

City of Alvarado



Annual Budget

Fiscal Year 2014-2015

City of Alvarado
Fiscal Year 2014-2015
Budget Cover Page

This budget will raise more revenue from property taxes than last year's budget by an amount of \$534,294, which is a 37.5% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$374,873.

City Council Record Vote

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

For: Mayor Pro Tem Joe Sain
Jacob Wheat
Michael Bennett
Tom Moore
Shawn Goulding
Arrdeen Vaughan

Absent: Mayor Dewayne Richters

Property Tax Rate Comparison

	<u>FY 2014-2015</u>	<u>FY 2013-2014</u>
Property Tax Rate	\$.665469/\$100	\$.700494/\$100
Effective Tax Rate	\$.573624/\$100	\$.642586/\$100
Effective M&O Tax Rate	\$.400054/\$100	\$.437664/\$100
Rollback Tax Rate	\$.576851/\$100	\$.700494/\$100
Debt Rate	\$.266895/\$100	\$.395350/\$100

Debt Obligation

The amount of municipal debt obligation (including principal & interest) secured by property taxes is:

Total Debt \$7,980,000
2014-2015 Debt \$ 804,157

The City also has self-supporting debt currently secured by water & sewer revenues. In the event such amounts are insufficient to pay the debt service, the City will be required to assess ad valorem tax to also pay these obligations:

\$ 3,550,000

City of Alvarado, Texas

**Budget
For Fiscal Year
October 1, 2014 to September 30, 2015**

**Mayor
DeWayne Richters**

CITY COUNCIL

Tom Moore	Councilmember	Ward 1
Michael Bennett	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
Michael Dwiggins	Director of Public Works
Brad Anderson	Police Chief
Richard Van Winkle	Fire Chief
Steven A. Wood	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 2014-2015. 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:

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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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 2014-2015 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 public hearings 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 25, 2014. 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. Two public hearings on the budget were held this year and conducted according to state and local laws. The public hearings were held on August 18, 2014 and September 8, 2014. Plans call for the Fiscal Year Budget for 2014-2015 and the tax rate of \$0.665469/\$100 to be adopted by the City Council on September 15, 2014.

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
Budget for Fiscal Year 2014-2015

	GENERAL	WATER &	DEBT	MINERAL	ECONOMIC
	<u>FUND</u>	<u>SEWER</u>	<u>SERVICE</u>	<u>ROYALTIES</u>	<u>DEVELOPMENT</u>
Beginning Fund Balances/ Working Capital	\$1,165,574	\$1,456,869	\$(58,401)	\$1,062,172	\$1,508,605
SOURCES & REVENUES					
Property taxes	\$1,166,550		\$804,157		
Consumer taxes	1,200,250				\$370,000
Franchise taxes	393,400				
Licenses & Permits	181,050				
Fines & Forfeitures	750,000				
Charges for Services	17,500	\$2,639,035			
Rental Income	32,000				
Intergovernmental	176,064				
Administration Fees	88,200				
Interest	1,000	800		\$300	300
Transfers In	10,000				
Grants Revenue					
Other funding	20,900	500		550,000	
TOTAL ALL SOURCES & REVENUES	<u>\$4,036,914</u>	<u>\$2,640,335</u>	<u>\$804,157</u>	<u>\$550,300</u>	<u>\$370,300</u>
USES & EXPENDITURES					
General Government	\$275,159				\$95,906
Community Development	199,571				
Public Safety	2,554,587				
Public Works	249,858	\$2,331,639		\$275,150	515,730
Culture & Recreation	441,182				71,257
Social & Welfare	68,522				
Economic Development					
Other			\$1,300	275,150	203,137
Debt Payments		331,530	802,857		
Non-Departmental	248,035				
TOTAL ALL USES & EXPENDITURES	<u>\$4,036,914</u>	<u>\$2,663,169</u>	<u>\$804,157</u>	<u>\$550,300</u>	<u>\$886,030</u>
Ending Fund Balances/ Working Capital	<u>\$1,165,574</u>	<u>\$1,434,035</u>	<u>\$(58,401)</u>	<u>\$1,062,172</u>	<u>\$992,875</u>

