TOWN OF HORIZON CITY

PROPOSED OPERATING BUDGET

2027

Revenues and Expenditures
October 2026 through September 2027

AS OF SEPTEMBER 8, 2026

2027 OPERATING BUDGET - PROPOSED

The 2027 Operating Budget reflects the City Council's goal to continue to provide for the consistent improvement of services to the people of Horizon City. The budget reflects efficiency in providing for the health, safety, and well-being of the Town's citizens. Town operations continue to reflect the necessary expenditures for a growing community while focusing on productivity, safety, and customer service.

There continues to be a need for additional employees to fill gaps in the expertise needed to serve a diverse population and diverse needs. One FTE (Full Time Equivalents) is an addition to the staffing level for FY2027. The FTE is a Police Officer for the Public Safety – Police Department. Continuing to look to the future, if the Town continues to grow, needs can be seen for additional Police Officers, a Facilities/Fleet Manager and additional clerical support.

The budget includes an across the board 2.50% increase in salaries for all administrative employees. The Collective Bargaining Agreement for FY2025 to FY2029 includes a 2.00% increase in salaries for eligible employees covered by the agreement in the FY2027 budget. In addition to these increases, there is an increase of $1.25 per hour for Dispatch personnel. The Town continues total funding of all health benefits for its employees and continues its contribution to the Texas Municipal Retirement System (TMRS) with a matching ratio of 2:1 and at a rate of 6.66% for the first quarter and 6.43% for the rest of the year. The TMRS rate is determined for each entity based on actuarial studies.

In fiscal year 2027 the Town will replace four vehicles currently in the leased fleet. Three vehicles will be replaced in the Public Safety – Police Department and one vehicle will be replaced in the Streets Department.

The budget considers that the Town will continue to sponsor the Fall event and some small clean up events. These costs are captured in the Special Events Fund.

The Town's Debt Service expenditures include principal and interest payments for the 2023 Certificates of Obligation, 2019 Certificates of Obligation, the 2014 Certificates of Obligation, and the 2005 Bond issue. Outstanding principal as of October 1, 2026, will be $44,720,000.

The Street Maintenance Fund expenditures include plans to resurface portions of several of the older streets, while the Transportation Reinvestment Zone Fund expenditures are dedicated to repaying the City's portion of the costs for Eastlake Phase 2 construction.

Included in this document, although not part of the Operating Budget, are the anticipated Grant Funding, the Economic Development Corporation's approved budget for FY2027, the Tax Increment Reinvestment Zone budget and the Capital Improvement Program through 2029.

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REVENUES AND EXPENDITURES BY FUND

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)	Percentage
Revenues					
General Fund	$ 10,658,500	$ 12,010,754	$ 12,670,976	$ 660,222	5.5 %
Debt Service Fund	2,883,095	3,005,552	3,695,995	690,443	23.0 %
Street Maintenance Fund	772,312	1,374,818	1,398,717	23,899	1.7 %
Transportation Reinvestment Zone Fund	904,732	1,022,019	1,261,453	239,434	23.4 %
Special Events Fund	6,439	30,000	25,000	(5,000)	(16.7)%
Revenues Total	$ 15,225,078	$ 17,443,143	$ 19,052,141	$ 1,608,998	9.2 %
Expenditures					
General Fund	10,743,424	12,010,754	12,670,976	660,222	5.5 %
Debt Service Fund	3,000,540	3,005,552	3,695,995	690,443	23.0 %
Street Maintenance Fund	1,082,405	1,374,818	1,398,717	23,899	1.7 %
Transportation Reinvestment Zone Fund	906,564	1,022,019	1,261,453	239,434	23.4 %
Special Events Fund	25,017	30,000	25,000	(5,000)	(16.7)%
Expenditures Total	$ 15,757,950	$ 17,443,143	$ 19,052,141	$ 1,608,998	9.2 %
Excess Revenue	$ (532,872)	$ -	$ -	$ -	

TOWN OF HORIZON CITY
PROPERTY VALUATION AND TAX RATES

Description	2026	2027	Increase	Percent
Property Valuation	1,722,802,869	1,773,210,197	50,407,328	2.93%
Property Tax Rates				
Maintenance & Operation	0.361492	0.379471	0.017979	4.97%
Debt Service	0.173876	0.216317	0.042441	24.41%
Total	0.535368	0.595788	0.060420	11.29%
Total Property Taxes	9,223,335	10,564,574	1,341,238	14.54%
No New Revenue Rate	0.536205	0.533945	-0.002260	-0.42%
Voter Approved Rate	0.535368	0.595788	0.060420	11.29%
Proposed Rate over No New Revenue Rate				11.58%
Proposed Rate over Voter Approved Rate				0.00%

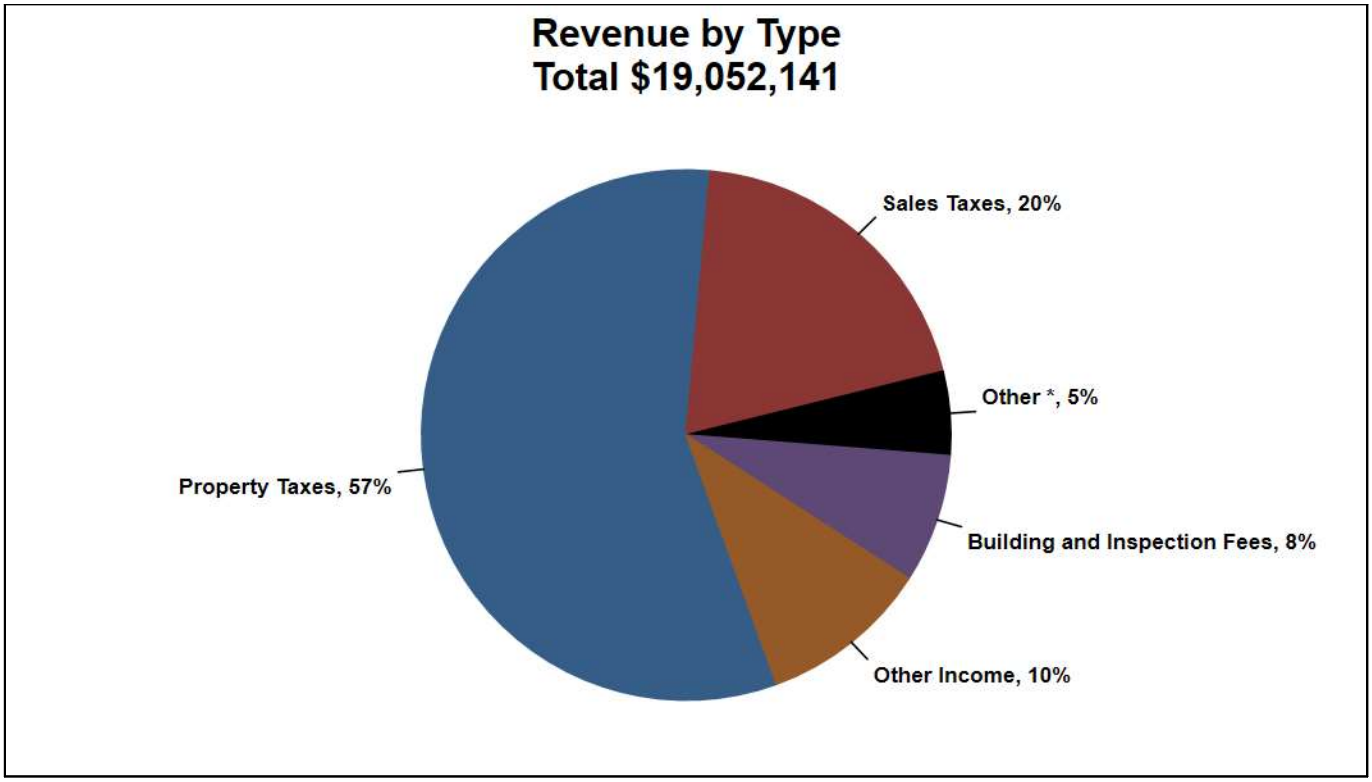
	2026	2027	Increase
Average Home Value	$ 206,497	$ 213,041	$ 6,544
	$ 1,105.52	$ 1,269.27	$ 163.75
Low $70,000	$ 374.76	$ 417.05	$ 42.29
High $300,000	$ 1,606.10	$ 1,787.36	$ 181.26

Taxes received from new property:

All added property	$ 29,511,365
Taxes on all added property	$ 175,825

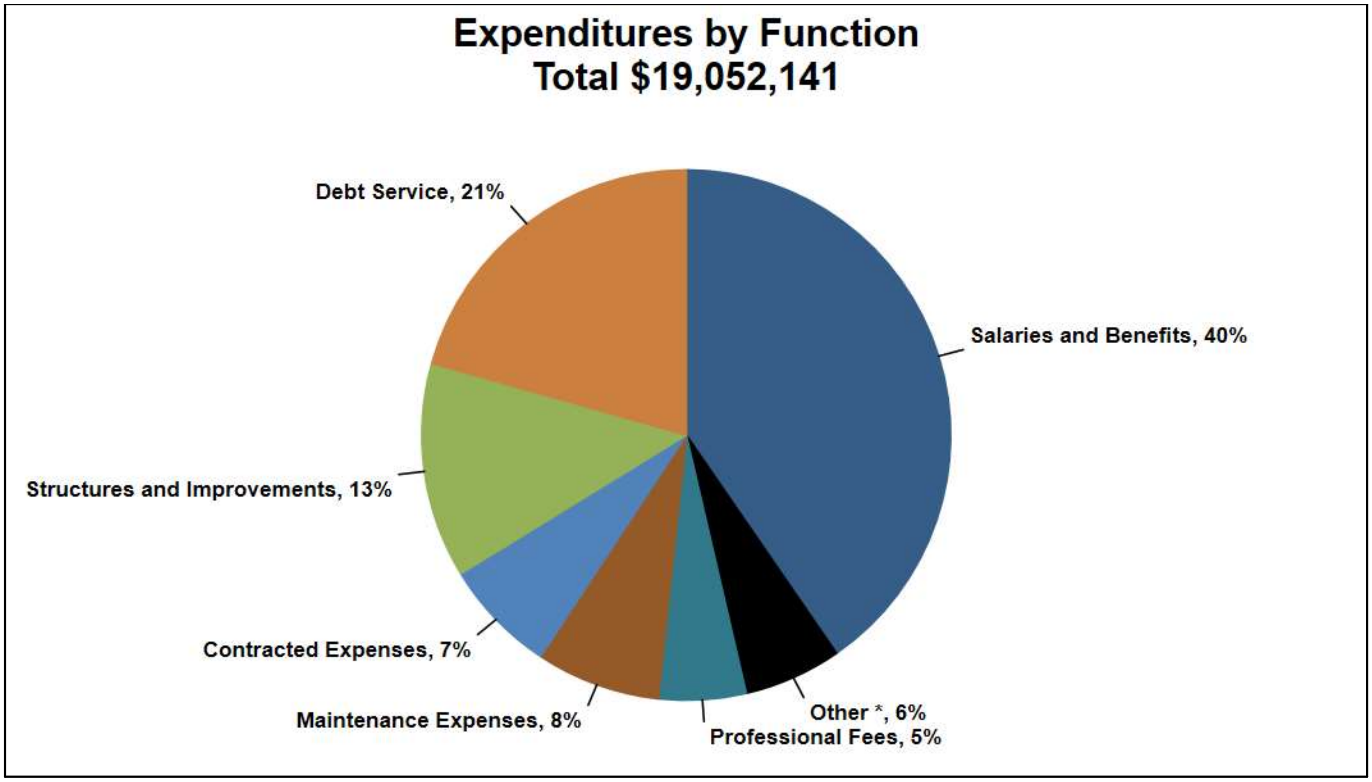
TOTAL REVENUES AND EXPENDITURES BY TYPE

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)	Percentage
Revenues					
Property Taxes	$ 8,927,208	$ 9,541,833	$ 10,859,803	$ 1,317,970	13.8 %
Sales Taxes	3,441,117	3,649,244	3,751,837	102,593	2.8 %
Franchise Fees	560,189	589,900	567,900	(22,000)	(3.7)%
Building and Inspection Fees	792,266	1,300,680	1,498,000	197,320	15.2 %
Citations and Fees	219,579	230,970	230,670	(300)	(0.1)%
Other Income	798,205	1,885,516	1,968,931	83,415	4.4 %
Interest Income	486,514	215,000	150,000	(65,000)	(30.2)%
Transfer Income	-	30,000	25,000	(5,000)	(16.7)%
Revenues Total	$ 15,225,078	$ 17,443,143	$ 19,052,141	$ 1,608,998	9.2 %
Expenditures					
Administration	784,101	895,392	1,022,605	127,213	14.2 %
Public Service	801,047	637,784	664,922	27,138	4.3 %
Building Services	412,984	467,061	459,181	(7,880)	(1.7)%
Streets	467,660	809,698	710,437	(99,261)	(12.3)%
Public Safety	3,450,033	3,833,780	4,042,266	208,486	5.4 %
Municipal Courts	301,594	341,948	347,420	5,472	1.6 %
Parks	710,514	713,265	753,314	40,049	5.6 %
Planning	169,722	413,723	442,539	28,816	7.0 %
Code Enforcement	241,870	290,553	288,923	(1,630)	(0.6)%
Storm Water	38,148	90,371	73,552	(16,819)	(18.6)%
Financial Services	787,195	919,675	993,699	74,024	8.0 %
Public Safety Dispatch	1,201,066	1,234,698	1,441,978	207,280	16.8 %
Executive Officials	46,334	90,383	91,413	1,030	1.1 %
Information Technology	520,462	731,350	773,760	42,410	5.8 %
Capital Costs	5,825,220	5,973,462	6,946,132	972,670	16.3 %
Expenditures Total	$ 15,757,950	$ 17,443,143	$ 19,052,141	$ 1,608,998	9.2 %
Excess Expenditures	$ (532,872)	$ -	$ -	$ -	- %



* Indicates items that make up less than 3% of the total.

Revenue by Type	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Property Taxes	$ 8,927,208	$ 9,541,833	$ 10,859,803	57.0 %
Sales Taxes	3,441,117	3,649,244	3,751,837	19.7 %
Franchise Fees*	560,189	589,900	567,900	3.0 %
Building and Inspection Fees	792,266	1,300,680	1,498,000	7.9 %
Citations and Fees*	219,579	230,970	230,670	1.2 %
Other Income	798,205	1,885,516	1,968,931	10.3 %
Interest Income*	486,514	215,000	150,000	0.8 %
Transfer Income*	-	30,000	25,000	0.1 %
Total	$ 15,225,078	$ 17,443,143	$ 19,052,141	100.0 %



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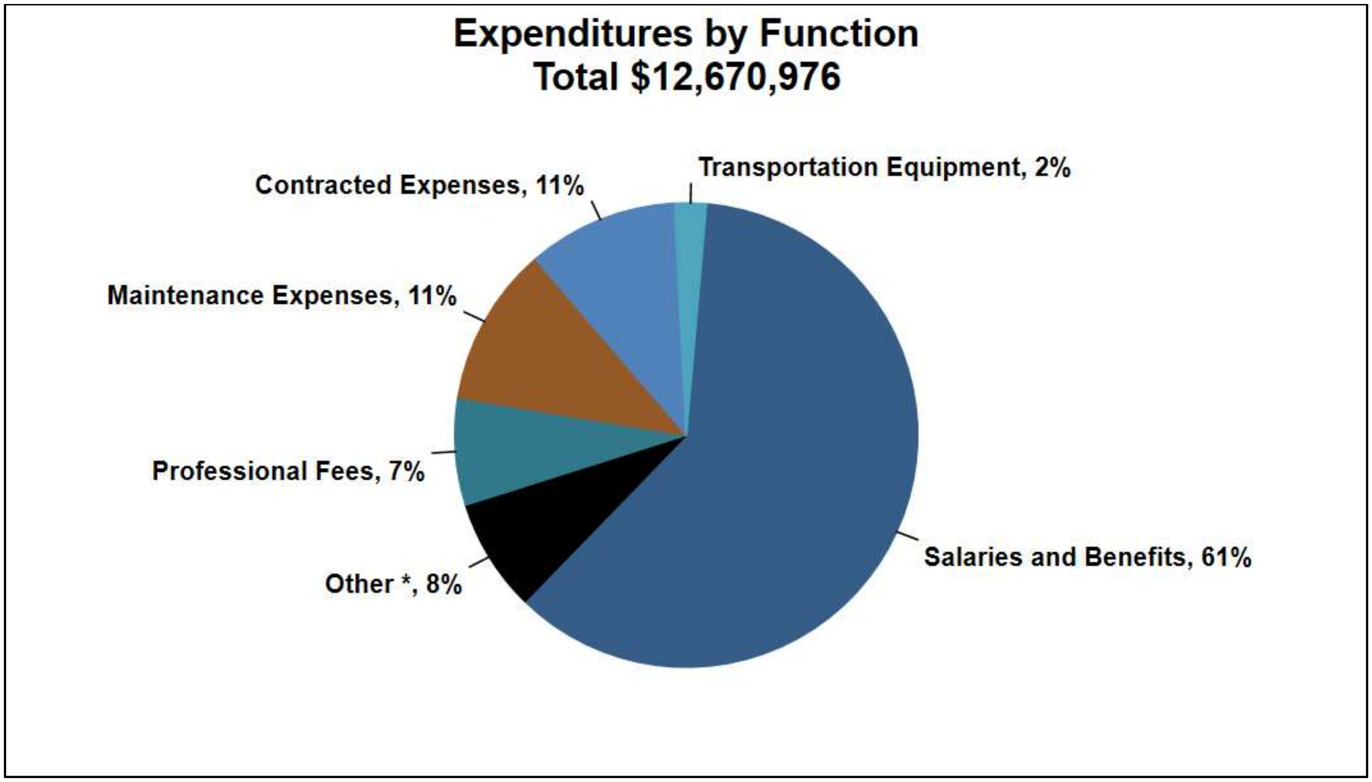
Expenditures by Function	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Salaries and Benefits	$ 6,496,280	$ 7,331,722	$ 7,692,870	40.4 %
Personnel Services*	152,405	232,168	234,095	1.2 %
Supplies*	115,530	182,447	262,634	1.4 %
Advertising, Dues, and Public Notices*	30,159	49,225	52,837	0.3 %
Professional Fees	744,322	977,635	1,016,281	5.3 %
Maintenance Expenses	998,570	1,389,549	1,446,377	7.6 %
Contracted Expenses	1,337,833	1,226,138	1,326,681	7.0 %
Other Expenses*	57,721	80,977	74,234	0.4 %
Structures and Improvements	2,203,244	2,268,100	2,500,292	13.1 %
Equipment*	220,948	273,850	176,000	0.9 %
Transportation Equipment*	147,629	119,235	276,427	1.5 %
Debt Service	3,253,309	3,244,965	3,930,167	20.6 %
Transfers Out*	-	30,000	25,000	0.1 %
Special Projects*	-	37,132	38,246	0.2 %
Total	$ 15,757,950	$ 17,443,143	$ 19,052,141	100.0 %

The General fund includes the expenditures for daily operations and for routine equipment purchases whose costs are above the $10,000 capitalization minimum. The table below shows the revenues by function and the expenditures by department along with the anticipated increases or decreases of each function or department.

