

# ***City of Alvarado***



## ***Annual Budget***

***Fiscal Year 2012-2013***

# City of Alvarado, Texas

Budget  
For Fiscal Year  
October 1, 2012 to September 30, 2013

Mayor  
DeWayne Richters

## CITY COUNCIL

|                 |               |        |
|-----------------|---------------|--------|
| Tom Moore       | Councilmember | Ward 1 |
| David Bayless   | Councilmember | Ward 1 |
| Joe Sain        | Mayor Pro-Tem | Ward 2 |
| Arrdeen Vaughan | Councilmember | Ward 2 |
| Jacob Wheat     | Councilmember | Ward 3 |
| Shawn Goulding  | Councilmember | Ward 3 |

## CITY STAFF

|                    |                          |
|--------------------|--------------------------|
| Clint Davis        | City Manager             |
| Debbie Thomas      | City Secretary           |
| Kelle Whitfill     | Director of Finance      |
| Terry Hafer        | Director of Public Works |
| Brad Anderson      | Police Chief             |
| Richard Van Winkle | Fire Chief               |
| Bryn Meredith      | City Attorney            |

# **City of Alvarado**

## **Mission Statement**

*On behalf of the citizens of Alvarado, the City Council will promote the safety, health and general well-being of the community within the bounds of fiscal responsibility while preserving and advancing the quality of life, resulting in unique community spirit.*

*In accomplishing this mission, the Mayor, City Council, City Manager, and City employees will be guided by these principles:*

### **Our Vision: As a result of our efforts, citizens will . . .**

- *Receive the highest quality of services available within acceptable budgetary levels*
- *Live in safe, secure neighborhoods*
- *Live in a clean environment that protects the quality of their lives*
- *Access a range of cultural arts and recreational opportunities provided through city-wide initiatives and collaborative efforts*
- *Participate in and contribute to the vitality and future of our community*
- *Travel freely within, to and from the community*
- *Contribute to and benefit from a strong and diverse economic environment*

## HOW TO USE THIS BUDGET DOCUMENT

The City of Alvarado budget document provides comprehensive information about city policies, goals, objectives, financial structure, operations, and an organizational framework that show how City services are maintained and improved for fiscal year 2012-2013. A main objective of the budget document is to communicate this information to readers (Alvarado citizens, the public and other governmental entities) in a manner that is clear, concise and understandable. At the front of the budget is a **Table of Contents** that will aid the reader in finding specific information quickly and provides a summary of the major topics. At the back of the budget, the **Glossary** will be helpful to a reader not familiar with governmental terms. After reviewing the suggested topics, the reader can then best receive an overview of the programs, services and resources available to the City by reviewing the major sections of the budget in the order they are presented. The budget is divided into nine (9) sections: Introduction, Budget Summary, General Fund, Enterprise Fund, Debt Service, Other Funds, Capital Improvements, Appendix and Budget Glossary. Highlights of the sections are as follows:

### INTRODUCTION

The City Manager's Transmittal Message in the introduction should be read first. The Message provides policy decisions made during the budget preparation process that influenced the 2012-2013 Budget. The message summarizes the contents of the budget with goals and objectives of the City clearly outlined. In addition, the Introduction section contains a City Organizational Chart.

### BUDGET SUMMARY

This summary section for all funds discusses the budget preparation process that begins at the first of every year and formally ends in September, with numerous steps in between. An explanation of the financial structure of the City is provided that shows how revenues and expenditures are reported by Fund, a self-balancing set of accounts designed to track specific revenues and the uses of those revenues. A summary of all funds is provided in this section that draws the operating funds and capital funds together.

The stringent laws governing the use of specific funds guide municipal budgeting. This document attempts the full disclosure of city operations to provide the public with the checks and balances necessary to insure that tax dollars and municipal payments are expended in accordance with laws and directives of the State of Texas and the City Council. Only by careful analysis of the various funds and programs can we insure that the budget is one of the most important actions of the City Council. The budgetary process determines what services the City will provide, the level of service and how funds will be utilized to provide for their delivery. The budget is a cooperative effort between available resources and service needs, thus, allocating fund on a priority basis as determined by the City Council. The adopted budget, administered with the proper controls, will represent a reliable financial plan to be utilized in making major decisions facing the City of Alvarado during the next fiscal year.

## **GENERAL FUND**

This major section of the budget will show the reader how the General Fund receives a greater variety of revenues and finances and a wider range of governmental activity than any other fund.

## **ENTERPRISE FUNDS**

After examining the operations of these funds, which are conducted like a business, the reader will understand that the budgetary process is not easy. Enterprise operations are highly influenced by unpredictable weather conditions. Sound financial management by city staff and officials has provided stability for this proprietary fund over the years.

## **DEBT SERVICE**

Here the funds needed to cover the general debt service for the City are described. The Debt Service Fund provides for principal and interest payments for the City's general obligation and certificates of obligation as they become due and payable. Property tax rates and levy are required to be computed and collected to pay these costs.

## **OTHER FUNDS**

This section provides the reader with a detailed look at the City's special revenue funds. Minerals and Royalties Fund provides revenue for one time projects. The Hotel Occupancy Tax funds are described in this section. The special uses of Child Safety Funds, Court Technology Funds, and Court Security Funds are outlined in this section. Economic Development is also described in detail with main source of revenues generated from a one-half percent sales tax on taxable items sold within Alvarado.

## **CAPITAL IMPROVEMENTS**

The reader can obtain an overview of all City capital improvement projects that have been approved as funded. Generally, the program includes improvements that are relatively expensive, are non-recurring, have a multi-year useful life, and like capital outlay items, result in fixed assets. These could include the construction and acquisition of new buildings, additions or renovations of existing buildings, construction and reconstruction of streets, water and sanitary sewer improvements, drainage improvements, land purchases, and equipment purchases.

## **APPENDIX / BUDGET GLOSSARY**

The Appendix contains detailed information about the City's personnel. The personnel section contains a listing of approved full time, part-time, and seasonal positions compared to last year's budget. The majority of resources are expended on personnel costs, which are necessary to provide quality services to Alvarado residents. The Budget Glossary contains definitions of budget terms commonly used.

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July 12, 2012

Honorable Mayor and City Council Members,

Please find the enclosed Budget presentation for 2012-2013. As you know, the proposed budget reflects a detailed financial outlay for the coming year. The City staff has worked diligently to produce this balanced budget while cutting costs and maintaining the best level of services for our citizens

Staff feels sales tax revenues for the city will show significant growth in the coming year. We have allowed for a 27% increase in sales tax revenue. Trends show sales within the city are up and we feel they will maintain similar growth. The addition of several new businesses within our City will also aid this increase. Unfortunately, revenue from Ad Valorem tax is down. This is partially due to the offset created from the sales tax increase which caused the rollback rate to decrease to .6823265. In addition, we are feeling the effects of the loss of some taxable values from the prior year.

For some of the departments, the budgeting process of expenses did not present many changes. For others, we did make some major cuts. On a positive note, fuel costs, electrical costs, and insurance costs look much better for the coming year. However, these positive impacts cannot offset the expense of debt service for improvements to the water and sewer systems. Needing to make up the difference for a note payment and some technology and equipment changes, the proposal is to eliminate and outsource functions of our Dispatch department. This change will eventually free up about \$264,136.00 for coming budget years.

Capital Expenditures will be budgeted related to the issuance of new debt. As staff is currently finalizing this process, this will be added to the budget at a future date but prior to final presentation.

The Water and Sewer revenues will partially cover some of the new debt service and will continue to adequately cover all other operations of those departments. A small amount is slated for contingency to cover any emergency situation such as line ruptures, pump failures, etc.

Following Council direction, Staff has not made any cuts to Police or Fire. Few changes are made for the Fire Department with a total budget of \$728,646.00 compared to \$727,973.00 the prior year. Because of the loss of dispatch, the Police department will suffer some new expense. The majority of this is for this budget year only. One important change will be to the administrative position. The administrative position will change to a





full time job but will carry additional requirements and certifications. The current part-time position will be eliminated. The prior year's Police budget allocated \$1,038,059.00 with this year allocating \$1,249,239.00.

Infrastructure improvements will continue to be addressed in 2012-2013 but will be very limited. Only \$43,824.00 is allocated from general funds for street maintenance. Half of gas and oil revenues will continue to be dedicated for streets. With this smaller amount of estimated funding and depleted reserves, focus will be on maintenance and minor street improvements.

As growth remains an important goal, Economic Development is a high priority in the coming year. A 27% increase allocates \$350,000.00 to be budgeted for Economic Development through our 4B Economic Development Board's leadership.

Hotel Tax funds will continue to play an important role in our city. By determining the best utilization of these funds management will recommend support of multiple events and projects for the coming year. Recommendation is made to utilize \$120,000.00 expected to be collected. This represents a 20% projected increase over current year revenues.

Last, a final department will lose staffing. Code enforcement will lose the one and half positions dedicated to community development. The functions of these positions will be absorbed by the City Manager, City Secretary, City Inspector, and permit clerks. The elimination of these jobs will save \$67,064.00 annually.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Clint Davis".

Clint Davis,  
City Manager

# **BUDGET PROCESS**

## **SUMMARY**

The budget is a financial plan for a fiscal year of operations that matches all planned revenues and expenditures with the services provided the residents of the City based on established budgetary policies. Upon receipt of the proposed budget, the City Council is required to set a date and place for a public hearing. A public notice of the hearing date must be published at least ten (10) days prior to such hearing. At the hearing, the Council gives all interested persons an opportunity to be heard for, or against, any expenditure account or revenue estimate. The City Council will normally approve the tax rate for the coming fiscal year and adopt the budget ordinance during the same meeting.

## **BUDGET PREPARATION**

The City Manager's Office and Finance Department performs the functions of preparing and analyzing the 2012-2013 Budget. The budget process is initiated in May with distribution of budget preparation packages to department heads and directors. In June, the City Manager prepares back-up information for the City Council and schedules work sessions to discuss the direction of the budget for the upcoming fiscal year. Work sessions begin in July with the Finance Department, City Manager, and each department supervisor to review line items for both the current budget and the proposed budget to determine if service levels were to be maintained, improved, or reduced. Revenues are projected as accurately as possible in order to set priorities for proposed expenditures. Issues are addressed in workshops beginning in June between the city staff and City Council. The City Manager and Department Heads must identify and prioritize programs, projects, and equipment necessary to accomplish their goals and objectives plus those established by City Council. The budget must be developed within the limitations of available resources. Each Department Head is responsible for divisions that are under their scope of authority. Each line item of maintenance and operations are justified on budget worksheets. All capital items are separately identified and justified. The City Council retains final authority on the budget.

## **BUDGET BASIS**

The City accounts and budgets for all general government funds using the modified accrual basis. This method recognizes revenues when they are measurable and available and expenditures when goods and services are received, except for principal and interest on long-term debt, which is recognized when paid. General government funds include the general fund, special revenue funds and the debt service fund. Proprietary funds, which include the enterprise fund are accounted and budgeted for using the accrual basis of accounting. Under this method, revenues are recognized when they are earned and expenses when they are incurred.

## **PROPERTY TAX RATE**

A property tax rate is proposed by the City Council. The tax rate consists of two components: a rate for funding maintenance and operations expenditures and a rate

for debt service. State Property Tax law dictates certain procedures that must be followed when proposing and adopting a tax rate. The City must annually calculate and publicize its "effective tax rate" and "rollback tax rate." The City Council may not adopt a tax rate that exceeds the lower of the rollback tax rate or 103% of the effective tax rate until it has held a public hearing on the proposed increase following notice to the taxpayers. The effective tax rate is the rate that will produce last year's total tax levy as adjusted from this year's total taxable values. The rollback tax rate is the rate that will produce last year's maintenance and operations tax levy as adjusted from this year's value multiplied by 1.08 plus a rate that will produce this year's debt service from this year's values divided by the anticipated tax collection rate.

The City received the certified appraisal value from Johnson County Central Appraisal District on July 27, 2012. As a result, a proposed tax rate was chosen to maintain the current level of city services and to fund a satisfactory level of capital needs.

### **BUDGET ADOPTION**

Public notices of the effective tax rate are published in the local newspaper according to state law. Only one public hearing on the budget is to be held this year and conducted according to state and local laws. The public hearing will be held on September 17, 2012. Plans call for the Fiscal Year Budget for 2012-2013 and the tax rate of \$0.706872 to be adopted by the City Council on September 17, 2012

### **BUDGET AMENDMENT**

Once the annual budget has been adopted, there are several methods by which the budget may be amended. In the internal form, the City Manager is authorized by the City Council to make adjustments between departments within an operating fund or line items within an operating department. Typically, these requests are generated at the department head level and submitted to the City Manager for consideration after the Finance Department has reviewed the request and recommended approval. In no case, however, may the budget adjustments result in the budgeted expenditures exceeding the lawfully adopted expenditures appropriated for the fund.

The City Council may amend the budget by ordinance during the fiscal year if such expenditures are necessary to protect public property or the health, safety, or general welfare of the citizens of Alvarado. The actual process begins in the same manner as an internal amendment, from department head submission through finance review to the City Manager. The City Manager then submits the request to the Mayor and City Council.

Multi-year projections have become an integral part of the budget process as estimates of future financial operating conditions are provided to the City Council. Historical data plus growth assumptions for each line item are combined to provide projections that indicate the City's future fiscal position. The multi-year projections identify any potential problem in matching projected revenues with anticipated growth in expenditures.

**City of Alvarado**  
*All Funds Summary*  
**Proposed Budget for Fiscal Year 2012-2013**

|   | GENERAL                   | WATER &                   | DEBT                    | MINERAL                 | ECONO                 |
|---|---------------------------|---------------------------|-------------------------|-------------------------|-----------------------|
|   | <u>FUND</u>               | <u>SEWER</u>              | <u>SERVICE</u>          | <u>ROYALTIES</u>        | <u>DEVELOP</u>        |
| <b>Beginning Fund Balances/<br/>Working Capital</b> | <b>\$812,991</b>          | <b>\$1,456,869</b>        | <b>\$(44,603)</b>       | <b>\$1,129,891</b>      | <b>\$1,129,891</b>    |
| <b>SOURCES &amp; REVENUES</b>                       |                           |                           |                         |                         |                       |
| Property taxes                                      | \$559,356                 |                           | \$747,423               |                         |                       |
| Consumer taxes                                      | 1,051,000                 |                           |                         |                         | \$3,000               |
| Franchise taxes                                     | 395,850                   |                           |                         |                         |                       |
| Licenses & Permits                                  | 65,500                    |                           |                         |                         |                       |
| Fines & Forfeitures                                 | 650,000                   |                           |                         |                         |                       |
| Charges for Services                                | 13,900                    | \$2,513,636               |                         |                         |                       |
| Rental Income                                       | 32,600                    |                           |                         |                         |                       |
| Intergovernmental                                   | 248,899                   |                           |                         |                         |                       |
| Administration Fees                                 | 102,413                   |                           |                         |                         |                       |
| Interest  | 1,400                     | 2000                      |                         | \$1,000                 |                       |
| Transfers In  | 20,000                    |                           | 30,593                  |                         |                       |
| Bond Proceeds                                       |                           |                           |                         |                         |                       |
| Other funding                                       | 44,567                    | 56,400                    |                         | \$276,000               |                       |
| <b>TOTAL ALL SOURCES &amp;<br/>REVENUES</b>         | <b><u>\$3,185,585</u></b> | <b><u>\$2,572,036</u></b> | <b><u>\$778,016</u></b> | <b><u>\$277,000</u></b> | <b><u>\$3,000</u></b> |
| <b>USES &amp; EXPENDITURES</b>                      |                           |                           |                         |                         |                       |
| General Government                                  | \$401,270                 |                           |                         |                         | \$3,000               |
| Community Development                               | 138,932                   |                           |                         |                         |                       |
| Public Safety                                       | 2,209,835                 |                           |                         |                         |                       |
| Public Works  | 161,524                   | \$2,239,870               |                         | \$138,500               |                       |
| Culture & Recreation                                | 212,628                   |                           |                         |                         |                       |
| Social & Welfare                                    | 61,396                    |                           |                         |                         |                       |
| Economic Development                                |                           |                           |                         |                         | \$3,000               |
| Other   |                           |                           | \$1,400                 | 138,500                 |                       |
| Debt Payments                                       |                           | 332,166                   | 776,616                 |                         |                       |
| Non-Departmental                                    |                           |                           |                         |                         |                       |
| <b>TOTAL ALL USES &amp;<br/>EXPENDITURES</b>        | <b><u>\$3,185,585</u></b> | <b><u>\$2,572,036</u></b> | <b><u>\$778,016</u></b> | <b><u>\$277,000</u></b> | <b><u>\$3,000</u></b> |
| <b>Ending Fund Balances/<br/>Working Capital</b>    | <b>\$812,991</b>          | <b>\$1,456,869</b>        | <b>\$(44,603)</b>       | <b>\$1,129,891</b>      | <b>\$1,129,891</b>    |

*City of Alvarado*  
*All Funds Summary*  
*Proposed Budget for Fiscal Year 2012-2013*

| <u>HOTEL<br/>FUNDS</u> | <u>COURT<br/>FUNDS</u> | <u>CAPITAL<br/>PROJECTS</u> | <u>TOTAL</u>        |
|------------------------|------------------------|-----------------------------|---------------------|
| \$285,070              | \$129,725              | \$4,868,550                 | \$9,820,486         |
|                        |                        |                             | \$1,306,779         |
| \$120,000              |                        |                             | 1,521,100           |
|                        |                        |                             | 395,850             |
|                        |                        |                             | 65,500              |
|                        | \$35,500               |                             | 685,500             |
|                        |                        |                             | 2,527,536           |
|                        |                        |                             | 32,600              |
|                        |                        |                             | 248,899             |
|                        |                        |                             | 102,413             |
| 150                    | 100                    |                             | 5,400               |
|                        |                        |                             | 50,593              |
|                        |                        |                             | 4,800,000           |
|                        |                        |                             | 376,967             |
| <hr/>                  |                        |                             |                     |
| <u>\$120,150</u>       | <u>\$35,600</u>        | <u>\$0</u>                  | <u>\$7,319,137</u>  |
|                        |                        |                             | \$417,720           |
| \$1,200                |                        |                             | 158,932             |
| 20,000                 |                        |                             | 2,245,435           |
|                        | 35,600                 |                             | 7,408,444           |
|                        |                        | \$4,868,550                 | 237,278             |
| 24,650                 |                        |                             | 96,296              |
| 34,900                 |                        |                             | 357,995             |
| 22,495                 |                        |                             | 156,805             |
| 16,905                 |                        |                             | 1,108,782           |
| <hr/>                  |                        |                             |                     |
| <u>\$120,150</u>       | <u>\$35,600</u>        | <u>\$4,868,550</u>          | <u>\$12,187,687</u> |
| <u>\$285,070</u>       | <u>\$129,725</u>       | <u>\$0</u>                  | <u>\$4,951,936</u>  |

# City of Alvarado FY 2012-2013 Annual Budget General Fund

The General Fund falls within the governmental fund category, which measures funds using current financial resources. Non-current resources, such as general fixed assets and unmatured general long-term liabilities, are accounted for within separate account groups.

The General Fund is the operating fund of the City. The General Fund is used to account for revenues and expenditures not accounted for in other designated funds. It receives a great variety and amount of revenues, and finances a wider range of governmental activities than any other fund.

The General Fund is primarily supported by the ad valorem tax, general sales tax, franchise taxes, licenses and permits fees, fines and miscellaneous revenue sources. General Fund expenditures support the following major functions: General Government, Public Safety, Public Works, Community Development, Culture and Recreation. All programs, which are justified, efficient, and serve the needs of the community, are adequately funded.

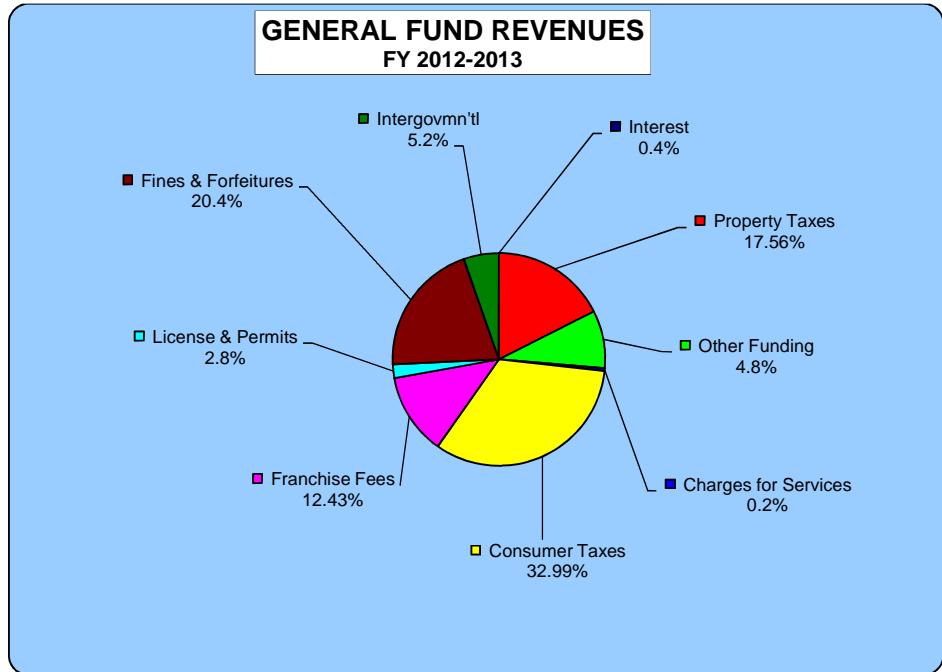
One of the major considerations in budgeting revenues is the increase or decrease in property values and their effect on the tax rate revenue generating capabilities. A major portion of the General Fund section is devoted to the tax rate analysis. An activity schedule for each function is included. Each operational area includes a summary of expenditures, a personnel schedule, departmental descriptions and goals and objectives.

