

Hostess House renovation among possible hotel-motel fund projects

BY MONIQUE BRAND
DISPATCH RECORD

The Lampasas City Council has expressed interest in funding several renovation

projects in the proposed Fiscal-Year 2022 budget to include the Hostess House, pavilion and skate park.

In August of last year, the estimate to fund approximately five projects totaled

around \$940,000.

Last Monday during a workshop session, City Manager Finley deGraffenried indicated the updated estimate increased to \$1.9 million.

Renovations like these can be paid with the city's hotel occupancy tax or HOT funds, which also are used to support the Lampasas County Chamber of Commerce & Visitor Center, local events and Christmas on the Creek.

The HOT fund balance is approximately \$1.5 million.

In deGraffenried's report to the City Council, a consideration to fund these projects includes money from the fund balance, reliance on future HOT funds or debt.

The Hostess House, which has been a hot-button topic among council members for years, is set to cost the city approximately \$1.4 million for renovations.

Some of the items to consider in the project are a masonry infill crawl space that would provide airflow, a lighted canopy to cover the west deck for outside dining, correcting the load dock from 50 pounds per square-foot to 100 pounds per square-

foot, and closing off the staircase to the pool area and relocating it to the east side of the building.

Council members asked when staff considered initiating construction. DeGraffenried offered the winter-season timeframe, as that won't interrupt bookings.

No action was taken on any HOT fund projects.

The council will vote on a design contract for the Hostess House at a future meeting, deGraffenried's report said.

GROWING COSTS FOR UTILITIES

In the last several workshops, deGraffenried briefed the council on possible utility rate increases based on "cost of materials, future capital projects and wholesale rate variables."

The city manager suggested the council look over the rates in the next two to three years.

Suggested rate increases are:
 • \$.002 per kilowatt-hour for electricity,
 • \$1.30 in service fees, and
 • \$.05 per 1,000 gallons for water.
 No action was taken on utility fees.



City Manager Finley deGraffenried talks to the Lampasas City Council during a budget roundtable session earlier this month, as Fire Chief Jeff Smith listens in the background.

MONIQUE BRAND | DISPATCH RECORD

County presents \$9.8 million proposed general-fund budget for Fiscal Year 2022

BY MONIQUE BRAND
DISPATCH RECORD

The Lampasas County Commissioners Court and its staff have submitted a proposed Fiscal Year 2022 budget for the county. The budget will be up for a final vote next month.

FY 2022 general fund expenditures total \$9.8 million, and the budget is balanced, according to County Auditor Tragina Tallant.

For three months, community partners and county department heads presented their requests for funding

consideration in the new budget.

COMMUNITY PARTNERS

While some entities such as the Lampasas County Higher Education Center, Hill Country Crime Stoppers and Burnet County Crime Stoppers didn't seek an increase in their budgeted amount, most of the county's community partners sought additional funding.

And none were fully successful.

Historically, Saratoga Underground Water Conservation District requests

\$3,000 each fiscal year. This year, the entity asked for an additional \$17,000, totaling \$20,000.

The county's proposed budget will grant \$10,000 to Saratoga UWCD.

In May, Central Counties Services Executive Director Ray Helmcamp gave a presentation with a funding request of \$7,500 – the same amount the organization received last year. The county's proposed budget has set aside \$6,000 for the upcoming fiscal year.

Other budgeting proposals show the Hill Country Child

Advocacy's request of \$5,000 was reduced to \$4,500, and the Lampasas County Museum Foundation's request for \$5,000 was reduced to \$2,500.

PUBLIC SAFETY

New vehicles are the top priority in the public safety department's budget.

The Lampasas County Sheriff's Office initially requested five vehicles: three dedicated to patrol, one van and one administrative vehicle.

The county and LCSO have agreed to buy three

patrol vehicles that will total \$148,000. The brand-new Chevrolet Tahoes will be paid in full with the proposed amount. The sheriff's department already has five vehicles on a payment plan, Tallant told the Dispatch Record.

Kempner Volunteer Fire Department requested a new vehicle to be budgeted in FY22. They also asked for a \$12,000 increase in their operations budget.

Chief Dan Hause previously told the court that with Kempner's rapid growth, the volunteer fire

department has experienced more calls.

The county's proposed budget granted the increase for operations, but it does not reflect money for a new vehicle.

WHAT'S NEXT?

At press time Monday, a proposed tax rate for the upcoming fiscal year had not been released, and tax revenue will be discussed at a future Commissioners Court meeting.

