet Central Appraisal District, less any exemptions.

Tax Levy: The resulting product when the tax rate per one hundred dollars is multiplied by the tax base.

Texas Municipal League (TML): The Texas Municipal League is a voluntary coalition of Texas municipalities created for the purpose of furthering and enhancing causes of mutual interest to Texas cities. TML offers educational and training opportunities, legislative activities, and legal advisement to its members. Additionally, TML has intergovernmental risk pools that offer insurance coverage.

User Charges: The payment of a fee for direct receipt of a public service by the party benefitting from the service, such as water and sewer fees.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Budget Ordinance

CITY OF HORSESHOE BAY

ORDINANCE NO. 2025-32

ORDINANCE ADOPTING THE FY 2025-26 BUDGET

AN ORDINANCE ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING 10-1-2025 AND ENDING 9-30-2026 IN ACCORDANCE WITH LAWS OF THE STATE OF TEXAS, APPROPRIATING THE VARIOUS AMOUNTS THEREOF, AND REPEALING ALL ORDINANCES IN CONFLICT THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, pursuant to Chapter 102.001 (b) of the Texas Local Government Code, the City Manager of a municipality serves as the Budget Officer for the governing body of the municipality; and

WHEREAS, pursuant to Chapter 102.002 of the Texas Local Government Code, the City Manager shall prepare each year a municipal budget to cover the proposed expenditures of the municipal government for the succeeding year; and

WHEREAS, the City Manager of the City of Horseshoe Bay serves as the Budget Officer for the City and has submitted to the City Council a Proposed Budget of the revenues of said City and the expenses of conducting the affairs thereof; and

WHEREAS, said Proposed Budget and all supporting schedules were filed with the Legislative Services Director on August 11, 2025; and

WHEREAS, required Notice of Public Hearing was published in the Horseshoe Bay Beacon, in the Highlander Newspaper, and posted on the City's website in accordance with Section 102.0065 of the Local Government Code; and

WHEREAS, the City Manager is submitting to the City Council a Final Budget consistent with the changes to the revenues and expenditures of the Proposed Budget that the City Council recommended at the Public Meeting held on August 26, 2025; and

WHEREAS, the Mayor conducted the Public Hearing on the Proposed Budget at the City Council meeting on August 26, 2025; and

WHEREAS, the Final Budget for FY 2026 reflects more property tax revenues when compared to the Final Budget for FY 2025; and

WHEREAS, the total City proposed property tax rate for FY 2026 is \$0.26775 per \$100 valuation. The following are data related to the tax rate for FY 2026:

- No-New-Revenue tax rate - \$0.26031/\$100
- Voter-Approval tax rate - \$0.27142/\$100
- Debt rate - \$0.07342/\$100; and

WHEREAS, the total amount of City Certificates of Obligation secured by property taxes aggregated \$28,330,000 as of September 20, 2024 audit.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

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

That the Final Budget for the fiscal year beginning October 1, 2025, and ending September 30, 2026, is hereby approved and adopted, thereby providing in summary for the following:

I.

**\$39,002,220 Total All Funds Revenues
\$ 4,027,038 Total All Funds Revenue Transfers
\$46,186,947 Total All Funds Expenditures
\$ 4,027,038 Total All Funds Expenditure Transfers**

II.

The Final Budget includes funding for 122 full-time employees. 84 full-time employees will be included in the General Fund expenses and 38 full-time employees will be Utilities Fund expenses.

III.

This Ordinance shall take effect and be in force from and after its approval and publication, as may be required by law.

IV.

Should any part of this Ordinance be declared invalid, for any reason, such invalidity shall not affect the remainder of this Ordinance.

V.

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

ADOPTED AND APPROVED on this 16th day of September 2025.