# GENERAL FUND

|                                | <u>ACTUAL</u><br><u>FY</u><br><u>2009</u> | <u>ACTUAL</u><br><u>FY</u><br><u>2010</u> | <u>ACTUAL</u><br><u>FY</u><br><u>2011</u> | <u>ACTUAL</u><br><u>FY</u><br><u>2012</u> | <u>PROPOSED</u><br><u>FY</u><br><u>2013</u> |
|--------------------------------|---|---|---|---|---|
| <b>Beginning Fund Balances</b> | <b>\$693,196</b>                          | <b>\$623,353</b>                          | <b>\$150,452</b>                          | <b>\$338,806</b>                          | <b>\$812,990</b>                            |
| <b>REVENUE SOURCES</b>         |   |   |   |   |   |
| Property Taxes                 | \$797,478                                 | \$811,583                                 | \$706,079                                 | \$757,783                                 | \$559,356                                   |
| Payment in Lieu of Taxes       | 20,000                                    | 30,000                                    | 40,000                                    | 50,000                                    | 80,000                                      |
| Consumer Taxes                 | 815,197                                   | 636,986                                   | 837,606                                   | 1,010,435                                 | 1,051,000                                   |
| Franchise Fees                 | 434,468                                   | 416,144                                   | 398,965                                   | 385,146                                   | 395,850                                     |
| Licenses & Permits             | 98,587                                    | 95,332                                    | 69,205                                    | 104,066                                   | 65,500                                      |
| Fines and Forfeitures          | 564,434                                   | 416,030                                   | 533,929                                   | 587,681                                   | 650,000                                     |
| Charges for Services           | 13,165                                    | 13,475                                    | 9,090                                     | 10,002                                    | 13,900                                      |
| Rental Income                  | 32,113                                    | 33,755                                    | 33,873                                    | 39,295                                    | 32,700                                      |
| Intergovernmental              | 297,206                                   | 175,129                                   | 278,548                                   | 264,473                                   | 168,899                                     |
| Interest                       | 112,478                                   | 1,677                                     | 1,885                                     | 1,712                                     | 1,400                                       |
| Administration Fees            | 151,746                                   | 170,307                                   | 172,723                                   | 174,401                                   | 102,413                                     |
| Transfer In                    | 1,641                                     | 1,372                                     | 500,307                                   | 142,949                                   | 20,000                                      |
| Other Revenue                  | 140,933                                   | 166,848                                   | 20,201                                    | 214,056                                   | 44,567                                      |
| <b>TOTAL REVENUES</b>          | <b>\$3,479,446</b>                        | <b>\$2,968,638</b>                        | <b>\$3,602,411</b>                        | <b>\$3,741,999</b>                        | <b>\$3,185,585</b>                          |
| <b>EXPENSES/USES</b>           |   |   |   |   |   |
| General Government             | \$479,549                                 | 540,315                                   | \$ 338,486                                | \$ 395,796                                | \$401,270                                   |
| Community Development          | 241,593                                   | 225,565                                   | 214,134                                   | 189,782                                   | 138,932                                     |
| Public Safety                  | 2,182,002                                 | 2,147,408                                 | 2,206,047                                 | 2,266,751                                 | 2,209,835                                   |
| Public Works                   | 213,304                                   | 167,528                                   | 389,958                                   | 139,418                                   | 161,524                                     |
| Culture / Recreational         | 432,912                                   | 435,340                                   | 265,430                                   | 276,068                                   | 274,024                                     |
| <b>TOTAL EXPENSES</b>          | <b>\$3,549,360</b>                        | <b>\$3,516,216</b>                        | <b>\$3,414,055</b>                        | <b>\$3,267,815</b>                        | <b>\$3,185,585</b>                          |
| <b>Ending Fund Balances</b>    | <b><u>\$623,353</u></b>                   | <b><u>\$75,775</u></b>                    | <b><u>\$338,808</u></b>                   | <b><u>\$812,990</u></b>                   | <b><u>\$812,990</u></b>                     |

## General Fund Revenues

|                        | FY 2011-12                |                      | FY 2012-13                |                      |
|------------------------|---------------------------|----------------------|---------------------------|----------------------|
|                        | <u>Actual</u>             | <u>%</u>             | <u>Proposed</u>           | <u>%</u>             |
| Property Taxes         | 757,783                   | 20.25%               | 559,356                   | 17.56%               |
| Pymt. in Lieu of Taxes | 50,000                    | 1.34%                | 80,000                    | 2.51%                |
| Consumer Taxes         | 1,010,435                 | 27.00%               | 1,051,000                 | 32.99%               |
| Franchise Fees         | 385,146                   | 10.28%               | 395,850                   | 12.43%               |
| Permits & Licenses     | 104,066                   | 2.78%                | 65,500                    | 2.06%                |
| Fines & Forfeitures    | 587,681                   | 15.71%               | 650,000                   | 20.40%               |
| Charges for Service    | 10,002                    | .27%                 | 13,900                    | .44%                 |
| Rental Income          | 39,295                    | 1.05%                | 32,700                    | 1.03%                |
| Intergovernmental      | 264,473                   | 7.07%                | 168,899                   | 5.3%                 |
| Interest               | 1,712                     | .05%                 | 1,400                     | .04%                 |
| Administrative Fees    | 174,401                   | 4.66%                | 102,413                   | 3.21%                |
| Transfers In           | 142,949                   | 3.82%                | 20,000                    | .63%                 |
| Other Funds            | 214,056                   | 5.72%                | 44,567                    | 1.4%                 |
| <b>Total</b>           | <b><u>\$3,741,999</u></b> | <b><u>100.0%</u></b> | <b><u>\$3,185,585</u></b> | <b><u>100.0%</u></b> |



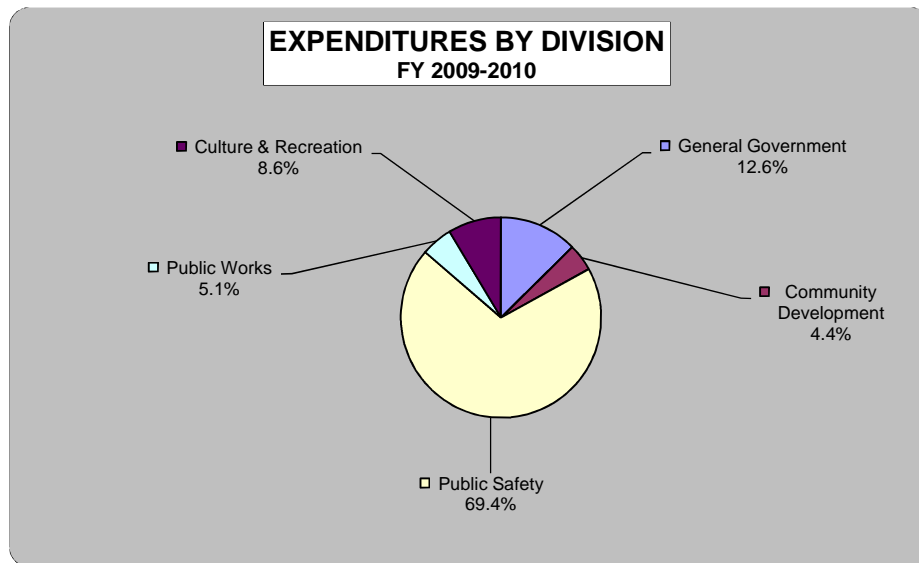


## Expenditures by Division

The General Fund is responsible for providing basic services to the residents of the City. These services include General Government (Administration); Community Development (Code Services); Public Safety (Police, Fire, Municipal Court, Animal Control); Public Works (Streets); Culture and Recreation ( Parks Maintenance and Library; Social & Welfare (Senior Services). The Divisions below represent functions. The Public Safety division represents the largest expenditure for the 2012-2013 fiscal year. This division concentrates on all aspects of safety for the City of Alvarado.

The graph and table below show the overall breakdown of the divisions for fiscal year 2012-2013.

|                        | <b>2012</b>        | <b>%</b>      | <b>2013</b>        | <b>%</b>      |
|------------------------|--------------------|---------------|--------------------|---------------|
|                        | <b>Actual</b>      |               | <b>Proposed</b>    |               |
| General Government     | \$395,796          | 12.12%        | \$401,270          | 12.60%        |
| Community Development  | 189,782            | 5.79%         | 138,932            | 4.36%         |
| Public Safety          | 2,266,751          | 65.48%        | 2,209,835          | 69.37%        |
| Public Works           | 139,418            | 3.26%         | 161,524            | 5.07%         |
| Culture and Recreation | 276,068            | 7.20%         | 274,024            | 8.60%         |
| <b>Total</b>           | <b>\$3,267,815</b> | <b>100.0%</b> | <b>\$3,185,585</b> | <b>100.0%</b> |



# City of Alvarado Administration

## Description

The City Administration is charged with the responsibility of direction overall City operations, long-term planning and advice to the elected officials of the City Council. The City Manager prepares City Council agendas and attends numerous commission meetings and work sessions throughout the year, in order to maintain a cohesive inter-departmental policy and direction for City services and projects. It is the responsibility of the City Manager to bring to the attention of the elected City Council items of occurrence, which are significant and seek the Council's direction in those areas. The City Manager is the chief administrative officer of the City and has sole authority over personnel matters and daily operational decisions. The City Council has the sole responsibility for financial decisions. Once the City Council has made those decisions, the City Manager and his supportive staff execute the administration of the City's finances.

## Goals

To effectively execute City Council policies, programs and directives.

To ensure that all City operations are conducted efficiently and effectively.

To respond promptly to citizen comments and requests.

## Objectives

Implement all policies, programs and directives with their respective time frames.

Monitor the productivity and effectiveness of all City operations on a daily basis.

Provide administrative support, including the completion of all major reports, to the City Council in a timely manner.

Respond to citizen requests within one working day of receipt.

| <u>Departmental Personnel</u> | <u>Actual<br/>2009-2010</u> | <u>Actual<br/>2010-2011</u> | <u>Budgeted<br/>2011-2012</u> | <u>Proposed<br/>2012-2013</u> |
|-------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| City Manager                  | 1                           | 1                           | 1                             | 1                             |
| City Secretary                | 1                           | 1                           | 1                             | 1                             |
| Director of Finance           | 1                           | 1                           | 1                             | 1                             |
| <b>Total</b>                  | <b>3</b>                    | <b>3</b>                    | <b>3</b>                      | <b>3</b>                      |

**City of Alvarado  
Administration**

|                             |                           | <b>ACTUAL</b>    | <b>ACTUAL</b>    | <b>ACTUAL</b>    | <b>ADOPTED</b> |
|-----------------------------|---------------------------|------------------|------------------|------------------|----------------|
|                             |                           | <b>2009-2010</b> | <b>2010-2011</b> | <b>2011-2012</b> | <b>BUDGET</b>  |
|                             |                           | <b>2012-2013</b> |                  |                  |                |
| 01-5101-111                 | Regular Salaries          | 190,294          | 137,989          | 167,080          | 166,915        |
| 01-5101-115                 | Christmas Bonus           | 600              | 400              | 600              | 600            |
| 01-5101-116                 | Longevity Pay             | 466              | 526              | 660              | 840            |
| 01-5101-117                 | Auto Allowance            | 4,615            | 842              | 1,825            | 1,800          |
| 01-5101-118                 | Workers Compensation      | 665              | 468              | 500              | 534            |
| 01-5101-119                 | Group Insurance           | 17,987           | 15,136           | 17,623           | 19,011         |
| 01-5101-120                 | Retirement - TMRS         | 12,348           | 6,867            | 6,641            | 6,149          |
| 01-5101-121                 | Social Security           | 11,401           | 7,991            | 9,469            | 10,635         |
| 01-5101-122                 | Medicare                  | 2,666            | 1,869            | 2,289            | 2,467          |
| 01-5101-123                 | TWC Expense               | 567              | 216              | 783              | 783            |
| 01-5101-204                 | Janitorial Services       | 2,970            | 2,832            | 2,822            | 3,428          |
| 01-5101-205                 | Utilities                 | 3,633            | 3,348            | 6,442            | 4,787          |
| 01-5101-206                 | Communications            | 1,689            | 2,422            | 2,719            | 2,476          |
| 01-5101-207                 | Advertisements & Notices  | 2,148            | 2,794            | 3,035            | 2,800          |
| 01-5101-208                 | Property & Liability Ins. | 1,705            | 1,684            | 1,447            | 1,533          |
| 01-5101-209                 | Dues & Subscriptions      | 908              | 493              | 1,501            | 1,890          |
| 01-5101-210                 | Election Costs            | 2,952            | 0                | 1,630            | 3,500          |
| 01-5101-212                 | Postage                   | 860              | 1,138            | 1,227            | 1,300          |
| 01-5101-213                 | Travel & Training         | 1,485            | 23               | 956              | 7,000          |
| 01-5101-216                 | Mileage                   | 197              | 53               | 37               | 300            |
| 01-5101-230                 | Website Development       | 0                | 550              | 550              | 750            |
| 01-5101-301                 | Office Supplies           | 3,697            | 3,440            | 5,121            | 4,000          |
| 01-5101-303                 | Janitorial Supplies       | 2,006            | 1,375            | 2,189            | 850            |
| 01-5101-310                 | Clothing & Uniforms       | 16               | 0                | 0                | 200            |
| 01-5101-403                 | Building Maintenance      | 1,181            | 1,308            | 1,770            | 2,000          |
| 01-5101-404                 | Equipment Maintenance     | 75               | 19               | 300              | 500            |
| 01-5101-405                 | Maintenance Contracts     | 5,685            | 9,478            | 8,178            | 8,110          |
| 01-5101-601                 | Lease & Note Payments     | 0                | 0                | 6,541            | 6,541          |
| <b>TOTAL ADMINISTRATION</b> |                           | <b>272,816</b>   | <b>203,261</b>   | <b>253,935</b>   | <b>261,699</b> |

# City of Alvarado

## Police Department

### Description

The Alvarado Police Department is dedicated to providing the highest level of service to the citizens by protecting o through teamwork and professionalism. We faithfully pledge to perform our duties with Honor, Integrity, Dedication, in order to provide a safe community for all. The leadership and management of the Alvarado Police Department are responsibilities of the Chief of Police and his department.

### Goals

The Chief's office strives to provide a safe and secure working environment, maintain trained personnel and up to date. Maintain accurate, secure files that may be properly retrieved for use by the department, other law enforcement agencies and the general public.

An efficient records department to provide accurate Uniform Crime Reports, and make available information needed and the law enforcement personnel.

Research funding sources that may be available outside the City and secure applicable grants to enhance and department programs and services to the public.

### Objectives

To provide a stable career path for the department's employees and ensure that the police department meets the community it serves.

| <u>Departmental Personnel</u> | <u>Actual<br/>2009-2010</u> | <u>Actual<br/>2010-2011</u> | <u>Budgeted<br/>2011-2012</u> | <u>Proposed<br/>2012-2013</u> |
|-------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Police Chief                  | 1                           | 1                           | 1                             | 1                             |
| Police Captain                | 1                           | 1                           | 1                             | 1                             |
| Sergeant                      | 2                           | 2                           | 2                             | 2                             |
| Senior Corporal               | 1                           | 1                           | 1                             | 1                             |
| Detective                     | 1                           | 1                           | 1                             | 1                             |
| Warrant Officer               | 1                           | 1                           | 1                             | 1                             |
| Patrol Officer                | 6                           | 6                           | 8                             | 8                             |
| <b>Total</b>                  | <b>13</b>                   | <b>13</b>                   | <b>15</b>                     | <b>15</b>                     |

**City of Alvarado**  
**Police Department**

|                                       | <u>ACTUAL</u><br><u>2009-2010</u> | <u>ACTUAL</u><br><u>2010-2011</u> | <u>ACTUAL</u><br><u>2011-2012</u> | <u>ADOP</u><br><u>BUDG</u><br><u>2012-</u> |
|---------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--|
| 01-5201-111 Regular Salaries          | 585,025                           | 600,357                           | 587,472                           | 62   |
| 01-5201-113 Overtime                  | 27,629                            | 11,213                            | 20,403                            | 1  |
| 01-5201-114 Certification Pay         | 4,676                             | 3,794                             | 4,652                             | 3  |
| 01-5201-115 Christmas Bonus           | 2,800                             | 2,800                             | 3,100                             | 7  |
| 01-5201-116 Longevity Pay             | 2,373                             | 1,864                             | 2,332                             | 1  |
| 01-5201-118 Workers Comp Ins          | 22,098                            | 17,916                            | 19,000                            | 1  |
| 01-5201-119 Insurance - Employees     | 88,877                            | 83,722                            | 77,580                            | 9  |
| 01-5201-120 Retirement - TMRS         | 30,840                            | 31,394                            | 25,025                            | 2  |
| 01-5201-121 Social Security           | 38,471                            | 38,614                            | 38,367                            | 4  |
| 01-5201-122 Medicare                  | 8,977                             | 9,031                             | 8,973                             | 9  |
| 01-5201-123 TWC Expenses              | 3,464                             | 1,616                             | 4,672                             | 7  |
| 01-5201-125 Uniform Allowance         | 19,250                            | 19,270                            | 17,950                            | 1  |
| 01-5201-204 Janitorial Services       | 3,751                             | 3,516                             | 7,114                             | 1  |
| 01-5201-205 Utilities                 | 2,602                             | 2,319                             | 9,937                             | 9  |
| 01-5201-206 Communications            | 15,836                            | 14,121                            | 15,385                            | 1  |
| 01-5201-207 Advertisements & Notices  | 451                               | 0                                 | 0                                 | 1  |
| 01-5201-208 Property & Liab Ins.      | 16,184                            | 12,386                            | 13,458                            | 1  |
| 01-5201-209 Dues & Subscriptions      | 622                               | 674                               | 630                               | 3  |
| 01-5201-212 Postage                   | 1,658                             | 1,625                             | 1,719                             | 6  |
| 01-5201-213 Travel & Training         | 5,769                             | 4,484                             | 4,647                             | 0  |
| 01-5201-215 Medical Costs             | 513                               | 523                               | 730                               | 5  |
| 01-5201-222 Emergency Public Services | 89                                | 190                               | 0                                 | 5  |
| 01-5201-229 Forensic Investigations   | 675                               | 1,902                             | 3,141                             | 3  |
| 01-5201-239 Task Force                | 0                                 | 0                                 | 4,854                             | 5  |
| 01-5201-301 Office Supplies           | 4,020                             | 6,294                             | 6,063                             | 9  |
| 01-5201-302 Office Furniture & Equip  | 1,504                             | 3,674                             | 0                                 | 9  |
| 01-5201-303 Janitorial Supplies       | 1,187                             | 1,351                             | 2,179                             | 7  |
| 01-5201-304 Fuel & Lubricants         | 39,423                            | 51,206                            | 55,931                            | 7  |
| 01-5201-306 Materials & Supplies      | 572                               | 507                               | 996                               | 4  |
| 01-5201-307 Minor Tools & Equipment   | 7,235                             | 3,815                             | 4,549                             | 1  |
| 01-5201-310 Clothing & Uniforms       | 16,021                            | 13,118                            | 8,135                             | 1  |
| 01-5201-401 Vehicle Maintenance       | 21,173                            | 17,500                            | 17,133                            | 5  |
| 01-5201-403 Building Maintenance      | 584                               | 4,462                             | 3,245                             | 9  |
| 01-5201-404 Equipment Maintenance     | 773                               | 1,037                             | 970                               | 1  |
| 01-5201-405 Maintenance Contracts     | 570                               | 1,620                             | 4,679                             | 1  |
| 01-5201-550 Capital Outlay            | 59,338                            | 53,540                            | 86,209                            | 6  |
| 01-5201-601 Lease & Note Payments     | 0                                 | 0                                 | 0                                 | 9  |
| <b>TOTAL POLICE DEPARTMENT</b>        | <u>1,035,030</u>                  | <u>1,021,455</u>                  | <u>1,061,230</u>                  | <u>1,24</u>                                |

# City of Alvarado

## Fire Department

**Description**

The Alvarado Fire Department is staffed by 9 full-time firefighters, a fire chief and a fire marshal, as well as utilizing volunteers. The fire department is responsible for fire suppression, prevention, inspection, and safety education programs, and first response for medical assistance for emergency medical service calls. All volunteers participate in state certification training and ongoing in-service training courses and programs.

With structural, grass, and other suppression and prevention, fires represent the focus of this department's resources and attention. A significant portion of its actual emergency runs occurs as first responder units for emergency medical services.

**Goals**

- Provide comprehensive fire prevention and safety awareness programs.
- Identify measures to enhance the occupational safety and health of all Fire Department members.
- Enforce fire codes.
- Educate the citizens of the City.

**Objectives**

- Maintain respond time of six minutes of receipt of call.
- Continue weekly in-service training sessions.
- To reduce the number of fires through education and business inspections.

| <b><u>Departmental Personnel</u></b> | <b><u>Actual<br/>2009-10</u></b> | <b><u>Actual<br/>2010-11</u></b> | <b><u>Budgeted<br/>2011-12</u></b> | <b><u>Proposed<br/>2012-2013</u></b> |
|--------------------------------------|----------------------------------|----------------------------------|------------------------------------|--------------------------------------|
| Fire Chief                           | 1                                | 1                                | 1                                  | 1                                    |
| Fire Marshal                         | 1                                | 1                                | 1                                  | 1                                    |
| Fire Captain                         | 3                                | 3                                | 3                                  | 2                                    |
| Firefighter                          | 6                                | 6                                | 6                                  | 7                                    |
| <b>Total</b>                         | <b>11</b>                        | <b>11</b>                        | <b>11</b>                          | <b>11</b>                            |

**City of Alvarado**  
**Fire Department**

|                                      | <b>ACTUAL</b>    | <b>ACTUAL</b>    | <b>ACTUAL</b>    | <b>ADOPTED</b>   |
|--------------------------------------|------------------|------------------|------------------|------------------|
|                                      | <b>2009-2010</b> | <b>2010-2011</b> | <b>2011-2012</b> | <b>BUDGET</b>    |
|                                      | <b>2009-2010</b> | <b>2010-2011</b> | <b>2011-2012</b> | <b>2012-2013</b> |
| 01-5204-111 Regular Salaries         | 403,537          | 419,092          | 429,757          | 430,800          |
| 01-5204-113 Overtime                 | 7,788            | 8,573            | 4,767            | 10,500           |
| 01-5204-114 Certification Pay        | 2,326            | 2,520            | 3,711            | 3,600            |
| 01-5204-115 Christmas Bonus          | 2,200            | 2,200            | 2,200            | 2,200            |
| 01-5204-116 Longevity Pay            | 2,313            | 2,591            | 3,141            | 3,400            |
| 01-5204-118 Workers Compensation Ins | 13,180           | 10,740           | 11,000           | 10,000           |
| 01-5204-119 Group Insurance          | 66,912           | 69,098           | 62,571           | 68,500           |
| 01-5204-120 Retirement - TMRS        | 19,666           | 21,359           | 17,418           | 16,200           |
| 01-5204-121 FICA                     | 25,756           | 25,962           | 26,444           | 28,100           |
| 01-5204-122 Medicare                 | 6,024            | 6,072            | 6,185            | 6,500            |
| 01-5204-123 TWC Expense              | 1,890            | 792              | 3,233            | 2,800            |
| 01-5204-124 Retirement - Vol Fire    | 2,524            | 2,216            | 2,143            | 3,400            |
| 01-5204-205 Utilities                | 10,794           | 9,697            | 8,700            | 8,600            |
| 01-5204-206 Communications           | 4,102            | 4,916            | 5,114            | 4,700            |
| 01-5204-208 Property & Liab Ins      | 9,206            | 8,442            | 8,550            | 7,000            |
| 01-5204-209 Dues & Subscriptions     | 1,736            | 1,140            | 1,741            | 3,400            |
| 01-5204-212 Postage                  | 374              | 576              | 424              | 500              |
| 01-5204-213 Trael & Training         | 7,307            | 3,757            | 4,442            | 9,000            |
| 01-5204-214 Employee Recognition     | 1,010            | 59               | 525              | 1,000            |
| 01-5204-215 Medical Costs            | 3,344            | 50               | 4,650            | 3,700            |
| 01-5204-217 Internet Services        | 1,293            | 700              | 756              | 700              |
| 01-5204-243 Emergency Managements    | 3,272            | 3,272            | 3,856            | 4,900            |
| 01-5204-301 Office Supplies          | 1,349            | 1,566            | 840              | 1,200            |
| 01-5204-302 Office Furniture & Equip | 0                | 108              | 63               | 500              |
| 01-5204-304 Fuel & Lubricants        | 12,676           | 18,052           | 19,077           | 20,600           |
| 01-5204-305 First Aid Supplies       | 4,177            | 1,918            | 1,545            | 2,500            |
| 01-5204-310 Clothing & Uniforms      | 6,272            | 6,538            | 6,502            | 7,000            |
| 01-5204-311 Firefighting Equipment   | 12,054           | 7,934            | 13,580           | 9,000            |
| 01-5204-312 Fire Prevention          | 881              | 1,879            | 2,529            | 2,500            |
| 01-5204-401 Vehicle Maintenance      | 14,991           | 22,919           | 27,266           | 25,000           |
| 01-5204-403 Building Maintenance     | 6,334            | 4,543            | 17,734           | 5,000            |
| 01-5204-405 Maintenance Contracts    | 3,124            | 3,341            | 2,505            | 3,500            |
| 01-5204-410 Repairs - SCBA           | 517              | 2,943            | 984              | 2,000            |
| 01-5204-503 Special Purpose Equip    | 0                | 0                | 0                | 0                |
| 01-5204-505 Light/Med Trucks         | 0                | 0                | 2,316            | 0                |
| 01-5204-550 Capital Outlay           | 0                | 0                | 56,740           | 0                |
| 01-5204-601 Lease & Note Payments    | 0                | 0                | 10,243           | 12,200           |
| <b>TOTAL FIRE SERVICES</b>           | <b>658,929</b>   | <b>675,565</b>   | <b>773,252</b>   | <b>721,400</b>   |

# City of Alvarado Municipal Court

## Description

The Municipal Court is a court of law charged with jurisdiction over violations of city ordinances, traffic laws, class misdemeanors, and similar statutes within its legal boundaries. The court meets once each month and is presided by a City Council-Appointed Municipal Court Judge.