City of Alvarado
All Funds Summary
Proposed Budget for Fiscal Year 2014-2015

<u>HOTEL FUNDS</u>	<u>COURT FUNDS</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
\$387,106	\$140,486	\$4,438,238	\$10,100,649
			\$1,970,707
\$140,000			1,710,250
			393,400
			181,050
	\$55,000		805,000
			2,656,535
			32,000
			176,064
			88,200
100	30	\$1,000	3,530
		671,949	681,949
		1,137,866	1,137,866
			571,400
<hr/>			
<u>\$140,100</u>	<u>\$55,030</u>	<u>\$1,810,815</u>	<u>\$10,407,951</u>
			\$373,265
\$2,200			199,571
	\$45,030	\$650,000	3,249,617
		5,176,874	8,549,251
137,900		354,050	1,004,389
			68,522
			0
	10,000		489,587
			1,134,387
			248,035
<hr/>			
<u>\$140,100</u>	<u>\$55,030</u>	<u>\$6,180,924</u>	<u>\$15,316,624</u>
<u>\$387,106</u>	<u>\$140,486</u>	<u>\$68,129</u>	<u>\$5,191,976</u>

City of Alvarado

FY 2014-2015 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 all revenues and expenditures not accounted for in other designated funds. It receives a greater 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.

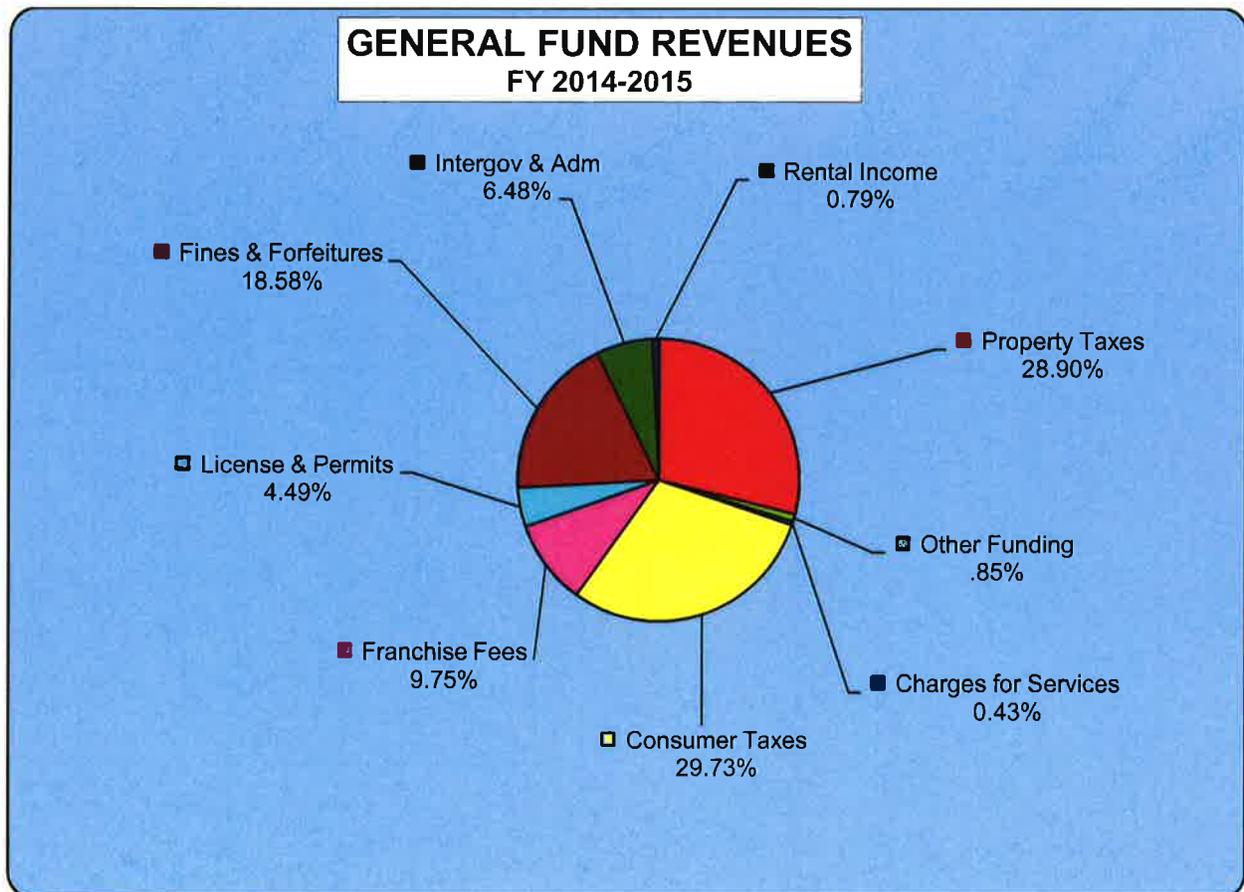
One of the major considerations in budgeting revenues is the increase or decrease in property values and their effect on the tax rate revenue generating capabilities. A major portion of the General Fund section is devoted to the tax rate analysis. An activity schedule for each function is included. Each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