CITY OF HORSESHOE BAY, TEXAS

ATTEST:



Kerri Craig
Legislative Services Director



Elsie Thurman

Mayor



CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

Tax Rate Ordinance

ORDINANCE NO. 2025-33

ORDINANCE ADOPTING FY 2025-26 TAX RATE

AN ORDINANCE LEVYING AD VALOREM TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF HORSESHOE BAY, TEXAS, AND PROVIDING FOR THE INTEREST AND SINKING FUND FOR THE FISCAL YEAR 2025-2026; DIRECTING THE COLLECTION THEREOF; AND, PROVIDING FOR THE TIME OF PAYING THE AD VALOREM TAXES LEVIED AND PROVIDING THAT TAXES BECOME DELINQUENT IF NOT PAID

WHEREAS, pursuant to section 302.001(c) of the Texas Tax Code, a home-rule municipality, such as the City of Horseshoe Bay, Texas ("City"), may levy special or general property taxes for lawful purposes; and

WHEREAS, the City Council of the City of Horseshoe Bay scheduled a meeting to adopt the tax rate on September 16, 2025; and

WHEREAS, all required notices have been published and posted on the City's website; and

WHEREAS, the City Council of the City of Horseshoe Bay ("City Council") finds that the tax hereinafter levied for current expenses of the City and for permanent improvements and/or other specific purposes of the City as named herein must be levied to provide the revenue requirement of the budget for the ensuing year; and

WHEREAS, state law, including but not limited to Chapters 31, 32 and 33 of the Texas Tax Code, provides the due date, delinquency date, penalty, interest, and collections provisions for such taxes.

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

I.

That there is hereby levied and there shall be collected for the current expenses of the City, its permanent improvements, and/or other specific purposes of the City as named herein, a tax upon all property, real, personal and mixed, within the corporate limits of said City, and subject to taxation at the rate of \$0.26775 on each One Hundred Dollars (\$100.00) of assessed valuation. Assessed valuation is hereby set at One Hundred Percent (100%) of fair market value of all real property. Said tax being so levied is apportioned to the specific purposes here set forth:

- (1) For the Maintenance and Operation of general government, \$0.19433 on each One Hundred Dollars (\$100) valuation of property, and
- (2) For the Interest and Sinking Fund, \$0.07342 on each One Hundred Dollars (\$100) valuation of property.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 0.00 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$0.33.

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

II.

That all monies collected under this Ordinance be and the same are hereby appropriated and set apart for the specific purposes indicated herein and in each item of the Annual Budget for the Fiscal Year 2024-2025, and that the Assessor and Collector of Taxes, and the Investment Officer shall keep these accounts so as to readily and distinctly show the amount collected, the amounts expended, and the amount on hand at any time belonging to such accounts. It is hereby made the duty of the Tax Assessor and Collector and the Investment Officer and every person collecting money for the City of Horseshoe Bay to deliver to the Investment Officer at the time of depositing any monies, a statement showing to what fund such deposit should be made and from what source received. All receipts for the City not specifically apportioned by this Ordinance are hereby made payable to the General Fund of the City.

III.

That the ad valorem taxes herein levied shall, unless otherwise excepted by state law, including but not limited to Chapter 31 of the Texas Tax Code, become due on the 1st day of October, 2024 or upon receipt of the tax bill, whichever is earlier, and may be paid up to and including the following January 31st, without penalty, but if not so paid, such taxes shall become delinquent and incur penalties and interest as provided by state law including, but not limited to, Chapter 33 of the Texas Tax Code.

IV.

That the taxes herein levied shall, except as otherwise provided by state law, including but not limited to Chapter 32 of the Texas Tax Code, be a first and prior lien against the property upon which they are assessed and the said first lien shall be superior and prior to all other liens, charges, and encumbrances, and this lien shall be attached to personal property to the same extent and with the same priorities as to real estate.

V.

This Ordinance shall take effect and be in force from and after its approval and publication, as may be required by law.

VI.

Should any part of this Ordinance be declared invalid, for any reason, such invalidity shall not affect the remainder of this Ordinance.

VII.

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

ADOPTED AND APPROVED on this 16th day of September 2025.

CITY OF HORSESHOE BAY, TEXAS

Attest:



Kerri Craig
Legislative Services Director


Elsie Thurman

Mayor



City of Horseshoe Bay
September 16, 2025

Adopt FY 2026 Tax Rate
Page 2 of 2

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

2025 Tax Rate Calculation Worksheet

2025 Tax Rate Calculation Worksheet Taxing Units Other Than School Districts or Water Districts

Form 50-856

| | |
|--|---|
| City of Horseshoe Bay | 830-598-8741 |
| Taxing Unit Name | Phone (area code and number) |
| 1 Community Drive, Horseshoe Bay, TX 78857 | https://www.horseshoe-bay-tx.gov |
| 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. | Prior year total taxable value. Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹ | \$ 4,020,395,090 |
| 2. | Prior year tax ceilings. Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step. ² | \$ 0 |
| 3. | Preliminary prior year adjusted taxable value. Subtract Line 2 from Line 1. | \$ 4,020,395,090 |
| 4. | Prior year total adopted tax rate. | \$ 0.26775 /\$100 |
| 5. | Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value. A. Original prior year ARB values:..... | \$ 9,633,036 |
| | B. Prior year values resulting from final court decisions:..... | -\$ 8,850,000 |
| | C. Prior year value loss. Subtract B from A. ³ | \$ 783,036 |
| 6. | Prior year taxable value subject to an appeal under Chapter 42, as of July 25. A. Prior year ARB certified value:..... | \$ 6,772,893 |
| | B. Prior year disputed value:..... | -\$ 338,644 |
| | C. Prior year undisputed value. Subtract B from A. ⁴ | \$ 6,434,249 |
| 7. | Prior year Chapter 42 related adjusted values. Add Line 5C and Line 6C. | \$ 7,217,285 |

¹ Tex. Tax Code §26.012(14)

² Tex. Tax Code §26.012(14)

³ Tex. Tax Code §26.012(13)

⁴ Tex. Tax Code §26.012(13)

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

| Line | No-New-Revenue Tax Rate Worksheet | Amount/Rate |
|------|--|--|
| 8. | Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7. | \$ 4,027,612,375 |
| 9. | Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2024. Enter the prior year value of property in deannexed territory. ³ | \$ 0 |
| 10. | Prior year taxable value lost because property first qualified for an exemption in the current year. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use prior year market value: B. Partial exemptions. Current year exemption amount or current year percentage exemption times prior year value: C. Value loss. Add A and B. ⁴ | \$ 131,860 + \$ 29,827,283 \$ 29,959,143 |
| 11. | Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year. Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. A. Prior year market value: B. Current year productivity or special appraised value: C. Value loss. Subtract B from A. ⁵ | \$ 158,480 - \$ 1,040 \$ 157,440 |
| 12. | Total adjustments for lost value. Add Lines 9, 10C and 11C. | \$ 30,116,583 |
| 13. | Prior year captured value of property in a TIF. Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. ⁶ If the taxing unit has no captured appraised value in line 18D, enter 0. | \$ 0 |
| 14. | Prior year total value. Subtract Line 12 and Line 13 from Line 8. | \$ 3,997,495,792 |
| 15. | Adjusted prior year total levy. Multiply Line 4 by Line 14 and divide by \$100. | \$ 10,703,294 |
| 16. | Taxes refunded for years preceding the prior tax year. Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. ⁷ | \$ 7,363 |
| 17. | Adjusted prior year levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁸ | \$ 10,710,657 |
| 18. | Total current year taxable value on the current year certified appraisal roll today. This value includes only certified values or certified estimates of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. ¹¹ A. Certified values: B. Counties: Include railroad rolling stock values certified by the Comptroller's office: C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: D. Tax increment financing: Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 24 below. ¹² E. Total current year value. Add A and B, then subtract C and D. | \$ 4,232,786,163 + \$ - \$ 0 - \$ 0 \$ 4,232,786,163 |

¹ Tex. Tax Code §26.012(15)

² Tex. Tax Code §26.012(15)

³ Tex. Tax Code §26.012(15)

⁴ Tex. Tax Code §26.03(c)

⁵ Tex. Tax Code §26.012(13)

⁶ Tex. Tax Code §26.012(13)

⁷ Tex. Tax Code §26.012, 26.04(c-2)

¹¹ Tex. Tax Code §26.012

Why is this information important?

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CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