FUND SUMMARY

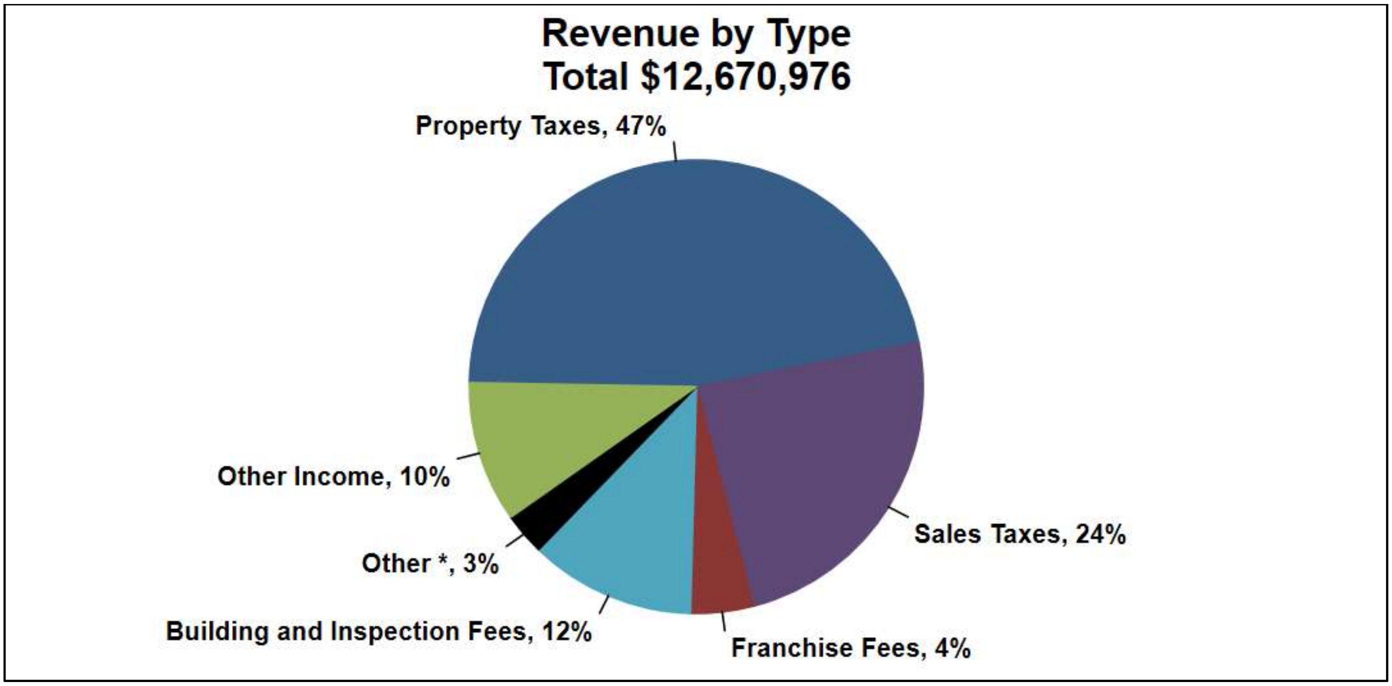
Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)	Percentage
Revenues					
Property Taxes	$ 5,213,024	$ 5,514,262	$ 5,902,355	$ 388,093	7.0 %
Sales Taxes	2,760,207	2,950,500	3,050,500	100,000	3.4 %
Franchise Fees	560,189	589,900	567,900	(22,000)	(3.7)%
Building and Inspection Fees	792,266	1,300,680	1,498,000	197,320	15.2 %
Citations and Fees	219,579	230,970	230,670	(300)	(0.1)%
Other Income	791,865	1,209,442	1,271,551	62,109	5.1 %
Interest Income	321,370	215,000	150,000	(65,000)	(30.2)%
Revenues Total	$ 10,658,500	$ 12,010,754	$ 12,670,976	$ 660,222	5.5 %
Expenditures					
Operating					
Administration	782,987	894,692	1,021,905	127,213	14.2 %
Public Service	801,047	637,784	664,922	27,138	4.3 %
Building Services	412,984	467,061	459,181	(7,880)	(1.7)%
Streets	425,375	629,820	530,559	(99,261)	(15.8)%
Public Safety	3,426,130	3,804,480	4,017,966	213,486	5.6 %
Municipal Courts	301,594	341,948	347,420	5,472	1.6 %
Parks	710,514	713,265	753,314	40,049	5.6 %
Planning	169,722	413,723	442,539	28,816	7.0 %
Code Enforcement	241,870	290,553	288,923	(1,630)	(0.6)%
Storm Water	38,148	90,371	73,552	(16,819)	(18.6)%
Financial Services	787,195	919,675	993,699	74,024	8.0 %
Public Safety Dispatch	1,201,066	1,234,698	1,441,978	207,280	16.8 %
Executive Officials	46,334	90,383	91,413	1,030	1.1 %
Information Technology	520,462	731,350	773,760	42,410	5.8 %
Operating Total	$ 9,865,428	$ 11,259,803	$ 11,901,131	$ 641,328	5.7 %
Capital					
Capital Costs	93,167	-	-	-	- %
Capital Costs-Admin	60,647	78,100	-	(78,100)	(100.0)%
Capital Costs-Building	12,085	10,344	10,000	(344)	(3.3)%
Capital Costs-Code Enforcement	7,332	16,251	10,734	(5,517)	(33.9)%
Capital Costs-Dispatch	-	89,788	-	(89,788)	(100.0)%
Capital Costs-Parks	262,310	69,181	30,000	(39,181)	(56.6)%
Capital Costs-Planning	-	41,132	38,246	(2,886)	(7.0)%
Capital Costs-Police	421,886	333,597	526,297	192,700	57.8 %
Capital Costs-Public Service	-	10,000	-	10,000	100.0 %
Capital Costs-Streets	20,569	33,418	109,568	76,150	227.9 %
Capital Costs-Storm	-	34,338	20,000	(14,338)	(41.8)%
Capital Costs-IT	-	4,802	-	(4,802)	(100.0)%
Capital Costs-Finance	-	30,000	25,000	(5,000)	(16.7)%
Capital Total	$ 877,996	$ 750,951	$ 769,845	$ 18,894	2.5 %
Expenditures Total	$ 10,743,424	$ 12,010,754	$ 12,670,976	$ 660,222	5.5 %
Excess Expenditures	$ (84,924)	$ -	$ -	$ -	- %
Property Tax Valuation	$ 1,419,224,523	$ 1,525,417,516	$ 1,555,415,055	$ 29,997,539	2.0 %
Proposed Tax Rate	0.363016	0.361492	0.379471	0.017979	5.0 %



* Indicates items that make up less than 2% of the total

EXPENDITURES BY FUNCTION

Description	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Salaries and Benefits	$ 6,496,280	$ 7,331,722	$ 7,692,870	60.7 %
Personnel Services*	152,405	232,168	234,095	1.8 %
Supplies*	86,408	121,762	201,949	1.6 %
Advertising, Dues, and Public Notices*	30,159	49,225	52,837	0.4 %
Professional Fees	740,600	904,508	943,154	7.4 %
Maintenance Expenses	989,129	1,345,756	1,402,584	11.1 %
Contracted Expenses	1,337,833	1,226,138	1,326,681	10.5 %
Other Expenses*	32,614	48,524	46,961	0.4 %
Structures and Improvements*	256,560	51,141	20,000	0.2 %
Equipment*	220,948	273,850	176,000	1.4 %
Transportation Equipment	147,629	119,235	276,427	2.2 %
Debt Service*	252,859	239,593	234,172	1.8 %
Transfers Out*	-	30,000	25,000	0.2 %
Special Projects*	-	37,132	38,246	0.3 %
Total Expenditures	$ 10,743,424	$ 12,010,754	$ 12,670,976	100.0 %



* Indicates items that make up less than 3% of the total.

REVENUE SUMMARY

Description	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Property Taxes	$ 5,213,024	$ 5,514,262	$ 5,902,355	46.6 %
Sales Taxes	2,760,207	2,950,500	3,050,500	24.1 %
Franchise Fees	560,189	589,900	567,900	4.5 %
Building and Inspection Fees	792,266	1,300,680	1,498,000	11.8 %
Citations and Fees*	219,579	230,970	230,670	1.8 %
Other Income	791,865	1,209,442	1,271,551	10.0 %
Interest Income*	321,370	215,000	150,000	1.2 %
Total	$ 10,658,500	$ 12,010,754	$ 12,670,976	100.0 %

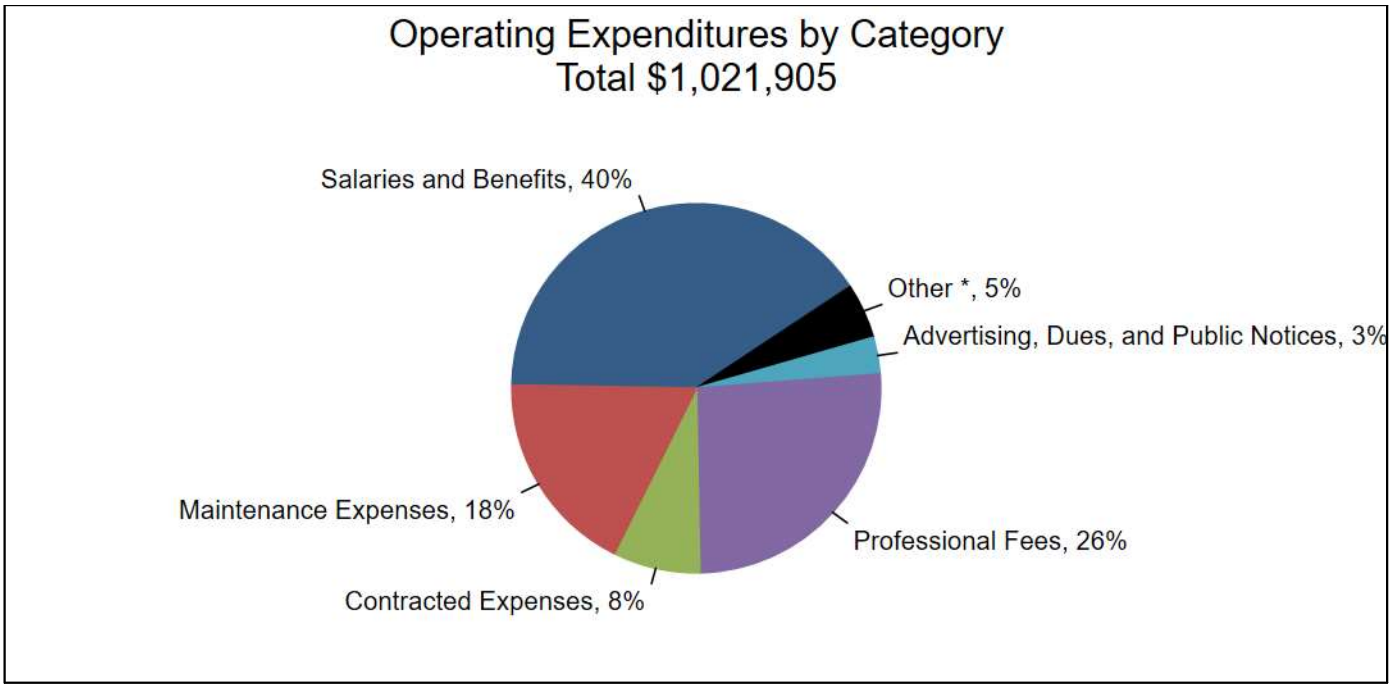
The Administration Department is responsible for (but not limited to) Open Records Requests, City Council Meetings, CBA Administration, Special Boards & Committees Meeting Minutes and Agendas, Records Management, Elections, execution and filing of Ordinances and Resolutions, Legal Notices, Postings and Publications.

The Administration Department consists of City Clerk, Human Resources Manager, HR Coordinator, HR Staffing Coordinator, Deputy City Clerk/Records Manager and overseeing the Contract Janitorial contract staff. Also reporting directly to the City Clerk on all administrative related issues are the Municipal Court Clerk and the three Deputy Court Clerks.

EXPENDITURE SUMMARY

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Operating				
Salaries	$ 292,686	$ 319,786	$ 319,431	$ (355)
Overtime	26	2,000	2,000	-
Payroll Taxes	22,194	24,617	24,589	(28)
Retirement Benefits	16,392	20,516	20,867	351
Group Health	38,698	44,335	44,465	130
Uniforms, Safety Equip, Supplies	720	525	525	-
Training	1,714	4,000	4,000	-
Travel	1,796	7,500	7,500	-
Unemployment Taxes-Texas	341	1,260	1,260	-
City Attorney	166,738	157,190	150,000	(7,190)
Janitorial Supplies	3,173	5,000	7,000	2,000
Materials & Supplies	3,582	2,500	2,500	-
Postage	8,095	10,000	10,000	-
Office Supplies	1,372	2,000	2,000	-
Furniture & Equipment < $2,500	1,037	4,000	4,000	-
Employee Candidate Testing	67	150	150	-
Codification Services	675	3,000	3,000	-
Advertising & Public Notices	7,731	14,000	15,000	1,000
Dues	10,566	12,500	15,000	2,500
Publications & Subscriptions	2,981	3,100	3,000	(100)
Insurance - Workmen's Comp	575	643	568	(75)
Contract Labor	59,640	100,000	115,000	15,000
Maintenance - Surfaces	-	2,500	3,000	500
Electricity	27,876	30,000	53,000	23,000
Gas - Natural	2,156	6,500	13,000	6,500
Gasoline, Oil	296	850	850	-
Maintenance - Bldg	6,062	20,000	20,000	-
Maintenance - Equipment	3,887	8,170	10,200	2,030
Maintenance - Vehicles	-	750	1,000	250
Waste Disposal	5,092	8,500	10,000	1,500
Water	2,214	5,000	8,500	3,500
Telephone & Communications	31,667	45,000	45,000	-
Rents - Equipment	14,432	16,500	18,000	1,500
Software Licensing & Maintenance Fees	8,160	650	750	100
Miscellaneous Expense	400	150	250	100
Public Relations	225	1,500	1,500	-
Election Expense	30,900	-	75,000	75,000
Interest & Penalties	389	-	-	-
Employee Appreciation	8,432	10,000	10,000	-
Operating Total	$ 782,987	$ 894,692	$ 1,021,905	$ 127,213

Description		2025 Actual		2026 Revised Budget		2027 Budget		Increase/ (Decrease)
Capital								
Equipment	$	2,669	$	-	$	-	$	-
Finance Lease Principal		-		78,100		-		(78,100)
Vehicles		57,978		-		-		-
Capital Total	$	60,647	$	78,100	$	-		(78,100)
Expenditure Total	$	843,634	$	972,792	$	1,021,905	$	49,113
Percentage Increase								4.8 %



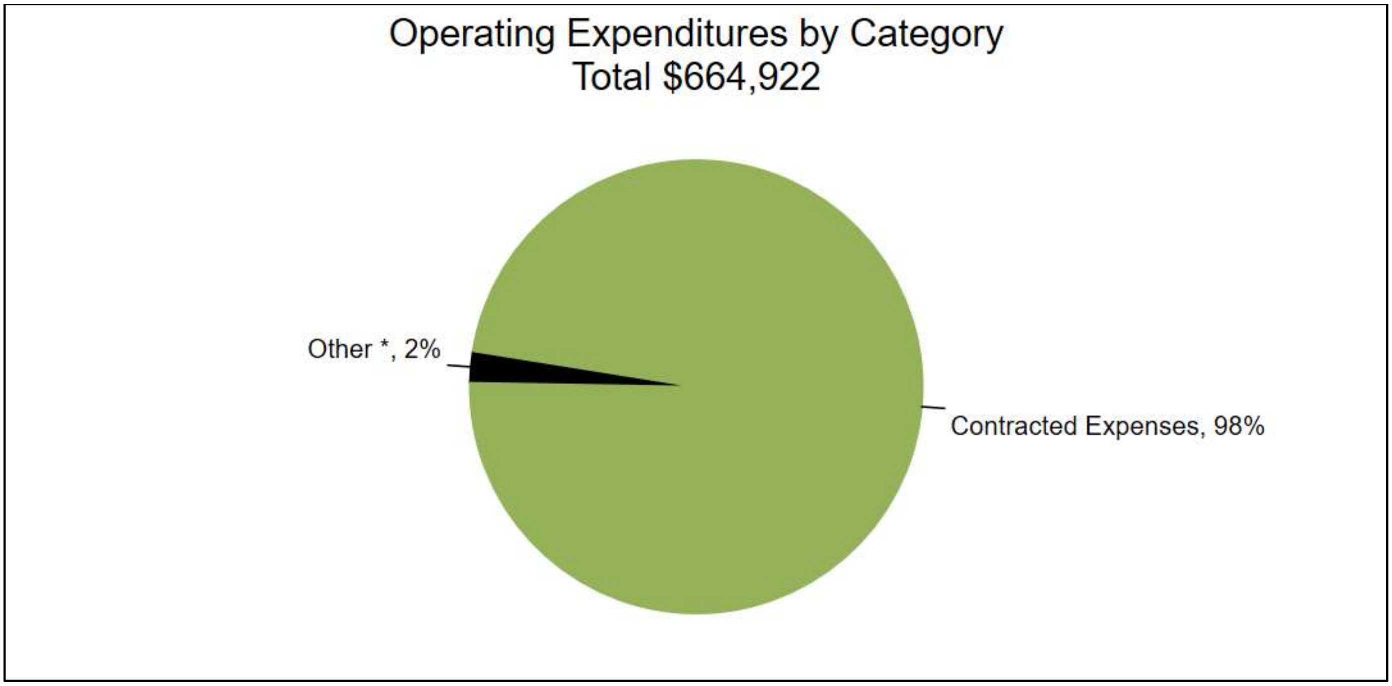
* Indicates items that make up less than 3% of the total.