GENERAL FUND

	<u>ACTUAL</u> <u>FY</u> <u>2011</u>	<u>ACTUAL</u> <u>FY</u> <u>2012</u>	<u>ACTUAL</u> <u>FY</u> <u>2013</u>	<u>AMENDED</u> <u>FY</u> <u>2014</u>	<u>BUDGETED</u> <u>FY</u> <u>2015</u>
Beginning Fund Balances	\$150,452	\$338,806	\$812,990	\$1,165,574	\$1,165,574
REVENUE SOURCES					
Property Taxes	\$706,079	\$757,783	\$646,141	\$667,350	\$1,166,550
Payment in Lieu of Taxes	40,000	50,000	0	0	0
Consumer Taxes	837,606	1,040,435	1,114,863	1,201,480	1,200,250
Franchise Fees	398,965	385,146	379,944	370,140	393,400
Licenses & Permits	69,205	105,215	116,118	180,700	181,050
Fines and Forfeitures	533,929	587,681	681,972	665,000	750,000
Charges for Services	9,090	10,002	19,003	16,150	17,500
Rental Income	33,873	39,295	32,231	32,100	32,000
Intergovernmental	278,548	321,766	195,752	175,014	173,514
Interest	1,885	1,712	1,793	1,600	1,000
Administration Fees	172,723	174,401	102,413	115,496	88,200
Transfer In	500,307	142,949	108,570	0	10,000
Other Revenue	20,201	161,927	14,132	54,469	23,450
Grants Revenue		52,129	19,174	25,753	0
TOTAL REVENUES	\$3,602,411	\$3,741,999	\$3,432,106	\$3,505,252	\$4,036,914
EXPENSES/USES					
General Government	\$338,486	\$395,796	\$ 399,697	\$ 563,828	\$523,194
Community Development	214,134	189,782	133,759	160,277	199,571
Public Safety	2,206,047	2,266,751	2,149,877	2,296,176	2,554,587
Public Works	389,958	139,418	125,739	172,358	249,858
Culture / Recreational	265,430	276,068	270,450	312,613	509,704
TOTAL EXPENSES	\$3,414,055	\$3,068,855	\$3,079,522	\$3,505,252	\$4,036,914
Ending Fund Balances	<u>\$338,808</u>	<u>\$812,990</u>	<u>\$1,165,574</u>	<u>\$1,165,574</u>	<u>\$1,165,574</u>