| Line | No-New-Revenue Tax Rate Worksheet | Amount/Rate |
|------|---|--|
| 19. | Total value of properties under protest or not included on certified appraisal roll.¹¹ <p>A. Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest.¹⁴</p> <p>B. Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll.¹⁵</p> <p>C. Total value under protest or not certified. Add A and B.</p> | \$ 51,593,172 + \$ 0 \$ 51,593,172 |
| 20. | Current year tax ceilings. Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step. ¹⁶ | \$ 0 |
| 21. | Anticipated contested value. Affected taxing units enter the contested taxable value for all property that is subject to anticipated substantial litigation. ¹⁷ An affected taxing unit is wholly or partly located in a county that has a population of less than 500,000 and is located on the Gulf of Mexico. ¹⁸ If completing this section, the taxing unit must include supporting documentation in Section 9. ¹⁹ Taxing units that are not affected, enter 0. | \$ 0 |
| 22. | Current year total taxable value. Add Lines 18E and 19C, then subtract Lines 20 and 21. ²⁰ | \$ 4,284,379,335 |
| 23. | Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year. Include both real and personal property. Enter the current year value of property in territory annexed. ²¹ | \$ 0 |
| 24. | Total current year taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for the current year. ²² | \$ 169,934,173 |
| 25. | Total adjustments to the current year taxable value. Add Lines 23 and 24. | \$ 169,934,173 |
| 26. | Adjusted current year taxable value. Subtract Line 25 from Line 22. | \$ 4,114,445,162 |
| 27. | Current year NNR tax rate. Divide Line 17 by Line 26 and multiply by \$100. ²³ | \$ 0.26031 /\$100 |
| 28. | COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. ²⁴ | \$ _____ /\$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.

¹¹ Tex. Tax Code §26.01(c) and (d)

¹² Tex. Tax Code §26.01(c)

¹³ Tex. Tax Code §26.01(d)

¹⁴ Tex. Tax Code §26.01(2)(6)(B)

¹⁵ Tex. Tax Code §26.01(2)(6)(C) and 26.01(2)(1-b)

¹⁶ Tex. Tax Code §26.01(2)-a

¹⁷ Tex. Tax Code §26.04(d-3)

¹⁸ Tex. Tax Code §26.01(2)(6)

¹⁹ Tex. Tax Code §26.01(2)(7)

²⁰ Tex. Tax Code §26.01(2)(7)

²¹ Tex. Tax Code §26.04(c)

²² Tex. Tax Code §26.04(e)

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| 2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts | | Form 50-856 |
|---|---|-------------------|
| Line | Voter-Approval Tax Rate Worksheet | Amount/Rate |
| 29. | Prior year M&O tax rate. Enter the prior year M&O tax rate. | \$ 0.19400 /\$100 |
| 30. | Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the No-New-Revenue Tax Rate Worksheet. | \$ 4,027,612,375 |
| 31. | Total prior year M&O levy. Multiply Line 29 by Line 30 and divide by \$100. | \$ 7,813,568 |
| 32. | Adjusted prior year levy for calculating NNR M&O rate. <ul style="list-style-type: none"> A. M&O taxes refunded for years preceding the prior tax year. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2024. This line applies only to tax years preceding the prior tax year. + \$ 5,572 B. Prior year taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0. - \$ 0 C. Prior year transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- \$ 0 D. Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. \$ 5,572 E. Add Line 31 to 32D. \$ 7,819,140 | |
| 33. | Adjusted current year taxable value. Enter the amount in Line 26 of the No-New-Revenue Tax Rate Worksheet. | \$ 4,114,445,162 |
| 34. | Current year NNR M&O rate (unadjusted). Divide Line 32E by Line 33 and multiply by \$100. | \$ 0.19004 /\$100 |
| 35. | Rate adjustment for state criminal justice mandate. ³⁵ <ul style="list-style-type: none"> A. Current year state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$ 0 B. Prior year state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. - \$ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100. \$ 0.00000 /\$100 D. Enter the rate calculated in C, if not applicable, enter 0. \$ 0.00000 /\$100 | |
| 36. | Rate adjustment for indigent health care expenditures. ³⁶ <ul style="list-style-type: none"> A. Current year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose. \$ 0 B. Prior year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state assistance received for the same purpose. - \$ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100. \$ 0.00000 /\$100 D. Enter the rate calculated in C, if not applicable, enter 0. \$ 0.00000 /\$100 | |