With the city's increased emphasis on both the correction of junk and trash accumulation and similar code violations, the reduction of juvenile offenses, the Municipal Courts' judicial role is also taking on added importance, particularly fits into an overall community improvement strategy.

## Goals

To maintain efficient and accurate information system as support services for municipal court operations and monthly court sessions.

To implement and maintain a successful training program for Court personnel.

To maintain a contract with an outside agency to collect warrants which remain outstanding after 90 days after effort to collect is exhausted in-house.

Provide citizens with clear information on all court procedures.

To implement and maintain a successful training program.

Continue to process cash for the court assuring that financial guidelines are followed and audited as necessary.

## Objectives

To input 95% of citations received within one day.

Attend selected court clerk certification training courses. To have court clerk and deputy court clerk certified through Texas Court Clerks Association.

Explain information thoroughly to citizens to alleviate any misunderstandings. Answer all questions politely and courteously, and handle any problem in a professional manner.

Set up a policy for the collection of outstanding warrants, including phone contact, written contact and personal contact.

| <u>Departmental Personnel</u> | <u>Actual<br/>2009-10</u> | <u>Actual<br/>2010-11</u> | <u>Budgeted<br/>2011-12</u> | <u>Proposed<br/>2012-2013</u> |
|-------------------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|
| Senior Court Clerk            | 1                         | 1                         | 1                           | 1                             |
| Court Clerk                   | 1                         | 1                         | 1                           | 1                             |
| <b>Total</b>                  | <b>2</b>                  | <b>2</b>                  | <b>2</b>                    | <b>2</b>                      |



# City of Alvarado

## Municipal Court

|             |                          | ACTUAL            | ACTUAL            | ACTUAL            | ADOPTED           |
|-------------|--------------------------|-------------------|-------------------|-------------------|-------------------|
|             |                          | 2009-10           | 2010-11           | 2011-12           | BUDGET            |
|             |                          |                   |                   |                   | 2012-13           |
| 01-5203-111 | Salaries and Wages       | 66,398.00         | 67,459.00         | 68,120.01         | 68,120.01         |
| 01-5203-113 | Overtime                 | 20.00             | 0.00              | 40.20             | 50.00             |
| 01-5203-115 | Christmas Bonus          | 400.00            | 400.00            | 400.00            | 400.00            |
| 01-5203-116 | Longevity Pay            | 720.00            | 826.00            | 960.18            | 1,080.00          |
| 01-5203-118 | Workers Comp Insurance   | 319.00            | 204.00            | 210.00            | 210.00            |
| 01-5203-119 | Insurance - Employees    | 11,603.00         | 11,472.00         | 11,749.12         | 13,270.00         |
| 01-5203-120 | Retirement - Employees   | 3,297.00          | 3,373.00          | 2,723.25          | 2,530.00          |
| 01-5203-121 | Social Security          | 4,123.00          | 4,194.00          | 4,112.71          | 4,380.00          |
| 01-5203-122 | Medicare                 | 964.00            | 981.00            | 961.66            | 1,010.00          |
| 01-5203-123 | TWC Expense              | 378.00            | 144.00            | 522.00            | 520.00            |
| 01-5203-201 | Legal Services           | 9,810.00          | 9,242.00          | 8,745.02          | 11,000.00         |
| 01-5203-204 | Janitorial Services      | 2,610.00          | 2,554.00          | 1,959.03          | 2,210.00          |
| 01-5203-205 | Utilities                | 2,358.00          | 1,966.00          | 2,079.84          | 2,270.00          |
| 01-5203-206 | Communications           | 1,727.00          | 1,798.00          | 1,847.99          | 2,300.00          |
| 01-5203-208 | Property & Liability Ins | 1,256.00          | 756.00            | 878.04            | 700.00            |
| 01-5203-209 | Dues & Subscriptions     | 220.00            | 136.00            | 36.00             | 50.00             |
| 01-5203-212 | Postage                  | 1,745.00          | 2,164.00          | 1,460.00          | 2,500.00          |
| 01-5203-213 | Travel & Training        | 505.00            | 0.00              | 817.93            | 1,000.00          |
| 01-5203-223 | Interpreters & Sign Lang | 0.00              | 0.00              | 120.00            | 2,500.00          |
| 01-5203-224 | Municipal Judge          | 14,400.00         | 13,200.00         | 14,587.50         | 14,400.00         |
| 01-5203-301 | Office Supplies          | 2,559.00          | 3,355.00          | 3,178.29          | 3,500.00          |
| 01-5203-303 | Janitorial Supplies      | 0.00              | 0.00              | 0.00              | 55.00             |
| 01-5203-308 | Credit Card Services     | 333.00            | 5,717.00          | 6,947.14          | 7,000.00          |
| 01-5203-309 | Warrant Round-Up         | 0.00              | 0.00              | 100.50            | 3,600.00          |
| 01-5203-310 | Clothing & Uniforms      | 0.00              | 0.00              | 0.00              | 100.00            |
| 01-5203-403 | Building Maintenance     | 194.00            | 550.00            | 986.93            | 1,200.00          |
|             | <b>TOTAL COURT</b>       | <b>125,939.00</b> | <b>130,491.00</b> | <b>133,543.34</b> | <b>147,000.00</b> |

# City of Alvarado

## Animal Control

**Description**

Animal Services is responsible for responding to all calls for animal related problems including pets, wildlife, live exotics. The Animal Control Division investigates all cruelty allegations toward animals; enforces all City and pertaining to animals; handles nuisance calls concerning stray animals; responds to animal bites and supervises procedures. As its name implies, animal control in the form of dog and cat licensing and vaccinations, animal ho restraints, catching, impounding, and releasing or euthanasia of unlicensed stray animals is what this department is

Although a local animal census has not been conducted, the annual volume of stray, unlicensed and dead animals (dogs and cats in all three categories) picked up by city animal control personnel indicates a relatively significant population.

The City will complete the construction of a new Animal Control facility during this budget year with facilities to h dogs and cats.

**Goals**

- Provide 24-hour service response to animal control calls.
- Participate in yearly rabies clinic.
- Evaluate possibility of outreach program to local elementary schools concerning pet ownership.
- Increase City licenses compliance by special water bill mailings.

**Objectives**

- Respond to animal control service calls within one hour of call receipt during normal business hours.
- Respond to animal bite calls within 15 to 30 minutes of call receipt.
- Respond to after-hours emergency animal control calls within 15 to 30 minutes of call receipt.
- Use water bill inserts and the newsletters to encourage pet owners to use such ID programs as collars and tags

| <b><u>Departmental Personnel</u></b> | <b><u>Actual<br/>2009-10</u></b> | <b><u>Actual<br/>2010-11</u></b> | <b><u>Budgeted<br/>2011-12</u></b> | <b><u>Approved<br/>2012-2013</u></b> |
|--------------------------------------|----------------------------------|----------------------------------|------------------------------------|--------------------------------------|
| Animal Control Officer               | 1                                | 1                                | 1                                  | 1                                    |
| Animal Shelter Clerk (part-time)     |                                  |                                  |                                    | .5                                   |
| <b>Total</b>                         | <b>1</b>                         | <b>1</b>                         | <b>1</b>                           | <b>1.5</b>                           |

**City of Alvarado**  
**Animal Control**

|                                       | <b>ACTUAL</b>    | <b>ACTUAL</b>    | <b>ACTUAL</b>    | <b>ADOPTED</b>   |
|---------------------------------------|------------------|------------------|------------------|------------------|
|                                       | <b>2009-2010</b> | <b>2010-2011</b> | <b>2011-2012</b> | <b>BUDGET</b>    |
|                                       | <b>2012-2013</b> |                  |                  | <b>2012-2013</b> |
| 01-5205-11 Regular Salaries           | 26,855           | 24,529           | 25,764           | 25,709           |
| 01-5205-112 Part-Time Salaries        | 2,592            | 1,762            | 1,351            | 3,500            |
| 01-5205-113 Overtime                  | 1,121            | 353              | 167              | 500              |
| 01-5205-115 Christmas Bonus           | 200              | 200              | 200              | 200              |
| 01-5205-116 Longevity Pay             | 0                | 0                | 0                | 60               |
| 01-5205-118 Workers Compensation Ins  | 820              | 948              | 900              | 806              |
| 01-5205-119 Insurance - Employees     | 5,771            | 3,821            | 5,275            | 5,737            |
| 01-5205-120 Retirement - TMRS         | 1,502            | 1,318            | 1,077            | 1,083            |
| 01-5205-121 FICA                      | 1,906            | 1,549            | 1,699            | 1,873            |
| 01-5205-122 Medicare                  | 446              | 389              | 397              | 435              |
| 01-5205-123 TWC Expense               | 205              | 85               | 261              | 261              |
| 01-5205-205 Utilities                 | 1,339            | 1,389            | 1,940            | 2,400            |
| 01-5205-206 Communications            | 1,547            | 1,120            | 861              | 414              |
| 01-5205-207 Advertisements & Notices  | 0                | 0                | 0                | 0                |
| 01-5205-208 Property & Liability Ins. | 1,268            | 972              | 590              | 828              |
| 01-5205-213 Travel & Training         | 191              | 204              | 137              | 500              |
| 01-5205-215 Medical Costs             | 0                | 86               | 0                | 100              |
| 01-5205-217 Internet Services         | 714              | 549              | 280              | 0                |
| 01-5205-301 Office Supplies           | 218              | 325              | 412              | 400              |
| 01-5205-303 Janitorial Supplies       | 34               | 0                | 0                | 100              |
| 01-5205-304 Fuel & Lubricants         | 1,487            | 1,429            | 1,665            | 1,733            |
| 01-5205-306 Materials & Supplies      | 401              | 548              | 677              | 750              |
| 01-5205-308 Animal Food               | 0                | 0                | 0                | 1,200            |
| 01-5205-310 Clothing & Uniforms       | 445              | 353              | 581              | 600              |
| 01-5205-314 Animal Disposal           | 0                | 1,079            | 1,755            | 2,500            |
| 01-5205-316 Vet Supplies              | 368              | 909              | 2,444            | 2,500            |
| 01-5205-401 Vehicle Maintenance       | 599              | 145              | 338              | 750              |
| 01-5205-403 Building Maintenance      | 855              | 2,102            | 1,105            | 1,000            |
| 01-5205-550 Capital Outlay            | 0                | 0                | 0                | 38,917           |
| <b>TOTAL ANIMAL CONTROL</b>           | <b>50,884</b>    | <b>46,164</b>    | <b>49,876</b>    | <b>94,856</b>    |

# City of Alvarado

## Code Services

**Description**

This department is responsible for the application and enforcement of zoning regulations, subdivision regulations, electric, plumbing, and heat and air condition regulations. The abatement of weed lots, trash/debris, junk substandard structures and other life, health, and safety concerns. The code compliance department is also the liaison to the Planning and Zoning Commission and the Board of Adjustments and Appeals.

**Goals**

To ensure that minimum code and material standards are applied to new and rebuilt structures, and that these structures are reasonably safe for the citizens of Alvarado.

Building Inspection/Code Enforcement will also ensure that all zoning districts are properly maintained and will facilitate development in a practical and timely manner.

**Objectives**

To respond to daily inspections within 24 hours of notice each working day.

To review plans and issue permits within an average of 3 days

To respond to complaints regarding code violation and supply notice of disposition within 5 working days of complaint.

| <b><u>Departmental Personnel</u></b> | <b><u>Actual<br/>2009-10</u></b> | <b><u>Actual<br/>2010-11</u></b> | <b><u>Budgeted<br/>2011-12</u></b> | <b><u>Proposed<br/>2012-2013</u></b> |
|--------------------------------------|----------------------------------|----------------------------------|------------------------------------|--------------------------------------|
| Community Development Dir            | 1                                | 1                                | 1                                  | 0                                    |
| Building Inspector                   | 1                                | 1                                | 1                                  | 1                                    |
| Code Enforcement Officer             | 1                                | 1                                | 1                                  | 1                                    |
| Code Enforce Admin Asst              | .5                               | .5                               | .5                                 | 0                                    |
| <b>Total</b>                         | <b>3.5</b>                       | <b>3.5</b>                       | <b>3.5</b>                         | <b>2</b>                             |

**City of Alvarado**  
**Code Services**

|                                      | <u>ACTUAL</u><br><u>2009-2010</u> | <u>ACTUAL</u><br><u>2010-2011</u> | <u>ACTUAL</u><br><u>2011-2012</u> | <u>ADOPTED</u><br><u>BUDGET</u><br><u>2012-2013</u> |
|--------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|---|
| 01-5102-111 Regular Salaries         | 124,141                           | 124,298                           | 109,992                           | 62,000  |
| 01-5102-113 Overtime                 | 0                                 | 181                               | 77                                |   |
| 01-5102-115 Christmas Bonus          | 800                               | 800                               | 700                               |   |
| 01-5102-116 Longevity Pay            | 1,260                             | 1,419                             | 1,662                             |   |
| 01-5102-118 Workers Compensation     | 766                               | 624                               | 604                               |   |
| 01-5102-119 Group Insurance          | 22,816                            | 24,745                            | 20,054                            | 11,000  |
| 01-5102-120 Retirement - TMRS        | 6,161                             | 6,221                             | 4,533                             | 2,000   |
| 01-5102-121 FICA                     | 7,470                             | 7,489                             | 6,677                             | 4,000   |
| 01-5102-122 Medicare                 | 1,747                             | 1,752                             | 1,562                             |   |
| 01-5102-123 TWC Expense              | 756                               | 288                               | 1,044                             |   |
| 01-5102-204 Janitorial Services      | 3,165                             | 981                               | 2,482                             | 2,000   |
| 01-5102-205 Utilities                | 4,813                             | 5,379                             | 2,408                             | 2,000   |
| 01-5102-206 Communications           | 3,488                             | 3,533                             | 2,080                             | 2,000   |
| 01-5102-207 Advertisements & Notices | 87                                | 181                               | 175                               |   |
| 01-5102-208 Property & Liability Ins | 2,092                             | 2,052                             | 1,757                             | 1,000   |
| 01-5102-209 Dues & Subscriptions     | 418                               | 395                               | 572                               |   |
| 01-5102-212 Postage                  | 4,156                             | 3,109                             | 2,180                             | 3,000   |
| 01-5102-213 Travel & Training        | 1,686                             | 859                               | 1,458                             | 2,000   |
| 01-5102-216 Mileage                  | 171                               | 110                               | 163                               |   |
| 01-5102-219 Platting & Zoning        | 26                                | 703                               | 857                               |   |
| 01-5102-245 Back-Up Inspections      | 0                                 | 0                                 | 7,814                             | 6,000   |
| 01-5102-301 Office Supplies          | 2,455                             | 713                               | 1,883                             | 1,000   |
| 01-5102-303 Janitorial Supplies      | 0                                 | 0                                 | 0                                 |   |
| 01-5102-304 Fuel & Lubricants        | 3,373                             | 4,450                             | 3,871                             | 4,000   |
| 01-5102-306 Materials & Supplies     | 276                               | 42                                | 45                                |   |
| 01-5102-310 Clothing & Uniforms      | 276                               | 104                               | 469                               |   |
| 01-5102-315 Demolitions              | 25,753                            | 9,757                             | 4,201                             | 10,000  |
| 01-5102-316 Mowing                   | 0                                 |                                   |                                   | 4,000   |
| 01-5102-401 Vehicle Maintenance      | 516                               | 1,407                             | 725                               | 1,000   |
| 01-5102-403 Building Maintenance     | 914                               | 1,205                             | 1,535                             | 1,000   |
| 01-5102-405 Maintenance Contracts    | 1,690                             | 4,008                             | 3,664                             | 4,000   |
| 01-5102-518 Easement & Deed Expense  | 1,704                             | 2,862                             | 771                               | 1,000   |
| 01-5102-601 Lease & Note Payments    | 0                                 | 0                                 | 3,766                             | 3,000   |
| <b>TOTAL CODE</b>                    | <u>222,976</u>                    | <u>209,667</u>                    | <u>189,781</u>                    | <u>138,000</u>                                      |

# City of Alvarado

## Streets

### Description

This department provides both corrective and preventative maintenance to the City's vehicular circulation control/drainage systems. Operationally, a broad array of maintenance tasks are performed, including pothole patching and gutter repair, sweeping, traffic control signal and sign repair and replacement, drainage ditch and channel dredging, cleaning, and much more. Maintenance work is typically undertaken on either a scheduled (weather permitting) or responsive basis.

### Goals

Maintain streets in a condition that enables the public to move efficiently throughout the City.

Perform maintenance of drainage and street system in a manner that puts forth a positive image for the city and the public.

Maintain all signs and markings to meet the requirements of the Manual Uniform Traffic Control Devices.

Conduct annual street inventory.

Increase operation efficiency in responding to street repairs and drainage system cleaning.

### Objectives

Repair; replace sight-obstructed intersections, malfunctioning traffic signals, within one hour of notification.

Maintain a system log that tracks response time for street repairs and drainage system cleaning complaints.

| <u>Departmental Personnel</u> | <u>Actual<br/>2005-06</u> | <u>Actual<br/>2006-07</u> | <u>Actual<br/>2006-07</u> | <u>Proposed<br/>2007-08</u> |
|-------------------------------|---------------------------|---------------------------|---------------------------|-----------------------------|
| Laborer                       | 1                         | 1                         | 1                         | 1                           |
| <b>Total</b>                  | <b>1</b>                  | <b>1</b>                  | <b>1</b>                  | <b>1</b>                    |

**City of Alvarado**  
**Streets**

|             |                          | <b>ACTUAL</b>  | <b>ACTUAL</b>  | <b>ACTUAL</b>  | <b>ADOPTED</b> |
|-------------|--------------------------|----------------|----------------|----------------|----------------|
|             |                          | <b>2009-10</b> | <b>2010-11</b> | <b>2011-12</b> | <b>BUDGET</b>  |
|             |                          |                |                |                | <b>2012-</b>   |
| 01-5301-111 | Regular Salaries         | 49,254         | 15,696         | 21,527         | 2              |
| 01-5301-113 | Overtime                 | 6,137          | 1,472          | 4,022          |                |
| 01-5301-115 | Christmas Bonus          | 200            | 0              | 200            |                |
| 01-5301-118 | Workers Compensation     | 2,511          | 672            | 700            |                |
| 01-5301-119 | Group Insurance          | 8,578          | 5,304          | 6,475          |                |
| 01-5301-120 | Retirement - TMRS        | 2,736          | 844            | 1,015          |                |
| 01-5301-121 | FICA                     | 3,402          | 1,057          | 1,395          |                |
| 01-5301-122 | Medicare                 | 796            | 247            | 326            |                |
| 01-5301-123 | TWC Expenses             | 189            | 80             | 404            |                |
| 01-5301-206 | Communications           | 905            | 487            | 377            |                |
| 01-5301-208 | Property & Liability Ins | 1,264          | 1,679          | 1,620          |                |
| 01-5301-215 | Medical Costs            | 86             | 237            | 130            |                |
| 01-5301-234 | Street Lights            | 31,138         | 42,956         | 47,220         | 4              |
| 01-5301-301 | Office Supplies          | 171            | 36             | 18             |                |
| 01-5301-304 | Fuel & Lubricants        | 6,195          | 6,327          | 5,194          |                |
| 01-5301-306 | Materials & Supplies     | 0              | 0              | 614            |                |
| 01-5301-307 | Minor Tools & Equipment  | 1,943          | 889            | 361            |                |
| 01-5301-310 | Clothing & Uniforms      | 1,380          | 1,402          | 1,202          |                |
| 01-5301-401 | Vehicle Maintenance      | 1,383          | 606            | 1,180          |                |
| 01-5301-404 | Equipment Maintenance    | 2,323          | 5,039          | 1,637          |                |
| 01-5301-406 | Street Maintenance       | 23,798         | 1,568          | 8,419          |                |
| 01-5301-407 | Sign Maintenance         | 1,759          | 2,168          | 665            | 4              |
| 01-5301-503 | Special Purpose Equip    |                | 2,879          | 20,016         |                |
| 01-5301-601 | Lease & Note Payments    | 20,016         | 20,016         | 14,700         | 2              |
|             | <b>TOTAL STREETS</b>     | <b>166,164</b> | <b>111,661</b> | <b>139,417</b> | <b>16</b>      |

# City of Alvarado Library

**Description**

The Library provides an organized collection of print and non-print materials for patrons of all ages that meet informational, educational, and recreational needs. The Alvarado Public Library's relatively large and growing collection of books, reference materials, newspapers, magazines, audio and videotapes, and computer services make a trip to the library a pleasure and experience on its own.

**Goals**

To serve the needs of the patrons and all citizens of Alvarado. The Library strives to deliver cost effective services in a personal, responsive and innovative manner.

To continue to encourage children's interest in and appreciation of reading through development of the collection and programming

Provide increased access to technology through the Internet and CD-ROM resources

Pursue grants to help purchase new computers to provide web-based on-line catalog and children's computer center

**Objectives**

To make a wide variety of materials available to residents by evaluating the collection and remaining responsive to their needs.

Continue to develop multi-purpose computer center to enhance existing reference services and to provide the capability for patrons to produce research papers resumes, and other products.

Increase the number of Library cardholders by at least 20% per year.