Description		2025 Actual		2026 Revised Budget		2027 Budget	Percentage
Salaries and Benefits	$	370,912	$	413,157	$	413,180	40.4 %
Personnel Services*		12,729		22,175		22,175	2.2 %
Supplies*		17,259		23,500		25,500	2.5 %
Advertising, Dues, and Public Notices		21,278		29,600		33,000	3.2 %
Professional Fees		226,378		257,190		265,000	25.9 %
Contracted Expenses		31,575		3,000		78,000	7.6 %
Maintenance Expenses		101,842		144,420		183,300	17.9 %
Other Expenses*		1,014		1,650		1,750	0.2 %
Total	$	782,987	$	894,692	$	1,021,905	100.0 %

This department captures the costs for the Oz Glaze Senior Center and the various inter-local agreements the City has with the City of Paso, the County of El Paso and other agencies providing quality of life services. Most of the expenses are obligations to others and are therefore not controllable.

EXPENDITURE SUMMARY

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Operating				
Health Services Contract	$ 214,788	$ 244,427	202,596	$ (41,831)
Environmental Services Contract	6,961	8,731	7,959	(772)
Animal Shelter Contract	184,044	70,000	72,100	2,100
Animal Control Field Services	55,318	56,978	55,318	(1,660)
Ambulance Service	176,698	176,698	181,999	5,301
Mass Transit	114,800	68,000	130,000	62,000
Materials & Supplies	64	250	250	-
Contract Labor	38,417	-	-	-
Maintenance - Surfaces	-	500	500	-
Electricity	3,543	3,400	3,400	-
Gas - Natural	1,606	2,000	2,100	100
Maintenance - Bldg	1,655	3,000	3,500	500
Maintenance - Equipment	188	400	400	-
Waste Disposal	1,699	1,900	2,500	600
Water	999	1,200	1,500	300
Telephone & Communications	267	300	300	-
Maintenance - Rockwalls and Fencing	-	-	500	500
Operating Total	$ 801,047	$ 637,784	$ 664,922	$ 27,138
Capital				
Equipment - Public Service	$ -	$ 10,000	$ -	$ (10,000)
Capital Total	-	-	-	-
Expenditure Total	$ 801,047	$ 637,784	$ 664,922	$ 27,138
Percentage Increase				4.1 %



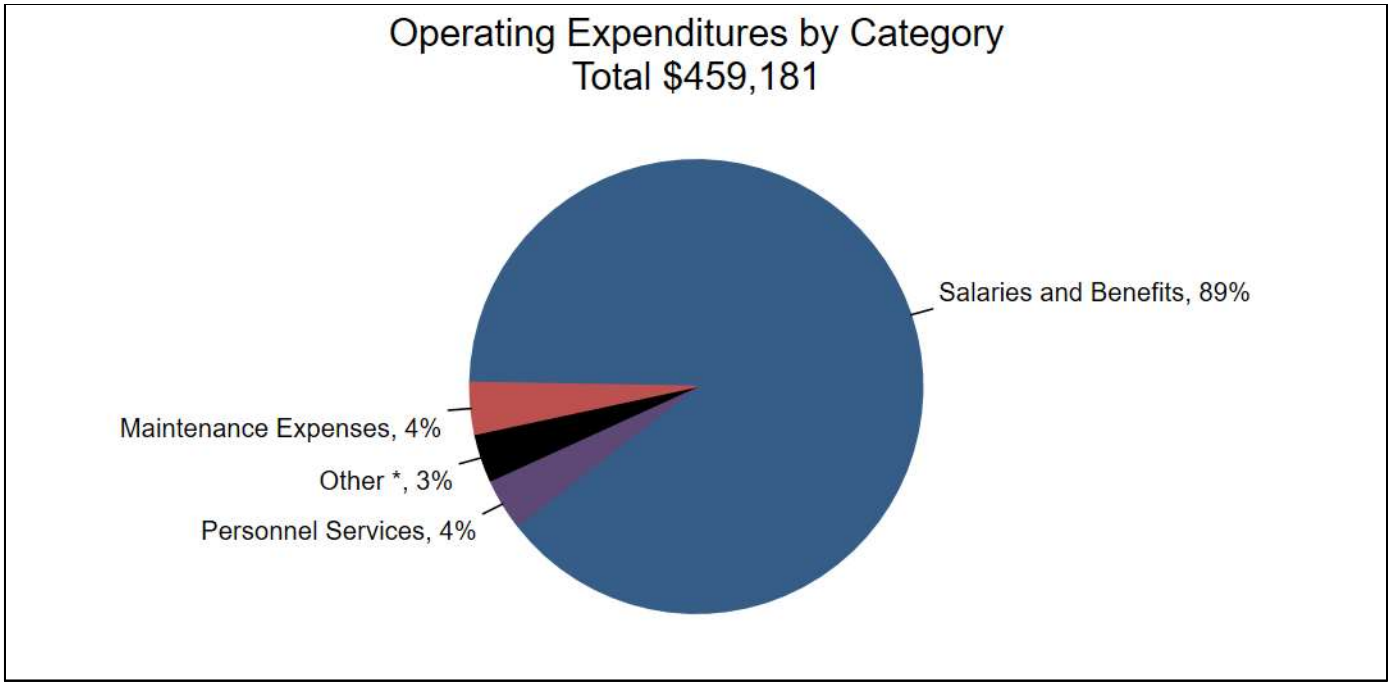
* Indicates items that make up less than 3% of the total.

Description		2025 Actual		2026 Revised Budget		2027 Budget	Percentage
Supplies*	$	64	$	250	$	250	- %
Professional Fees*		38,417		-		-	- %
Contracted Expenses		752,609		624,834		649,972	97.8 %
Maintenance Expenses*		9,957		12,700		14,700	2.2 %
Total	$	801,047	$	637,784	$	664,922	100.0 %

Building Services is responsible for all permitting, licensing, and inspection services for vertical construction and repairs. Employees consist of: two Administrative Assistants, two Building Inspectors, one Plans Examiner and one Building Official.

EXPENDITURE SUMMARY

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Operating				
Salaries	$ 306,028	$ 302,838	309,651	$ 6,813
Payroll Taxes	20,882	24,315	23,688	(627)
Retirement Benefits	17,137	20,264	20,102	(162)
Group Health	48,594	53,202	53,358	156
Uniforms, Safety Equip, Supplies	110	1,672	1,672	-
Training	3,169	7,574	7,574	-
Travel	3,082	7,574	7,574	-
Unemployment Taxes-Texas	378	1,512	1,512	-
Materials & Supplies	944	1,261	1,261	-
Office Supplies	1,253	2,786	2,786	-
Furniture & Equipment < $2,500	628	1,051	1,051	-
Employee Candidate Testing	-	131	131	-
Dues	405	1,261	1,261	-
Publications & Subscriptions	-	1,786	1,786	-
Insurance - Workmen's Comp	1,013	1,381	1,269	(112)
Contract Labor	4,470	20,996	7,000	(13,996)
Gasoline, Oil	1,242	3,257	3,257	-
Maintenance - Bldg	-	1,051	1,051	-
Maintenance - Equipment	-	263	263	-
Maintenance - Vehicles	693	2,626	2,665	39
Water	957	920	929	9
Telephone & Communications	1,931	3,141	3,141	-
Software Licensing & Maintenance Fees	-	5,410	5,410	-
Miscellaneous Expense	-	420	420	-
Public Relations	-	263	263	-
Employee Appreciation	68	106	106	-
Operating Total	$ 412,984	$ 467,061	$ 459,181	$ (7,880)
Capital				
Capital Lease Interest - Building Services	$ 2,759	$ 2,699	$ 3,000	$ 301
Capital Lease Principal - Building Services	9,326	7,645	7,000	(645)
Capital Total	$ 12,085	$ 10,344	$ 10,000	(344)
Expenditure Total	$ 425,069	$ 477,405	$ 469,181	$ (8,224)
Percentage Increase				(1.8)%



* Indicates items that make up less than 3% of the total.

Description	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Salaries and Benefits	$ 394,032	$ 403,512	$ 409,580	89.2 %
Personnel Services	6,429	17,057	17,057	3.7 %
Supplies*	2,825	5,098	5,098	1.1 %
Advertising, Dues, and Public Notices*	405	3,047	3,047	0.7 %
Professional Fees*	4,470	20,996	7,000	1.5 %
Maintenance Expenses	4,823	16,668	16,716	3.6 %
Other Expenses*	-	683	683	0.1 %
Total	$ 412,984	$ 467,061	$ 459,181	100.0 %

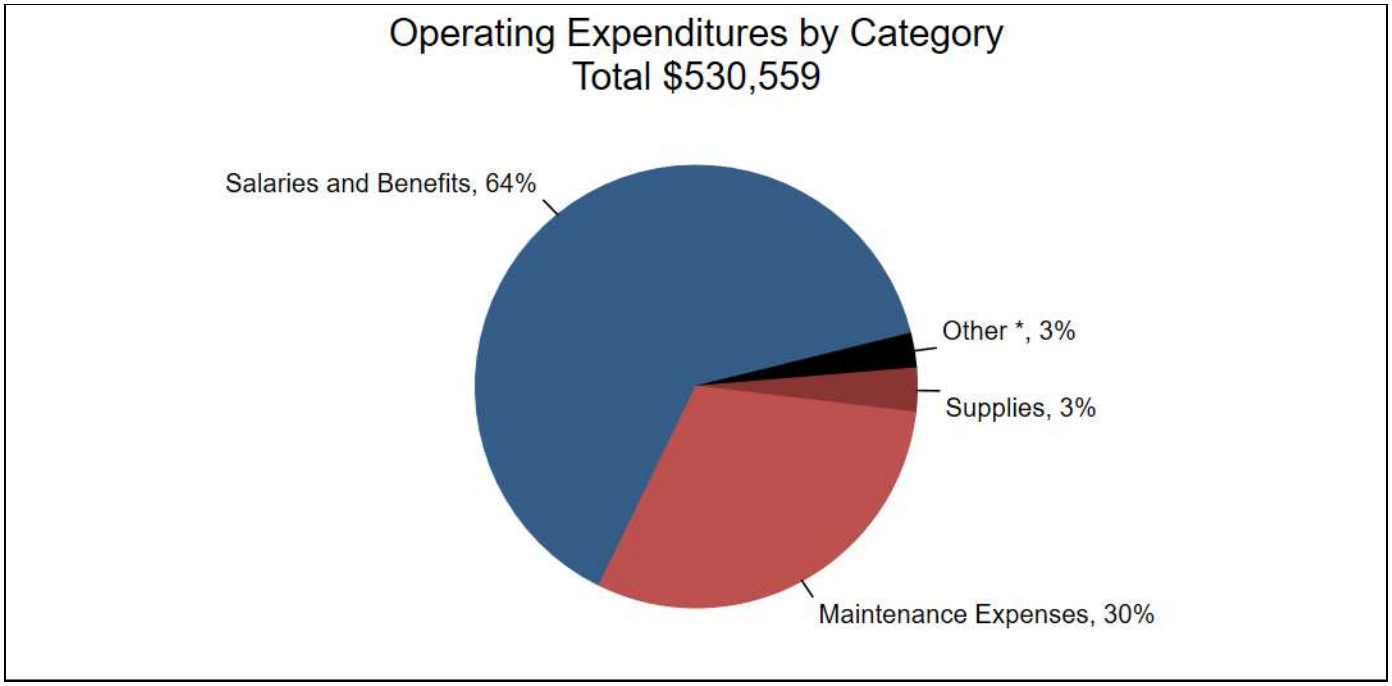
Streets

Streets is responsible for the maintenance of city roadways and facilities and oversees all public works projects.

Employees consist of two Maintenance Crew Members, the Compliance Inspector and the Public Works Director.

Expenditure Summary

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Operating				
Salaries	$ 251,727	$ 299,431	$ 255,669	$ (43,762)
Overtime	3,804	2,600	2,600	-
Payroll Taxes	18,523	23,106	19,756	(3,350)
Retirement Benefits	14,214	19,256	16,766	(2,490)
Group Health	31,387	44,335	35,572	(8,763)
Uniforms, Safety Equip, Supplies	1,323	1,755	1,816	61
Training	691	2,772	2,772	-
Travel	-	1,663	1,663	-
Unemployment Taxes-Texas	383	1,260	1,008	(252)
Materials & Supplies	3,011	3,881	3,881	-
Street Signs	-	2,692	2,692	-
Office Supplies	-	777	777	-
Furniture & Equipment < $2,500	2,649	9,649	9,649	-
Employee Candidate Testing	67	-	145	145
Dues	798	796	824	28
Publications & Subscriptions	-	111	111	-
Insurance - Workmen's Comp	9,649	10,671	7,813	(2,858)
Contract Labor	1,867	50,383	5,383	(45,000)
Maintenance - Surfaces	119	14,812	14,812	-
Electricity	65,920	72,470	79,717	7,247
Gasoline, Oil	7,161	4,660	4,823	163
Maintenance - Bldg	450	1,109	1,120	11
Maintenance - Equipment	(3,715)	37,685	39,004	1,319
Maintenance - Vehicles	4,905	6,944	6,999	55
Waste Disposal	4,053	2,550	2,550	-
Water	1,382	1,136	1,176	40
Telephone & Communications	2,407	4,437	4,437	-
Rents - Equipment	261	1,250	1,250	-
Storage Rental	2,226	2,585	2,611	26
Software Licensing & Maintenance Fees	-	443	443	-
Maintenance - Rockwalls and Fencing	-	3,881	2,000	(1,881)
Miscellaneous Expense	113	554	554	-
Employee Appreciation	-	166	166	-
Operating Total	$ 425,375	$ 629,820	$ 530,559	$ (99,261)
Capital				
Equipment - Streets	$ -	$ 15,000	$ 30,000	$ 15,000
Vehicles - Streets	-	-	49,327	49,327
Capital Lease Interest - Streets	4,571	4,683	4,683	-
Capital Lease Principal - Streets	15,998	13,735	25,558	11,823
Capital Total	$ 20,569	$ 33,418	$ 109,568	76,150
Expenditure Total	$ 445,944	$ 663,238	$ 640,127	$ (23,111)
Percentage Increase				(3.6)%



* Indicates items that make up less than 3% of the total.

Description	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Salaries and Benefits	$ 329,687	$ 400,659	$ 339,184	63.9 %
Personnel Services*	2,081	6,356	6,562	1.2 %
Supplies	5,660	16,999	16,999	3.2 %
Advertising, Dues, and Public Notices*	798	907	935	0.2 %
Professional Fees*	1,867	50,383	5,383	1.0 %
Maintenance Expenses	85,169	153,962	160,942	30.3 %
Other Expenses*	113	554	554	0.1 %
Total	$ 425,375	$ 629,820	$ 530,559	100.0 %

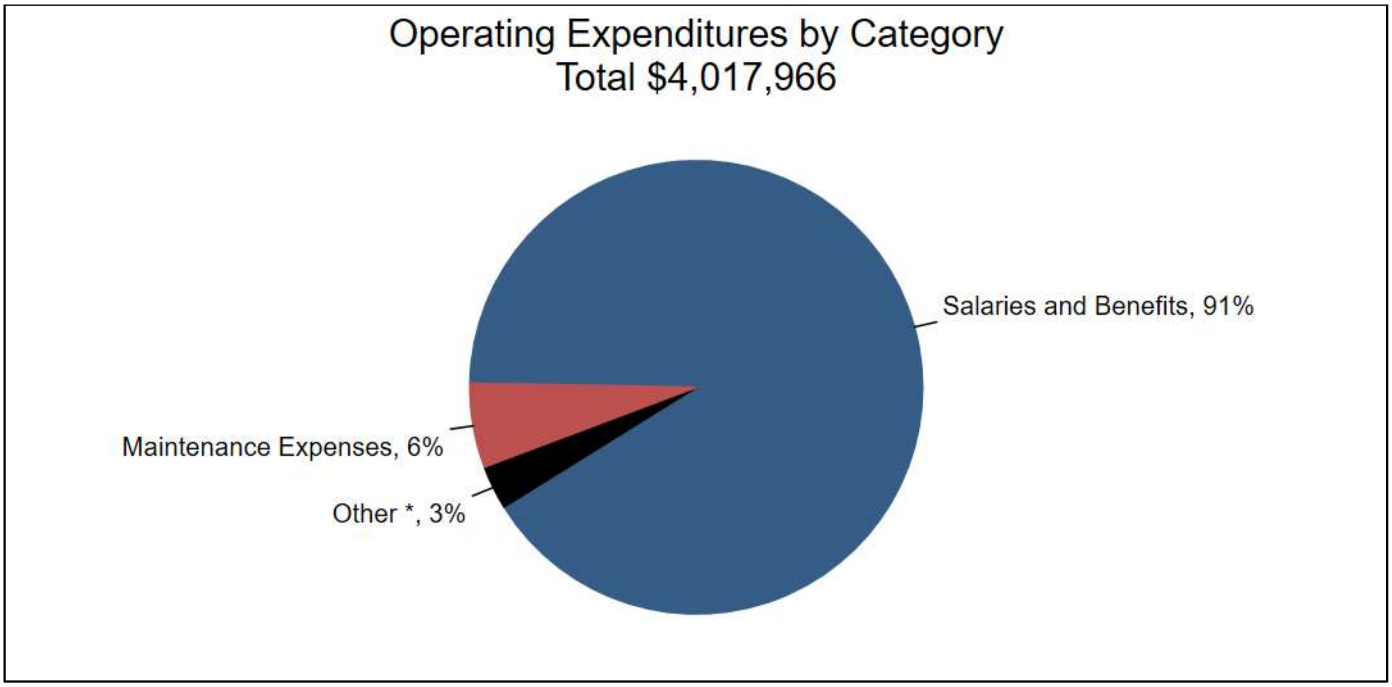
The Public Safety budget incorporates the day-to-day operations of the Police department. Included in this budget are costs for police officer salaries, overtime, uniforms, equipment, telephone, training, office supplies, vehicle, and building maintenance, storage leasing, and public relations activities.