³⁵ [Reserved for expansion]
³⁶ Tex. Tax Code §26.044
³⁷ Tex. Tax Code §26.0441

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| 2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts | | Form 50-856 |
|--|---|--|
| Line | Voter-Approval Tax Rate Worksheet | Amount/Rate |
| 37. Rate adjustment for county indigent defense compensation. ²⁸ | <p>A. Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state grants received by the county for the same purpose..... \$ <u>0</u></p> <p>B. Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state grants received by the county for the same purpose..... \$ <u>0</u></p> <p>C. Subtract B from A and divide by Line 33 and multiply by \$100..... \$ <u>0.00000</u> /\$100</p> <p>D. Multiply B by 0.05 and divide by Line 33 and multiply by \$100..... \$ <u>0.00000</u> /\$100</p> <p>E. Enter the lesser of C and D. If not applicable, enter 0.</p> | \$ <u>0.00000</u> /\$100 |
| 38. Rate adjustment for county hospital expenditures. ²⁹ | <p>A. Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year..... \$ <u>0</u></p> <p>B. Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2023 and ending on June 30, 2024..... \$ <u>0</u></p> <p>C. Subtract B from A and divide by Line 33 and multiply by \$100..... \$ <u>0.00000</u> /\$100</p> <p>D. Multiply B by 0.08 and divide by Line 33 and multiply by \$100..... \$ <u>0.00000</u> /\$100</p> <p>E. Enter the lesser of C and D. If applicable. If not applicable, enter 0.</p> | \$ <u>0.00000</u> /\$100 |
| 39. Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information. | <p>A. Amount appropriated for public safety in the prior year. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year..... \$ <u>0</u></p> <p>B. Expenditures for public safety in the prior year. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year..... \$ <u>0</u></p> <p>C. Subtract B from A and divide by Line 33 and multiply by \$100..... \$ <u>0.00000</u> /\$100</p> <p>D. Enter the rate calculated in C. If not applicable, enter 0.</p> | \$ <u>0.00000</u> /\$100 |
| 40. Adjusted current year NNR M&O rate. Add Lines 34, 35D, 36D, 37E, and 38E. Subtract Line 39D. | | \$ <u>0.19004</u> /\$100 |
| 41. Adjustment for prior year sales tax specifically to reduce property taxes. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero. | <p>A. Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent..... \$ <u>795,255</u></p> <p>B. Divide Line 41A by Line 33 and multiply by \$100</p> <p>C. Add Line 41B to Line 40.</p> | \$ <u>0.01932</u> /\$100 \$ <u>0.20936</u> /\$100 |
| 42. Current year voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. | <p>Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 41C by 1.08.</p> <p>- or -</p> <p>Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 41C by 1.035.</p> | \$ <u>0.21668</u> /\$100 |