General Fund Revenues

	FY 2013-14		FY 2014-15	
	<u>BUDGETED</u>	<u>%</u>	<u>BUDGETED</u>	<u>%</u>
Property Taxes	667,350	19.04%	1,166,550	28.90%
Consumer Taxes	1,201,480	34.28%	1,200,250	29.73%
Franchise Fees	370,140	10.56%	393,400	9.75%
Permits & Licenses	180,700	5.15%	181,050	4.49%
Fines & Forfeitures	665,000	18.97%	750,000	18.58%
Charges for Service	16,150	.46%	17,500	.43%
Rental Income	32,100	.92%	32,000	.79%
Intergovernmental	175,014	5.00%	173,514	4.30%
Interest	1,600	.05%	1,000	.02%
Administrative Fees	115,496	3.29%	88,200	2.18%
Transfers In	0	0%	10,000	.25%
Grants Revenue	25,753	.73%	0	0%
Other Revenue	54,469	1.55%	23,450	.58%
Total	\$3,505,252	100.0%	\$4,036,914	100.0%

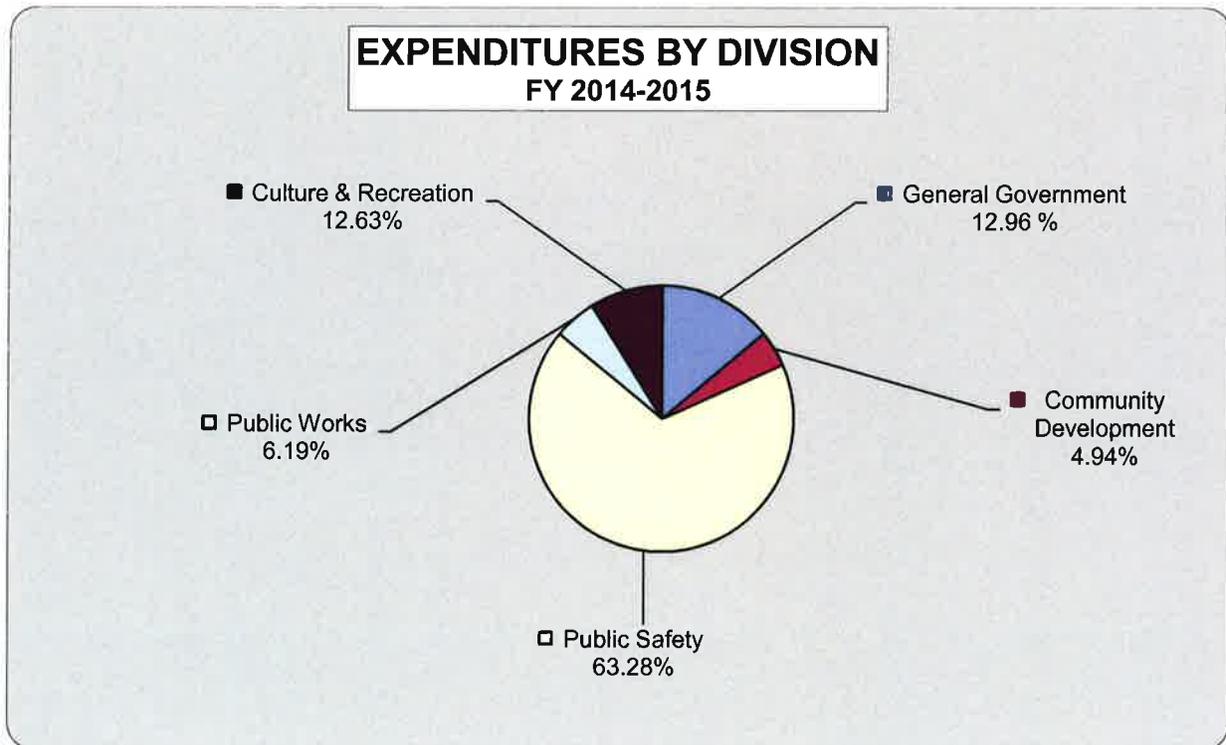


Expenditures by Division

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, Library, Senior Center/Community Center. The Divisions below represent functions. The Public Safety division represents the largest expenditure for the 2014-2015 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 2014-2015.