The Police department currently consists of (1) Police Chief, (1) Assistant Police Chief, (3) Lieutenants, (5) Patrol Sergeants, (2) Patrol Corporals, (21) Patrol Officers, (4) Detectives, (1) Administrative Assistant, (1) Purchasing Clerk, and (2) Crime Scene Technicians.

EXPENDITURE SUMMARY

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Operating				
Salaries	$ 2,299,742	$ 2,575,262	$ 2,740,965	$ 165,703
Overtime	148,659	75,600	78,400	2,800
Payroll Taxes	182,925	208,749	219,933	11,184
Retirement Benefits	137,139	174,011	186,623	12,612
Group Health	252,833	346,789	356,696	9,907
Uniforms, Safety Equip, Supplies	67,634	48,421	49,023	602
Training	16,961	24,264	24,264	-
Travel	7,123	13,365	16,000	2,635
Unemployment Taxes-Texas	2,752	10,332	10,584	252
Materials & Supplies	5,586	3,908	2,500	(1,408)
Office Supplies	1,587	605	600	(5)
Furniture & Equipment < $2,500	7,021	1,884	14,000	12,116
Employee Candidate Testing	3,178	2,392	2,392	-
Advertising & Public Notices	-	-	100	100
Dues	2,760	3,950	4,562	612
Publications & Subscriptions	-	695	600	(95)
Insurance - Workmen's Comp	49,920	59,982	57,840	(2,142)
Contract Labor	10,360	650	400	(250)
Gasoline, Oil	52,810	62,753	68,000	5,247
Maintenance - Bldg	3,536	1,000	6,684	5,684
Maintenance - Equipment	5,937	5,249	5,000	(249)
Maintenance - Vehicles	98,367	120,169	104,119	(16,050)
Water	3,324	2,316	2,316	-
Telephone & Communications	40,679	37,277	40,700	3,423
Rents - Equipment	-	278	833	555
Rents - NNO	395	2,800	3,000	200
Storage Rental	1,999	186	-	(186)
Software Licensing & Maintenance Fees	9,962	8,403	10,232	1,829
Miscellaneous Expense	1,200	2,022	-	(2,022)
Public Relations	1,574	5,197	2,500	(2,697)
Movies in the Park	2,442	4,500	2,500	(2,000)
National Night Out	-	(1,800)	1,800	3,600
Christmas Parade	1,675	2,271	2,800	529
HC Explorers	-	1,000	1,000	-
Employee Appreciation	-	-	1,000	1,000
Vehicle Lease	(190)	-	-	-
Legal Settlement	6,240	-	-	-
Operating Total	$ 3,426,130	$ 3,804,480	$ 4,017,966	$ 213,486

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Capital				
Equipment - Public Safety	$ 212,529	$ 116,000	$ 116,000	$ -
Vehicles - Public Safety	89,651	86,500	227,100	140,600
Computers and Related Equipment - Public Safety	-	9,100	-	(9,100)
Capital Lease Interest - Public Safety	25,853	28,105	28,105	-
Capital Lease Principal - Public Safety	93,853	93,892	155,092	61,200
Capital Total	$ 421,886	$ 333,597	$ 526,297	192,700
Expenditure Total	$ 3,848,016	$ 4,138,077	$ 4,544,263	$ 406,186
Percentage Increase				8.9 %



* Indicates items that make up less than 3% of the total.

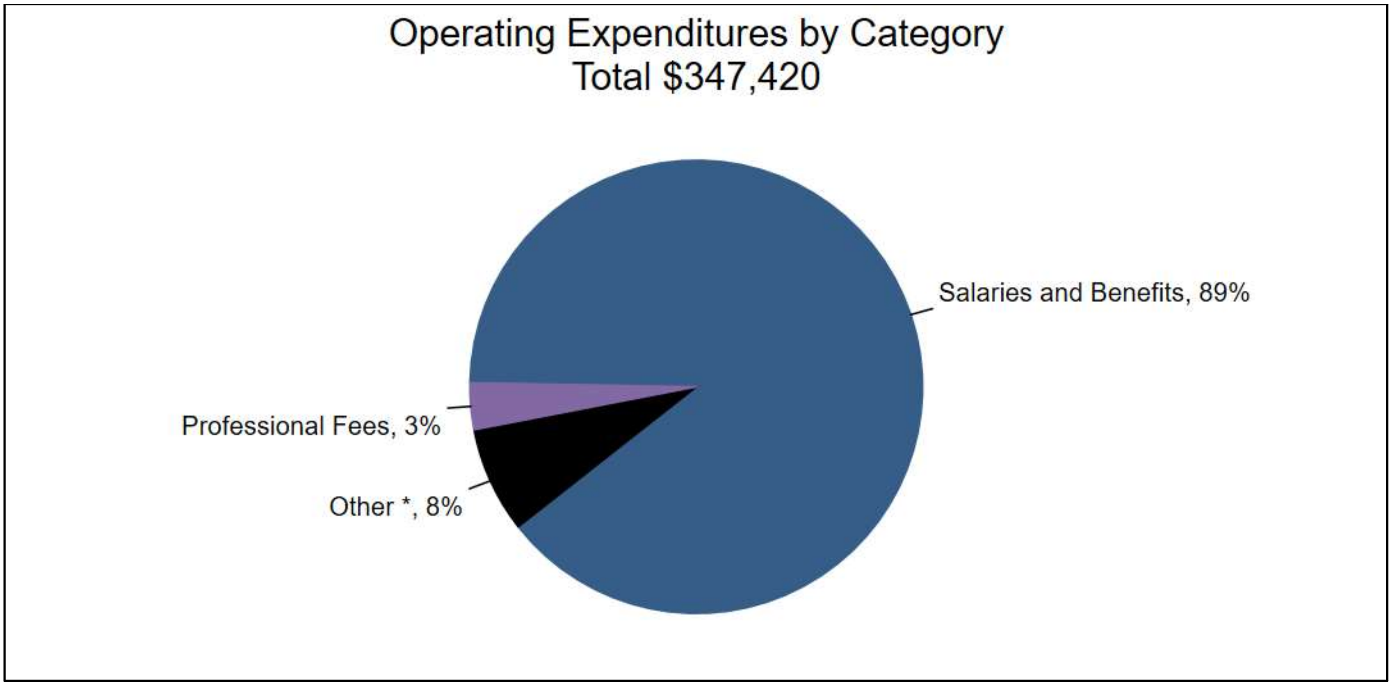
Description	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Salaries and Benefits	$ 3,073,970	$ 3,450,725	$ 3,651,041	90.9 %
Personnel Services*	94,896	88,442	92,679	2.3 %
Supplies*	14,194	6,397	17,100	0.4 %
Advertising, Dues, and Public Notices*	2,760	4,645	5,262	0.1 %
Professional Fees*	10,360	650	400	- %
Maintenance Expenses	216,819	240,431	240,884	6.0 %
Other Expenses*	13,131	13,190	10,600	0.3 %
Total	$ 3,426,130	$ 3,804,480	$ 4,017,966	100.0 %

The Municipal Courts Department is responsible for assessing and collecting fines and fees related to violations of state and city laws and ordinances.

The Municipal Courts Department consists of a Judge, a Prosecutor, a Municipal Court Clerk, 1 Senior Deputy Court Clerk and 2 Deputy Court Clerks. The Court Clerk supervises the day to day work duties and responsibilities of the three Deputy Court Clerks and oversees and manages, timesheets, cross training, work schedules and attendance as well as preparing Court Dockets. The Senor Deputy Clerk works with the Judge and handles juvenile offender cases.

EXPENDITURE SUMMARY

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Operating				
Salaries	$ 166,277	$ 178,233	$ 177,667	$ (566)
Payroll Taxes	15,531	18,122	18,190	68
Retirement Benefits	12,375	15,102	15,437	335
Group Health	32,416	35,956	36,557	601
Uniforms, Safety Equip, Supplies	534	400	400	-
Training	450	700	700	-
Travel	1,763	7,000	7,000	-
Unemployment Taxes-Texas	315	1,260	1,260	-
Judge	54,711	58,656	60,133	1,477
Visiting Judge - Contracted	4,025	2,640	5,000	2,360
Translater - Contracted	2,560	5,360	6,500	1,140
Materials & Supplies	531	1,500	1,500	-
Office Supplies	2,713	3,000	3,000	-
Furniture & Equipment < $2,500	30	1,500	1,500	-
Employee Candidate Testing	-	150	150	-
Dues	263	150	150	-
Publications & Subscriptions	-	300	300	-
Insurance - Workmen's Comp	424	473	419	(54)
Maintenance - Equipment	-	250	250	-
Telephone & Communications	3,264	3,500	3,500	-
Rents - Equipment	662	800	800	-
Software Licensing & Maintenance Fees	-	3,046	3,107	61
Bank Charges	2,693	3,500	3,500	-
Employee Appreciation	57	350	400	50
Operating Total	$ 301,594	$ 341,948	$ 347,420	$ 5,472
Capital				
Capital Total	$ -	$ -	$ -	$ -
Expenditure Total	$ 301,594	$ 341,948	$ 347,420	$ 5,472
Percentage Increase				1.6 %



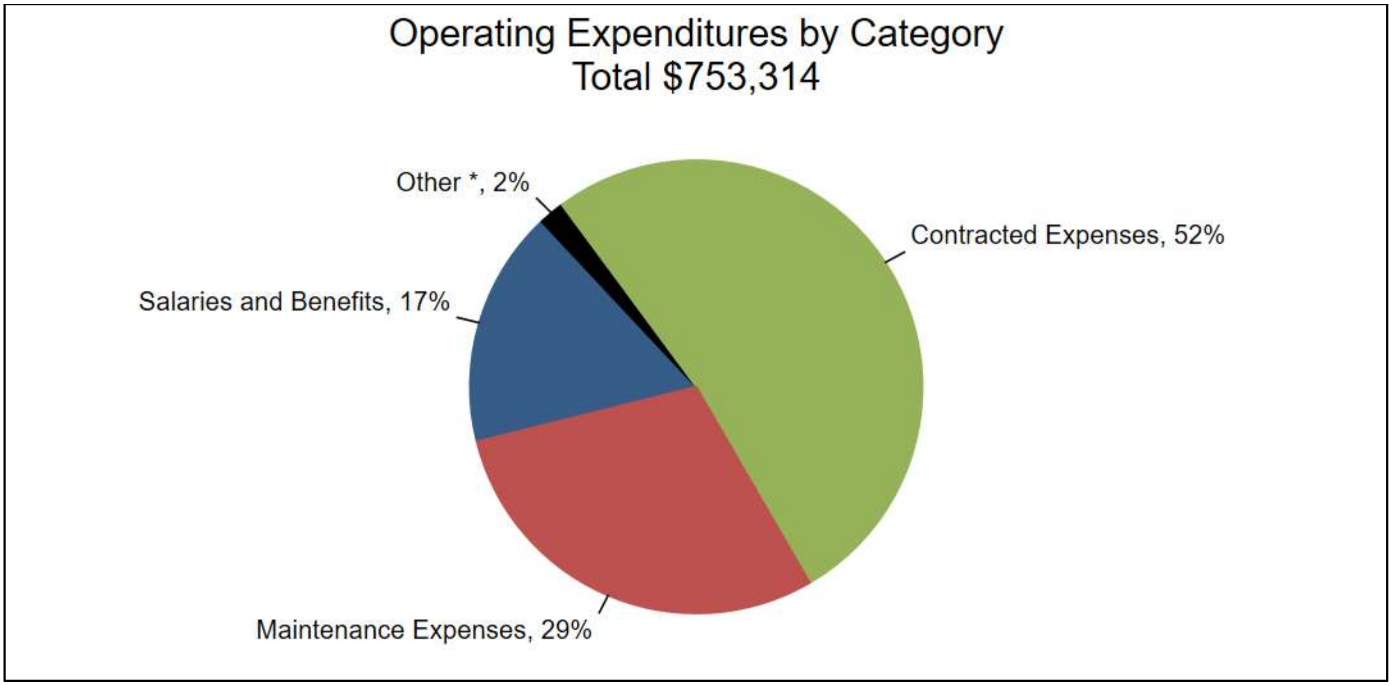
* Indicates items that make up less than 3% of the total.

Description	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Salaries and Benefits	$ 282,049	$ 307,802	$ 309,663	89.1 %
Personnel Services*	2,804	8,600	8,650	2.5 %
Supplies*	3,274	6,000	6,000	1.7 %
Advertising, Dues, and Public Notices*	263	450	450	0.1 %
Professional Fees	6,585	8,000	11,500	3.3 %
Maintenance Expenses*	3,926	7,596	7,657	2.2 %
Other Expenses*	2,693	3,500	3,500	1.0 %
Total	$ 301,594	$ 341,948	$ 347,420	100.0 %

Parks oversees the Parks and Grounds Maintenance Contract and the parks reservations. This department has two employees, a Parks Maintenance worker and a Parks Manager who is supervised by the Public Works Director.

EXPENDITURE SUMMARY

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Operating				
Salaries	$ 77,066	$ 89,896	$ 93,989	$ 4,093
Overtime	7	200	200	-
Payroll Taxes	5,997	6,892	7,205	313
Retirement Benefits	4,412	5,744	6,115	371
Group Health	15,506	17,734	17,786	52
Uniforms, Safety Equip, Supplies	679	801	801	-
Training	143	3,046	3,046	-
Travel	-	1,113	1,113	-
Unemployment Taxes-Texas	126	504	504	-
Park Maintenance - Contracted	375,131	400,000	390,000	(10,000)
Materials & Supplies	1,302	3,613	3,613	-
Office Supplies	365	568	568	-
Furniture & Equipment < $2,500	-	3,044	3,044	-
Employee Candidate Testing	-	68	70	2
Insurance - Workmen's Comp	1,414	1,504	1,494	(10)
Contract Labor	1,062	1,705	1,705	-
Maintenance - Surfaces	-	1,846	1,846	-
Electricity	23,054	17,388	19,127	1,739
Gasoline, Oil	1,859	2,500	2,500	-
Maintenance - Equipment	12,796	23,168	23,168	-
Waste Disposal	2,561	2,046	2,046	-
Water	181,832	119,551	160,000	40,449
Telephone & Communications	2,333	643	643	-
Rents - Equipment	-	910	910	-
Software Licensing & Maintenance Fees	2,159	5,302	5,302	-
Maintenance - Rockwalls and Fencing	710	3,479	6,519	3,040
Operating Total	$ 710,514	$ 713,265	$ 753,314	$ 40,049
Capital				
Equipment - Parks	$ 5,750	$ 15,000	$ 10,000	$ (5,000)
Construction-Contracted (Parks)	256,560	51,141	20,000	(31,141)
Capital Total	$ 262,310	$ 66,141	$ 30,000	(36,141)
Expenditure Total	$ 972,824	$ 779,406	$ 783,314	$ 3,908
Percentage Increase				0.5 %



* Indicates items that make up less than 3% of the total.