²⁸ Tex. Tax Code §26.0442
²⁹ Tex. Tax Code §26.0443

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

| Line | Voter-Approval Tax Rate Worksheet | Amount/Rate | | | | | | | | | | |
|---|--|---|---------------------|---|--------------|---|--------------|---|--------------|---|---------------------|--|
| D42. | <p>Disaster Line 42 (D42): Current year voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of:</p> <ol style="list-style-type: none"> 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred; or 2) the third tax year after the tax year in which the disaster occurred. <p>If the taxing unit qualifies under this scenario, multiply Line 41C by 1.08.³⁰ If the taxing unit does not qualify, do not complete Disaster Line 42 (Line D42).</p> | \$ <u>0.00000</u> /\$100 | | | | | | | | | | |
| 43. | <p>Total current year debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that:</p> <ol style="list-style-type: none"> (1) are paid by property taxes; (2) are secured by property taxes; (3) are scheduled for payment over a period longer than one year; and (4) are not classified in the taxing unit's budget as M&O expenses. <p>A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here.³¹</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Enter debt amount</td> <td style="width: 40%; text-align: right;">\$ <u>3,086,903</u></td> </tr> <tr> <td>B. Subtract unencumbered fund amount used to reduce total debt.....</td> <td style="text-align: right;">-\$ <u>0</u></td> </tr> <tr> <td>C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none)</td> <td style="text-align: right;">-\$ <u>0</u></td> </tr> <tr> <td>D. Subtract amount paid from other resources.....</td> <td style="text-align: right;">-\$ <u>0</u></td> </tr> <tr> <td>E. Adjusted debt. Subtract B, C and D from A.</td> <td style="text-align: right;">\$ <u>3,086,903</u></td> </tr> </table> | Enter debt amount | \$ <u>3,086,903</u> | B. Subtract unencumbered fund amount used to reduce total debt..... | -\$ <u>0</u> | C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none) | -\$ <u>0</u> | D. Subtract amount paid from other resources..... | -\$ <u>0</u> | E. Adjusted debt. Subtract B, C and D from A. | \$ <u>3,086,903</u> | |
| Enter debt amount | \$ <u>3,086,903</u> | | | | | | | | | | | |
| B. Subtract unencumbered fund amount used to reduce total debt..... | -\$ <u>0</u> | | | | | | | | | | | |
| C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none) | -\$ <u>0</u> | | | | | | | | | | | |
| D. Subtract amount paid from other resources..... | -\$ <u>0</u> | | | | | | | | | | | |
| E. Adjusted debt. Subtract B, C and D from A. | \$ <u>3,086,903</u> | | | | | | | | | | | |
| 44. | Certified prior year excess debt collections. Enter the amount certified by the collector. ³² | \$ <u>0</u> | | | | | | | | | | |
| 45. | Adjusted current year debt. Subtract Line 44 from Line 43E. | \$ <u>3,086,903</u> | | | | | | | | | | |
| 46. | <p>Current year anticipated collection rate.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">A. Enter the current year anticipated collection rate certified by the collector.³³</td> <td style="width: 40%; text-align: right;">99.00 %</td> </tr> <tr> <td>B. Enter the prior year actual collection rate.....</td> <td style="text-align: right;">98.60 %</td> </tr> <tr> <td>C. Enter the 2023 actual collection rate.....</td> <td style="text-align: right;">98.42 %</td> </tr> <tr> <td>D. Enter the 2022 actual collection rate.....</td> <td style="text-align: right;">98.88 %</td> </tr> <tr> <td>E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%.³⁴</td> <td style="text-align: right;">99.00 %</td> </tr> </table> | A. Enter the current year anticipated collection rate certified by the collector. ³³ | 99.00 % | B. Enter the prior year actual collection rate..... | 98.60 % | C. Enter the 2023 actual collection rate..... | 98.42 % | D. Enter the 2022 actual collection rate..... | 98.88 % | E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. ³⁴ | 99.00 % | |
| A. Enter the current year anticipated collection rate certified by the collector. ³³ | 99.00 % | | | | | | | | | | | |
| B. Enter the prior year actual collection rate..... | 98.60 % | | | | | | | | | | | |
| C. Enter the 2023 actual collection rate..... | 98.42 % | | | | | | | | | | | |
| D. Enter the 2022 actual collection rate..... | 98.88 % | | | | | | | | | | | |
| E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. ³⁴ | 99.00 % | | | | | | | | | | | |
| 47. | Current year debt adjusted for collections. Divide Line 45 by Line 46C. | \$ <u>3,118,083</u> | | | | | | | | | | |
| 48. | Current year total taxable value. Enter the amount on Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> . | \$ <u>4,284,379,335</u> | | | | | | | | | | |
| 49. | Current year debt rate. Divide Line 47 by Line 48 and multiply by \$100. | \$ <u>0.07277</u> /\$100 | | | | | | | | | | |
| 50. | Current year voter-approval M&O rate plus current year debt rate. Add Lines 42 and 49. | \$ <u>0.28945</u> /\$100 | | | | | | | | | | |
| D50. | Disaster Line 50 (D50): Current year voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D42. Add Line D42 and 49. | \$ <u>0.00000</u> /\$100 | | | | | | | | | | |

³⁰ Tex. Tax. Code §26.042(a)

³¹ Tex. Tax. Code §26.012(2)

³² Tex. Tax. Code §26.012(10) and 26.04(j)

³³ Tex. Tax. Code §26.04(j)

³⁴ Tex. Tax. Code §26.04(j), (h-1) and (h-2)

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

| Line | Voter-Approval Tax Rate Worksheet | Amount/Rate |
|---|-----------------------------------|-------------------|
| 51. COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate. | | \$ 0.00000 /\$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 |
|---|--|-------------------|
| 52. Taxable Sales. For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. ¹⁵ Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. | | |
| Taxing units that adopted the sales tax before November of the prior year, enter 0. | | \$ 0 |
| 53. Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ¹⁶ | | |
| Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year. Multiply the amount on Line 52 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ¹⁷ - or - Taxing units that adopted the sales tax before November of the prior year. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95. | | \$ 839,537 |
| 54. Current year total taxable value. Enter the amount from Line 22 of the No-New-Revenue Tax Rate Worksheet. | | \$ 4,284,379,335 |
| 55. Sales tax adjustment rate. Divide Line 53 by Line 54 and multiply by \$100. | | \$ 0.01959 /\$100 |
| 56. Current year NNR tax rate, unadjusted for sales tax. ¹⁸ Enter the rate from Line 27 or 28, as applicable, on the No-New-Revenue Tax Rate Worksheet. | | \$ 0.26031 /\$100 |
| 57. Current year NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year. Subtract Line 55 from Line 56. Skip to Line 58 if you adopted the additional sales tax before November of the prior tax year. | | \$ 0.26031 /\$100 |
| 58. Current year voter-approval tax rate, unadjusted for sales tax. ¹⁹ Enter the rate from Line 50, Line D50 (disaster) or Line 51 (counties) as applicable, of the Voter-Approval Tax Rate Worksheet. | | \$ 0.26945 /\$100 |
| 59. Current year voter-approval tax rate, adjusted for sales tax. Subtract Line 55 from Line 58. | | \$ 0.26986 /\$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 |
|--|---|-------------------|
| 60. Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ²⁰ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ²¹ | | \$ 0 |
| 61. Current year total taxable value. Enter the amount from Line 22 of the No-New-Revenue Tax Rate Worksheet. | | \$ 4,284,379,335 |
| 62. Additional rate for pollution control. Divide Line 60 by Line 61 and multiply by \$100. | | \$ 0.00000 /\$100 |