The county will hold a public hearing on the tax rate and vote on that Sept. 7.

Lampasas ISD superintendent discusses House Bill 3's effect on school district's revenue

BY MICHAEL CUIVELLO
DISPATCH RECORD

The Lampasas Independent School District Board of Trustees met Aug. 9 to discuss budgetary issues.

The Lampasas Central Appraisal District budget increased by 9%, due to anticipated higher property values in the region. Its budget must be approved by each of the taxing entities within the county.

On Aug. 30, the Lampasas ISD will hold a public hearing on its budget and the proposed tax rate.

With property values increasing across the Lampasas area, school districts must cut back their tax rates to conform to House Bill 3,

which increased base funding per student from \$5,140 to \$6,160.

"Our rates are going to be considerably lower than what it was; we're still working through the finer details ...," Superintendent Dr. Chane Rascoe said. "We haven't set it completely yet, because we're still working with the appraisal district on that."

Rascoe estimated the maintenance and operations portion of the school tax rate will be at least \$1.00, along with an interest and sinking rate set at about \$0.25 or \$0.26 per \$100 property valuation.

"I would just encourage the community to stay informed in relationship to the increase in values and pay close attention to their

tax statements because you'll notice that the taxes for the school are not a lot higher considering the values are that much higher," Rascoe said. "And as you monitor those, just be aware and informed of the changes in the amount of revenue that is received from a school."

The superintendent said that projections for state funding will be going down for the district, which could cause a future budget deficit if not managed correctly.

The district may have to hold a tax ratification election to get more tax revenue to cover shortfalls from the new school funding system, Rascoe said.

In other matters, the school board agreed to designate

unrestricted fund balances toward a new playground for Taylor Creek Elementary, which officials said is in dire need of updated equipment.

LISD Chief Financial Officer Shane Jones reported

that the culinary arts project has been completed on time, with students already taking classes within the new facility.

An update on the automotive and veterinarian techni-

cian centers indicated there have been some construction issues due to problems with elevations. The school district is working with its architects and engineers to resolve the setbacks.

Nearby cities' sales tax income continues to surge

BY GAIL LOWE
DISPATCH RECORD

All entities in Lampasas County and the surrounding area posted gains in their local sales tax rebates this month. And several cities – Lampasas, Marble Falls, Evant and Goldthwaite – have yet to see a month in 2021 in which their sales taxes dipped below 2020 levels.

The city of Lampasas has not recorded a sales tax percentage decline since August 2019. Its allocation this month was up 17%.

August payments are based on sales made in June by businesses that report tax monthly to the state comptroller, plus sales made in April, May and June by quarterly filers.

For the year, Lampasas has collected total sales taxes of \$1.72 million – up 23% from cumulative payments in 2020. That represents the largest year-to-date increase of any city in the neighboring counties.

In Lometa, the August sales tax rebate came to \$8,905, giving it a 14% gain for the month. Through eight months of 2021, Lometa is running almost 9% ahead of last year.

Kempner recorded an 8% gain this period. Its check for \$12,253 gives the city an \$86,191 total for the year, or about 3% more than Kempner collected to this point in 2020.

Lampasas County maintains a 19% advantage over last year in terms of sales taxes. Its 2021 total stands at \$812,539 for the

Sales Tax REBATES

September Payments to Area Cities

Lampasas Dispatch Record

Burnet	up	12%	\$305,967
Copperas Cove	up	4%	\$615,069
Evant	up	12%	\$5,700
Gatesville	up	24%	\$264,708
Goldthwaite	up	11%	\$55,800
Hamilton	up	12%	\$79,075
Kempner	up	8%	\$12,253
Lampasas	up	17%	\$237,475
Lometa	up	14%	\$8,905
Marble Falls	up	18%	\$1,187,069
San Saba	up	28%	\$61,347

DISPATCH RECORD GRAPHIC

All cities tracked by the Dispatch Record reflected gains in their sales tax receipts this month. Across the state, the local sales tax allocation to Texas cities and counties was up 17%.

half-cent tax it levies.

In Burnet County, Marble Falls showed an 18% rise in sales taxes for August, while the city of Burnet had a 12% gain. Year-to-date payments total \$7.85 million for Marble Falls (up 19%) and \$2.08 million for Burnet (up 15%).

The Coryell County cities of Copperas Cove and Gatesville posted gains this month, after both recorded 3% declines in July. Gatesville claimed a 24% increase in sales tax receipts for August; Copperas Cove had a gain of just 4%.