Description	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Salaries and Benefits	$ 104,528	$ 122,474	$ 127,293	16.9 %
Personnel Services*	822	5,028	5,030	0.7 %
Supplies*	1,667	7,225	7,225	1.0 %
Professional Fees*	1,062	1,705	1,705	0.2 %
Contracted Expenses	375,131	400,000	390,000	51.8 %
Maintenance Expenses	227,304	176,833	222,061	29.5 %
Total	$ 710,514	$ 713,265	$ 753,314	100.0 %

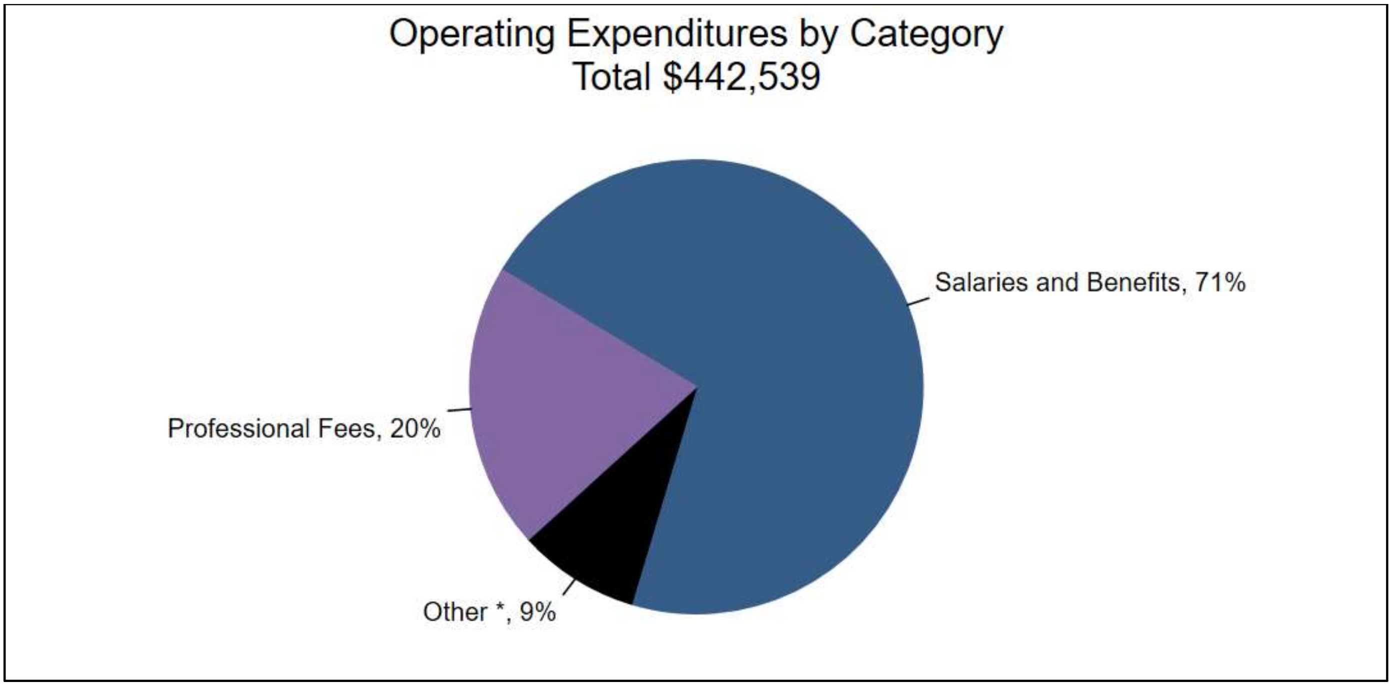
PLANNING

Planning is responsible for all land use applications and oversees the Capital Improvement Program and other major City development projects.

Employees consist of a Planning Director, a Capital Improvement Program Manager and a Planner .

EXPENDITURE SUMMARY

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Operating				
Salaries	$ 111,558	$ 223,824	$ 250,939	$ 27,115
Overtime	50	-	-	-
Payroll Taxes	8,439	17,123	19,198	2,075
Retirement Benefits	6,250	14,269	16,291	2,022
Group Health	15,048	26,601	26,679	78
Uniforms, Safety Equip, Supplies	-	926	426	(500)
Training	519	2,294	3,426	1,132
Travel	-	5,491	5,683	192
Unemployment Taxes-Texas	165	756	756	-
City Engineer - Contracted	7,511	42,275	30,000	(12,275)
Materials & Supplies	-	555	574	19
Office Supplies	682	988	1,023	35
Furniture & Equipment < $2,500	4,424	1,173	1,214	41
Employee Candidate Testing	-	128	132	4
Dues	649	2,327	2,408	81
Publications & Subscriptions	180	1,035	1,071	36
Insurance - Workmen's Comp	399	448	443	(5)
Contract Labor	8,391	53,538	60,000	6,462
Gasoline, Oil	956	1,706	1,766	60
Maintenance - Equipment	-	1,760	1,822	62
Telephone & Communications	1,472	2,070	2,142	72
Rents - Equipment	1,103	2,070	2,142	72
Software Licensing & Maintenance Fees	1,715	3,110	5,000	1,890
Miscellaneous Expense	67	267	276	9
Recording Fees	-	5,000	5,000	-
Public Relations	121	1,599	1,655	56
Lobbying	-	2,070	2,142	72
Employee Appreciation	23	320	331	11
Operating Total	$ 169,722	$ 413,723	$ 442,539	$ 28,816
Capital				
Master Planning	$ -	$ 37,132	$ 38,246	$ 1,114
Capital Total	$ -	$ 37,132	$ 38,246	1,114
Expenditure Total	$ 169,722	$ 450,855	$ 480,785	$ 29,930
Percentage Increase				6.2 %



* Indicates items that make up less than 3% of the total.

Description	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Salaries and Benefits	$ 141,909	$ 283,021	$ 314,306	71.0 %
Personnel Services*	542	9,159	9,998	2.3 %
Supplies*	5,106	2,716	2,811	0.6 %
Advertising, Dues, and Public Notices*	829	3,362	3,479	0.8 %
Professional Fees	15,902	95,813	90,000	20.3 %
Maintenance Expenses*	5,246	10,716	12,872	2.9 %
Other Expenses*	188	8,936	9,073	2.1 %
Total	$ 169,722	$ 413,723	$ 442,539	100.0 %

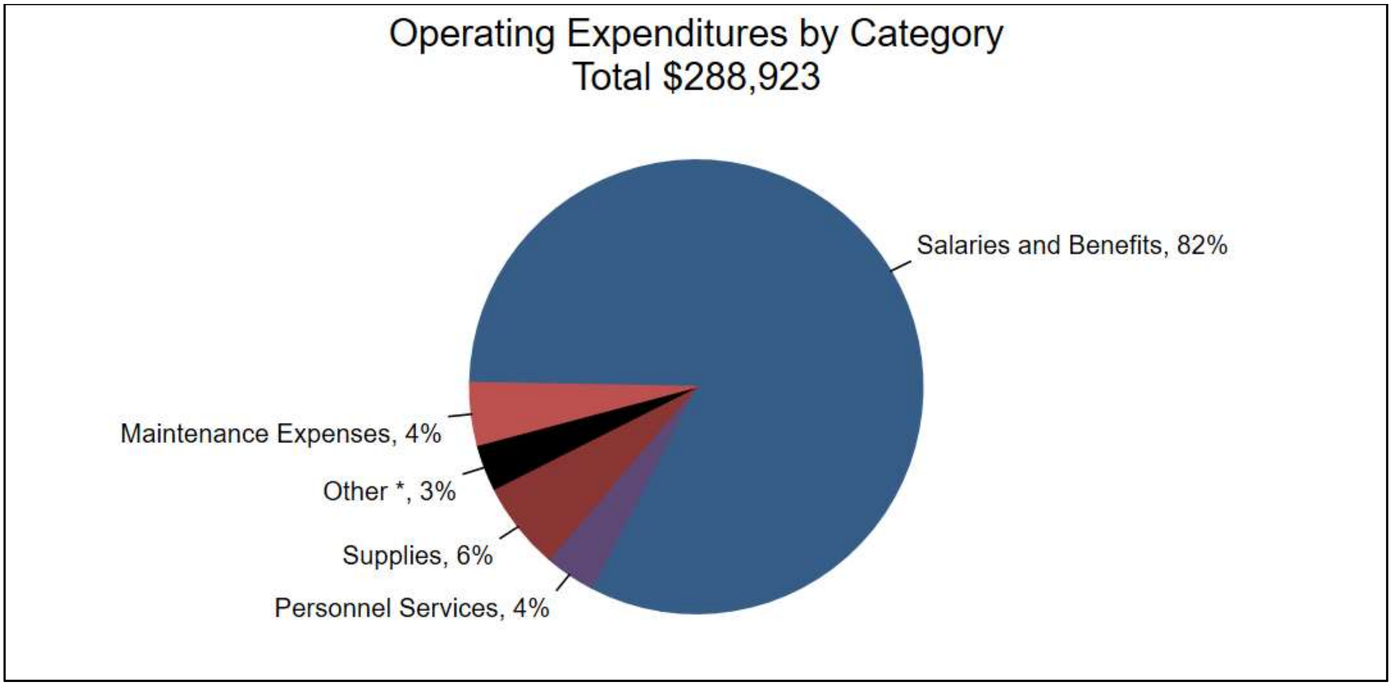
Code Enforcement

Code Enforcement is responsible for enforcing the City's rules and regulations. In addition, vector control activities are provided by this department.

Employees consist of one Code Enforcement Supervisor and three Code Enforcement Officers.

Expenditure Summary

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Operating				
Salaries	$ 161,276	$ 168,121	$ 170,826	$ 2,705
Overtime	3,030	5,031	5,031	-
Payroll Taxes	12,386	13,246	13,452	206
Retirement Benefits	9,201	11,041	11,416	375
Group Health	31,648	35,468	35,572	104
Uniforms, Safety Equip, Supplies	2,076	2,417	2,417	-
Training	1,350	2,837	2,837	-
Travel	-	4,728	4,728	-
Unemployment Taxes-Texas	252	1,008	1,008	-
Materials & Supplies	10,584	12,606	12,606	-
Office Supplies	-	2,999	2,999	-
Furniture & Equipment < $2,500	317	2,627	2,627	-
Employee Candidate Testing	-	316	316	-
Dues	227	840	840	-
Publications & Subscriptions	-	316	316	-
Insurance - Workmen's Comp	677	735	709	(26)
Contract Labor	245	12,186	7,000	(5,186)
Gasoline, Oil	5,120	5,253	5,253	-
Maintenance - Equipment	-	1,051	1,051	-
Maintenance - Vehicles	1,503	2,819	3,011	192
Telephone & Communications	1,933	3,435	3,435	-
Miscellaneous Expense	-	316	316	-
Public Relations	-	1,051	1,051	-
Employee Appreciation	45	106	106	-
Operating Total	$ 241,870	$ 290,553	$ 288,923	$ (1,630)
Capital				
Equipment - Code Enforcement	$ -	$ 5,517	$ -	$ (5,517)
Capital Lease Interest - Code Enforcement	950	1,319	1,319	-
Capital Lease Principal - Code Enforcement	6,382	9,415	9,415	-
Capital Total	$ 7,332	$ 16,251	$ 10,734	(5,517)
Expenditure Total	$ 249,202	$ 306,804	$ 299,657	$ (7,147)
Percentage Increase				(2.4)%



* Indicates items that make up less than 3% of the total.

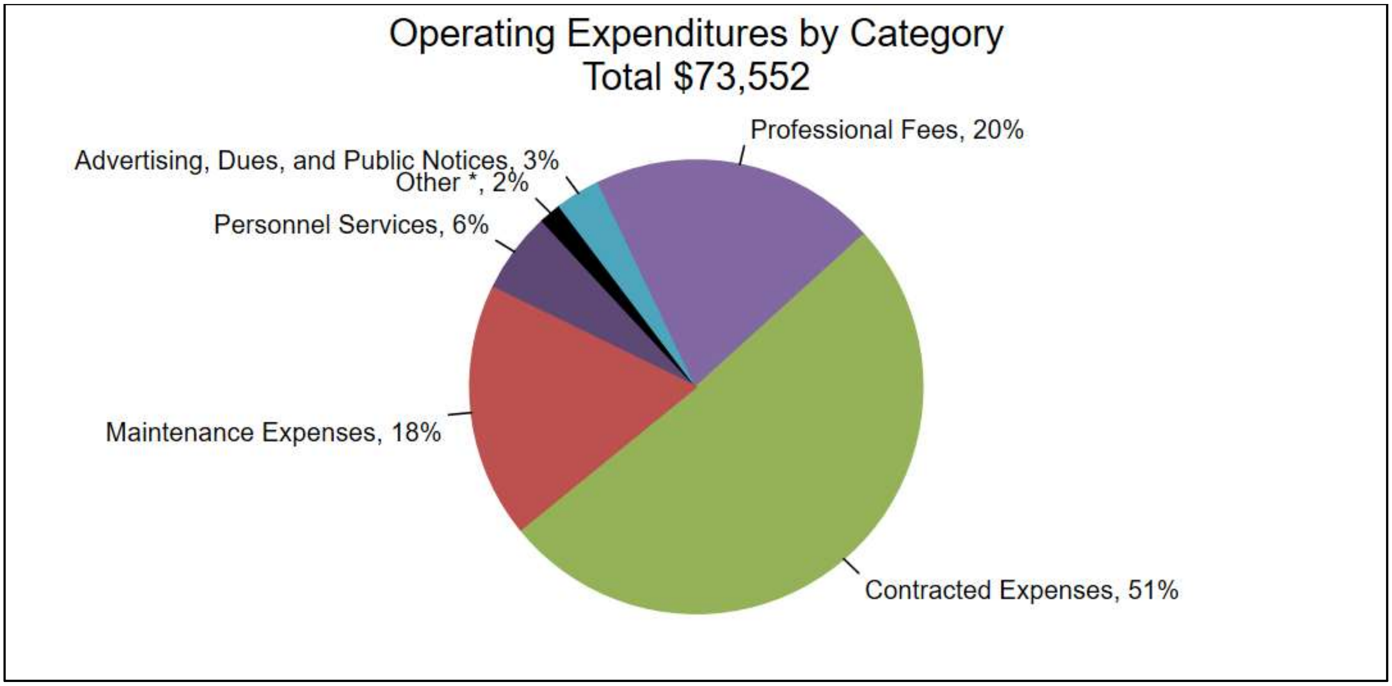
Description	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Salaries and Benefits	$ 218,470	$ 234,650	$ 238,014	82.4 %
Personnel Services	3,471	10,404	10,404	3.6 %
Supplies	10,901	18,232	18,232	6.3 %
Advertising, Dues, and Public Notices*	227	1,156	1,156	0.4 %
Professional Fees*	245	12,186	7,000	2.4 %
Maintenance Expenses	8,556	12,558	12,750	4.4 %
Other Expenses*	-	1,367	1,367	0.5 %
Total	$ 241,870	$ 290,553	$ 288,923	100.0 %

The Department is responsible for the inspections related to the Town of Horizon City's Stormwater and construction requirements. The Department administers and enforces the City's Texas Pollution Discharge Elimination System (TPDES) Municipal Separate Storm Sewer System (MS4) Permit. It also provides inspections of SWP3 for construction project for Residential, Commercial, Industrial, Capital Improvement, Parks, and Subdivision projects.

The Compliance Inspector serves this department.

EXPENDITURE SUMMARY

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Operating				
Training	$ 1,576	$ 2,046	$ 2,046	$ -
Travel	-	2,273	2,273	-
Pond Maintenance - Contracted	35,270	37,413	37,413	-
Materials & Supplies	-	341	341	-
Office Supplies	-	341	341	-
Advertising & Public Notices	880	880	880	-
Dues	422	682	682	-
Publications & Subscriptions	-	796	796	-
Contract Labor	-	30,000	15,000	(15,000)
Maintenance - Surfaces	-	6,819	5,000	(1,819)
Rents - Equipment	-	3,296	3,296	-
Maintenance - Rockwalls and Fencing	-	5,000	5,000	-
Miscellaneous Expense	-	484	484	-
Operating Total	$ 38,148	$ 90,371	$ 73,552	$ (16,819)
Capital				
Equipment - Storm Water Management	$ -	$ 34,338	$ 20,000	$ (14,338)
Capital Total	$ -	$ 34,338	$ 20,000	(14,338)
Expenditure Total	$ 38,148	$ 124,709	$ 93,552	$ (31,157)
Percentage Increase				(33.3)%



* Indicates items that make up less than 3% of the total.

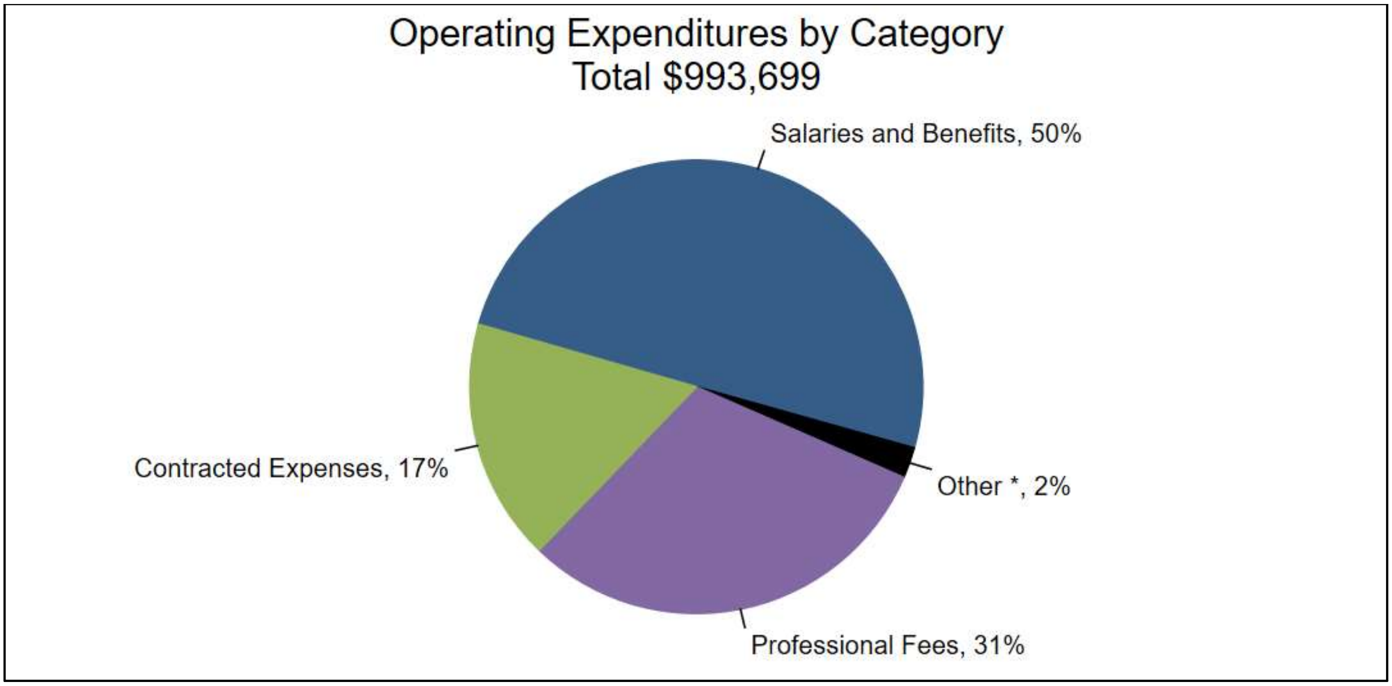
Description	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Personnel Services	$ 1,576	$ 4,319	$ 4,319	5.9 %
Supplies*	-	682	682	0.9 %
Advertising, Dues, and Public Notices	1,302	2,358	2,358	3.2 %
Professional Fees	-	30,000	15,000	20.4 %
Contracted Expenses	35,270	37,413	37,413	50.9 %
Maintenance Expenses	-	15,115	13,296	18.1 %
Other Expenses*	-	484	484	0.7 %
Total	$ 38,148	$ 90,371	$ 73,552	100.0 %

Financial Services is responsible for all the accounting and financial activities of the Town including Accounts Payable, Accounts Receivable, Payroll Processing, Banking and Investments. In addition, the department is responsible for the development of the annual budget and preparation of financial reports.