¹⁵ Tex. Tax Code §26.041(d)

¹⁶ Tex. Tax Code §26.041(j)

¹⁷ Tex. Tax Code §26.041(d)

¹⁸ Tex. Tax Code §26.04(c)

¹⁹ Tex. Tax Code §26.045(d)

²⁰ Tex. Tax Code §26.045(l)

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

| Line | Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet | Amount/Rate |
|------|--|-------------------|
| 63. | Current year voter-approval tax rate, adjusted for pollution control. Add Line 62 to one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties) or Line 59 (taxing units with the additional sales tax). | \$ 0.26986 /\$100 |

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

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value.⁴² The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value.⁴³

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

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042;⁴⁴
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴⁵ 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.⁴⁶

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴⁷

| Line | Unused Increment Rate Worksheet | Amount/Rate |
|------|---|--|
| 64. | Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value A. Voter-approval tax rate (Line 68). B. Unused increment rate (Line 67). C. Subtract B from A. D. Adopted Tax Rate. E. Subtract D from C. F. 2024 Total Taxable Value (Line 60). G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero. | \$ 0.26942 /\$100 \$ 0.00000 /\$100 \$ 0.26942 /\$100 \$ 0.26775 /\$100 \$ 0.00167 /\$100 \$ 4,015,462,172 \$ 67,058 |
| 65. | Year 2 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value A. Voter-approval tax rate (Line 67). B. Unused increment rate (Line 66). C. Subtract B from A. D. Adopted Tax Rate. E. Subtract D from C. F. 2023 Total Taxable Value (Line 60). G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero. | \$ 0.26775 /\$100 \$ 0.00102 /\$100 \$ 0.26673 /\$100 \$ 0.26775 /\$100 \$ -0.00102 /\$100 \$ 3,549,368,663 \$ 0 |
| 66. | Year 1 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value A. Voter-approval tax rate (Line 67). B. Unused increment rate (Line 66). C. Subtract B from A. D. Adopted Tax Rate. E. Subtract D from C. F. 2022 Total Taxable Value (Line 60). G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero. | \$ 0.26205 /\$100 \$ 0.00000 /\$100 \$ 0.26205 /\$100 \$ 0.27000 /\$100 \$ -0.00795 /\$100 \$ 3,041,061,879 \$ 0 |
| 67. | Total Foregone Revenue Amount. Add Lines 64G, 65G and 66G | \$ 67,058 /\$100 |
| 68. | 2025 Unused Increment Rate. Divide Line 67 by Line 22 of the No-New-Revenue Rate Worksheet. Multiply the result by 100 | \$ 0.00156 /\$100 |
| 69. | Total 2025 voter-approval tax rate, including the unused increment rate. Add Line 68 to one of the following lines (as applicable): Line 50, Line 51 (counties), Line 59 (taxing units with additional sales tax) or Line 63 (taxing units with pollution) | \$ 0.27142 /\$100 |

⁴² Tex. Tax Code §26.013(b)

⁴³ Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)

⁴⁴ Tex. Tax Code §26.04(c)(2)(A) and 26.042(a)

⁴⁵ Tex. Tax Code §26.0501(a) and (c)

⁴⁶ Tex. Local Gov't Code §120.007(d)

⁴⁷ Tex. Local Gov't Code §26.04(c)(2)(B)