To provide information and recreation to an increasing number of citizens through adult, young adult and children's programming

| <b><u>Departmental Personnel</u></b> | <b><u>Actual<br/>2009-10</u></b> | <b><u>Budgeted<br/>2010-11</u></b> | <b><u>Projected<br/>2011-12</u></b> | <b><u>Approved<br/>2012-13</u></b> |
|--------------------------------------|----------------------------------|------------------------------------|-------------------------------------|------------------------------------|
| Library Director                     | 1                                | 1                                  | 1                                   | 1                                  |
| Assistant Librarian                  | 1                                | 1                                  | 1                                   | 1                                  |
| Clerk (part-time)(2)                 | 1                                | 1                                  | 1                                   | 1                                  |
| <b>Total</b>                         | <b>3</b>                         | <b>3</b>                           | <b>3</b>                            | <b>3</b>                           |



**City of Alvarado**  
**Library**

|                                      | <b>ACTUAL</b>    | <b>ACTUAL</b>  | <b>ACTUAL</b>  | <b>ADOPTED</b>   |
|--------------------------------------|------------------|----------------|----------------|------------------|
|                                      | <b>2009-10</b>   | <b>2010-11</b> | <b>2011-12</b> | <b>BUDGET</b>    |
|                                      | <b>2012-2013</b> |                |                | <b>2012-2013</b> |
| 01-5401-111 Regular Salaries         | 61,344           | 62,773         | 62,474         | 62,774           |
| 01-5401-112 Part-Time Salaries       | 15,672           | 15,926         | 16,649         | 16,869           |
| 01-5401-115 Christmas Bonus          | 600              | 600            | 600            | 600              |
| 01-5401-116 Longevity Pay            | 960              | 1,066          | 1,200          | 1,320            |
| 01-5401-118 Workers Compensation     | 268              | 192            | 250            | 243              |
| 01-5401-119 Group Insurance          | 11,542           | 11,472         | 10,549         | 11,474           |
| 01-5401-120 Retirement - TMRS        | 3,057            | 3,130          | 2,523          | 2,330            |
| 01-5401-121 FICA                     | 4,872            | 5,077          | 4,976          | 5,098            |
| 01-5401-122 Medicare                 | 1,140            | 1,161          | 1,164          | 1,183            |
| 01-5401-123 TWC Expense              | 640              | 337            | 896            | 1,026            |
| 01-5401-204 Janitorial Service       | 0                | 0              | 5,460          | 5,760            |
| 01-5401-205 Utilities                | 9,997            | 9,247          | 9,127          | 9,160            |
| 01-5401-206 Communications           | 1,600            | 1,681          | 1,465          | 1,600            |
| 01-5401-208 Property & Liability Ins | 3,110            | 2,196          | 4,676          | 1,773            |
| 01-5401-212 Postage                  | 77               | 62             | 60             | 50               |
| 01-5401-217 Internet Services        | 758              | 755            | 649            | 755              |
| 01-5401-301 Office Supplies          | 1,536            | 4,627          | 3,500          | 4,400            |
| 01-5401-306 Materials & Supplies     | 10,960           | 4,834          | 6,321          | 6,500            |
| 01-5401-325 Storytime                | 0                | 6              | 45             | 45               |
| 01-5401-327 Summer Reading Program   | 0                | 677            | 2,758          | 2,800            |
| 01-5401-403 Building Maintenance     | 4,870            | 2,052          | 3,065          | 2,500            |
| 01-5401-404 Equipment Maintenance    | 0                | 232            | 70             | 160              |
| 01-5401-405 Maintenance Contracts    | 2,827            | 2,697          | 2,952          | 3,100            |
| <b>TOTAL LIBRARY</b>                 | <b>135,830</b>   | <b>130,800</b> | <b>141,429</b> | <b>141,520</b>   |

# City of Alvarado

## Senior Services

### Description

This department provides multiple services and activities for the senior citizens of Alvarado and surrounding areas. These services include recreational activities, exercise and fitness opportunities and a host of other social activities and support services. The goal of this is designed to afford senior adults opportunities to continue to utilize their considerable wisdom, experience, and skills in productive, worthwhile, and rewarding ways.

### Goals

Continue to help older adults build a brighter future for themselves and their community by enabling them to live independently and with dignity.

### Objectives

Outreach into the community to make people aware of our services.

Manage and monitor volunteers to overall better the organization of the center.

| <u>Departmental Personnel</u> | <u>Actual<br/>2009-10</u> | <u>Budgeted<br/>2010-11</u> | <u>Projected<br/>2011-12</u> | <u>Approved<br/>2012-13</u> |
|-------------------------------|---------------------------|-----------------------------|------------------------------|-----------------------------|
| Senior Services Director      | 1                         | 1                           | 1                            | 1                           |
| <b>Total</b>                  | <b>1</b>                  | <b>1</b>                    | <b>1</b>                     | <b>1</b>                    |

**City of Alvarado**  
**Senior Services**

|                                     | <u>ACTUAL</u><br><u>2009-10</u> | <u>ACTUAL</u><br><u>2010-11</u> | <u>ACTUAL</u><br><u>2011-12</u> | <u>ADOPTED</u><br><u>BUDGET</u><br><u>2012-2013</u> |
|-------------------------------------|---------------------------------|---------------------------------|---------------------------------|---|
| 01-5402-11 Regular Salaries         | 29,115                          | 29,954                          | 29,752                          | 29,752  |
| 01-5402-11 Christmas Bonus          | 200                             | 200                             | 200                             | 200   |
| 01-5402-11 Longevity Pay            | 300                             | 353                             | 420                             | 420   |
| 01-5402-11 Workers Compensation     | 100                             | 96                              | 100                             | 100   |
| 01-5402-11 Group Insurance          | 5,789                           | 5,736                           | 5,275                           | 5,275   |
| 01-5402-12 Retirement - TMRS        | 1,483                           | 1,514                           | 1,253                           | 1,253   |
| 01-5402-12 FICA                     | 1,887                           | 1,912                           | 1,948                           | 1,948   |
| 01-5402-12 Medicare                 | 441                             | 447                             | 456                             | 456   |
| 01-5402-12 TWC Expense              | 189                             | 72                              | 261                             | 261   |
| 01-5402-12 SCC Open/Close Fees      | 825                             | 463                             | 1,775                           | 1,775   |
| 01-5402-20 Janitorial Services      | 4,916                           | 4,800                           | 4,800                           | 4,800   |
| 01-5402-20 Utilities                | 8,723                           | 7,869                           | 7,299                           | 7,299   |
| 01-5402-20 Communications           | 375                             | 449                             | 480                             | 480   |
| 01-5402-20 Property & Liability Ins | 3,025                           | 2,345                           | 1,845                           | 1,845   |
| 01-5402-21 Postage                  | 8                               | 10                              | 6                               | 6   |
| 01-5402-30 Office Supplies          | 599                             | 649                             | 100                             | 100   |
| 01-5402-30 Office Furniture & Equip | 602                             | 224                             | 250                             | 250   |
| 01-5402-30 Fuel & Lubricants        | 0                               | 0                               | 496                             | 496   |
| 01-5402-30 Materials & Supplies     | 445                             | 0                               | 77                              | 77  |
| 01-5402-40 Vehicle Maintenance      | 160                             | 842                             | 1,010                           | 1,010   |
| 01-5402-40 Building Maintenance     | 1,805                           | 40                              | 348                             | 348   |
| 01-5402-40 Equipment Maintenance    | 0                               | 2,317                           | 1,431                           | 1,431   |
| <b>TOTAL SENIOR SERVICES</b>        | <u>60,987</u>                   | <u>60,292</u>                   | <u>59,582</u>                   | <u>61,000</u>                                       |

# City of Alvarado

## Park Maintenance

### Description

The Parks Maintenance Department is responsible for the grounds maintenance production, landscaping enhancement, beautification, and development of the City's parks.

### Goals

To maintain all common, right-of-way, and drainage areas at a standard and acceptable manner which reflect a positive image on the community and its citizenry.

To maintain and improve the overall appearance of the City's parkland, major municipal sites, and right-of-way throughout the City.

### Objectives

The improvement of smaller parks, including but not limited to security lighting, parking areas, picnic areas, playgrounds, and play areas.

To assist in the support and operation of City sponsored special events and activities, to include other department programs throughout the City.

| <u>Departmental Personnel</u> | <u>Actual<br/>2009-10</u> | <u>Actual<br/>2010-11</u> | <u>Budgeted<br/>2011-12</u> | <u>Proposed<br/>2012-13</u> |
|-------------------------------|---------------------------|---------------------------|-----------------------------|-----------------------------|
| Laborer                       | 1                         | 1                         | 1                           | 1                           |
| <b>Total</b>                  | <b>1</b>                  | <b>1</b>                  | <b>1</b>                    | <b>1</b>                    |

**City of Alvarado**  
**Park Maintenance**

|                                      | <b>ACTUAL</b>  | <b>ACTUAL</b>  | <b>ACTUAL</b>  | <b>ADOPTED</b>   |
|--------------------------------------|----------------|----------------|----------------|------------------|
|                                      | <b>2009-10</b> | <b>2010-11</b> | <b>2011-12</b> | <b>BUDGET</b>    |
|                                      | <b>2009-10</b> | <b>2010-11</b> | <b>2011-12</b> | <b>2012-2013</b> |
| 01-5403-111 Regular Salaries         | 55,086         | 27,457         | 20,581         | 20,800           |
| 01-5403-112 Part-time Salaries       | 0              | 0              | 0              | 6,912            |
| 01-5403-113 Overtime                 | 6,903          | 3,452          | 1,767          | 3,000            |
| 01-5403-115 Christmas Bonus          | 200            | 200            | 200            | 200              |
| 01-5403-118 Workers Compensation Ins | 1,091          | 804            | 820            | 887              |
| 01-5403-119 Group Insurance          | 9,066          | 7,264          | 5,275          | 5,737            |
| 01-5403-120 Retirement - TMRS        | 3,060          | 1,535          | 894            | 867              |
| 01-5403-121 FICA                     | 3,787          | 1,919          | 1,571          | 1,932            |
| 01-5403-122 Medicare                 | 886            | 449            | 349            | 448              |
| 01-5403-123 TWC Expenses             | 189            | 87             | 484            | 462              |
| 01-5403-206 Communications           | 727            | 455            | 380            | 415              |
| 01-5403-208 Property & Liability Ins | 1,235          | 1,321          | 569            | 1,177            |
| 01-5403-209 Dues & Subscriptions     | 117            | 80             | 0              | 0                |
| 01-5403-215 Medical Costs            | 0              | 0              | 0              | 300              |
| 01-5403-301 Office Supplies          | 168            | 50             | 131            | 200              |
| 01-5403-304 Fuel & Lubricants        | 6,625          | 7,344          | 5,413          | 6,171            |
| 01-5403-306 Materials & Supplies     | 997            | 831            | 433            | 1,000            |
| 01-5403-307 Minor Tools & Equipment  | 2,392          | 1,591          | 2,850          | 2,500            |
| 01-5403-310 Clothing & Uniforms      | 1,431          | 999            | 932            | 1,000            |
| 01-5403-317 Chemicals                | 163            | 77             | 18             | 500              |
| 01-5403-401 Vehicle Maintenance      | 2,012          | 858            | 2,434          | 1,000            |
| 01-5403-404 Equipment Maintenance    | 1,995          | 1,802          | 2,311          | 2,000            |
| 01-5403-408 Parks Maintenance        | 12,852         | 7,556          | 6,086          | 10,000           |
| 01-5403-409 Dam Maintenance          | 1,801          | 0              | 32,659         | 0                |
| 01-5403-412 Cemetery Maintenance     | 1,200          | 3,300          | 3,600          | 3,600            |
| <b>TOTAL PARKS MAINTENANCE</b>       | <b>113,983</b> | <b>69,431</b>  | <b>89,757</b>  | <b>71,108</b>    |

**City of Alvarado**  
**Non-Departmental**

|                               |                            | <b>ACTUAL</b>         | <b>ACTUAL</b>         | <b>ACTUAL</b>         | <b>ADOPTED</b>        |
|-------------------------------|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                               |                            | <b><u>2009-10</u></b> | <b><u>2010-11</u></b> | <b><u>2011-12</u></b> | <b><u>BUDGET</u></b>  |
|                               |                            |                       |                       |                       | <b><u>2012-13</u></b> |
| 01-5103-201                   | Legal Services             | 73,543                | 42,038                | 45,714                | 40,0                  |
| 01-5103-202                   | Audit & Accounting         | 11,132                | 14,043                | 11,760                | 12,7                  |
| 01-5103-203                   | Engineering Services       | 6,711                 | 0                     | 0                     |                       |
| 01-5103-206                   | Communications             | 423                   | 368                   | 600                   | 6                     |
| 01-5103-209                   | Dues & Subscriptions       | 2,476                 | 2,123                 | 2,249                 | 2,2                   |
| 01-5103-213                   | Travel & Training          | 1,990                 | 511                   | 22                    | 2,0                   |
| 01-5103-214                   | Employee Recognition       | 4,323                 | 4,176                 | 4,388                 | 6,0                   |
| 01-5103-217                   | Internet Services          | 6,250                 | 8,875                 | 9,000                 | 3,0                   |
| 01-5103-231                   | Gas Drillng Inspector      | 20,100                | 300                   | 22,650                |                       |
| 01-5103-232                   | TASC Expense               | 47                    | 0                     | 1,996                 | 2,0                   |
| 01-5103-233                   | Code Revision              | 8,699                 | 400                   | 400                   | 3,5                   |
| 01-5103-235                   | IT Computer Services       | 22,217                | 4,711                 | 0                     | 19,3                  |
| 01-5103-238                   | Land Rental Expense        | 0                     | 100                   | 100                   | 1                     |
| 01-5103-241                   | Contingency Fund           | 0                     | 8,799                 | 8,338                 | 14,8                  |
| 01-5103-242                   | Clean-Up Landfill          | 4,000                 | 4,000                 | 4,000                 | 4,0                   |
| 01-5103-250                   | Johnson County Tax Office  | 2,947                 | 3,517                 | 3,514                 | 3,7                   |
| 01-5103-251                   | Central Appraisal District | 15,714                | 16,308                | 18,331                | 19,0                  |
| 01-5103-252                   | Johnson Co Transportation  | 2,145                 | 2,370                 | 3,028                 | 3,5                   |
| 01-5103-304                   | Fuel & Lubricants          | 263                   | 676                   | 866                   | 7                     |
| 01-5103-310                   | Clothing & Uniform         | 178                   | 17                    | 133                   | 2                     |
| 01-5103-320                   | Council Chamber Expenses   | 1,153                 | 577                   | 4,774                 | 2,0                   |
| <b>TOTAL NON-DEPARTMENTAL</b> |                            | <b>184,311</b>        | <b>113,909</b>        | <b>141,863</b>        | <b>139,5</b>          |

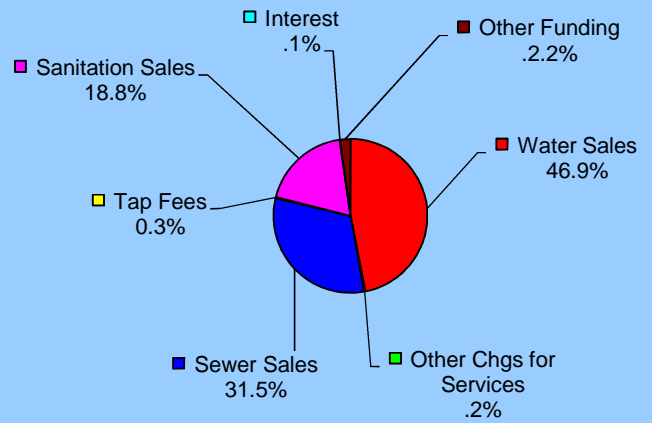
# City of Alvarado FY 2012-2013 Annual Budget Water and Sewer Fund

The Water and Sewer Fund is used to account for the provision of water, wastewater and sanitation services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including limited to administration, operations, maintenance, and financing, and related debt service. The operations of the Water and Sewer Fund are financed and operated in a manner similar to private business enterprises where the expenses (including depreciation) of providing goods or services to the general public be financed or recovered primarily through user charges. An overview of the Water and Wastewater Systems is included as well as a summary of expenses, personnel schedule, departmental descriptions, goals and objectives.

|                           | <u>ACTUAL<br/>FY 2009</u> | <u>ACTUAL<br/>FY 2010</u> | <u>ACTUAL<br/>FY 2011</u> | <u>BUDGET<br/>FY 2012</u> | <u>PROPOSED<br/>FY 2013</u> |
|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-----------------------------|
| <b>REVENUES/SOURCES</b>   |                           |                           |                           |                           |                             |
| Property Taxes            |                           |                           |                           |                           |                             |
| Consumer Taxes            |                           |                           |                           |                           |                             |
| Franchise Fees            |                           |                           |                           |                           |                             |
| Licenses & Permits        |                           |                           |                           |                           |                             |
| Fines and Forfeitures     |                           |                           |                           |                           |                             |
| Charges for Service       | \$1,976,563               | \$2,241,343               | \$2,415,422               | \$2,400,950               | \$2,507,236                 |
| Intergovernmental         |                           |                           |                           |                           |                             |
| Interest                  | 14,266                    | 5,055                     | 3,196                     | 2,788                     | 2,000                       |
| Interfund Transfers       |                           |                           |                           |                           |                             |
| Other Funding             | 209,852                   | 93,641                    | 66,160                    | 382,884                   | 62,800                      |
| <b>TOTAL REVENUES</b>     | <b><u>\$2,013,793</u></b> | <b><u>\$2,293,258</u></b> | <b><u>\$2,481,582</u></b> | <b><u>\$2,468,749</u></b> | <b><u>\$2,572,036</u></b>   |
| <b>EXPENDITURES/USES</b>  |                           |                           |                           |                           |                             |
| General Government        |                           |                           |                           |                           |                             |
| Public Safety             |                           |                           |                           |                           |                             |
| Public Works              | \$1,630,319               | \$2,043,897               | \$2,342,705               | \$2,073,340               | \$2,239,870                 |
| Public Health             |                           |                           |                           |                           |                             |
| Culture/Recreation        |                           |                           |                           |                           |                             |
| Interfund Transfers       |                           |                           |                           |                           |                             |
| Other                     |                           |                           |                           |                           |                             |
| <b>DEBT SERVICE</b>       |                           |                           |                           |                           |                             |
| Principal & Interest      | <b>101,659</b>            | 183,711                   | 177,754                   | 171,558                   | 332,166                     |
| <b>TOTAL EXPENDITURES</b> | <b><u>\$1,846,349</u></b> | <b><u>\$2,365,776</u></b> | <b><u>\$2,621,041</u></b> | <b><u>\$2,674,495</u></b> | <b><u>\$2,572,036</u></b>   |

## WATER AND SEWER FUND REVENUES

WATER AND SEWER FUND REVENUES  
FY 2008-09



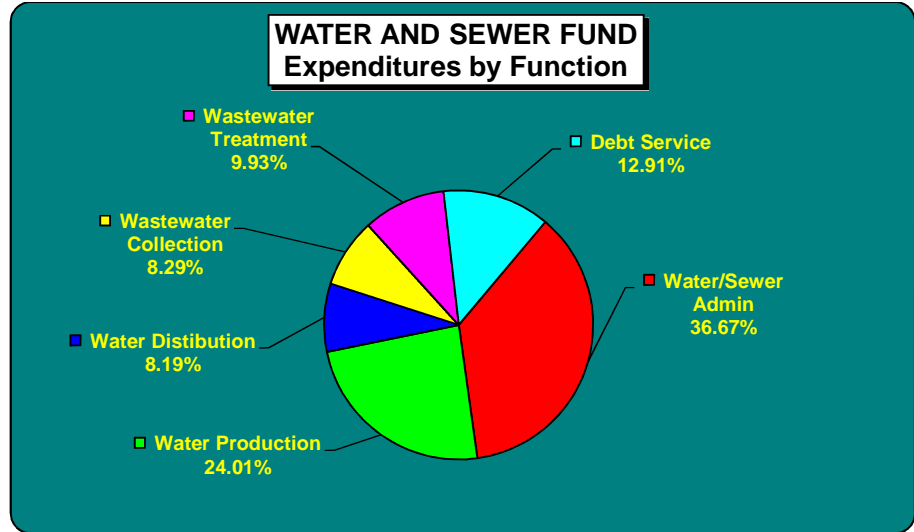
|                           | <u>2012</u><br><u>Projected</u> | <u>%</u>      | <u>2013</u><br><u>Adopted</u> | <u>%</u>      |
|---------------------------|---------------------------------|---------------|-------------------------------|---------------|
| Water Sales               | \$935,000                       | 46.4%         | \$1,206,500                   | 46.9%         |
| Sewer Sales               | 605,000                         | 30.0%         | 810,000                       | 31.5%         |
| Sanitation Sales          | 370,000                         | 18.4%         | 482,736                       | 18.8%         |
| Other Charges for Service | 10,000                          | 0.5%          | 6,400                         | 0.2%          |
| Tap Fees                  | 7,503                           | 0.4%          | 8,000                         | 0.3%          |
| Interest                  | 49,000                          | 2.4%          | 2,000                         | 0.1%          |
| Other Funding             | 39,200                          | 1.9%          | 56,400                        | 2.2%          |
| <b>Total</b>              | <b>\$2,015,703</b>              | <b>100.0%</b> | <b>\$2,572,036</b>            | <b>100.0%</b> |



## Expenditures By Function

The major expenditures in the Water and Sewer Fund are budgeted in the administration of the City's water and sewer systems at 36.67%. The water system expenses account for 32.2%, including production at 24.01% and distribution at 8.19%. The wastewater system expenses account for 18.22%, including wastewater collection at 8.29% and wastewater treatment at 9.93%. Debt service costs are 16.8% of the total budget.

The table and chart below shows the overall breakdown in the Water and Sewer Fund.



|                            | <u>2012</u>        |               | <u>2013</u>        |               |
|----------------------------|--------------------|---------------|--------------------|---------------|
|                            | <u>Projected</u>   | <u>%</u>      | <u>Adopted</u>     | <u>%</u>      |
| Water/Sewer Administration | \$521,653          | 35.6%         | \$943,155          | 36.7%         |
| Water Production           | 398,746            | 27.2%         | 617,434            | 24.0%         |
| Water Distribution         | 179,483            | 12.3%         | 210,620            | 8.2%          |
| Wastewater Collection      | 350,000            | 23.9%         | 213,324            | 8.3%          |
| Wastewater Treatment       | 15,000             | 1.0%          | 255,337            | 9.9%          |
| Debt Service               | 0                  | 0.0%          | 332,166            | 12.9%         |
| <b>Total</b>               | <b>\$1,464,882</b> | <b>100.0%</b> | <b>\$2,572,036</b> | <b>100.0%</b> |

# City of Alvarado

## Water & Sewer Administration and Utility Billing

### Description

The Water and Sewer Administration provides the administration and operations personnel and other employees necessary to oversee the water and sewer operations of the City. This department serves as a citizen information and utility payment center for the City. Its functions range from receiving water and sewer payments and answering questions about City programs and services. In addition to the accounts receivable function for water, wastewater and sewer services, this division is also responsible for receipting and depositing monies collected by other departments on a monthly basis. The costs of employees for maintenance and operations of the water systems and the sewer systems of the City are in this department.

### Goals

Establish positive customer relations by providing courteous, efficient, and timely transactions and problem resolution. Deposit all monies received on a timely basis and in compliance with both City policies and generally accepted accounting handling procedures.

Promote efficient office operations.

To read and help maintain over 1,724 water meters so that the water customers receive a fair and consistent bill based on individual usage.

To process consumption and bill water customers in a timely manner.

### Objectives

Respond to customer service requests within one workday of the request receipt.

To provide accurate meter readings to over 1,724 customers monthly in an accurate, professional, and timely manner.

To process 100% of payments within one day of receipts.