The Finance staff consists of the Finance Director, two Accountants, three Administrative Assistants and one Purchasing Agent.

EXPENDITURE SUMMARY

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Operating				
Salaries	$ 310,364	$ 336,827	$ 375,478	$ 38,651
Overtime	-	2,301	2,301	-
Payroll Taxes	22,796	28,966	28,900	(66)
Retirement Benefits	17,380	24,151	24,522	371
Group Health	47,569	61,199	62,251	1,052
Uniforms, Safety Equip, Supplies	108	500	500	-
Training	-	2,650	2,200	(450)
Travel	1,284	3,000	2,000	(1,000)
Unemployment Taxes-Texas	378	1,766	1,764	(2)
Appraisal Fees	135,137	151,350	161,061	9,711
Materials & Supplies	509	1,000	500	(500)
Office Supplies	1,374	2,100	2,100	-
Furniture & Equipment < $2,500	1,907	2,000	250	(1,750)
Employee Candidate Testing	-	140	-	(140)
Dues	1,084	750	750	-
Insurance - Property	85,111	134,431	168,301	33,870
Insurance - Workmen's Comp	605	757	666	(91)
Insurance - Liability	37,915	45,526	46,052	526
Insurance - Bond	995	1,568	1,568	-
Contract Labor	25,870	11,500	11,500	-
Audit Fees	71,990	81,477	77,250	(4,227)
Tax Collection Fees	8,111	9,541	10,235	694
Gasoline, Oil	78	100	100	-
Water	973	875	950	75
Telephone & Communications	3,306	3,000	3,200	200
Bank Charges	11,991	10,000	7,000	(3,000)
Miscellaneous Expense	-	100	100	-
Interest & Penalties	292	900	1,000	100
Employee Appreciation	68	200	200	-
Bad Debt Expense	-	1,000	1,000	-
Operating Total	$ 787,195	$ 919,675	$ 993,699	$ 74,024
Capital				
Transfers Out	$ -	$ 30,000	$ 25,000	$ (5,000)
Capital Total	$ -	$ 30,000	$ 25,000	(5,000)
Expenditure Total	$ 787,195	$ 949,675	$ 1,018,699	$ 69,024
Percentage Increase				6.8 %



* Indicates items that make up less than 3% of the total.

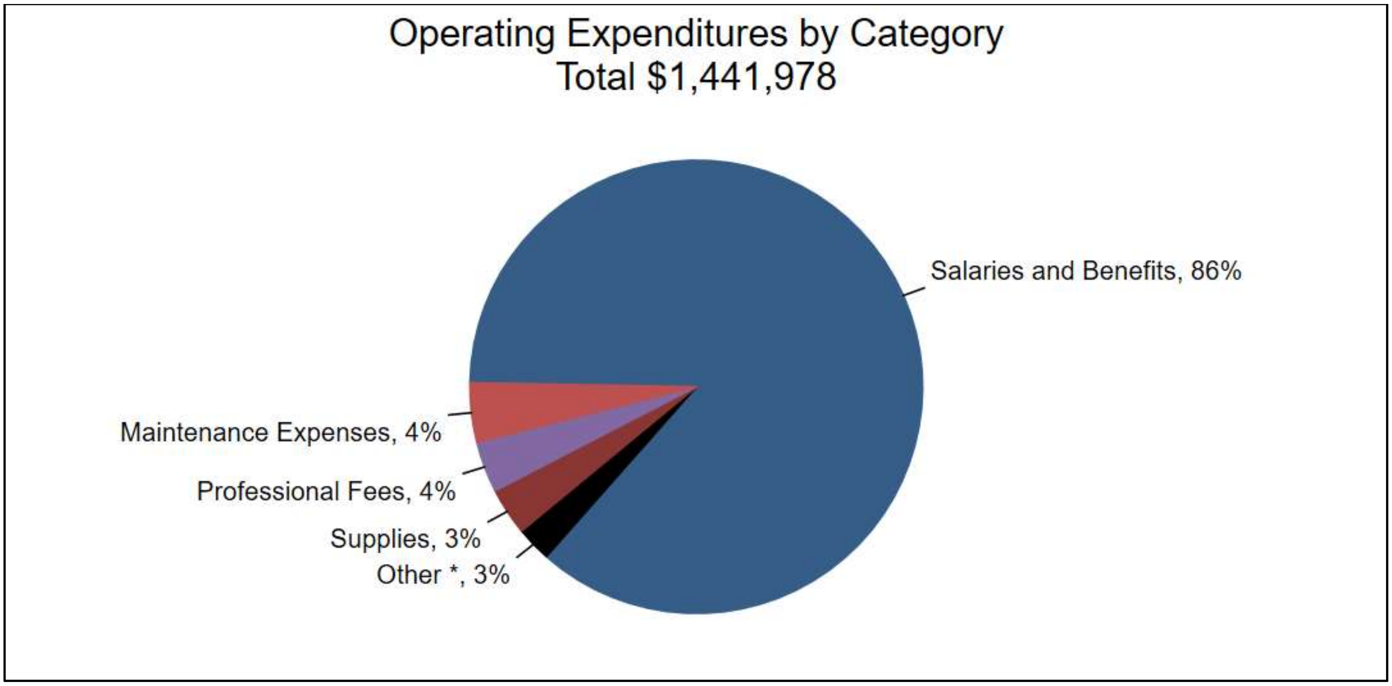
Description	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Salaries and Benefits	$ 399,092	$ 455,967	$ 495,882	49.9 %
Personnel Services*	1,460	6,490	4,900	0.5 %
Supplies*	3,790	5,100	2,850	0.3 %
Advertising, Dues, and Public Notices*	1,084	750	750	0.1 %
Professional Fees	221,881	274,502	304,671	30.7 %
Contracted Expenses	143,248	160,891	171,296	17.2 %
Maintenance Expenses*	4,357	3,975	4,250	0.4 %
Other Expenses*	12,283	12,000	9,100	0.9 %
Total	$ 787,195	$ 919,675	$ 993,699	100.0 %

This Department handles emergency and non emergency calls for the Horizon City Police Department. It's primary purpose is to dispatch Police, Fire and Medical services to where needed. The Department works in conjunction with Emergency Services District #1, Emergency Services District#2, Life and Elite Ambulances.

Public Safety Dispatch department consist of one Communications Manager, one Assistant Communications Manager, three Shift Supervisors, and thirteen Telecommunicators.

EXPENDITURE SUMMARY

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Operating				
Salaries	$ 776,079	$ 779,725	$ 905,798	$ 126,073
Overtime	68,386	52,800	52,800	-
Payroll Taxes	63,784	70,921	73,336	2,415
Retirement Benefits	47,290	59,114	62,227	3,113
Group Health	103,773	134,940	143,264	8,324
Uniforms, Safety Equip, Supplies	1,374	1,466	1,466	-
Training	4,219	16,900	15,138	(1,762)
Travel	6,762	11,200	10,900	(300)
Unemployment Taxes-Texas	1,412	4,536	4,536	-
Materials & Supplies	367	1,847	1,400	(447)
Office Supplies	912	1,639	800	(839)
Furniture & Equipment < $2,500	2,248	3,447	46,801	43,354
Employee Candidate Testing	1,603	3,980	3,180	(800)
Dues	1,107	1,900	2,400	500
Publications & Subscriptions	-	800	-	(800)
Insurance - Workmen's Comp	1,724	1,855	1,690	(165)
Contract Labor	82,208	(2,360)	52,500	54,860
Gasoline, Oil	583	1,236	1,236	-
Maintenance - Equipment	30,489	74,000	6,000	(68,000)
Telephone & Communications	519	1,800	1,800	-
Software Licensing & Maintenance Fees	5,317	9,538	51,656	42,118
Miscellaneous Expense	10	1,860	1,800	(60)
Public Relations	-	-	250	250
Employee Appreciation	900	1,554	1,000	(554)
Operating Total	$ 1,201,066	$ 1,234,698	$ 1,441,978	$ 207,280
Capital				
Equipment - Public Safety	$ -	$ 60,093	$ -	$ (60,093)
Capital Total	$ -	$ 60,093	$ -	(60,093)
Expenditure Total	$ 1,201,066	$ 1,294,791	$ 1,441,978	$ 147,187
Percentage Increase				10.2 %



* Indicates items that make up less than 3% of the total.

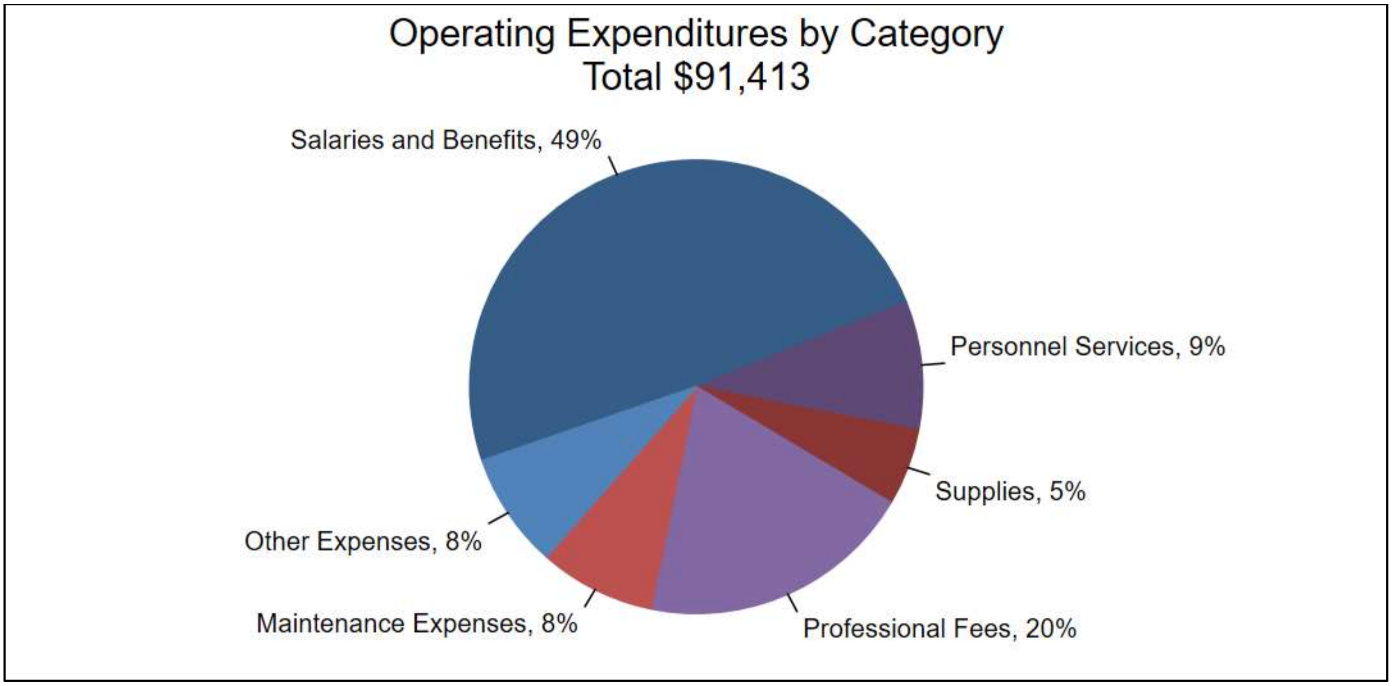
Description	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Salaries and Benefits	$ 1,062,448	$ 1,103,891	$ 1,243,651	86.2 %
Personnel Services*	14,858	35,100	31,684	2.2 %
Supplies	3,527	6,933	49,001	3.4 %
Advertising, Dues, and Public Notices*	1,107	2,700	2,400	0.2 %
Professional Fees	82,208	(2,360)	52,500	3.6 %
Maintenance Expenses	36,908	86,574	60,692	4.2 %
Other Expenses*	10	1,860	2,050	0.1 %
Total	$ 1,201,066	$ 1,234,698	$ 1,441,978	100.0 %

This budget is for the expenses of Mayor and City Council Members to assist them in fulfilling their duties to the City and its constituents.

City Council consists of the following: City Mayor - Andres Renteria, Council Member Place 1 - Guillermo Ortega, Council Member Place 2 - Scott Quiroz, Council Member Place 3 - Rocio Ortega, Council Member Place 4 - Robert Avila, Council Member Place 5 - Katherine Ames, Council Member Place 6 - Matthew Gardea and Council Member Place 7 - Ruben Mendoza.

EXPENDITURE SUMMARY

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Operating				
Salaries	$ 18,000	$ 18,000	$ 18,000	$ -
Payroll Taxes	1,377	1,377	1,377	-
Group Health	-	32,537	25,215	(7,322)
Uniforms, Safety Equip, Supplies	1,487	3,000	3,000	-
Training	1,750	750	2,000	1,250
Travel	2,453	3,000	3,000	-
Unemployment Taxes-Texas	63	171	250	79
Materials & Supplies	1,803	3,000	3,000	-
Office Supplies	154	500	500	-
Furniture & Equipment < $2,500	-	1,500	1,500	-
Publications & Subscriptions	106	250	-	(250)
Insurance - Workmen's Comp	142	148	91	(57)
Gasoline, Oil	342	2,500	3,000	500
Maintenance - Vehicles	-	250	500	250
Telephone & Communications	3,464	4,000	4,080	80
Miscellaneous Expense	640	1,000	1,000	-
Public Relations	2,542	3,000	5,000	2,000
Lobbying	-	-	1,500	1,500
Council Member Stipends	12,000	15,000	18,000	3,000
Employee Appreciation	11	400	400	-
Operating Total	$ 46,334	$ 90,383	$ 91,413	$ 1,030
Capital				
Capital Total	$ -	$ -	$ -	$ -
Expenditure Total	$ 46,334	$ 90,383	$ 91,413	$ 1,030
Percentage Increase				1.1 %



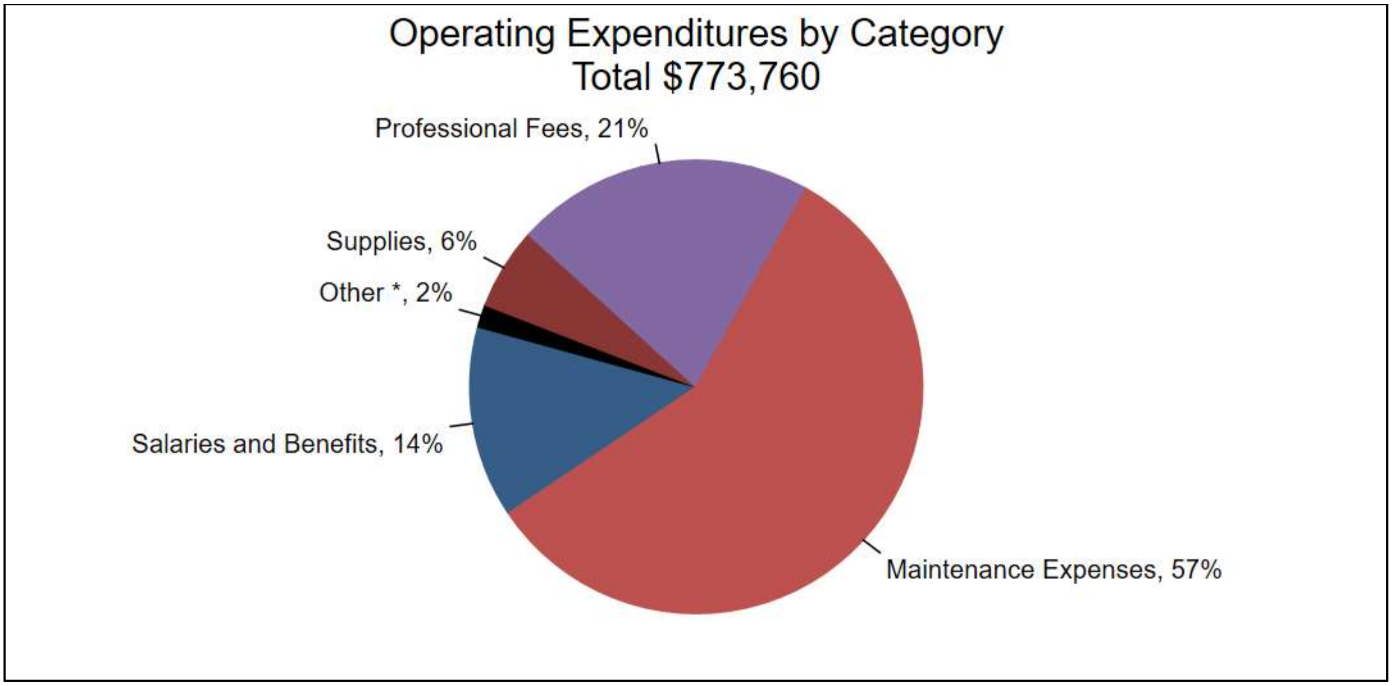
* Indicates items that make up less than 3% of the total.