	2013-14		2014-15	
	<u>Budgeted</u>	<u>%</u>	<u>Budgeted</u>	<u>%</u>
General Government	\$563,828	16.08%	\$523,194	12.96%
Community Development	160,277	4.57%	199,571	4.94%
Public Safety	2,296,176	65.51%	2,554,587	63.28%
Public Works	172,358	4.92%	249,858	6.19%
Culture and Recreation	312,613	8.92%	509,704	12.63%
Total	<u>\$3,505,252</u>	<u>100.0%</u>	<u>\$4,036,914</u>	<u>100.0%</u>



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 integrated 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 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 2011-12</u>	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Budgeted 2014-15</u>
City Manager	1	1	1	1
City Secretary	1	1	1	1
Director of Finance	1	1	1	1
Total	3	3	3	3

City of Alvarado

Administration

	ACTUAL	ACTUAL	AMENDED	ADOPTED
	2011-2012	2012-2013	BUDGET	BUDGET
	2011-2012	2012-2013	2013-2014	2014-2015
01-5101-111 Regular Salaries	167,080	171,299	177,944	186,832
01-5101-114 Certification Pay	0	0	0	360
01-5101-115 Christmas Bonus	600	600	600	600
01-5101-116 Longevity Pay	660	840	1,020	1,200
01-5101-117 Auto Allowance	1,825	1,800	1,800	1,800
01-5101-118 Workers Compensation	500	550	673	597
01-5101-119 Group Insurance	17,623	19,011	20,652	20,465
01-5101-120 Retirement - TMRS	6,641	6,308	7,028	8,257
01-5101-121 Social Security	9,469	10,907	11,245	11,925
01-5101-122 Medicare	2,289	2,531	2,630	2,767
01-5101-123 TWC Expense	783	783	813	621
01-5101-204 Janitorial Services	2,822	3,428	3,428	3,500
01-5101-205 Utilities	6,442	4,787	3,600	3,471
01-5101-206 Communications	2,719	2,476	2,816	2,516
01-5101-207 Advertisements & Notices	3,035	2,800	2,800	3,000
01-5101-208 Property & Liability Ins.	1,447	1,713	2,047	1,302
01-5101-209 Dues & Subscriptions	1,501	2,140	1,590	2,100
01-5101-210 Election Costs	1,630	2,500	500	2,500
01-5101-212 Postage	1,227	1,500	1,500	1,500
01-5101-213 Travel & Training	956	7,000	3,300	2,000
01-5101-216 Mileage	37	300	300	300
01-5101-230 Website Development	550	550	550	0
01-5101-301 Office Supplies	5,121	4,000	4,000	4,500
01-5101-303 Janitorial Supplies	2,189	850	500	500
01-5101-310 Clothing & Uniforms	0	200	200	200
01-5101-403 Building Maintenance	1,770	2,000	2,900	3,000
01-5101-404 Equipment Maintenance	300	1,000	1,000	1,000
01-5101-405 Maintenance Contracts	8,178	8,110	8,567	8,346
01-5101-601 Lease & Note Payments	6,541	6,541	4,906	0
TOTAL ADMINISTRATION	253,935	266,524	268,909	275,159

City of Alvarado

Police Department

Description

The Alvarado Police Department is dedicated to providing the highest level of service to the citizens by protecting our community through teamwork and professionalism. We faithfully pledge to perform our duties with Honor, Integrity, Dedication, and Courage in order to provide a safe community for all. The leadership and management of the Alvarado Police Department are the principal 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 equipment. 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 by the public and the law enforcement personnel.