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

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.⁴⁸ 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.⁴⁹

| Line | De Minimis Rate Worksheet | Amount/Rate |
|------|---|-------------------|
| 70. | Adjusted current year NNR M&O tax rate. Enter the rate from Line 40 of the Voter-Approval Tax Rate Worksheet. | \$ 0.19004 /\$100 |
| 71. | Current year total taxable value. Enter the amount on Line 22 of the No-New-Revenue Tax Rate Worksheet. | \$ 4,284,379,335 |
| 72. | Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 71 and multiply by \$100. | \$ 0.01167 /\$100 |
| 73. | Current year debt rate. Enter the rate from Line 49 of the Voter-Approval Tax Rate Worksheet. | \$ 0.07277 /\$100 |
| 74. | De minimis rate. Add Lines 70, 72 and 73. | \$ 0.27448 /\$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.⁵⁰

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.⁵¹

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 |
|------|---|-------------------|
| 75. | 2024 adopted tax rate. Enter the rate in Line 4 of the No-New-Revenue Tax Rate Worksheet. | \$ 0.28775 /\$100 |
| 76. | Adjusted 2024 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. ⁵² If a disaster occurred in 2024 and the taxing unit calculated its 2024 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2024 worksheet due to a disaster, complete the applicable sections or lines of Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet. - or - If a disaster occurred prior to 2024 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 2024, complete form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet to recalculate the voter-approval tax rate the taxing unit would have calculated in 2024 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. ⁵³ Enter the final adjusted 2024 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2024 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. | \$ 0.00000 /\$100 |
| 77. | Increase in 2024 tax rate due to disaster. Subtract Line 76 from Line 75. | \$ 0.00000 /\$100 |
| 78. | Adjusted 2024 taxable value. Enter the amount in Line 14 of the No-New-Revenue Tax Rate Worksheet. | \$ 3,987,495,792 |
| 79. | Emergency revenue. Multiply Line 77 by Line 78 and divide by \$100. | \$ 0 |
| 80. | Adjusted 2024 taxable value. Enter the amount in Line 26 of the No-New-Revenue Tax Rate Worksheet. | \$ 4,114,445,162 |
| 81. | Emergency revenue rate. Divide Line 79 by Line 80 and multiply by \$100. ⁵⁴ | \$ 0.00000 /\$100 |

⁴⁸ Tex. Tax Code §26.012(b-a)

⁴⁹ Tex. Tax Code §26.063(a)(1)

⁵⁰ Tex. Tax Code §26.042(b)

⁵¹ Tex. Tax Code §26.042(f)

⁵² Tex. Tax Code §26.042(c)

⁵³ Tex. Tax Code §26.042(b)

CITY OF HORSESHOE BAY, TEXAS

=====FISCAL YEAR 2025-26 ANNUAL BUDGET=====

2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

| Line | Emergency Revenue Rate Worksheet | Amount/Rate |
|--|----------------------------------|-------------------|
| 82. Current year voter-approval tax rate, adjusted for emergency revenue. Subtract Line 81 from one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (taxing units with the additional sales tax), Line 63 (taxing units with pollution control) or Line 69 (taxing units with the unused increment rate). | | \$ 0.27142 /\$100 |

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. _____ \$ 0.26031 /\$100
As applicable, enter the current year NNR tax rate from: Line 27, Line 28 (counties), or Line 57 (adjusted for sales tax).
Indicate the line number used: 27

Voter-approval tax rate. _____ \$ 0.27142 /\$100
As applicable, enter the current year voter-approval tax rate from: Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (adjusted for sales tax), Line 63 (adjusted for pollution control), Line 69 (adjusted for unused increment), or Line 82 (adjusted for emergency revenue).
Indicate the line number used: 27

De minimis rate. _____ \$ 0.27448 /\$100
If applicable, enter the current year de minimis rate from Line 74.

SECTION 9: Addendum

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

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

Insert hyperlinks to supporting documentation:

SECTION 10: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.¹⁴

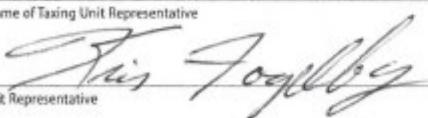
print
here

Kris Fogelberg

Printed Name of Taxing Unit Representative

sign
here

Taxing Unit Representative



Date

8-6-2025

¹⁴ Tex. Tax Code 9526.04(c-2) and (d-2)