Description	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Salaries and Benefits	$ 19,582	$ 52,233	$ 44,933	49.2 %
Personnel Services	5,701	7,150	8,400	9.2 %
Supplies	1,957	5,000	5,000	5.5 %
Advertising, Dues, and Public Notices*	106	250	-	- %
Professional Fees	12,000	15,000	18,000	19.7 %
Maintenance Expenses	3,806	6,750	7,580	8.3 %
Other Expenses	3,182	4,000	7,500	8.2 %
Total	$ 46,334	$ 90,383	$ 91,413	100.0 %

This department is responsible for the city's information systems' hardware and software. It oversees the security, network, and infrastructure of the city's systems. This department has one employee, an I.T. Specialist.

EXPENDITURE SUMMARY

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)
Operating				
Salaries	$ 80,313	$ 82,741	$ 84,849	$ 2,108
Payroll Taxes	6,107	6,330	6,491	161
Retirement Benefits	4,497	5,275	5,508	233
Group Health	8,467	8,867	8,893	26
Uniforms, Safety Equip, Supplies	-	250	250	-
Training	709	5,458	5,622	164
Travel	4,327	6,180	6,365	185
Unemployment Taxes-Texas	63	252	252	-
Network Support - Contracted	119,225	120,943	164,995	44,052
Materials & Supplies	65	4,500	4,635	135
Office Supplies	-	500	515	15
Furniture & Equipment < $2,500	16,119	12,630	40,051	27,421
Insurance - Workmen's Comp	154	166	150	(16)
Contract Labor	-	19,500	-	(19,500)
Gasoline, Oil	-	100	100	-
Maintenance - Equipment	-	1,500	1,545	45
Telephone & Communications	614	2,500	-	(2,500)
Software Licensing & Maintenance Fees	279,802	453,358	443,239	(10,119)
Miscellaneous Expense	-	300	300	-
Operating Total	$ 520,462	$ 731,350	$ 773,760	$ 42,410
Capital				
Computers and Related Equipment - Info Tech	$ -	$ 4,802	$ -	$ (4,802)
Capital Total	-	4,802	-	(4,802)
Expenditure Total	$ 520,462	$ 736,152	$ 773,760	$ 37,608
Percentage Increase				4.9 %

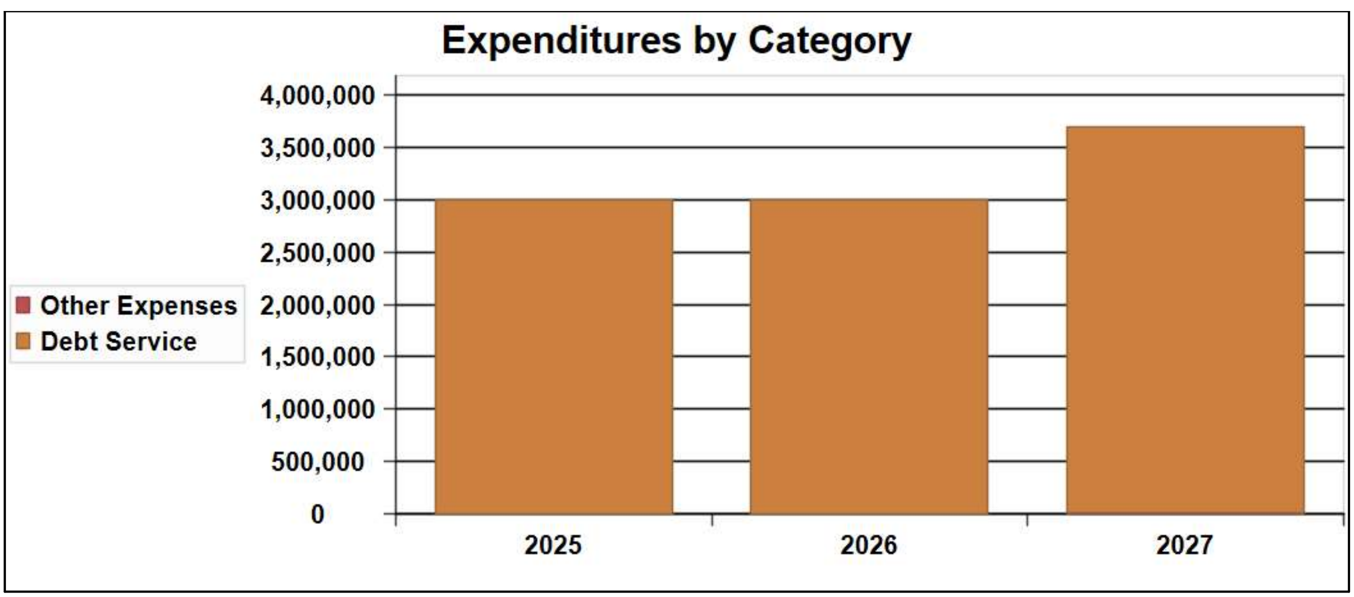


* Indicates items that make up less than 3% of the total.

Description	2025 Actual	2026 Revised Budget	2027 Budget	Percentage
Salaries and Benefits	$ 99,601	$ 103,631	$ 106,143	13.7 %
Personnel Services*	5,036	11,888	12,237	1.6 %
Supplies	16,184	17,630	45,201	5.8 %
Professional Fees	119,225	140,443	164,995	21.3 %
Maintenance Expenses	280,416	457,458	444,884	57.5 %
Other Expenses*	-	300	300	- %
Total	$ 520,462	$ 731,350	$ 773,760	100.0 %

The Debt Service Fund includes the property tax supported revenue necessary to meet the required payments and other expenses associated with outstanding debt. This includes service amounts for the $750 thousand 2005 Bond Issue held by Bank of America, the $15 million 2014 Certificates of Obligation, the $13 million 2019 Certificates of Obligation and the $25 million 2023 Certificates of Obligation. The total service amount for FY2027 is $3,690,161.

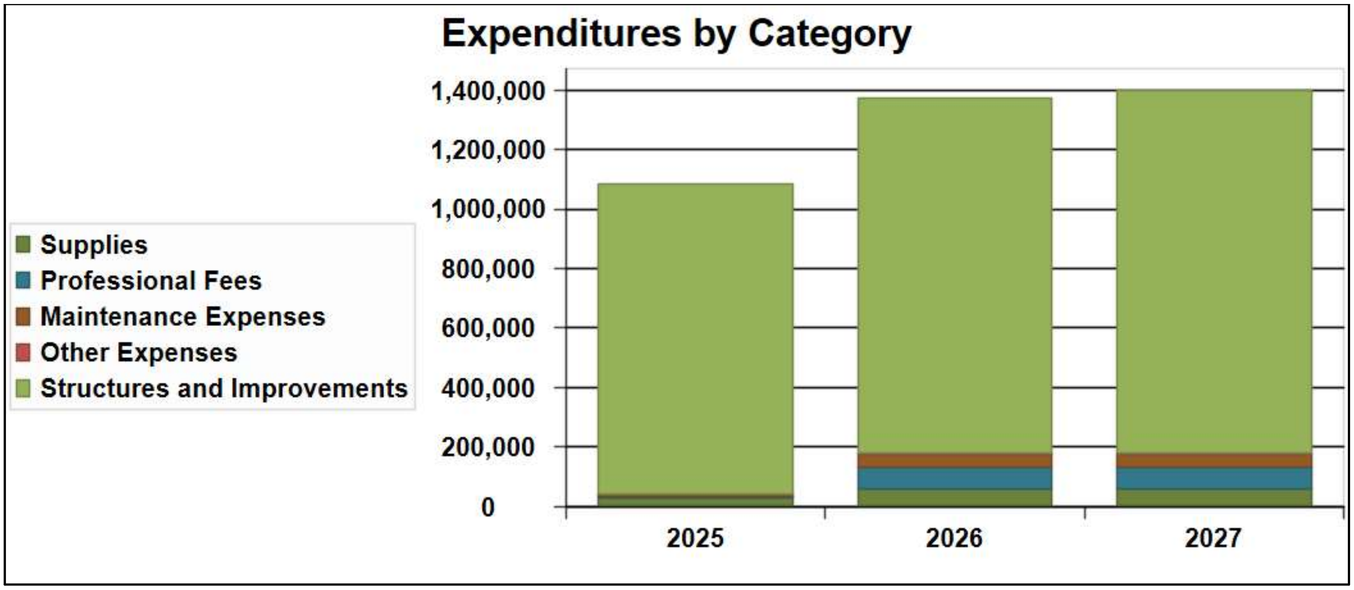
Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)	Percentage
Revenues					
Current Year Taxes	$ 2,736,452	$ 3,005,552	$ 3,695,995	$ 690,443	23.0
Delinquent Taxes	73,421	-	-	-	
Interest Income	73,222	-	-	-	
Revenues Total	$ 2,883,095	$ 3,005,552	$ 3,695,995	$ 690,443	23.0 %
Expenditures					
Operating					
Bank Charges	90	180	-	(180)	(100.0)
Operating Total	$ 90	$ 180	$ -	$ (180)	100.0 %
Capital					
Bond Interest	9,678	7,900	6,123	(1,777)	
Bond Principal	40,000	45,000	50,000	5,000	11.1
2014 Certificates of Obligation - Principal	590,000	615,000	640,000	25,000	
2014 Certificates of Obligation - Interest	417,663	394,063	369,463	(24,600)	
2019 Certificates of Obligation - Principal	355,000	370,000	390,000	20,000	
2019 Certificates of Obligation - Interest	445,500	431,300	412,800	(18,500)	
2023 Certificates of Obligation - Principal	-	-	685,000	685,000	- %
2023 Certificates of Obligation - Interest	1,136,775	1,136,775	1,136,775	-	
Bond Insurance Premium	4,784	4,784	4,784	-	
Agent Fee	1,050	550	1,050	500	90.9
Capital Total	$ 3,000,450	$ 3,005,372	$ 3,695,995	$ 690,623	(23.0)%
Expenditures Total	$ 3,000,540	$ 3,005,552	$ 3,695,995	$ 690,443	23.0 %
Excess Expenditures	$ (117,445)	$ -	$ -	$ -	- %



STREET MAINTENANCE FUND

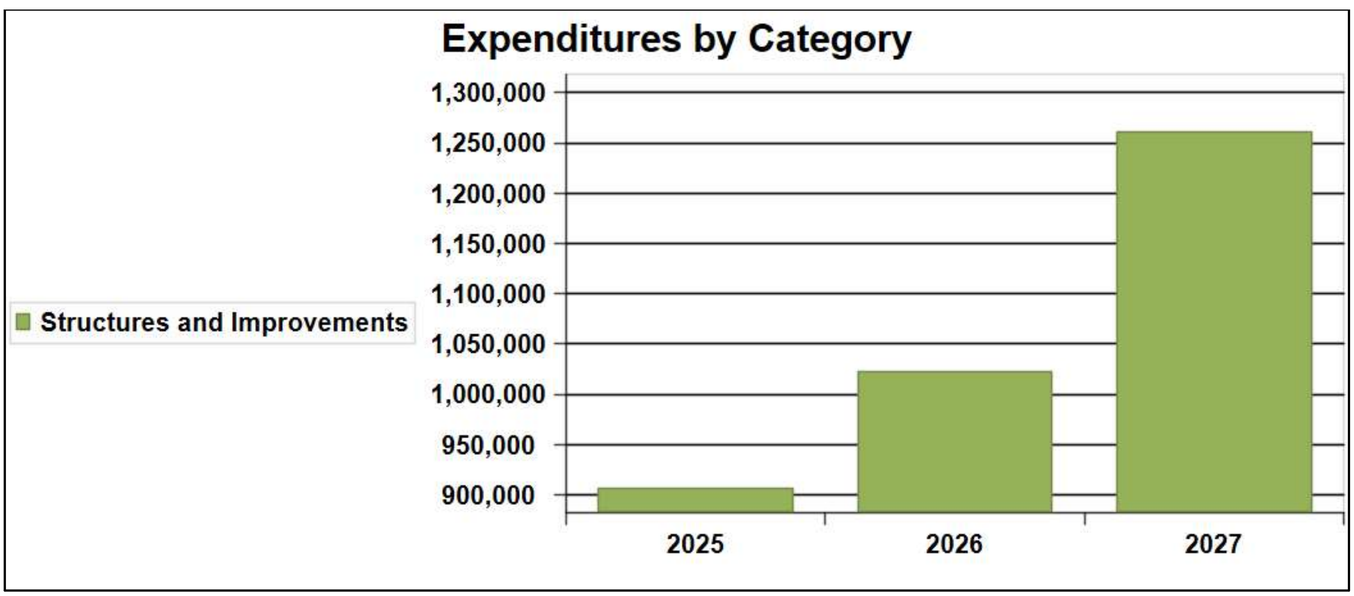
The Street Maintenance Fund is for maintenance of Pre-2011 existing streets. Revenues result from a 0.25% sales tax, as determined by a voter referendum, which renewed in May of 2025 and must be voted on again in 2029.

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)	Percentage
Revenues					
Street Fund Taxes	$ 680,910	$ 698,744	$ 701,337	$ 2,593	
Interest Income	91,402	-	-	-	
Prior Year Fund Surplus	-	676,074	697,380	21,306	
Revenues Total	$ 772,312	$ 1,374,818	$ 1,398,717	$ 23,899	1.7 %
Expenditures					
Operating					
City Engineer - Contracted	-	51,141	51,141	-	
Materials & Supplies	15,312	30,000	30,000	-	- %
Street Signs	11,039	17,047	17,047	-	
Street Lights	2,771	13,638	13,638	-	
Contract Labor	3,722	21,986	21,986	-	
Maintenance - Surfaces	7,790	20,456	20,456	-	
Maintenance - Equipment	782	17,654	17,654	-	
Rents - Equipment	869	5,683	5,683	-	
Miscellaneous Expense	-	2,273	2,273	-	
Operating Total	$ 42,285	$ 179,878	$ 179,878	$ -	- %
Capital					
Engineer- Construction Development and Supervision	-	113,646	115,919	2,273	
Engineer - Construction Management	193,068	110,336	112,543	2,207	
Construction-Contracted	846,935	882,689	900,343	17,654	
Capital Projects - Project Management	117	88,269	90,034	1,765	
Capital Total	$ 1,040,120	$ 1,194,940	$ 1,218,839	$ 23,899	2.0 %
Expenditures Total	$ 1,082,405	$ 1,374,818	$ 1,398,717	$ 23,899	1.7 %
Excess Expenditures	$ (310,093)	$ -	$ -	$ -	- %


Expenditures by Category
Supplies
Professional Fees
Maintenance Expenses
Other Expenses
Structures and Improvements
1,400,000
1,200,000
1,000,000
800,000
600,000
400,000
200,000
0
2025
2026
2027

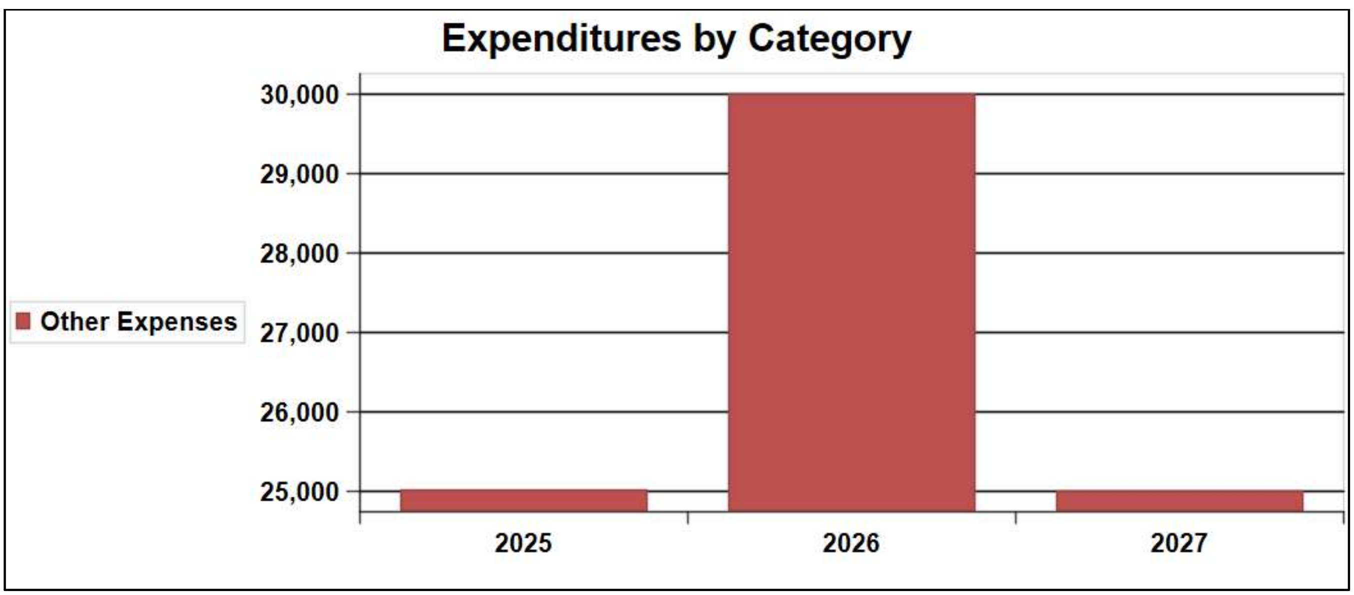
The Zone was established to help fund road improvement projects. The project for which this Zone was established (Eastlake Phase 2) was completed in 2018. The Transportation Reinvestment Zone Fund records the incremental tax revenues resulting from increased property values in the Zone. The revenues will be used for payments on the City's obligated portion (22.7%) of the construction costs. The obligation will be fullfilled in fiscal year 2027.