Research funding sources that may be available outside the City and secure applicable grants to enhance and broaden police 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 needs of the community it serves.

<u>Departmental Personnel</u>	<u>Actual 2011-12</u>	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Budgeted 2014-15</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	8	8	8
Administrative Assistant			1	1
Total	13	15	16	16

City of Alvarado

Police Department

	<u>ACTUAL</u> <u>2011-2012</u>	<u>ACTUAL</u> <u>2012-2013</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2013-2014</u>	<u>ADOPTED</u> <u>BUDGET</u> <u>2013-2014</u>
01-5201-111 Regular Salaries	587,472	625,465	652,690	686,945
01-5201-113 Overtime	20,403	14,000	10,000	10,500
01-5201-114 Certification Pay	4,652	3,960	4,320	4,680
01-5201-115 Christmas Bonus	3,100	2,800	3,200	3,200
01-5201-116 Longevity Pay	2,332	2,400	2,940	3,780
01-5201-118 Workers Comp Ins	19,000	16,363	22,138	18,489
01-5201-119 Insurance - Employees	77,580	95,391	102,319	118,988
01-5201-120 Retirement - TMRS	25,025	24,005	26,814	31,530
01-5201-121 Social Security	38,367	41,535	42,944	45,537
01-5201-122 Medicare	8,973	9,635	10,043	10,564
01-5201-123 TWC Expenses	4,672	4,176	4,336	3,726
01-5201-125 Uniform Allowance	17,950	19,500	19,500	19,500
01-5201-204 Janitorial Services	7,114	7,113	7,113	9,000
01-5201-205 Utilities	9,937	9,465	12,615	14,037
01-5201-206 Communications	15,385	15,799	17,800	17,000
01-5201-207 Advertisements & Notices	0	200	200	200
01-5201-208 Property & Liab Ins.	13,458	13,797	15,757	15,745
01-5201-209 Dues & Subscriptions	630	2,758	1,125	620
01-5201-212 Postage	1,719	1,800	1,800	2,500
01-5201-213 Travel & Training	4,647	6,000	8,926	9,000
01-5201-215 Medical Costs	730	600	500	500
01-5201-222 Emergency Public Services	0	50,200	51,000	1,000
01-5201-229 Forensic Investigations	3,141	3,000	3,000	3,000
01-5201-235 IT Expense	0	0	0	1,050
01-5201-239 Task Force	4,854	4,855	4,854	4,854
01-5201-301 Office Supplies	6,063	5,000	6,000	7,000
01-5201-302 Office Furniture & Equip	0	500	500	500
01-5201-303 Janitorial Supplies	2,179	1,596	1,500	1,500
01-5201-304 Fuel & Lubricants	55,931	70,359	73,370	77,000
01-5201-306 Materials & Supplies	996	1,000	1,000	1,000
01-5201-307 Minor Tools & Equipment	4,549	5,400	5,381	5,000
01-5201-310 Clothing & Uniforms	8,135	15,337	12,800	12,800
01-5201-312 Community Service	0		470	470
01-5201-401 Vehicle Maintenance	17,133	7,000	9,000	15,000
01-5201-403 Building Maintenance	3,245	2,400	3,155	7,445
01-5201-404 Equipment Maintenance	970	1,000	1,000	1,000
01-5201-405 Maintenance Contracts	4,679	19,211	29,639	31,246
01-5201-550 Capital Outlay	86,209	66,667	0	6,500
01-5201-601 Lease & Note Payments	0	87,740	85,989	85,998
TOTAL POLICE DEPARTMENT	<u>1,061,230</u>	<u>1,258,027</u>	<u>1,255,738</u>	<u>1,288,404</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 provides first response for medical assistance for emergency medical service calls. All volunteers participate in state firefighter 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 service calls.

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.