Respond to citizen's requests and complaints 98% of the time within two hours.

| <u>Departmental Personnel</u> | <u>Actual<br/>2009-10</u> | <u>Actual<br/>2010-11</u> | <u>Budgeted<br/>2011-12</u> | <u>Proposed<br/>2012-13</u> |
|-------------------------------|---------------------------|---------------------------|-----------------------------|-----------------------------|
| Public Works Director         | 1                         | 1                         | 1                           | 1                           |
| Asst. Public Works Director   | 1                         | 1                         | 1                           | 1                           |
| Customer Service Clerk        | 2                         | 2                         | 2                           | 2                           |
| Water/Sewer Laborers          | 7                         | 7                         | 7                           | 7                           |
| <b>Total</b>                  | <b>11</b>                 | <b>11</b>                 | <b>11</b>                   | <b>11</b>                   |

**City of Alvarado**  
**Water & Sewer Administration/Utility Billing**

|  | ACTUAL<br>2009-10 | ACTUAL<br>2010-11 | ACTUAL<br>2011-12 | ADOPTED<br>BUDGET<br>2012-13 |
|--|-------------------|-------------------|-------------------|------------------------------|
| 02-5101-111 Regular Salaries             | 68,051            | 83,526            | 207,956           | 196,810                      |
| 02-5101-113 Overtime                     | 154               | 1,475             | 1,307             | 1,000                        |
| 02-5101-114 Certification Pay            | 0                 | 0                 | 1,440             | 1,440                        |
| 02-5101-115 Christmas Bonus              | 400               | 800               | 800               | 1,000                        |
| 02-5101-116 Longevity Pay                | 660               | 713               | 1,680             | 1,980                        |
| 02-5101-118 Workers Compensation Ins.    | 203               | 852               | 5,390             | 4,328                        |
| 02-5101-119 Insurance - Employees        | 16,874            | 16,293            | 26,822            | 30,485                       |
| 02-5101-120 Retirement - Employees       | 3,396             | 4,234             | 8,307             | 7,288                        |
| 02-5101-121 Social Security              | 4,118             | 5,139             | 12,514            | 12,639                       |
| 02-5101-122 Medicare                     | 963               | 1,202             | 2,945             | 2,932                        |
| 02-5101-123 TWC Expenses                 | 609               | 339               | 1,305             | 1,305                        |
| 02-5101-202 Audit & Accounting           | 11,132            | 10,400            | 10,584            | 11,250                       |
| 02-5101-204 Janitorial Services          | 2,212             | 1,888             | 1,959             | 2,218                        |
| 02-5101-205 Utilities                    | 3,407             | 2,975             | 2,080             | 2,161                        |
| 02-5101-206 Communications               | 1,855             | 2,909             | 3,484             | 4,000                        |
| 02-5101-207 Advertisements & Notices     | 34                | 0                 | 468               | 500                          |
| 02-5101-208 Property & Liability Ins.    | 1,349             | 2,505             | 1,208             | 1,136                        |
| 02-5101-212 Postage                      | 8,947             | 10,367            | 11,202            | 11,000                       |
| 02-5101-213 Travel & Training            | 83                | 0                 | 63                | 1,500                        |
| 02-5101-215 Medical Cost                 | 0                 | 92                | 170               | 200                          |
| 02-5101-216 Mileage                      | 101               | 0                 | 56                | 200                          |
| 02-5101-217 Internet Services            | 14,290            | 8,875             | 9,000             | 3,000                        |
| 02-5101-225 Collection Agency Fees       | 521               | 747               | 649               | 800                          |
| 02-5101-235 IT Services                  | 0                 | 0                 | 0                 | 6,000                        |
| 02-5101-237 Garbage Pickup Service       | 452,860           | 420,109           | 440,098           | 458,750                      |
| 02-5101-241 Contingency Fund             | 0                 | 10,009            | 225               | 69,852                       |
| 02-5101-244 Bad Debt Expense             | 18,856            | 14,433            | 13,879            | 18,000                       |
| 02-5101-301 Office Supplies              | 3,761             | 2,803             | 3,730             | 4,000                        |
| 02-5101-302 Office Furniture & Equipment | 291               | 926               | 0                 | 1,000                        |
| 02-5101-303 Janitorial Supplies          | 0                 | 0                 | 0                 | 550                          |
| 02-5101-306 Materials & Supplies         | 812               | 352               | 0                 | 500                          |
| 02-5101-308 Credit Card Services         | 559               | 3,486             | 6,138             | 4,100                        |
| 02-5101-310 Clothing & Uniforms          | 839               | (108)             | 2,976             | 3,200                        |
| 02-5101-403 Building Maintenance         | 863               | 654               | 1,333             | 1,265                        |
| 02-5101-404 Equipment Maintenance        | 22                | 516               | 135               | 1,000                        |
| 02-5101-405 Maintenance Contracts        | 6,153             | 6,794             | 4,752             | 4,679                        |
| 02-5101-509 Hydrants & Meters            | 6,347             | 8,194             | 3,320             | 6,000                        |
| 02-5101-601 Lease & Note Pymts           | 0                 | 0                 | 0                 | 5,946                        |
| 02-5101-602 Interest - Incode            | 606               | 465               | 323               | 0                            |
| 02-5101-611 Depreciation Expense         | 399,875           | 551,459           | 599,643           | 0                            |
| 02-5101-612 Amortization Expense         | 5,987             | 5,987             | 5,987             | 0                            |
| 02-5101-650 Administrative Fees to GF    | 50,275            | 51,047            | 51,585            | 28,548                       |
| 02-5101-660 Transfers Out                | 52,014            | 280,115           | 5,043,239         | 30,593                       |
| 02-5101-706 Series 2008A Principal       | 0                 | 0                 | 0                 | 27,000                       |
| 02-5101-707 Series 2008A Interest        | 103,995           | 102,915           | 101,790           | 100,620                      |
| 02-5101-711 Series 2008B Principal       | 0                 | 0                 | 0                 | 140,000                      |
| 02-5101-712 Series 2008B Interest        | 79,716            | 74,839            | 69,768            | 64,546                       |
| <b>TOTAL WATER/SEWER ADMIN</b>           | <u>1,323,190</u>  | <u>1,690,326</u>  | <u>6,660,310</u>  | <u>1,275,321</u>             |

# City of Alvarado

## Water Production

### Description

Water Production reflect the costs of the production and disaffection of water produced by 5 city owned w department also reflects the costs of emergency repairs to the water system. The City entered into an agre October 1, 2009 with Johnson County Special Utility District for the purchase of additional water when added.

### Goals

Ensure adequate quality and quantity of water supplied to each customer.

Comply with all State and Federal regulations governing public water systems.

Maintain an effective Water Production System.

To obtain TNRCC Certifications for all water department employees.

### Objectives

Monitor water quality to ensure compliance with all Safe Drinking Water Act rules and regulation as applicable.

To repair water main breaks on an average of 72 hours or less of notification.

Properly operation and maintain all water system equipment and facilities to ensure the safety of the potable water to the customer.

Perform routine maintenance to improve system reliability.

**City of Alvarado**  
**Water Production Expenses**

|   | ACTUAL<br>2009-10 | ACTUAL<br>2010-11 | ACTUAL<br>2011-12 | ADOPTED<br>BUDGET<br>2012-13 |
|---|-------------------|-------------------|-------------------|------------------------------|
| 02-5201-111 Salaries and Wages            | 22,808            | 24,051            | 19,351            | 23,567                       |
| 02-5201-113 Overtime                      | 1,637             | 4,254             | 2,616             | 4,200                        |
| 02-5201-115 Christmas Bonus               | 200               | 400               | 200               | 200                          |
| 02-5201-116 Longevity Pay                 | 46                | 109               | 102               | 60                           |
| 02-5201-118 Workers Compensation Ins.     | 884               | 768               | 990               | 835                          |
| 02-5201-119 Insurance - Employees         | 5,777             | 5,736             | 3,583             | 5,737                        |
| 02-5201-120 Retirement - Employees        | 1,297             | 1,549             | 1,181             | 1,013                        |
| 02-5201-121 Social Security               | 1,647             | 1,866             | 1,717             | 1,752                        |
| 02-5201-122 Medicare                      | 385               | 436               | 402               | 406                          |
| 02-5201-123 TWC Expenses                  | 213               | 234               | 170               | 261                          |
| 02-5201-127 Call Out Compensation         | 1,500             | 4,056             | 6,606             | 0                            |
| 02-5201-204 Janitorial Services           | 1,443             | 479               | 856               | 0                            |
| 02-5201-205 Utilities                     | 155,462           | 127,481           | 121,177           | 123,517                      |
| 02-5201-206 Communications                | 1,137             | 578               | 377               | 414                          |
| 02-5201-208 Property and Liability Ins.   | 2,953             | 1,965             | 2,224             | 4,816                        |
| 02-5201-209 Dues and Subscriptions        | 149               | 111               | 325               | 350                          |
| 02-5201-213 Travel and Training           | 179               | 190               | 635               | 1,500                        |
| 02-5201-215 Medical Costs                 | 80                | 0                 | 0                 | 100                          |
| 02-5201-301 Office Supplies               | 91                | 15                | 151               | 250                          |
| 02-5201-304 Fuel and Lubricants           | 2,332             | 646               | 4,020             | 4,519                        |
| 02-5201-306 Materials and Supplies        | 4,786             | 493               | 1,316             | 2,000                        |
| 02-5201-307 Minor Tools and Equipment     | 727               | 1,124             | 293               | 700                          |
| 02-5201-310 Clothing and Uniforms         | 1,121             | 1,121             | 956               | 1,000                        |
| 02-5201-317 Chemicals                     | 6,367             | 7,081             | 6,370             | 6,000                        |
| 02-5202-318 TCEQ Fees                     | 3,887             | 3,887             | 3,887             | 4,000                        |
| 02-5201-319 Water and Sewer Analysis      | 7,483             | 6,445             | 2,582             | 3,000                        |
| 02-5201-321 Purchased Water Expense       | 300,912           | 346,545           | 336,559           | 300,912                      |
| 02-5201-322 Prairielands Groundwater Fees | 0                 | 11,413            | 20,361            | 26,185                       |
| 02-5201-401 Vehicle Maintenance           | 432               | 149               | 358               | 1,400                        |
| 02-5201-403 Building Maintenance          | 857               | 2,344             | 867               | 1,000                        |
| 02-5201-411 System Maintenance            | 4,061             | 9,148             | 9,421             | 50,000                       |
| 02-5201-505 Light/Med Trucks              | 0                 | 0                 | 0                 | 0                            |
| 02-5201-601 Lease and Note Payments       | 0                 | 0                 | 599               | 3,980                        |
| 02-5201-650 Administrative Fees to GF     | 29,850            | 30,309            | 30,628            | 16,950                       |
| 02-5201-651 W/S Lines Franchise to GF     | 22,500            | 26,810            | 26,810            | 26,810                       |
| <b>Total Water Production Expenses</b>    | <b>583,203</b>    | <b>621,793</b>    | <b>607,690</b>    | <b>617,434</b>               |

# City of Alvarado

## Water Distribution

### Description

Water Distribution reflects the costs of the distribution of potable water throughout the City from the time it enters the City's system. This responsibility consists of maintaining an adequate supply of water in storage reservoirs to meet the peak periods of usage, maintaining water pressure throughout the City, and maintaining pumping facilities, which convey water from the production facilities to the customers. This department reflects the costs of emergency repairs to the water distribution system.

### Goals

Ensure adequate quality and quantity of water supplied to each customer.

Comply with all State and Federal regulations governing public water systems.

Maintain an effective water distribution system.

To obtain TNRCC Certifications for all water department employees.

### Objectives

Monitor water quality to ensure compliance with all Safe Drinking Water Act rules and regulations as applicable.

To repair water main breaks on an average of 72 hours or less of notification.

Properly operate and maintain all water system equipment and facilities to ensure the safety of the potable water delivered to the customer.

Perform routine maintenance to improve system reliability.

**City of Alvarado  
Water Distribution Expenses**

|             |  | <b>ACTUAL</b>  | <b>ACTUAL</b>  | <b>ACTUAL</b>  | <b>ADO</b> |
|-------------|--|----------------|----------------|----------------|------------|
|             |  | <b>2009-10</b> | <b>2010-11</b> | <b>2011-12</b> | <b>BUD</b> |
|             |  |                |                |                | <b>201</b> |
| 02-5202-111 | Salaries and Wages                       | 109,231        | 147,018        | 78,851         | 5          |
| 02-5202-113 | Overtime                                 | 1,930          | 6,211          | 12,340         |            |
| 02-5202-114 | Certification Pay                        | 603            | 360            | 305            |            |
| 02-5202-115 | Christmas Bonus                          | 800            | 800            | 600            |            |
| 02-5202-116 | Longevity Pay                            | 333            | 319            | 379            |            |
| 02-5202-118 | Workers Comp Ins                         | 4,055          | 4,200          | 2,750          |            |
| 02-5202-119 | Insurance - Employees                    | 19,690         | 21,382         | 16,299         | 1          |
| 02-5202-120 | Retirement - Employees                   | 5,617          | 7,702          | 3,961          |            |
| 02-5202-121 | Social Security                          | 7,018          | 9,290          | 5,965          |            |
| 02-5202-122 | Medicare                                 | 1,641          | 2,173          | 1,395          |            |
| 02-5202-123 | TWC Expenses                             | 783            | 288            | 783            |            |
| 02-5202-127 | Call Out Compensation                    | 4,550          | 844            | 0              |            |
| 02-5202-204 | Janitorial Services                      | 0              | 0              | 749            |            |
| 02-5202-205 | Utilities                                | 4,257          | 5,031          | 1,938          |            |
| 02-5202-206 | Communications                           | 2,074          | 2,924          | 1,586          |            |
| 02-5202-208 | Property & Liability Ins.                | 2,067          | 5,017          | 2,185          |            |
| 02-5202-209 | Dues & Subscriptions                     | 236            | 111            | 111            |            |
| 02-5202-213 | Travel and Training                      | 524            | 0              | 687            |            |
| 02-5202-215 | Medical Costs                            | 116            | 92             | 190            |            |
| 02-5202-301 | Office Supplies                          | 361            | 111            | 149            |            |
| 02-5202-303 | Janitorial Supplies                      | 0              | 0              | 0              |            |
| 02-5202-304 | Fuel and Lubricants                      | 4,607          | 5,765          | 4,638          |            |
| 02-5202-306 | Materials and Supplies                   | 3,597          | 11,416         | 7,587          |            |
| 02-5202-307 | Minor Tools and Equip                    | 3,412          | 3,607          | 4,054          |            |
| 02-5202-310 | Clothing and Uniforms                    | 3,855          | 4,182          | 3,903          |            |
| 02-5202-401 | Vehicle Maintenance                      | 1,331          | 1,208          | 2,464          |            |
| 02-5202-403 | Building Maintenance                     | 0              | 0              | 316            |            |
| 02-5202-404 | Equipment Maintenance                    | 2,962          | 972            | 2,175          |            |
| 02-5202-405 | Maintenance Contracts                    | 470            | 336            | 415            |            |
| 02-5202-411 | System Maintenance                       | 17,124         | 14,592         | 17,405         | 3          |
| 02-5202-503 | Special Purpose Equip.                   | 0              | 0              | 0              |            |
| 02-5202-601 | Lease & Note Payments                    | 0              | 0              | 638            |            |
| 02-5202-650 | Administrative Fees to GF                | 29,850         | 30,309         | 30,628         | 1          |
| 02-5202-651 | W/S Lines Franchise to GF                | 22,500         | 26,810         | 26,810         | 2          |
|             | <b>Total Water Distribution Expenses</b> | <b>255,594</b> | <b>313,070</b> | <b>232,256</b> | <b>21</b>  |

# City of Alvarado

## Wastewater Collection

### **Description**

This department is responsible for the collection and transmission of wastewater.

Repair, maintenance, monitoring and proper flows within the sewer collection system are the city's responsibility. Preventative maintenance (to avoid stoppages and sewer backups) and condition-responsive repair work represent part of the workload of this department.

This department periodically installs new mains or replaces existing ones. This is normally done to correct stoppages in low places, to replace old and deteriorated mains, or to accommodate a capital improvement project.

### **Goals**

Ensure the sewer collection system infrastructure integrity through system maintenance and evaluation as required.

Manhole inspection and rehabilitation to reduce inflow and infiltration.

Minimize sanitary sewer interruptions.

Comply with all State and Federal regulations governing the treatment of wastewater.

### **Objectives**

Increase enforcement and identify violators of liquid waste ordinances to release grease and suspended solids into the water system.

Minimize sewer main stoppages by regular inspection and cleaning of existing sewer collection on a maintenance basis.

Minimize infiltration/inflow through existing manhole walls by performing maintenance to manholes throughout the system.



**City of Alvarado**  
**Wastewater Collection Expenses**

|   | ACTUAL<br>2009-10 | ACTUAL<br>2010-11 | ACTUAL<br>2011-12 | ADOPTED<br>BUDGET<br>2012-13 |
|---|-------------------|-------------------|-------------------|------------------------------|
| 02-5301-111 Salaries and Wages              | 58,285            | 75,309            | 16,453            | 41,600                       |
| 02-5301-113 Overtime                        | 474               | 985               | 1,383             | 2,000                        |
| 02-5301-115 Christmas Bonus                 | 600               | 0                 | 200               | 400                          |
| 02-5301-118 Workers Compensation Ins.       | 2,455             | 3,384             | 770               | 1,200                        |
| 02-5301-119 Insurance - Employees           | 9,066             | 9,997             | 4,390             | 11,400                       |
| 02-5301-120 Retirement - Employees          | 2,974             | 3,643             | 981               | 1,500                        |
| 02-5301-121 Social Security                 | 3,697             | 4,384             | 1,544             | 2,700                        |
| 02-5301-122 Medicare                        | 865               | 1,025             | 361               | 600                          |
| 02-5301-123 TWC Expenses                    | 388               | 142               | 652               | 500                          |
| 02-5301-127 Call out Compensation           | 0                 | 0                 | 0                 | 0                            |
| 02-5301-203 Engineering / Survey Services   | 2,519             | 0                 | 0                 | 15,000                       |
| 02-5301-204 Janitorial Services             | 1,729             | 618               | 867               | 1,100                        |
| 02-5301-205 Utilities                       | 8,660             | 9,808             | 6,770             | 5,300                        |
| 02-5301-206 Communications                  | 1,396             | 2,186             | 836               | 1,100                        |
| 02-5301-208 Property & Liability Ins.       | 1,708             | 1,190             | 995               | 2,200                        |
| 02-5301-209 Dues & Subscriptions            | 181               | 111               | 0                 | 0                            |
| 02-5301-213 Travel and Training             | 617               | 901               | 325               | 1,000                        |
| 02-5301-215 Medical Costs                   | 0                 | 0                 | 210               | 200                          |
| 02-5301-301 Office Supplies                 | 365               | 111               | 134               | 200                          |
| 02-5301-303 Janitorial Supplies             | 0                 | 0                 | 0                 | 200                          |
| 02-5301-304 Fuel and Lubricants             | 5,093             | 7,354             | 5,194             | 4,500                        |
| 02-5301-306 Materials and Supplies          | 1,118             | 2,647             | 799               | 2,500                        |
| 02-5301-307 Minor Tools and Equipment       | 2,451             | 1,908             | 480               | 2,000                        |
| 02-5301-310 Clothing and Uniforms           | 1,559             | 1,479             | 950               | 2,000                        |
| 02-5301-317 Chemicals                       | 76                | 1,429             | 316               | 1,500                        |
| 02-5301-401 Vehicle Maintenance             | 1,131             | 1,397             | 651               | 1,400                        |
| 02-5301-403 Building Maintenance            | 1,335             | 915               | 764               | 700                          |
| 02-5301-404 Equipment Maintenance           | 7,102             | 6,733             | 537               | 2,500                        |
| 02-5301-405 Maintenance Contracts           | 480               | 336               | 415               | 1,000                        |
| 02-5301-411 System Maintenance              | 11,589            | 3,633             | 11,794            | 62,000                       |
| 02-5301-601 Lease and Note Payments         | 0                 | 0                 | 2,825             | 10,800                       |
| 02-5301-650 Administrative Fees to GF       | 23,566            | 23,929            | 24,180            | 13,300                       |
| 02-5301-651 W/S Lines Franchise to GF       | 17,500            | 21,065            | 21,065            | 21,000                       |
| <b>Total Wastewater Collection Expenses</b> | <b>168,979</b>    | <b>186,619</b>    | <b>106,841</b>    | <b>213,300</b>               |

# City of Alvarado

## Wastewater Treatment

### **Description**

The purpose and function of the Wastewater Treatment Department is to receive and treat the spent water from the community, containing wastes from domestic, industrial or commercial use and the surface water runoff and groundwater which may enter the system through infiltration.

The City's new wastewater treatment plant began production in 2009. Additional improvements are included in the capital projects budget for 2012-2013.

### **Goals**

Maintain compliance with State and Federal requirements for operation and maintenance of the wastewater treatment plant.

Operate the facility in the most cost efficient manner possible while maintaining effluent quality.

### **Objectives**

Require operator to receive classroom training hours and stay informed of the latest technologies and innovations.

Modify ordinances and industrial pretreatment program to keep the plant in compliance with EPA mandates.

Provide routine scheduled maintenance of pumps and mechanical equipment.

# City of Alvarado

## Wastewater Treatment Expenses

|  |                           | ACTUAL         | ACTUAL         | ACTUAL         | ADOPTED        |
|--|---------------------------|----------------|----------------|----------------|----------------|
|  |                           | 2009-10        | 2010-11        | 2011-12        | BUDGET         |
|  |                           |                |                |                | 2012-2013      |
| 02-5302-111                                | Salaries and Wages        | 33,841         | 30,822         | 22,030         | 23,500         |
| 02-5302-113                                | Overtime                  | 4,606          | 4,608          | 1,676          | 4,200          |
| 02-5302-114                                | Certification Pay         | 881            | 498            | 305            |                |
| 02-5302-115                                | Christmas Bonus           | 200            | 200            | 200            | 200            |
| 02-5302-116                                | Longevity Pay             | 540            | 409            | 0              | 1,000          |
| 02-5302-118                                | Workers Compensation Ins. | 1,236          | 1,080          | 1,100          | 800            |
| 02-5302-119                                | Insurance - Employees     | 5,777          | 4,821          | 3,583          | 5,700          |
| 02-5302-120                                | Retirement - Employees    | 1,942          | 1,938          | 904            | 1,000          |
| 02-5302-121                                | Social Security           | 2,442          | 2,435          | 1,396          | 1,700          |
| 02-5302-122                                | Medicare                  | 571            | 569            | 326            | 400            |
| 02-5302-123                                | TWC Expenses              | 189            | 136            | 255            | 200            |
| 02-5302-203                                | Engineering Services      | 5,548          | 19,178         | 0              |                |
| 02-5302-205                                | Utilities                 | 61,648         | 85,533         | 77,398         | 75,500         |
| 02-5302-206                                | Communications            | 4,097          | 4,340          | 3,716          | 3,000          |
| 02-5302-208                                | Property & Liability Ins. | 1,224          | 4,923          | 4,535          | 6,500          |
| 02-5302-209                                | Dues and Subscriptions    | 94             | 111            | 111            |                |
| 02-5302-213                                | Travel and Training       | 325            | 1,233          | 0              | 1,000          |
| 02-5302-215                                | Medical Costs             | 30             | 86             | 160            | 1,000          |
| 02-5302-301                                | Office Supplies           | 83             | 98             | 223            | 400            |
| 02-5302-304                                | Fuel and Lubricants       | 2,121          | 3,054          | 10,049         | 4,500          |
| 02-5302-306                                | Materials and Supplies    | 720            | 301            | 3,850          | 4,000          |
| 02-5302-307                                | Minor Tools and Equipment | 1,096          | 1,136          | 1,106          | 700            |
| 02-5302-310                                | Clothing and Uniforms     | 829            | 1,743          | 1,038          | 1,000          |
| 02-5302-317                                | Chemicals                 | 1,000          | 6,225          | 3,007          | 6,000          |
| 02-5302-318                                | TCEQ Fees                 | 7,990          | 9,295          | 10,910         | 5,000          |
| 02-5302-319                                | Water and Sewer Analysis  | 26,729         | 32,702         | 30,284         | 31,000         |
| 02-5302-401                                | Vehicle Maintenance       | 99             | 1,369          | 368            | 1,400          |
| 02-5302-402                                | Equipment Rental          | 0              | 0              | 30,973         |                |
| 02-5302-403                                | Building Maintenance      | 685            | 284            | 266            | 500            |
| 02-5302-404                                | Equipment Maintenance     | 1,753          | 2,327          | 1,074          | 3,000          |
| 02-5302-411                                | System Maintenance        | 96,281         | 59             | 29,860         | 35,000         |
| 02-5302-601                                | Lease and Note Payments   | 0              | 0              | 599            | 3,900          |
| 02-5302-650                                | Administrative Fees to GF | 23,566         | 23,929         | 24,180         | 13,300         |
| 02-5302-651                                | W/S Lines Franchise to GF | 17,500         | 21,065         | 21,065         | 21,000         |
| 02-5302-660                                | Transfer Out              |                | 79,902         | 129            |                |
| <b>Total Wastewater Treatment Expenses</b> |                           | <b>305,643</b> | <b>346,409</b> | <b>286,676</b> | <b>255,300</b> |

# City of Alvarado

## FY 2012-2013 Annual Budget

### Debt Service

#### **DEBT MANAGEMENT POLICY**

**Debt Issuance** – The City issues debt only for the purpose of acquiring or constructing capital assets for the benefit of its citizens, and to allow the fulfillment of its various missions as a City. Debt may be issued for the purchase of land or right-of-way and/or improvements to land, for construction projects to provide for the general public use of capital equipment. The City will uphold all related bond covenant agreements associated with bond issues. All bond issues will be conducted after consultation with an outside financial advisor. The City will maintain good communication with bond rating agencies, financial advisors, independent auditors, investors, and citizens regarding its debt condition.