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)	Percentage
Revenues					
Current Year Taxes	$ 904,311	$ 1,022,019	$ 1,261,453	$ 239,434	
Interest Income	421	-	-	-	
Revenues Total	$ 904,732	$ 1,022,019	$ 1,261,453	$ 239,434	23.4 %
Expenditures					
Operating					
Operating Total	$ -	$ -	$ -	$ -	- %
Capital					
Transportation Reinvestment Zone - Interest	906,564	1,022,019	737,348	(284,671)	
Engineer- Construction Development and Supervision	-	-	524,105	524,105	- %
Capital Total	906,564	1,022,019	1,261,453	239,434	23.4 %
Expenditures Total	$ 906,564	$ 1,022,019	$ 1,261,453	$ 239,434	23.4 %
Excess Expenditures	$ (1,832)	$ -	$ -	$ -	- %



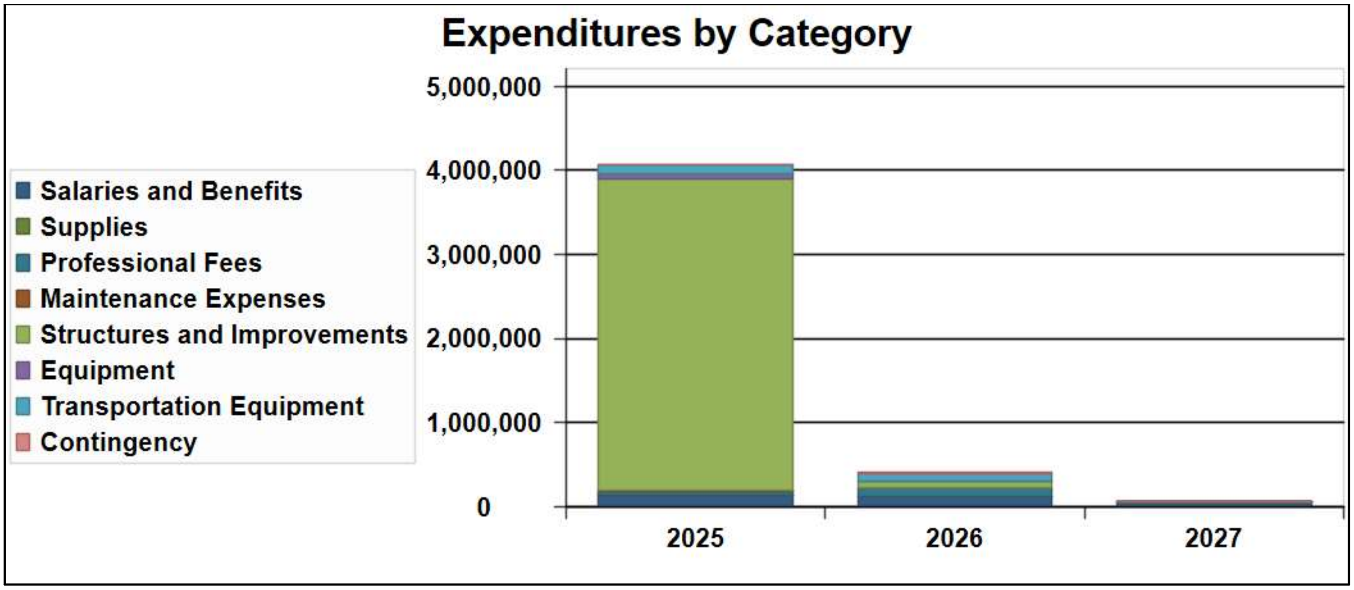
The Special Event Fund was created to foster an annual community wide activity put on by the Town.

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)	Percentage
Revenues					
Interest Income	$ 99	$ -	$ -	$ -	
Miscellaneous	6,340	-	-	-	- %
Transfers from Other Funds	-	30,000	25,000	(5,000)	
Revenues Total	$ 6,439	$ 30,000	$ 25,000	$ (5,000)	(16.7)%
Expenditures					
Operating					
Special Events	25,017	30,000	25,000	(5,000)	
Operating Total	$ 25,017	$ 30,000	$ 25,000	$ (5,000)	(16.7)%
Capital					
Capital Total	$ -	$ -	$ -	$ -	- %
Expenditures Total	$ 25,017	$ 30,000	$ 25,000	$ (5,000)	(16.7)%
Excess Expenditures	$ (18,578)	$ -	$ -	$ -	- %



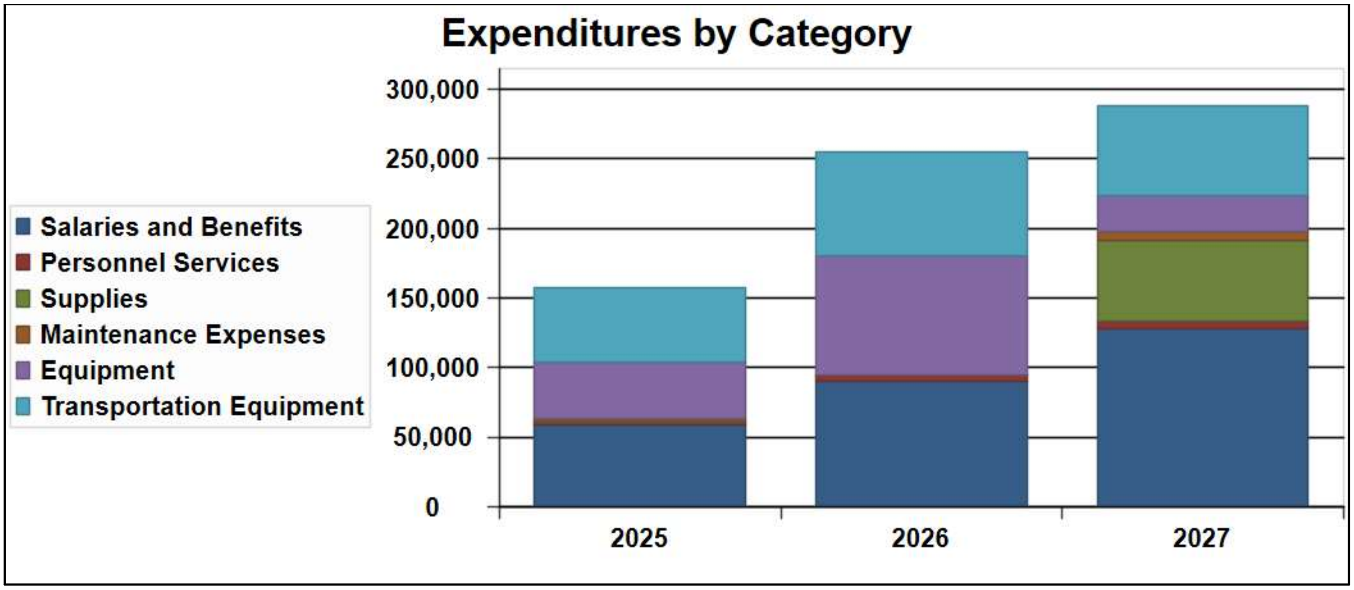
It has been fortunate for the City that it has been able to routinely receive Federal grants related to law enforcement under Operation Stone Garden. These grants are administered by the Office of the Governor's Homeland Security Grants Division and are allocated to local agencies upon application. Horizon City also received funds from the American Rescue Plan Act to address issues resulting from the COVID 19 and to use for general government projects. Additionally, the City received a grant from the Byrne Crisis Intervention Program of the Office of the Governor.

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)	Percentage
Revenues					
Interest Income	$ 57,275	$ -	$ -	$ -	
Grant Income	387,095	304,234	61,865	(242,369)	
Receipts from Forfeitures	19,418	-	-	-	
Prior Year Fund Surplus	-	104,952	-	(104,952)	
Revenues Total	$ 463,788	$ 409,186	$ 61,865	$ (347,321)	(84.9)%
Expenditures					
Operating					
Salaries	27,670	64,451	-	64,451	
Overtime	87,269	49,273	54,870	5,597	
Payroll Taxes	8,362	3,689	4,082	393	
Retirement Benefits	6,121	2,956	2,913	(43)	
City Attorney	5,976	25,000	-	(25,000)	
Furniture & Equipment < $2,500	6,219	1,500	-	(1,500)	
Contract Labor	38,894	74,815	-	(74,815)	
Telephone & Communications	307	-	-	-	- %
Rents - Building	16,092	4,952	-	(4,952)	
Operating Total	$ 196,910	$ 226,636	$ 61,865	$ (164,771)	(72.7)%
Capital					
Equipment	9,975	-	-	-	
Equipment - Public Safety	60,822	-	-	-	
Vehicles - Public Safety	100,684	90,000	-	(90,000)	(100.0)
Engineer- Construction Development and Supervision	151,789	-	-	-	
Capital Projects - Project Management	34,935	-	-	-	
Capital Projects - Other Expenses	243,680	75,000	-	(75,000)	
Land and Land Rights	3,269,144	-	-	-	
General Contingency	-	17,550	-	(17,550)	
Capital Total	$ 3,871,029	$ 182,550	$ -	$ (182,550)	(100.0)%
Expenditures Total	$ 4,067,939	$ 409,186	$ 61,865	$ (347,321)	(84.9)%
Excess Expenditures	$ (3,604,151)	$ -	$ -	$ -	- %


Expenditures by Category
Salaries and Benefits
Supplies
Professional Fees
Maintenance Expenses
Structures and Improvements
Equipment
Transportation Equipment
Contingency
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
0
2025
2026
2027

Grants received from the State of Texas have focused on law enforcement programs. The current program is the Operation Lone Star Program. The purpose of the Operation Lone Star Program is to sustain interagency law enforcement operations and enhance local law enforcement patrols to facilitate directed actions to deter and interdict criminal activity.

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)	Percentage
Revenues					
Grant Income	$ 152,686	$ 250,000	$ 282,217	$ 32,217	
LEOSE Grant	5,133	5,150	6,000	850	
Revenues Total	$ 157,819	$ 255,150	$ 288,217	$ 33,067	13.0 %
Expenditures					
Operating					
Overtime	51,592	79,100	111,651	32,551	
Payroll Taxes	3,947	6,051	8,541	2,490	
Retirement Benefits	2,889	4,849	7,308	2,459	
Uniforms, Safety Equip, Supplies	935	-	-	-	
Training	1,485	5,150	4,000	(1,150)	
Travel	-	-	2,000	2,000	
Materials & Supplies	580	-	-	-	
Furniture & Equipment < $2,500	-	-	58,217	58,217	
Gasoline, Oil	1,814	-	6,500	6,500	- %
Operating Total	$ 63,242	$ 95,150	$ 198,217	$ 103,067	108.3 %
Capital					
Equipment - Public Safety	40,953	85,000	25,000	(60,000)	
Vehicles	52,814	-	-	-	
Vehicles - Public Safety	-	75,000	65,000	(10,000)	
Capital Total	$ 93,767	$ 160,000	$ 90,000	$ (70,000)	(43.8)%
Expenditures Total	$ 157,009	$ 255,150	$ 288,217	$ 33,067	13.0 %
Excess Revenue	$ 810	$ -	$ -	$ -	- %

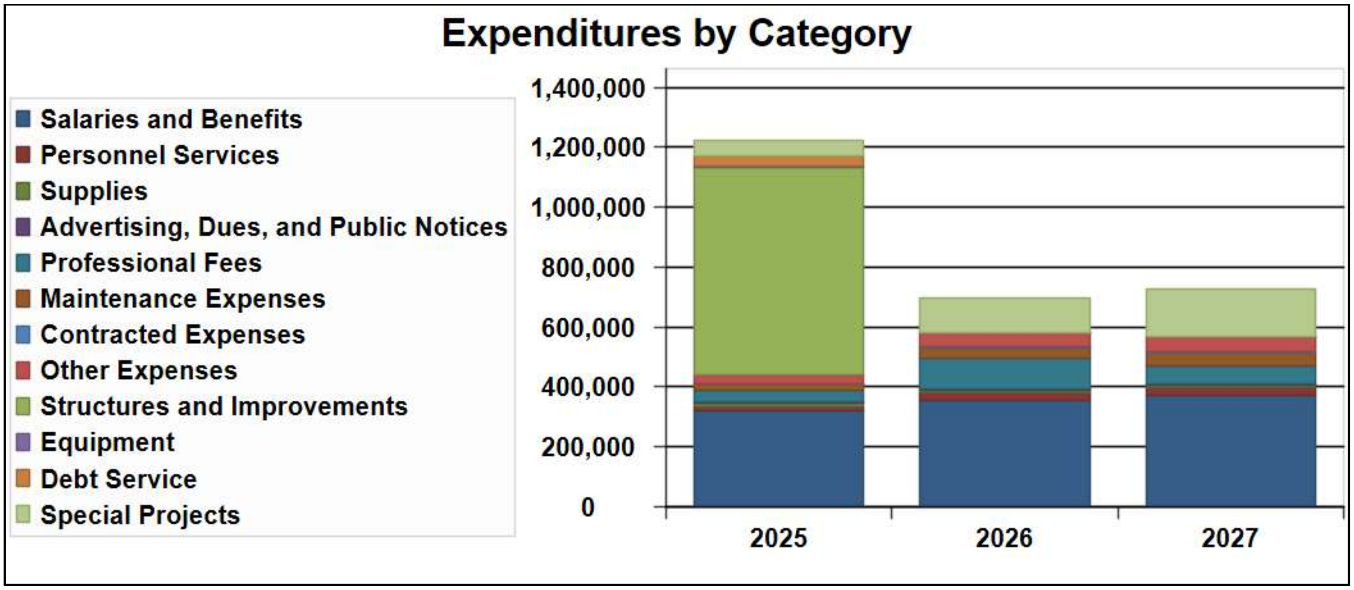

Expenditures by Category
Salaries and Benefits
Personnel Services
Supplies
Maintenance Expenses
Equipment
Transportation Equipment
300,000
250,000
200,000
150,000
100,000
50,000
0
2025
2026
2027

ECONOMIC DEVELOPMENT FUND

The Economic Development Fund is designated to be used to foster economic growth in the City. It is self-funded by a 0.25% sales tax as determined by a voter referendum. The Economic Development Corporation is the nonprofit organization that is part of the Town of Horizon City and is tasked with implementing programs to encourage economic development activities.

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)	Percentage
Revenues					
Economic Development Fund Taxes	$ 680,910	$ 698,744	$ 701,337	$ 2,593	
Interest Income	60,375	-	26,432	26,432	
Revenues Total	$ 741,285	$ 698,744	$ 727,769	$ 29,025	4.2 %
Expenditures					
Operating					
Salaries	260,990	284,824	298,983	14,159	
Payroll Taxes	19,592	22,248	23,515	1,267	
Retirement Benefits	14,952	18,543	19,954	1,411	
Group Health	23,507	26,601	26,679	78	
Training	6,585	7,250	8,500	1,250	
Travel	8,239	18,850	18,850	-	
Unemployment Taxes-Texas	68	63	63	-	
Appraisal Fees	-	1,800	1,800	-	
City Attorney	3,214	18,785	18,785	-	
Janitorial Supplies	211	1,071	1,071	-	
Materials & Supplies	1,202	1,326	1,326	-	
Postage	-	204	204	-	
Office Supplies	1,567	2,000	2,000	-	
Furniture & Equipment < $2,500	9,188	4,500	3,000	(1,500)	
Dues	4,117	4,387	4,387	-	
Publications & Subscriptions	45	264	264	-	
Insurance - Workmen's Comp	501	582	542	(40)	
Contract Labor	35,956	83,500	41,000	(42,500)	
Electricity	1,975	2,400	2,400	-	
Gas - Natural	1,955	2,305	2,305	-	
Gasoline, Oil	5,450	5,700	15,900	10,200	
Maintenance - Bldg	2,748	7,250	7,250	-	
Maintenance - Equipment	125	561	561	-	
Waste Disposal	360	900	1,000	100	
Water	374	2,561	2,561	-	
Telephone & Communications	5,283	7,592	8,192	600	
Software Licensing & Maintenance Fees	3,534	4,500	4,500	-	
Bank Charges	30	-	-	-	- %
Miscellaneous Expense	442	800	800	-	
Public Relations	29,135	43,350	43,350	-	
Investor Relations	-	3,121	3,121	-	
Employee Appreciation	89	150	150	-	
Other Contracted Services	-	3,600	3,600	-	
Operating Total	$ 441,434	$ 581,588	$ 566,613	$ (14,975)	(2.6)%

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)	Percentage
Capital					
Equipment	5,302	-	-	-	
Computers and Related Equipment	-	1,200	2,700	1,500	
Finance Lease Principal	33,800	-	-	-	
Land and Land Rights	691,866	-	-	-	
Projects - EDC	51,054	115,956	158,456	42,500	
Capital Total	$ 782,022	$ 117,156	$ 161,156	$ 44,000	37.6 %
Expenditures Total	$ 1,223,456	$ 698,744	$ 727,769	$ 29,025	4.2 %
Excess Expenditures	$ (482,171)	$ -	$ -	$ -	- %



The Tax Increment Reinvestment Zone Fund is designated to be used to foster development in the City Center. It is intended that there be mixed use development spurred by the City placing municipal facilities in the Zone. Infrastructure in the Zone is intended to be funded by tax revenues generated by the incremental property improvements within the Zone.

Description	2025 Actual	2026 Revised Budget	2027 Budget	Increase/ (Decrease)	Percentage
Revenues					
Current Year Taxes	$ 17,227	$ 34,720	$ 36,145	$ 1,425	
Interest Income	1,303	-	-	-	
Revenues Total	$ 18,530	$ 34,720	$ 36,145	$ 1,425	4.1 %
Expenditures					
Operating					
City Engineer - Contracted	-	30,970	25,645	(5,325)	
City Attorney	2,315	750	7,500	6,750	
Contract Labor	1,006	3,000	3,000	-	
Operating Total	$ 3,321	$ 34,720	$ 36,145	$ 1,425	4.1 %
Capital					
Capital Total	$ -	$ -	$ -	$ -	- %
Expenditures Total	3,321	34,720	36,145	1,425	4.1 %
Excess Revenue	$ 15,209	$ -	$ -	$ -	- %