Evant and Hamilton each had August returns that gave them a 12% gain for

the month. Cumulative sales taxes this year show Hamilton has collected \$518,157 – up 13% – and Evant has received \$39,677, up 14% from 2020 figures.

The largest increase this month among neighboring cities was recorded by San Saba. Its sales tax revenue jumped 28% in August. Through eight months of 2021, San Saba is running 19% ahead of last year.

Goldthwaite, in Mills County, shows to have a 14% advantage over 2020 in terms of sales taxes. For the month of August, it collected \$55,800 – almost 11% more than Goldthwaite took in last August.

BUDGET AND PROPOSED TAX RATE

The Lometa ISD will hold a public meeting at 6:30 PM 08/26/2021 in Lometa School Cafeteria 100 N 8th Lometa, TX. The purpose of this meeting is to discuss the school district's budget that will determine the tax rate that will be adopted. Public participation in the discussion is invited.

The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice.

Maintenance Tax	\$0.881800 /\$100 (Proposed rate for maintenance and operations)
School Debt Service Tax Approved by Local Voters	\$0.256000 /\$100 (Proposed rate to pay bonded indebtedness)

Comparison of Proposed Budget with Last Year's Budget

The applicable percentage increase or decrease (or difference) in the amount budgeted in the preceding fiscal year and the amount budgeted for the fiscal year that begins during the current tax year is indicated for each of the following expenditure categories:

Maintenance and operations	7.600000% (increase) or	% (decrease)
Debt service	% (increase) or	-5.800000% (decrease)
Total expenditures	% (increase) or	-1.400000% (decrease)

Total Appraised Value and Total Taxable Value (as calculated under section 26.04, Tax Code)

	Preceding Tax Year	Current Tax Year
Total appraised value* of all property	\$234,999,140	\$264,262,257
Total appraised value* of new property**	\$1,144,270	\$2,414,610
Total taxable value*** of all property	\$151,758,286	\$178,481,306
Total taxable value*** of new property**	\$1,075,350	\$2,414,610

* "Appraised value" is the amount shown on the appraisal roll and defined by Section 1.04(8), Tax Code.
 ** "New property" is defined by Section 26.012(17), Tax Code.
 *** "Taxable value" is defined by Section 1.04(10), Tax Code.

Bonded Indebtedness

Total amount of outstanding and unpaid bonded indebtedness:	\$3,095,000
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* Outstanding principal

Comparison of Proposed Rates with Last Year's Rates

	Maintenance & Operations	Interest & Sinking Fund*	Total	Local Revenue Per Student	State Revenue Per Student
Last Year's Rate	\$0.966400	\$0.276057*	\$1.242457	\$5,864	\$8,817
Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service	\$0.868400	\$0.211100*	\$1.079500	\$6,258	\$8,450
Proposed Rate	\$0.881800	\$0.256000*	\$1.137800	\$6,028	\$8,644

* The Interest & Sinking Fund tax revenue is used to pay for bonded indebtedness on construction, equipment, or both. The bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.

Comparison of Proposed Levy with Last Year's Levy on Average Residence

	Last Year	This Year
Average Market Value of Residences	\$85,614	\$97,804
Average Taxable Value of Residences	\$58,532	\$69,172
Last Year's Rate Versus Proposed Rate per \$100 Value	\$1.242457	\$1.137800
Taxes Due on Average Residence	\$727.23	\$787.03
Increase (Decrease) in Taxes	\$0.00	\$59.80

Under state law, the dollar amount of school taxes imposed on the residence homestead of a person 65 years of age or older or of the surviving spouse of such a person, if the surviving spouse was 55 years of age or older when the person died, may not be increased above the amount paid in the first year after the person turned 65, regardless of changes in tax rate or property value.

Notice of Voter-Approval Rate: The highest tax rate the district can adopt before requiring voter approval at an election is 1.162900. This election will be automatically held if the district adopts a rate in excess of the voter-approval rate of 1.162900.

Fund Balances

The following estimated balances will remain at the end of the current fiscal year and are not encumbered with or by a corresponding debt obligation, less estimated funds necessary for operating the district before receipt of the first state aid payment:

Maintenance and Operations Fund Balance(s)	\$1,275,055
Interest & Sinking Fund Balance(s)	\$288,064

A school district may not increase the district's maintenance and operations tax rate to create a surplus in maintenance and operations tax revenue for the purpose of paying the district's debt service.