**General Obligation Bonds (GO's)** – General Obligation Bonds are used to fund capital assets of the general government such as facilities, streets, and drainage. They are not to be used to fund operating needs of the City. A general obligation bond is a legal debt instrument used to finance permanent projects within the City limits. The bond is backed by the tax base and the City's ability to tax for repayment of indebtedness. The bond is also backed by the full faith and credit of the issuing government. State law requires an incorporated city to submit the proposed bond issue to a public referendum and to receive voter authorization prior to issuance of bonds.

**Revenue Bonds (RB's)** – Revenue Bonds are issued to provide for the capital needs of an activity that requires continuation or expansion of a service that produces revenue, and for which the asset may reasonably be expected to provide for a revenue stream to fund the debt service requirements. A revenue bond is a legal debt instrument used to finance permanent public projects. Unlike the GO bonds, the revenue bond does not require voter approval. The City Council is authorized to approve the bond and set the user rates to pay the annual principal and interest.

**Certificates of Obligation (CO's)** – Certificates of Obligation are used to fund capital requirements that are not otherwise covered under either Revenue Bonds or General Obligation Bonds. Debt Service for CO's may be either from general revenues or backed by a specific revenue stream or streams or by a combination of both. Generally, CO's are used to fund capital assets not requiring full bond issues because of the cost of the asset(s) to be funded through the instrument.

**Contractual Obligations** – Contractual Obligations are used to fund capital assets that require smaller amounts of funding than traditional obligations. They are generally issued when the life of the asset is less than ten years. This is done to match the depreciable life of the asset to the actual cost of the asset. Debt service for contractual obligations is paid from ad valorem taxes.

**Disclosure** – Full disclosure of operations will be made to the bond rating agencies and other users of financial information. City staff, with the assistance of financial advisors and bond counsel, will prepare necessary material presentation to the rating agencies, aid in the production of Official Statements, and take responsibility for the accuracy of all financial information releases.

**Federal Requirements** – The City will maintain procedures to comply with arbitrage rebate and other federal requirements.

**Debt Limit** – The State of Texas limits the ad valorem tax rate to \$2.50 per \$100 valuation. The City Charter limits the ad valorem tax rate to \$1.50 per \$100 valuation of taxable property within the City. The City of Alvarado proposed a rate of \$ 0.706872 falls well below this limit.

**Bond Ratings** – Alvarado’s bond ratings are as follows:

Standard & Poor’s Ratings Services affirmed its “A” underlying rating, with a stable outlook, on Alvarado, Texas’ General Obligation Debt

These ratings directly affect the cost of debt. The City’s policies are focused on issues that maintain high bond ratings and keep debt costs reasonable. The City’s bond or “credit” rating is an assessment of the City’s ability and willingness to meet its legal obligation, to make full and timely payments of principal and interest on the debt security over the course of its maturity schedule. Ratings are designed exclusively for the purpose of grading debt instruments according to their credit qualities and do not constitute a recommendation to buy or sell a security.

The rating process evaluates the past performance and trends, and evaluates estimated future prospects. Both qualitative data and quantitative data are considered. Historical trends and current conditions, in addition to market projections, are utilized when making evaluations about future performance. Evaluations are generally based on performance taken place over the last five to ten years.

When applying for a credit rating, the items required of the City include audit reports, current budget documents, capital improvement program, statements of long and short-term debt, and an indication of appropriate authority for bond issuance. Standard & Poor’s ratings range from AAA to BBB with AAA being the highest rating. Moody’s has nine rating categories for long term obligations. They range from Aaa to C. An Aaa rating indicates the issuer has an extremely strong ability to meet its debt obligations, whereas a C rating represents an adequate ability to meet requirements.

The City currently uses Southwest Securities, Dallas, Texas in capacity of financial advisor. They coordinate the bond issuance for the City and determine the City’s capacity to authorize, issue, and service debt. On the basis of their determination and with the approval of the City Council they will proceed with the sale of the debt instruments. Once a bid for the debt instruments is accepted by the City, the financial advisor directs the closing of the sale.

# City of Alvarado

## FY 2012-2013 Annual Budget

### General Debt Service

#### DEBT SERVICE FUND

The Debt Service Fund, also known as General Obligation Interest and Sinking Fund, provides for the payment of principal and interest as they come due and capital lease payments. Debt issuance finances the City's purchase of buildings, land improvements, and construction and reconstruction of streets and drainage facilities.

The property tax rate and tax levy are required to be computed and levied to provide the money required to pay principal and interest as it comes due. This fund is also used to provide for the payment of fiscal agent fees. The Debt Service Fund is financed by property taxes and interest earned on investments.

As an operational policy, the annual general obligation debt service should not exceed 50% of the total tax rate. If the debt service portion of the tax rate exceeds a 50% pro-rata share, a city's ability to adjust the operations levy to offset changes in the tax base and in operational needs is hindered. The inflexibility in the tax rate places further stress on other sources of revenue.

For the 2012-2013 fiscal year, the debt service portion of the proposed tax rate is \$0.411307 per \$100 of assessed value. This represents 58% of the proposed total adopted rate of \$0.706872 per \$100 of assessed value. Debt service payments paid from ad valorem tax revenues are paid annually. Interest payments on tax-supported debt are paid annually. The City will not issue notes to finance operating deficits.

The City issued a \$1,000,000 Tax Anticipation Note in December 2008 to purchase property with an existing building to be used as the funds to refurbish the building for use by City departments, as approved by the City Council on November 17, 2008. The Notes constitute direct obligations of the City and are payable from annual ad valorem tax levied against all taxable property in the City, within the limits prescribed by law.

The City issued General Obligation Refunding Bonds, Series 2011, in February, 2012 in the amount of \$3,960,000 to refinance the City's debt. These Refunding Bonds were issued to pay the balance remaining in the Combination Tax and Revenue Certificates of Obligation, Series 2001 and the Combination Tax and Revenue Certificates of Obligation, Series 1994. The certificates are secured by a pledge of surplus net revenues derived from the operation of the City's combined Waterworks and Sewer System as approved by the City Council on August 15, 2011. The certificates are further secured from the ad valorem tax levied annually within the limits prescribed by law against all taxable property in the City of Alvarado.

The City issued Combination Tax and Revenue Certificates of Obligation, Series 2012 in the amount of \$4,810,000 used for the purpose of constructing improvements to the City's water and sewer system including water storage tanks, connection lines and a new water well. These Certificates were approved by the City Council On June 18, 2012. The Certificates constitute direct obligations of the City payable from an annual ad valorem tax levied against all taxable property therein, within the limits prescribed by law, and further secured by a limited pledge of net revenues of the combined Waterworks and Sewer System.

## GENERAL DEBT SERVICE

|                                | <u>ACTUAL<br/>FY 2009</u> | <u>ACTUAL<br/>FY 2010</u> | <u>ACTUAL<br/>FY 2011</u> | <u>BUDGETED<br/>FY 2012</u> | <u>PROPOSED<br/>FY 2013</u> |
|--------------------------------|---------------------------|---------------------------|---------------------------|-----------------------------|-----------------------------|
| <b>Beginning Fund Balances</b> | <b>\$43,187</b>           | <b>\$102,047</b>          | <b>\$63,869</b>           | <b>\$(16,086)</b>           | <b>\$(44,603)</b>           |
| <b>REVENUES/SOURCES</b>        |                           |                           |                           |                             |                             |
| Property Taxes                 | \$459,629                 | \$465,279                 | \$589,598                 | \$603,336                   | \$747,423                   |
| Consumer Taxes                 |                           |                           |                           |                             |                             |
| Franchise Fees                 |                           |                           |                           |                             |                             |
| Licenses & Permits             |                           |                           |                           |                             |                             |
| Fines and Forfeitures          |                           |                           |                           |                             |                             |
| Charges for Service            |                           |                           |                           |                             |                             |
| Intergovernmental              |                           | 116                       |                           |                             |                             |
| Interest                       |                           |                           |                           |                             |                             |
| Transfers                      | \$29,816                  | \$258,008                 | \$4,067,482               | \$63,329                    | 30,593                      |
| Other Funding                  |                           |                           | 6,807                     |                             |                             |
| <b>TOTAL REVENUES</b>          | <b>\$489,445</b>          | <b>\$723,403</b>          | <b>\$4,663,887</b>        | <b>\$666,665</b>            | <b>\$778,016</b>            |
| <b>EXPENDITURES/USES</b>       |                           |                           |                           |                             |                             |
| General Government             |                           |                           |                           |                             |                             |
| Public Safety                  |                           |                           |                           |                             |                             |
| Public Works                   |                           |                           |                           |                             |                             |
| Public Health                  |                           |                           |                           |                             |                             |
| Culture/Recreation             |                           |                           |                           |                             |                             |
| Transfers                      |                           | 1,372                     |                           |                             |                             |
| Other                          |                           |                           |                           |                             |                             |
| <b>DEBT SERVICE</b>            |                           |                           |                           |                             |                             |
| Principal                      | \$160,082                 | \$475,732                 | \$4,459,361               | \$534,969                   | \$485,000                   |
| Interest                       | 269,226                   | 282,701                   | 282,703                   | 159,312                     | 291,616                     |
| Other – Fiscal Agent Fee       | <u>1,278</u>              | <u>1,778</u>              | <u>1,778</u>              | <u>900</u>                  | <u>1,400</u>                |
| <b>TOTAL EXPENDITURES</b>      | <b>\$430,585</b>          | <b>\$761,583</b>          | <b>\$4,743,842</b>        | <b>\$695,181</b>            | <b>\$778,016</b>            |
| <b>Ending Fund Balances</b>    | <b><u>\$102,047</u></b>   | <b><u>\$63,869</u></b>    | <b><u>\$(16,086)</u></b>  | <b><u>\$(44,603)</u></b>    | <b><u>\$(44,603)</u></b>    |

**SUMMARY OF GENERAL OBLIGATION BONDS  
PRINCIPAL AND INTEREST REQUIREMENTS**

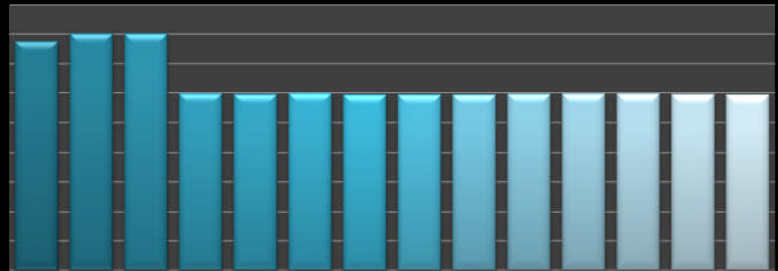
**2012-2013 REQUIREMENTS**

|  | <b><u>PRINCIPAL</u></b> | <b><u>INTEREST</u></b> | <b><u>TOTAL</u></b> |
|--|-------------------------|------------------------|---------------------|
| 2008 TAX NOTES                                 | \$170,000               | \$23,903               | \$193,903           |
| 2011 REFUNDING BONDS                           | 315,000                 | 114,750                | 429,750             |
| 2012 BOND                                      | <u>0</u>                | <u>152,963</u>         | <u>152,963</u>      |
| G. O. DEBT SERVICE<br>REQUIREMENTS FOR 2012-13 | <u>\$485,000</u>        | <u>\$291,616</u>       | <u>\$776,616</u>    |

**TOTAL OUTSTANDING G. O. DEBT SERVICE REQUIREMENTS  
AS OF OCTOBER 1, 2012**

|                    | <b><u>PRINCIPAL</u></b> | <b><u>INTEREST</u></b> | <b><u>TOTAL</u></b> |
|--------------------|-------------------------|------------------------|---------------------|
| 2008 TAX NOTES     | \$535,000               | \$48,934               | \$583,934           |
| 2011 REFUND BONDS  | 3,645,000               | 1,025,100              | 4,670,100           |
| 2012 BOND          | <u>4,810,000</u>        | <u>2,643,980</u>       | <u>7,453,980</u>    |
| TOTAL REQUIREMENTS | <u>\$8,990,000</u>      | <u>\$3,718,014</u>     | <u>\$12,708,014</u> |

**G. O. BOND REQUIREMENTS  
THROUGH MATURITY**





# **City of Utility FY 2008-2009 Annual Budget Utility Debt Service**

The City authorized the issuance of Combination Tax and Revenue Certificates of Obligations, Series 2008A in the amount of \$2,346,000 and issued Combination Tax and Revenue Certificates of Obligations, Series 2008B in the amount of \$2,200,000 in March 2008 to be used for the purpose of constructing, acquiring and installing improvements, additions and extensions to the City's sanitary sewer system acquisition, including construction of a wastewater treatment plant and a water transmission line, and the acquisition of land and interests in land as necessary and for the legal, fiscal, design and engineering fees incurred in connection with such projects. The certificates are secured by a pledge of surplus net revenues derived from the operation of the City's combined Waterworks and Sewer System as approved by the City Council on March 17, 2008. The certificates are further secured from the ad valorem tax levied annually within the limits prescribed by law.

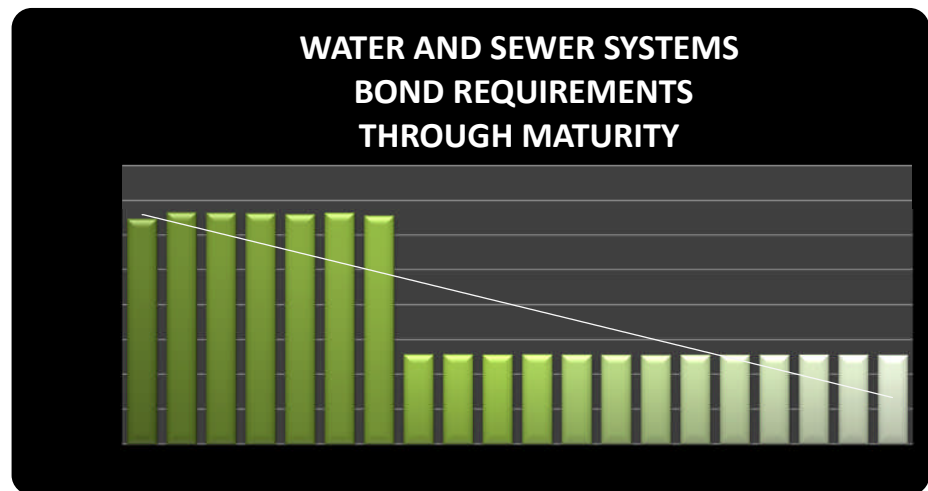
**SUMMARY OF WATERWORKS & SEWER SYSTEM REVENUE REFUNDING  
BONDS AND COMBINATION TAX & REVENUE CERTIFICATES OF OBLIGATION  
PRINCIPAL AND INTEREST REQUIREMENTS**

**2012-2013 REQUIREMENTS**

|  | <u>PRINCIPAL</u> | <u>INTEREST</u>  | <u>TOTAL</u>     |
|--|------------------|------------------|------------------|
| 2008A SERIES   | \$27,000         | \$100,620        | \$127,620        |
| 2008B SERIES   | <u>140,000</u>   | <u>64,546</u>    | <u>204,546</u>   |
| WATER & SEWER DEBT SERVICE<br>REQUIREMENTS FOR 2012-13 | <u>\$167,000</u> | <u>\$165,166</u> | <u>\$332,166</u> |

**TOTAL DEBT SERVICE REQUIREMENTS  
FROM WATERWORKS & SEWER SYSTEM REVENUE  
AS OF OCTOBER 1, 2012**

|  | <u>PRINCIPAL</u>   | <u>INTEREST</u>    | <u>TOTAL</u>       |
|--|--------------------|--------------------|--------------------|
| 2008A SERIES   | \$2,236,000        | \$2,244,373        | \$4,480,373        |
| 2008B SERIES   | <u>1,655,000</u>   | <u>374,398</u>     | <u>2,029,398</u>   |
| TOTAL<br>OUTSTANDING<br>WATER & SEWER<br>DEBT<br>SERVICE<br>REQUIREMENTS | <u>\$3,891,000</u> | <u>\$2,618,771</u> | <u>\$6,509,771</u> |



# **City of Alvarado FY 2012-2013 Annual Budget Special Revenue Funds**

## **SPECIAL REVENUE FUNDS**

The Special Revenue Funds were established to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. Descriptions and financial information are located in this section for the following funds:

**ECONOMIC DEVELOPMENT CORPORATION FUND (4B)**

**HOTEL OCCUPANCY TAXES FUND (HOT)**

**MINERAL LEASES AND ROYALTIES FUND**

**COURT FUNDS**

## **ECONOMIC DEVELOPMENT CORPORATION**

The special revenue fund was established to record receipts collected by the state for a one-half percent sales tax on taxable items sold within the City of Alvarado. The tax was authorized by voter referendum. Previously, in 1991, the State Legislature had approved an amendment to the Development Corporation Act of 1979 (Article 5190.6 Vernon Civil Statutes) to allow qualifying cities to impose with voter approval an additional one-half cent sales tax for projects as defined by 4B of the Act, primarily Parks and Recreation projects, if their sales tax rate at the time of the election does not exceed 7.25%.

After passage of the tax, the Economic Development Corporation was formed in March 2001 and is comprised of seven directors. By-laws for the Corporation were written and structured within the framework of the Development Corporation Act of 1979, Section 4B. Authorized categories under this section include, among other items, land, buildings, or equipment for professional and amateur sports facilities, park facilities and events, entertainment and tourist facilities, and affordable housing.

### ***MISSION STATEMENT***

*COMMITTED TO IMPROVING THE QUALITY OF LIFE FOR ALL CITIZENS THROUGH ECONOMIC DEVELOPMENT AND THE DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF CITY PARKS, RECREATION AND FACILITIES.*

# ECONOMIC DEVELOPMENT FUND

|                                | <u>ACTUAL<br/>FY 2009</u> | <u>ACTUAL<br/>FY 2010</u> | <u>ACTUAL<br/>FY 2011</u> | <u>BUDGET<br/>FY 2012</u> | <u>PROPOSED<br/>FY 2013</u> |
|--------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-----------------------------|
| <b>Beginning Fund Balances</b> | <b>\$246,457</b>          | <b>\$431,926</b>          | <b>\$619,343</b>          | <b>\$867,220</b>          | <b>\$1,181,993</b>          |
| <b>REVENUES/SOURCES</b>        |                           |                           |                           |                           |                             |
| Property Taxes                 |                           |                           |                           |                           |                             |
| Consumer Taxes                 | \$271,317                 | \$236,828                 | \$278,780                 | 336,365                   | \$ 350,000                  |
| Franchise Fees                 |                           |                           |                           |                           |                             |
| Licenses & Permits             |                           |                           |                           |                           |                             |
| Intergovernmental              |                           |                           |                           |                           |                             |
| Charges for Service            |                           |                           |                           |                           |                             |
| Interest                       | 2,502                     | 873                       | 820                       | 972                       | 750                         |
| Transfers                      |                           |                           | 75                        | 612                       |                             |
| Miscellaneous                  |                           |                           |                           |                           |                             |
| <b>TOTAL REVENUES</b>          | <b>\$ 273,819</b>         | <b>\$ 237,701</b>         | <b>\$279,676</b>          | <b>\$337,949</b>          | <b>\$350,750</b>            |
| <b>EXPENDITURES/USES</b>       |                           |                           |                           |                           |                             |
| General Government             | \$12,684                  | \$12,169                  | 13,007                    | 13,176                    | \$15,250                    |
| Public Safety                  |                           |                           |                           |                           |                             |
| Public Works                   |                           |                           |                           |                           |                             |
| Public Health                  |                           |                           |                           |                           |                             |
| Culture/Recreation             | 65,666                    | 7,552                     | 8,180                     |                           |                             |
| Economic Development           | 10,000                    | 30,100                    | 10,000                    | 10,000                    | 335,500                     |
| Other                          |                           |                           |                           |                           |                             |
| Transfers                      |                           |                           |                           |                           |                             |
| <b>DEBT SERVICE</b>            |                           |                           |                           |                           |                             |
| Principal                      |                           |                           |                           |                           |                             |
| Interest                       |                           |                           |                           |                           |                             |
| Other                          |                           |                           |                           |                           |                             |
| <b>TOTAL EXPENDITURES</b>      | <b>\$88,350</b>           | <b>\$49,821</b>           | <b>\$31,187</b>           | <b>\$23,176</b>           | <b>\$350,750</b>            |
| <b>Ending Fund Balances</b>    | <b><u>\$431,926</u></b>   | <b><u>\$619,343</u></b>   | <b><u>\$867,220</u></b>   | <b><u>\$1,181,993</u></b> | <b><u>\$1,181,993</u></b>   |

# **City of Alvarado**

## **Economic Development Corporation**

### **Description**

The Economic Development Commission (EDC) half-cent sales tax was approved by the voters in Alvarado for economic development and developing parks and recreational facilities for the citizens.

The Economic Development Fund is responsible for developing programs to retain, expand and attract business to Alvarado and to coordinate activities in conjunction with civic and public groups including the schools, developers, the Chamber of Commerce and City Officials.

The key aspect of the development division includes the proactive stance for prospecting of new business and industry within the City of Alvarado. This division will be responsible for following through on possible prospects. The division will soon be able to provide current demographic data, economic data and site location information to brokers, developers and business interest in an effort to expand the local economy through the attraction of new businesses.

This specialized tax is permanent and is governed by a board of seven members appointed by the City Council. The operational budget of the Economic Development Fund is the administrative portion which oversees the entire fund and advises the Economic Development Board of the needs and requests of the various parks included in this fund.

### **Goals**

To actively communicate with the local business community by providing current demographic and economic information and the announcement of major business developments in the area.

The overall goal is to diversify the business mix and broaden the tax base to increase employment opportunities within the community.

The department will strive to attract industry and commercial enterprises to the City of Alvarado, encourage expansion of existing business and promote civic pride within the community.

Improve the overall appearance of the park's green space, park components and recreational facilities to keep the park safe, accessible, and environmentally pleasing.

### **Objectives**

To encourage and assist in the promotion and marketing of Alvarado.

To respond quickly and efficiently to requests for development in Alvarado.

To encourage and assist in enhancing the quality of life in Alvarado.

To continue the ongoing maintenance and development of the City's park and recreational facilities.

To increase participation in athletic programs through optimum use of new and existing facilities.

**City of Alvarado**  
**Economic Development Corporation**

|                                       | <u>ACTUAL</u><br><u>2009-10</u> | <u>ACTUAL</u><br><u>2010-11</u> | <u>ACTUAL</u><br><u>2011-12</u> | <u>ADOPTED</u><br><u>BUDGET</u><br><u>2012-13</u> |
|---------------------------------------|---------------------------------|---------------------------------|---------------------------------|---|
| 04-5101-201 Legal Services            |                                 |                                 |                                 | 500   |
| 04-5101-202 Audit & Accounting        |                                 | 1,002                           | 1,176                           | 1,250   |
| 04-5101-207 Advertisements & Notices  |                                 |                                 |                                 | 500   |
| 04-5101-213 Travel & Training         | 169                             | 5                               |                                 | 1,000   |
| 04-5101-365 Economic Development      | 10,000                          | 10,000                          | 10,000                          | 10,000  |
| 04-5101-506 Parks Grant match         |                                 | 8,180                           |                                 |   |
| 04-5101-510 Sewer System Improvements |                                 |                                 |                                 | 300,000   |
| 04-5101-610 Projects to be Decided    |                                 |                                 |                                 | 25,500  |
| 04-5101-650 Administrative Costs      | <u>12,000</u>                   | <u>12,000</u>                   | <u>12,000</u>                   | <u>12,000</u>                                     |
| <b>TOTAL ECONOMIC DEVELOPMENT</b>     | <u>22,169</u>                   | <u>31,187</u>                   | <u>23,176</u>                   | <u>350,750</u>                                    |

## **HOTEL OCCUPANCY TAXES**

All hotels/motels within the City of Alvarado are required to remit quarterly to the City a 7% hotel occupancy tax. Projects from this fund are approved by the City Council on an annual basis and are restricted to projects relating to the promotion of tourism and community development. Five hotels are now currently in operation in the City of Alvarado.

### ***MISSION STATEMENT***

*TO PROMOTE TOURISM AND COMMUNITY DEVELOPMENT WITHIN THE CITY OF ALVARADO.*



# HOTEL OCCUPANCY TAXES

|                                | <u>ACTUAL<br/>FY 2009</u> | <u>ACTUAL<br/>FY 2010</u> | <u>ACTUAL<br/>FY 2011</u> | <u>ACTUAL<br/>FY 2012</u> | <u>PROPOSED<br/>FY 2013</u> |
|--------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-----------------------------|
| <b>Beginning Fund Balances</b> | <b>\$109,379</b>          | <b>\$144,616</b>          | <b>\$137,076</b>          | <b>\$197,731</b>          | <b>\$285,070</b>            |
| <b>REVENUES/SOURCES</b>        |                           |                           |                           |                           |                             |
| Property Taxes                 |                           |                           |                           |                           |                             |
| Consumer Taxes                 | \$91,467                  | \$86,561                  | 111,000                   | 149,899                   | \$ 120,000                  |
| Franchise Fees                 |                           |                           |                           |                           |                             |
| Licenses & Permits             |                           |                           |                           |                           |                             |
| Fines & Forfeitures            |                           |                           |                           |                           |                             |
| Charges for Service            |                           |                           |                           |                           |                             |
| Interest                       | 1,025                     | 250                       | 150                       | 172                       | 150                         |
| Interfund Transfers            |                           |                           |                           |                           |                             |
| Other Funding                  |                           |                           |                           |                           |                             |
| <b>TOTAL REVENUES</b>          | <b>\$92,492</b>           | <b>\$ 86,811</b>          | <b>\$111,150</b>          | <b>\$150,071</b>          | <b>\$120,150</b>            |
| <b>EXPENDITURES/USES</b>       |                           |                           |                           |                           |                             |
| General Government             | \$1,200                   | \$1,200                   | \$1,200                   | \$1,200                   | \$1,200                     |
| Public Safety                  | 976                       | 2,110                     | 1,573                     |                           |                             |
| Public Works                   |                           |                           |                           |                           |                             |
| Public Health                  |                           |                           |                           |                           |                             |
| Culture/Recreation             | 55,079                    | 61,042                    | 52,568                    | 61,533                    | 118,950                     |
| Transfers                      |                           |                           |                           |                           |                             |
| Other                          |                           |                           |                           |                           |                             |
| <b>TOTAL EXPENDITURES</b>      | <b>\$57,255</b>           | <b>\$64,352</b>           | <b>\$55,341</b>           | <b>\$62,733</b>           | <b>\$120,150</b>            |
| <b>Ending Fund Balances</b>    | <b><u>\$144,616</u></b>   | <b><u>\$137,076</u></b>   | <b><u>\$197,731</u></b>   | <b><u>\$285,070</u></b>   | <b><u>\$285,070</u></b>     |

## City of Alvarado

### Hotel Occupancy Taxes

**Description**

Under State Hotel Occupancy Tax Statutes, use of hotel-motel tax receipts are limited to enhancing and promoting tourism, conventions and the hotel industry, establishing or improving convention centers and paying administrative costs associated with convention registration, tourism related advertising and promotions, arts enhancement, and historical restoration and preservation program. Heretofore, the City of Alvarado has, by and large, used occupancy tax receipts for promotional purposes. This budget contemplates the same basic objective but on a much broader, more strategic, and more aggressive basis.

The funding is restricted to projects related to the promotion of tourism and community development.

|                                      | <b>ACTUAL<br/>2009-10</b> | <b>ACTUAL<br/>2010-11</b> | <b>ACTUAL<br/>2011-12</b> | <b>ADOPTED<br/>BUDGET<br/>2012-13</b> |
|--------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------------------|
| 05-5101-360 Marketing & Promotions   | 3,004                     | 18,750                    | 14,421                    | 22,495                                |
| 05-5101-361 Christmas Events         | 6,167                     | 1,792                     |                           |                                       |
| 05-5101-362 Hwy Signs & Landscaping  | 1,391                     |                           |                           | 20,000                                |
| 05-5101-363 July 4th Event           | 6,200                     | 5,000                     | 25,366                    | 30,000                                |
| 05-5101-364 National Night Out       | 2,110                     | 1,573                     |                           |                                       |
| 05-5101-368 Tractor Show Advertising | 4,100                     | 4,900                     | 4,859                     | 4,900                                 |
| 05-5101-369 Old Settlers Reunion     | 15,684                    | 4,847                     |                           |                                       |
| 05-5101-372 Old Wagon Barn           |                           | 350                       |                           | 24,650                                |
| 05-5101-501 Land                     | 14,815                    | 16,930                    | 16,887                    | 16,905                                |
| 01-5101-550 Capital Outlay           | 9,680                     |                           |                           |                                       |
| 05-5101-650 Administrative Costs     | 1,200                     | 1,200                     | 1,200                     | 1,200                                 |
| <b>TOTAL HOTEL OCCUPANCY TAXES</b>   | <b>64,351</b>             | <b>55,342</b>             | <b>62,733</b>             | <b>120,150</b>                        |

## MINERAL LEASES AND ROYALTIES

The City leased its mineral rights to various gas companies and fifteen (15) gas wells have been drilled with royalties providing revenue for the City. The royalties on these properties vary by lease. The City Council voted to account for these revenues in a separate fund with 50% of the fund is to be used toward street maintenance and repair.

### ***MISSION STATEMENT***

*TO USE THESE FUNDS FOR PROJECTS WITHIN THE CITY THAT COULD NOT HAVE BEEN DONE OTHERWISE, TO IMPROVE THE QUALITY OF LIFE FOR THE CITIZENS OF ALVARADO.*

# MINERAL LEASES & ROYALTIES

|                                | <u>ACTUAL<br/>FY 2009</u> | <u>ACTUAL<br/>FY 2010</u> | <u>ACTUAL<br/>FY 2011</u> | <u>ACTUAL<br/>FY 2012</u> | <u>PROPOSED<br/>FY 2013</u> |
|--------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-----------------------------|
| <b>Beginning Fund Balances</b> | <b>\$582,541</b>          | <b>\$421,292</b>          | <b>\$444,659</b>          | <b>\$1,328,113</b>        | <b>\$1,129,891</b>          |
| <b>REVENUES/SOURCES</b>        |                           |                           |                           |                           |                             |
| Property Taxes                 |                           |                           |                           |                           |                             |
| Consumer Taxes                 |                           |                           |                           |                           |                             |
| Franchise Fees                 |                           |                           |                           |                           |                             |
| Licenses & Permits             |                           |                           |                           |                           |                             |
| Fines & Forfeitures            |                           |                           |                           |                           |                             |
| Gas & Oil Revenue              | \$492,518                 | \$428,490                 | \$1,131,008               | \$430,865                 | 276,000                     |
| Interest                       | 5,718                     | 923                       | 843                       | 1,309                     | \$1,000                     |
| Other Funding                  |                           |                           |                           |                           |                             |
| <b>TOTAL REVENUES</b>          | <b>\$498,237</b>          | <b>\$429,414</b>          | <b>\$1,131,851</b>        | <b>\$432,174</b>          | <b>\$277,000</b>            |
| <b>EXPENDITURES/USES</b>       |                           |                           |                           |                           |                             |
| General Government             |                           |                           |                           |                           |                             |
| Public Safety                  |                           |                           |                           |                           |                             |
| Public Works                   | \$268,973                 | \$212,591                 | \$188,210                 | \$414,402                 | \$138,500                   |
| Culture/Recreation             |                           |                           |                           |                           |                             |
| Other                          | 390,513                   | 193,456                   | \$60,187                  | 215,995                   | 138,500                     |
| <b>DEBT SERVICE</b>            |                           |                           |                           |                           |                             |
| Principal                      |                           |                           |                           |                           |                             |
| Interest                       |                           |                           |                           |                           |                             |
| Other                          |                           |                           |                           |                           |                             |
| <b>TOTAL EXPENDITURES</b>      | <b>\$659,486</b>          | <b>\$406,047</b>          | <b>\$248,397</b>          | <b>\$630,397</b>          | <b>\$277,000</b>            |
| <b>Ending Fund Balances</b>    | <b><u>\$421,292</u></b>   | <b><u>\$444,659</u></b>   | <b><u>\$1,328,113</u></b> | <b><u>\$1,129,891</u></b> | <b><u>\$1,129,891</u></b>   |

**City of Alvarado**

**Mineral Leases and Royalties**

|                                       | <u>ACTUAL</u><br><u>2009-10</u> | <u>ACTUAL</u><br><u>2010-11</u> | <u>ACTUAL</u><br><u>2011-12</u> | <u>ADOPTED</u><br><u>BUDGET</u><br><u>2012-13</u> |
|---------------------------------------|---------------------------------|---------------------------------|---------------------------------|---|
| 06-5101-50 Street Improvements        | 212,591                         | 188,210                         | 414,402                         | 138,500   |
| 06-5101-55 Other Capital Projects     | 193,456                         | 60,187                          | 215,995                         | 118,500   |
| 06-5101-66 Transfer Out               | <u>0</u>                        | <u>0</u>                        | <u>0</u>                        | <u>20,000</u>                                     |
| <b>TOTAL MINERAL LEASES/ROYALTIES</b> | <u>406,047</u>                  | <u>248,397</u>                  | <u>630,397</u>                  | <u>277,000</u>                                    |

**OTHER SPECIAL REVENUE  
COURT FUNDS**

**Child Safety Trust Funds**

**Court Technology Funds**

**Court Security Funds**

These funds are to be used only for state required expenditures and not be commingled with other City funds.

Child Safety Trust Funds can only be used to fund school crossing guard services and programs designed to enhance child safety, health, or nutrition, including child abuse intervention and prevention and drug and alcohol abuse prevention.

Court Technology Funds can only be used for continuing education and training for court judges and clerks, the purchase and maintenance of computer systems, networks, hardware, software, imaging systems, electronic ticket writers and docket management systems.

Court Security Funds can only be used to finance items used for the purpose of providing security for any buildings housing the municipal court of the City of Alvarado.

## OTHER SPECIAL REVENUE

|                                | <u>ACTUAL<br/>FY 2009</u> | <u>ACTUAL<br/>FY 2010</u> | <u>ACTUAL<br/>FY 2011</u> | <u>ACTUAL<br/>FY 2012</u> | <u>PROPOSED<br/>FY 2013</u> |
|--------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-----------------------------|
| <b>Beginning Fund Balances</b> | <b>\$22,234</b>           | <b>\$100,317</b>          | <b>\$108,984</b>          | <b>\$116,040</b>          | <b>\$129,725</b>            |
| <b>REVENUES/SOURCES</b>        |                           |                           |                           |                           |                             |
| Property Taxes                 |                           |                           |                           |                           |                             |
| Consumer Taxes                 |                           |                           |                           |                           |                             |
| Franchise Fees                 |                           |                           |                           |                           |                             |
| Licenses & Permits             |                           |                           |                           |                           |                             |
| Fines & Forfeitures            | \$35,816                  | \$33,590                  | \$30,754                  | \$37,635                  | \$35,500                    |
| Charges for Service            |                           |                           |                           |                           |                             |
| Interest                       |                           |                           | 27                        | 60                        | 100                         |
| Interfund Transfers            |                           |                           |                           |                           |                             |
| Other Funding                  |                           |                           |                           |                           |                             |
| <b>TOTAL REVENUES</b>          | <b>\$35,816</b>           | <b>\$33,590</b>           | <b>\$30,781</b>           | <b>\$37,695</b>           | <b>\$35,600</b>             |
| <b>EXPENDITURES/USES</b>       |                           |                           |                           |                           |                             |
| General Government             |                           |                           |                           |                           |                             |
| Public Safety                  | \$24,180                  | \$24,923                  | \$23,725                  | \$24,010                  | \$35,600                    |
| Public Works                   |                           |                           |                           |                           |                             |
| Public Health                  |                           |                           |                           |                           |                             |
| Culture/Recreation             |                           |                           |                           |                           |                             |
| Transfers                      |                           |                           |                           |                           |                             |
| Other                          |                           |                           |                           |                           |                             |
| <b>TOTAL EXPENDITURES</b>      | <b>\$24,180</b>           | <b>\$24,923</b>           | <b>\$49,335</b>           | <b>\$61,000</b>           | <b>\$35,600</b>             |
| <b>Ending Fund Balances</b>    | <b><u>\$100,317</u></b>   | <b><u>\$108,984</u></b>   | <b><u>\$116,040</u></b>   | <b><u>\$129,725</u></b>   | <b><u>\$129,725</u></b>     |

**City of Alvarado**  
**Other Special Revenue**

|   | <u>ACTUAL</u><br><u>2009-10</u> | <u>ACTUAL</u><br><u>2010-11</u> | <u>ACTUAL</u><br><u>2011-12</u> | <u>ADOPTED</u><br><u>BUDGET</u><br><u>2012-13</u> |
|---|---------------------------------|---------------------------------|---------------------------------|---|
| 07-5101-350 Court Security Expenses     | 3,456                           | 1,574                           | 6,208                           | 16,000  |
| 07-5101-351 Court Technology Expenses   | 15,663                          | 10,826                          |                                 | 9,000   |
| 07-5101-352 Court Child Safety Expenses | 255                             | 1,103                           | 686                             | 4,500   |
| 07-5101-405 Maintenance Contracts       |                                 | 6,691                           | 8,425                           | 11,300  |
| 07-5101-601 Lease & Note Payments       | <u>5,550</u>                    | <u>3,532</u>                    | <u>8,691</u>                    | <u>3,500</u>                                      |
| <b>TOTAL OTHER SPECIAL REVENUES</b>     | <u>24,924</u>                   | <u>23,726</u>                   | <u>24,010</u>                   | <u>35,600</u>                                     |



# CITY OF ALVARADO

## CAPITAL IMPROVEMENTS PROGRAM

**A Capital Improvement Program is a schedule of Public Physical Improvements to be constructed with estimated resources available to finance the projected expenditures.**

Capital Improvements are any expenditure of public funds for the purchase, construction, rehabilitation, replacement or expansion of the physical assets of the community when the project is relatively large in size, expensive (the City's capital threshold is \$5,000), long-term and permanent. Some common examples include streets, tennis courts, fire stations, water and sewer lines and fire engines. Capital expenditures are financed from a variety of sources to include long-term and short-term debt, current revenues, grants from other governmental entities and donations from foundations, businesses, individuals and non-profit organizations. A detailed listing of financing methods is found on the following pages.

### Functions of a Capital Improvement Program

- ❖ **Estimating capital requirements, budgeting priority projects and developing revenue sources for proposed improvements.**
- ❖ **Scheduling all capital projects over a fixed period with the appropriate planning, implementation and informing the public of projected capital improvements.**
- ❖ **Coordinating the activities of various departments in meeting project schedules.**
- ❖ **Monitoring and evaluating the progress of capital projects.**

### Capital Improvements Policy

**The City of Alvarado prioritizes the funding of capital projects on the basis of a Capital Improvements Plan. The functions of the Capital Improvement Plan are as follows:**

- 1. Estimating capital requirements**
- 2. Scheduling all capital projects over a fixed period with appropriate planning and implementation.**
- 3. Budgeting priority projects and developing revenue sources for proposed improvements.**
- 4. Coordinating the activities of various departments in meeting project schedules.**
- 5. Monitoring and evaluating the progress of capital projects.**
- 6. Informing the public of projected capital improvements.**

**The following questions are considered when justifying a project:**

- 1. What is the relationship of the project to the progress of the entire city?**
- 2. Is the project part of a large program? How does it relate to the goals of the program?**

3. How many citizens will be helped by it? How many citizens will be harmed or inconvenienced if the project is not considered?
4. Will it add to the value of the surrounding area? Will it increase the valuation of local property?
5. Will it increase efficiency or performance of a service? Will it reduce the on-going costs of a service or facility?
6. Will it provide a service required for economic development of the community? What improvements would be of the most value in attracting commercial and industrial firms?
7. Is the project required to complete or make fully usable a major public improvement?
8. Will rapid urban growth in the area of the proposed project increase the costs of land acquisition if the project is deferred?
9. Is the project well identified by the citizens? Does it have established voter appeal?
10. Is the project needed to protect public health or safety?

#### Methods of Financing Capital Improvements Projects

##### Certificates of Obligations

**Certificates of Obligations** are issued with limited revenues pledged by the water and sewer systems. Voter approval is not required.

##### Donations

**Donations** are periodically received, by the City, from individuals, businesses, foundations and non-profit organizations.

##### Earmarked Funds

**With Earmarked Funds**, monies are accumulated in advance or set aside for capital construction or purchase. The accumulation may result from surplus of earmarked operational revenues or sale of capital assets.

##### Enterprise Funds

**Enterprise Funds** are established from the delivery of specific services – where money paid to administer the services and the expenses (as a result of providing services) are accounted for separate from the general fund budget of the City.

##### General Fund

**General Fund** is the financing of improvements from revenues such as general taxation, fees and service charges.

##### General Obligation Bonds

**With General Obligation bonds**, the taxing power of the jurisdiction is pledged to pay interest and retire the debt. General Obligation Bonds can be sold to finance permanent types of improvements such as municipal buildings, streets and parks and recreation facilities. Voter approval is required.

##### Revenue Bonds

**Revenue Bonds** frequently are sold for projects that produce revenues, such as water, sewer and electric systems. Voter approval is not required.

Special Assessments

Public works that benefit particular properties may be financed more equitably by special assessments (i.e., paid by those who directly benefit).

State and Federal Grants

State and Federal Grant-in-Aid programs are available for financing a number of programs. These may include streets, water and sewer facilities, airports, parks and playgrounds. The costs of funding these facilities may be borne completely by grant funds or a local share may be required.

Impacts of Capital Improvements on Operating Budget

Most of the capital improvements scheduled for FY 2012-13 are routine replacements and/or upgrades of facilities or equipment. There should be no major impact on operating budgets for most of the capital items scheduled. The maintenance and operating costs related to most of the capital project items scheduled should be absorbed in the corresponding division's operating budget.

FY 2012-2013 Capital Improvements

The following pages identify the capital improvements that have been authorized in FY 2012-2013 and includes the project or equipment, the department requesting the item, the fund in which expenditures will be recorded, the sources of funds, the cost and the reason the project is being undertaken or equipment being purchased.

**CITY OF ALVARADO  
CAPITAL IMPROVEMENTS BY FUND**

|  |                |                |                |                |                  |                  |
|--|----------------|----------------|----------------|----------------|------------------|------------------|
| <b><u>PUBLIC SAFETY</u></b>            |                |                |                |                |                  |                  |
| Police                                 | 148,410        |                |                |                |                  |                  |
| Animal Control                         | 38,917         |                |                |                |                  |                  |
| <b>TOTAL</b>                           | <b>187,327</b> | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>         |                  |
| <b><u>WATER/WASTEWATER</u></b>         |                |                |                |                |                  |                  |
| Water Expenses                         | 8,000          |                |                |                |                  |                  |
| <b>TOTAL</b>                           | <b>0</b>       | <b>8,000</b>   | <b>0</b>       | <b>0</b>       | <b>0</b>         |                  |
| <b><u>ECONOMIC DEVELOPMENT</u></b>     |                |                |                |                |                  |                  |
| Economic Development                   | 0              | 350,750        | 0              |                |                  |                  |
| <b>TOTAL</b>                           | <b>0</b>       | <b>350,750</b> | <b>0</b>       | <b>0</b>       | <b>0</b>         |                  |
| <b><u>MINERAL LEASES/ROYALTIES</u></b> |                |                |                |                |                  |                  |
| Miscellaneous                          | 0              | 0              | 404,750        |                |                  |                  |
| <b>TOTAL</b>                           | <b>0</b>       | <b>0</b>       | <b>404,750</b> | <b>0</b>       | <b>0</b>         |                  |
| <b><u>CAPITAL PROJECTS FUND</u></b>    |                |                |                |                |                  |                  |
| Capital Projects                       | 0              | 0              | 0              | 0              | 4,800,600        |                  |
| <b>TOTAL</b>                           | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>4,800,600</b> |                  |
| <b>TOTAL CIP BY FUND</b>               | <b>187,327</b> | <b>8,000</b>   | <b>350,750</b> | <b>404,750</b> | <b>0</b>         | <b>4,800,600</b> |

**CAPITAL IMPROVEMENTS PROGRAM  
EXPENDITURES  
FY 2012-2013**

**PUBLIC SAFETY IMPROVEMENT PROGRAM**

**POLICE**

| <b><i>Project</i></b>                   | <b><i>Department</i></b> | <b><i>Fund</i></b> | <b><i>Source of Funds</i></b> | <b><i>Amount</i></b> |
|---|--------------------------|--------------------|-------------------------------|----------------------|
| Lease/Purchase five (5) patrol vehicles | Police                   | General            | General Fund<br>Operating     | \$68,985             |

Effect on operating budget: 3 Year Lease/Purchase – Less Vehicle Maintenance Expense

| <b><i>Project</i></b> | <b><i>Department</i></b> | <b><i>Fund</i></b> | <b><i>Source of Funds</i></b> | <b><i>Amount</i></b> |
|-----------------------|--------------------------|--------------------|-------------------------------|----------------------|
| Lease/Purchase Radios | Police                   | General            | General Fund<br>Operating     | \$18,755             |

Effect on operating budget: 5 Year Lease / Required Upgrade

| <b><i>Project</i></b>    | <b><i>Department</i></b> | <b><i>Fund</i></b> | <b><i>Source of Funds</i></b> | <b><i>Amount</i></b> |
|--------------------------|--------------------------|--------------------|-------------------------------|----------------------|
| OSSI Software & Hardware | Police                   | General            | General Fund<br>Operating     | \$60,670             |

Effect on operating budget: Law Enforcement Efficiency Increased

**TOTAL POLICE IMPROVEMENT PROGRAM \$148,410**

**ANIMAL CONTROL**

| <b><i>Project</i></b>       | <b><i>Department</i></b> | <b><i>Fund</i></b> | <b><i>Source of Funds</i></b> | <b><i>Amount</i></b> |
|-----------------------------|--------------------------|--------------------|-------------------------------|----------------------|
| New Animal Control Facility | Animal Control           | General            | General Fund<br>Operating     | \$38,917             |

Effect on operating budget: Animal Control facility will be able to pass inspection.

**TOTAL ANIMAL CONTROL IMPROVEMENT PROGRAM \$38,917**

TOTAL PUBLIC SAFETY IMPROVEMENT PROGRAM

\$187,327

**WATER/WASTEWATER IMPROVEMENT PROGRAM**

**WATER/SEWER EXPENSE**

| <b><i>Project</i></b> | <b><i>Department</i></b> | <b><i>Fund</i></b> | <b><i>Source of Funds</i></b> | <b><i>Amount</i></b> |
|-----------------------|--------------------------|--------------------|-------------------------------|----------------------|
| Zero Turn Mower       | Water/Sewer              | Water/ Sewer       | Water/Sewer<br>Operating      | \$8,000              |

Effect on operating budget:      None

TOTAL WATER/SEWER IMPROVEMENT PROGRAM

\$8,000

**ECONOMIC DEVELOPMENT PROGRAM**

**ECONOMIC DEVELOPMENT**

| <b><i>Project</i></b>  | <b><i>Department</i></b> | <b><i>Fund</i></b>      | <b><i>Source of Funds</i></b>        | <b><i>Amount</i></b> |
|------------------------|--------------------------|-------------------------|--------------------------------------|----------------------|
| Projects to be decided | EDC                      | Economic<br>Development | Economic<br>Development<br>Operating | 350,750              |

Effect on operating budget:      None

TOTAL ECONOMIC DEVELOPMENT PROGRAM

\$350,750

**MINERAL LEASES AND ROYALTIES**

| <b><u>Project</u></b>             | <b><u>Department</u></b> | <b><u>Fund</u></b>       | <b><u>Source of Funds</u></b> | <b><u>Amount</u></b> |
|-----------------------------------|--------------------------|--------------------------|-------------------------------|----------------------|
| Miscellaneous Street Improvements | Streets                  | Mineral Leases/Royalties | Mineral Royalties             | \$138,500            |

Effect on operating budget:      None

| <b><u>Project</u></b>       | <b><u>Department</u></b> | <b><u>Fund</u></b>       | <b><u>Source of Funds</u></b> | <b><u>Amount</u></b> |
|-----------------------------|--------------------------|--------------------------|-------------------------------|----------------------|
| New Animal Control Facility | Animal Control           | Mineral Leases/Royalties | Mineral Royalties             | \$147,750            |

Effect on operating budget:      None

| <b><u>Project</u></b>  | <b><u>Department</u></b> | <b><u>Fund</u></b>       | <b><u>Source of Funds</u></b> | <b><u>Amount</u></b> |
|------------------------|--------------------------|--------------------------|-------------------------------|----------------------|
| Projects to be decided | Other                    | Mineral Leases/Royalties | Mineral Royalties             | \$118,500            |

Effect on operating budget:      None

**TOTAL MINERAL LEASES AND ROYALTIES** **\$404,750**

**CAPITAL PROJECTS FUND**

| <b><u>Project</u></b>                         | <b><u>Department</u></b> | <b><u>Fund</u></b> | <b><u>Source of Funds</u></b> | <b><u>Amount</u></b> |
|---|--------------------------|--------------------|-------------------------------|----------------------|
| Phase 1 - Water Plant #10 & Transmission Line | Water                    | Capital Projects   | 2012 Tax/Rev C.O.'s           | 1,744,410            |

Effect on operating budget:      None

| <b><i>Project</i></b>                            | <b><i>Department</i></b> | <b><i>Fund</i></b>  | <b><i>Source of Funds</i></b> | <b><i>Amount</i></b> |
|--|--------------------------|---------------------|-------------------------------|----------------------|
| Phase 2 – Water Plant<br>#10 & Transmission Line | Water                    | Capital<br>Projects | 2012 Tax/Rev<br>C.O.'s        | 910,640              |
| Effect on operating budget:                      |                          | None                |                               |                      |

| <b><i>Project</i></b>       | <b><i>Department</i></b> | <b><i>Fund</i></b>  | <b><i>Source of Funds</i></b> | <b><i>Amount</i></b> |
|-----------------------------|--------------------------|---------------------|-------------------------------|----------------------|
| Deep Well & Pump            | Water                    | Capital<br>Projects | 2012 Tax/Rev<br>C.O.'s        | 636,500              |
| Effect on operating budget: |                          | None                |                               |                      |

| <b><i>Project</i></b>       | <b><i>Department</i></b> | <b><i>Fund</i></b>  | <b><i>Source of Funds</i></b> | <b><i>Amount</i></b> |
|-----------------------------|--------------------------|---------------------|-------------------------------|----------------------|
| Barscreen & Grit<br>Removal | Sewer                    | Capital<br>Projects | 2012 Tax/Rev<br>C.O.'s        | 655,780              |
| Effect on operating budget: |                          | None                |                               |                      |

| <b><i>Project</i></b>       | <b><i>Department</i></b> | <b><i>Fund</i></b>  | <b><i>Source of Funds</i></b> | <b><i>Amount</i></b> |
|-----------------------------|--------------------------|---------------------|-------------------------------|----------------------|
| Equalization Basin          | Sewer                    | Capital<br>Projects | 2012 Tax/Rev<br>C.O.'s        | 455,150              |
| Effect on operating budget: |                          | None                |                               |                      |

| <b><i>Project</i></b>       | <b><i>Department</i></b> | <b><i>Fund</i></b>  | <b><i>Source of Funds</i></b> | <b><i>Amount</i></b> |
|-----------------------------|--------------------------|---------------------|-------------------------------|----------------------|
| Beltpress & Housing         | Sewer                    | Capital<br>Projects | 2012 Tax/Rev<br>C.O.'s        | 398,150              |
| Effect on operating budget: |                          | None                |                               |                      |

**TOTAL CAPITAL PROJECTS FUND** **\$4,800,630**



## APPROVED CITY EMPLOYEE POSITIONS

|                                      | <u>FY2010-11</u> |            | <u>FY20011-12</u> |            | <u>FY1012-13</u> |            |
|--------------------------------------|------------------|------------|-------------------|------------|------------------|------------|
|                                      | <u>FT</u>        | <u>PT</u>  | <u>FT</u>         | <u>PT</u>  | <u>FT</u>        | <u>PT</u>  |
| <b><u>GENERAL FUND</u></b>           |                  |            |                   |            |                  |            |
| Administration                       | 2.5              |            | 3.0               |            | 3.0              |            |
| Police Department                    | 16.0             |            | 15.0              | 1.0        | 16.0             |            |
| Code Services                        | 4.0              |            | 3.0               | 1.0        | 2.0              |            |
| Communications                       | 6.0              |            | 6.0               |            | 0.0              |            |
| Municipal Court                      | 2.0              |            | 2.0               |            | 2.0              |            |
| Fire Department                      | 11.0             |            | 11.0              |            | 11.0             |            |
| Animal Control                       | 1.0              | 1.0        | 1.0               | 1.0        | 1.0              | 1.0        |
| Streets                              | 1.0              |            | 1.0               |            | 1.0              |            |
| Library                              | 2.0              | 2.0        | 2.0               | 2.0        | 2.0              | 2.0        |
| Senior Services                      | 1.0              |            | 1.0               |            | 1.0              |            |
| Parks Maintenance                    | 1.0              |            | 1.0               |            | 1.0              | 3.0        |
| <b>TOTAL GENERAL FUND</b>            | <b>46.0</b>      | <b>3.0</b> | <b>46.0</b>       | <b>5.0</b> | <b>40.0</b>      | <b>6.0</b> |
| <b><u>WATER &amp; SEWER FUND</u></b> |                  |            |                   |            |                  |            |
| Water and Sewer Admin                | 11.0             |            | 11.0              |            | 11.0             |            |
| <b>TOTAL WATER &amp; SEWER</b>       | <b>11.0</b>      | <b>0.0</b> | <b>11.0</b>       | <b>0.0</b> | <b>11.0</b>      | <b>0.0</b> |
| <b>TOTAL EMPLOYEES</b>               | <b>57.0</b>      | <b>3.0</b> | <b>57.0</b>       | <b>5.0</b> | <b>51.0</b>      | <b>6.0</b> |

## GLOSSARY OF KEY BUDGET TERMS

The Annual Budget contains specialized and technical terminology that is unique to the public finance and budgeting. To help the reader of the Annual Budget document to better understand these terms, a budget glossary has been included in the 2008-09 Annual Budget.

|   |   |
|---|---|
| <b><u>Account</u></b>                       | A term used to identify an individual asset, liability, expenditure control, revenue control, encumbrance control, or fund balance.   |
| <b><u>Accounting System</u></b>             | Records and procedures which are used to record, classify and report information on the financial status and operations of the entity.  |
| <b><u>Accrual Accounting</u></b>            | A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred.       |
| <b><u>Ad Valorem</u></b>                    | Latin for "value of" refers to the tax assessed against real (land and buildings) and personal (equipment and furniture) property.  |
| <b><u>Amended Budget</u></b>                | Includes the adopted budget for a fiscal year, plus any budget amendments or budget transfers.  |
| <b><u>Appraised Value</u></b>               | To make an estimate of value for the purpose of taxation. (Property values are established by the Tarrant Appraisal District).  |
| <b><u>Appropriation</u></b>                 | An authorization made by the City Council, which permits the City to incur obligations and to make expenditures of resources.   |
| <b><u>Assessment Ratio</u></b>              | The ratio at which tax rate is applied to tax base. The assessment ratio is currently set at 100% by State Law.   |
| <b><u>Audit</u></b>                         | An examination of an organization's financial statements and the utilization of resources.  |
| <b><u>Bond</u></b>                          | A written promise to pay a sum of money on a specific date(s) at a specific interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. |
| <b><u>Bonded Debt</u></b>                   | That portion of indebtedness represented by outstanding bonds.  |
| <b><u>Bond Ordinance</u></b>                | An ordinance or resolution authorizing a bond issue.  |
| <b><u>Bonds Authorized and Unissued</u></b> | Bonds that have been authorized legally but not issued and that can be issued and sold without further authorization.   |
| <b><u>Bond Refinancing</u></b>              | The pay-off and re-issuance of bonds, to obtain better interest rates and/or bond conditions.   |
| <b><u>Budget</u></b>                        | A financial plan for a specified period of operations that matches all planned revenues and expenditures with the services provided the residents of the City.                        |
| <b><u>Budget Calendar</u></b>               | The schedule of key dates which the City follows in the preparation and adoption of the budget.   |

|  |  |
|--|--|
| <b><u>Budget Document</u></b>                          | The instrument used by the budget-making authority to present a comprehensive financial plan of operations to the City Council.  |
| <b><u>Budget Message</u></b>                           | The opening section of the budget from the City Manager which provides the City Council an overview of the upcoming Budget.  |
| <b><u>Budget Ordinance</u></b>                         | The official enactment by City Council to legally authorize City staff to obligate and expend resources.   |
| <b><u>Budgetary Accounts</u></b>                       | Accounts used to enter the formally adopted annual operating budget into the general ledger as part of the management control technique of formal budgetary integration.   |
| <b><u>Budgetary Control</u></b>                        | The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and revenues.  |
| <b><u>Capital Improvement Program</u></b>              | A plan for purchasing capital expenditures over a period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the government is to have part and specifies the full resources estimated to be available to finance the projected expenditures.                                 |
| <b><u>Capital Projects Fund</u></b>                    | A fund created to account for financial resources to be used for the acquisition or the construction of major capital facilities or equipment.   |
| <b><u>Capital Outlays</u></b>                          | Expenditures which result in the acquisition of or addition to the fixed assets.   |
| <b><u>Certificates of Obligation</u></b>               | Tax supported bonds that are similar to general obligation bonds and can be issued after meeting strict publication requirements and with final approval by the City Council.  |
| <b><u>City Council</u></b>                             | The Mayor and six (6) Council members collectively acting as the legislative and policymaking body of the City.  |
| <b><u>Community Development Block Grant (CDBG)</u></b> | A type of federal grant to improve infrastructure in specified portions of the community.  |
| <b><u>Component Unit</u></b>                           | A legally separate organization for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. |
| <b><u>Contingency</u></b>                              | A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.   |
| <b><u>Contractual Services</u></b>                     | The costs related to services performed for the City by individuals, business, or utilities.   |
| <b><u>Current Taxes</u></b>                            | Taxes levied and due within one year.  |
| <b><u>Debt Service</u></b>                             | The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.  |

|                                  |   |
|----------------------------------|---|
| <b><u>Debt Service Fund</u></b>  | A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. May also be called a sinking fund.  |
| <b><u>Deficit</u></b>            | The excess of the liabilities of a fund over its assets; or the excess of expenditures over revenues during an accounting period; or, in the case of proprietary fund, the excess of expense over income during an accounting period.   |
| <b><u>Delinquent Taxes</u></b>   | Taxes that remain unpaid after the date on which a penalty for nonpayment is attached, i.e., tax statements mailed out in October and become delinquent if unpaid by January 31.  |
| <b><u>Department</u></b>         | A major administrative organizational unit of the City which indicates overall management responsibility for one or more divisions.   |
| <b><u>Depreciation</u></b>       | That portion of the cost of a capital asset that is charged as an expense during a particular period. This is a process of estimating and recording the lost usefulness, expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair or will be replaced. The cost of the loss of usefulness of a fixed asset is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.  |
| <b><u>Division</u></b>           | A major administrative organizational unit of the City which indicates overall management responsibility for one or more activities.  |
| <b><u>Effective Tax Rate</u></b> | State law in Texas prescribes a formula for calculation of the effective tax rate for cities. The net effect of the formula is to produce a tax rate that goes down when property values rise because of inflation and vice versa. The intent is to generate a rate that produces approximately the same revenue as the year before. The formula does make adjustments for newly annexed property and newly constructed property. If it is raised by three percent or more in a year. State law requires that special notices must be posted and published. |
| <b><u>Encumbrance</u></b>        | The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.   |
| <b><u>Enterprise Fund</u></b>    | A fund established to account for operations of the water and wastewater system. It is operated in a manner similar to private business enterprises where the intent is cost recovery.  |
| <b><u>Estimated Revenue</u></b>  | The amount of projected revenues to be collected during the fiscal year.  |
| <b><u>Exempt</u></b>             | Personnel not eligible to receive overtime pay and who are expected to put in whatever hours are necessary to complete their job assignments. Compensatory time off, as partial compensation for overtime hours worked, may be allowed by the respective department head.   |
| <b><u>Expenditure</u></b>        | A decrease in the net financial resources of the City due to the acquisition of goods and services.   |
| <b><u>Financial Policies</u></b> | Financial policies are used to enable the City to achieve a sound financial position. They are in writing and are updated and endorsed on an annual basis.  |

|  |   |
|--|---|
| <b><u>Fiscal Year</u></b>                | A 12-month period to which the Annual Budget applies. The City of White Settlement has specified October 1 to September 30 as its fiscal year.  |
| <b><u>Fixed Assets</u></b>               | Assets of a long-term character which are intended to continue to be held or used, such as land, buildings machinery and equipment.   |
| <b><u>Franchise Fee</u></b>              | A fee paid by public service utilities for use of public property in providing their services to the citizens of the community.   |
| <b><u>Full Faith and Credit</u></b>      | A pledge of the general taxing power of the City to repay debt obligations (the term typically used in reference to bonds.)   |
| <b><u>Full Time Equivalent (FTE)</u></b> | A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year, or full value of one for a full-time position.  |
| <b><u>Function</u></b>                   | A group of related activities aimed at accomplishing a major service for which the City is responsible. For example, public safety is a function.   |
| <b><u>Fund</u></b>                       | An accounting entity with a self-balancing set of accounts that record financial transactions for specific activities or government function.   |
| <b><u>Fund Accounting</u></b>            | A governmental accounting system which is organized and operated on a fund basis.   |
| <b><u>Fund Balance</u></b>               | The excess of assets over liabilities.  |
| <b><u>Fund Type</u></b>                  | In governmental accounting, all funds are classified into seven fund types: General, Special Revenue, Debt Service, Capital Projects, Enterprise, Internal Service, and Trust and Agency.   |
| <b><u>GAAP</u></b>                       | Generally accepted accounting principles as determined through common practice or as promulgated by the Governmental Accounting Standards Board, Financial Accounting Standards Board, or various other accounting standard setting bodies.   |
| <b><u>GASB</u></b>                       | (Governmental Accounting Standards Board) GASB was established in 1984 as the body authorized to establish accounting standards for state and local government.   |
| <b><u>GASB 34</u></b>                    | The 34 <sup>th</sup> Concepts Statement issued by GASB. This statement changes the way that local governments prepare and present their annual financial statements. Under the new model, the financial report is presented on an entity wide basis rather than fund by fund. Furthermore, the City's infrastructure (roadways, traffic signals, drainage channels) will be listed as assets of the city and reported at their depreciable value. |
| <b><u>General Fund</u></b>               | The fund used to account for all financial resources except those required to be accounted for in another fund.   |
| <b><u>General Obligation Bonds</u></b>   | Bonds that finance a variety of public projects which pledge the full faith and credit of the City. Bonds that finance public projects such as streets, municipal facilities, and park improvements. The repayment of these bonds is made from property taxes, and these bonds are backed by the full faith and credit of the issuing government.   |

**Generally Accepted Accounting Principles (GAAP)**

The uniform minimum standards and guidelines for financial accounting and reporting. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board (GASB).

**Goals**

Broad, General statements of each division's desired social or organizational outcomes.

**Grant**

A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block depending upon the amount of discretion allowed the grantee.

**Half Cent Sales Tax**

A half percent sales tax can be imposed by qualifying cities to fund specific development activities under the Development Corporation Act of 1979 with voter approval.

**Income**

A term used in proprietary fund type accounting to represent revenues or the excess of revenues over expenses.

**Infrastructure**

The underlying permanent foundation or basic framework. Long lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.

**Interest Earnings**

The earnings from available funds invested during the year in U.S. Treasury Bonds, Government agencies, and Certificates of Deposit.

**Interfund Transfer**

Amount transferred from one fund to another. Flows of assets (such as cash or goods) between funds and blended component units of the primary government without equivalent flows of assets in return and without a requirement for repayment.

**Intergovernmental Revenues**

Revenues from other governments in the form of grants, entitlements, shared revenues or payments in lieu of taxes.

**Investments**

Securities, bonds, and real property (land or buildings) held for the production of revenues in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in the normal course of governmental operations.

**Levy**

To impose taxes, special assessments, or service charges for support of City services.

**Liabilities**

Debts or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date.

**Line Items**

Expenditure classifications established to account for approved appropriations. Line Item budgets for all departments are available upon request in the Finance Department.

**Maintenance**

All materials or contract expenditures covering repair and upkeep of City buildings, machinery and equipment, systems and land.

**Materials and Supplies**

Expendable materials and operating supplies necessary to conduct departmental activity.

**Modified Accrual Accounting**

A basis of accounting in which revenues are recognized in the accounting period when they become available and measurable. Expenditures are recognized in the accounting period in which the functional liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

**Objectives**

Specific statements of desired ends which can be measured.

**Operating Budget**

Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending and service delivery activities of a government are controlled. The use of an annual operating budget is usually required by law. (The "proposed budget" is the financial plan presented by the City Manager for consideration by the City Council and the "adopted budget" is the financial plan ultimately approved and authorized by the City Council.)

**Operating Transfers**

All interfund transfers other than residual equity transfers.

**Ordinance**

A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a State statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures such as the imposition of taxes, special assessments and service charges, universally require ordinances. Ordinances and other legislation are not passed until the plans for and costs of endorsements are known.

**Part-Time**

Part-time employees work less than 30 hours per week and are not entitled to full-time employee benefits.

**Personnel Costs**

The costs associated with compensating employees for their labor. This includes salaries and fringe benefits.

**Program Description**

Describes the nature of service delivery provided at this level of funding.

**Program Goals**

Program goals describes the purpose or benefit the activity or department plans to provide to the community and/or organizations it serves. Goals identify the end result the activity/department desires to achieve with its planned activities, but goals are often ongoing and may not be achieved in one year.

**Program Objectives**

Program objectives are quantifiable steps toward accomplishing stated goals. They should have a specific time frame or measurable achievement. Objectives should be able to be reached or completed within the current fiscal year in most cases. Objectives are not required for every activity performed, but should focus on the major steps necessary for achieving established goals.

**Property Taxes**

Used to describe all revenues received in a period from current taxes, delinquent taxes, penalties, and interest on delinquent taxes. Property taxes are levied on both real and personal property according to the property's valuation and tax rate.

|                                       |   |
|---------------------------------------|---|
| <b><u>Public Hearing</u></b>          | The portions of open meetings held to present evidence and provide information on both sides of an issue.   |
| <b><u>Reserve</u></b>                 | An account used to indicate that a portion of a fund balance is restricted for a specific purpose. An account used to earmark a portion of fund balance to indicate that it is not appropriate for expenditure. A reserve may also be an account used to earmark a portion of fund equity as a legally segregated fund for a specific future use.   |
| <b><u>Retained Earnings</u></b>       | The excess of assets less liabilities. Also known as fund balance.  |
| <b><u>Revenue</u></b>                 | Funds that the government receives as income. All amounts of money earned or received by the City from external sources.  |
| <b><u>Revenue Bonds</u></b>           | Bonds whose principal and interest are payable exclusively from a revenue source pledged as the payment source before issuance.   |
| <b><u>Sales Tax</u></b>               | A general "sales tax" is levied on persons and businesses selling merchandise or services in the city limits on a retail basis. The categories for taxation are defined by state law. Monies collected under authorization of this tax are for the use and benefit of the City; however, no city may pledge anticipated revenues from this source to secure the payment of funds or other indebtedness. |
| <b><u>Special Revenue Fund</u></b>    | A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or for major capital projects) that are legally restricted to expenditures for specified purposes.   |
| <b><u>Supplies</u></b>                | Expendable materials and operating supplies necessary to conduct the business of departmental activities.   |
| <b><u>Tax Base</u></b>                | The total value of all real and personal property in the City of Alvarado on January 1st of each year, as certified by the Chief Appraiser. The tax base represents net value after all exemptions.   |
| <b><u>Tax Levy</u></b>                | The amount calculated when the tax rate per hundred dollars is multiplied by the tax base.  |
| <b><u>Tax Rate</u></b>                | Total tax rate is set by Council and is made up of two components; debt service and operations rates. The 2012-2013 tax rate for the City of Alvarado is \$.706872 per \$100.00 valuation.  |
| <b><u>Taxable Value</u></b>           | Estimated value of taxable property to which the ad valorem tax rate is applied.  |
| <b><u>User Charges</u></b>            | The payment of a fee for a direct receipt of a public service by the party benefiting from the service.   |
| <b><u>Unreserved Fund Balance</u></b> | The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.   |
| <b><u>Working Capital</u></b>         | For enterprise funds, the excess of current assets over current liabilities. Working capital of a fund is important because budgeted expenditures of the fund must be provided for from cash receipts during the year, supplemented by working capital carried over from prior years, if any.   |