<u>Departmental Personnel</u>	<u>Actual 2011-12</u>	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Budgeted 2014-2015</u>
Fire Chief	1	1	1	1
Fire Marshal	1	1	1	1
Fire Captain	3	3	3	2
Firefighter	6	6	6	7
Total	11	11	11	11

City of Alvarado

Fire Department

	ACTUAL 2011-2012	ACTUAL 2012-2013	AMENDED BUDGET 2013-2014	ADOPTED BUDGET 2014-2015
01-5204-111 Regular Salaries	429,757	435,254	449,515	474,664
01-5204-113 Overtime	4,767	10,500	10,500	11,025
01-5204-114 Certification Pay	3,711	3,600	3,960	6,120
01-5204-115 Christmas Bonus	2,200	2,200	2,200	2,200
01-5204-116 Longevity Pay	3,141	3,420	3,720	3,720
01-5204-118 Workers Compensation Ins	11,000	10,272	12,623	12,200
01-5204-119 Group Insurance	62,571	68,507	72,700	83,265
01-5204-120 Retirement - TMRS	17,418	16,626	18,208	21,539
01-5204-121 FICA	26,444	28,759	29,133	31,108
01-5204-122 Medicare	6,185	6,673	6,813	7,217
01-5204-123 TWC Expense	3,233	2,871	2,981	2,691
01-5204-124 Retirement - Vol Fire	2,143	3,456	3,700	3,700
01-5204-205 Utilities	8,700	8,680	9,800	8,533
01-5204-206 Communications	5,114	5,700	7,220	5,376
01-5204-208 Property & Liab Ins	8,550	7,077	10,129	9,183
01-5204-209 Dues & Subscriptions	1,741	3,460	3,298	2,770
01-5204-212 Postage	424	500	400	400
01-5204-213 Trael & Training	4,442	9,010	13,480	15,803
01-5204-214 Employee Recognition	525	1,000	1,000	1,000
01-5204-215 Medical Costs	4,650	3,700	2,580	2,500
01-5204-217 Internet Services	756	840	840	0
01-5204-235 IT Expense	0	1,460	2,211	2,000
01-5204-243 Emergency Managements	3,856	6,538	5,886	5,150
01-5204-301 Office Supplies	840	1,200	800	800
01-5204-302 Office Furniture & Equip	63	500	2,263	1,000
01-5204-304 Fuel & Lubricants	19,077	20,660	22,250	20,000
01-5204-305 First Aid Supplies	1,545	2,500	1,500	3,700
01-5204-310 Clothing & Uniforms	6,502	12,000	19,193	19,293
01-5204-311 Firefighting Equipment	13,580	9,000	11,000	11,108
01-5204-312 Fire Prevention	2,529	2,500	5,000	5,000
01-5204-313 Station Supplies	0	0	3,600	3,600
01-5204-401 Vehicle Maintenance	27,266	27,000	27,000	30,000
01-5204-403 Building Maintenance	17,734	5,900	4,500	4,500
01-5204-405 Maintenance Contracts	2,505	3,532	5,652	4,663
01-5204-410 Repairs - SCBA	984	2,000	1,800	2,000
01-5204-505 Light/Med Trucks	2,316	0	0	0
01-5204-550 Capital Outlay	56,740	0	5,000	3,500
01-5204-601 Lease & Note Payments	10,243	12,291	12,291	12,291
01-5204-662 Transfer to Special Projects	0	0	0	32,500
TOTAL FIRE SERVICES	773,252	739,186	794,746	866,119

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 C misdemeanors, and similar statutes within its legal boundaries. The court meets once each month and is presided over 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 and the reduction of juvenile offenses, the Municipal Courts' judicial role is also taking on added importance, particularly as it fits into an overall community improvement strategy.

A full-time Warrant Officer was added to the budget this year to assist with collections for Court.

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 the 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 2011-12</u>	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Budgeted 2014-2015</u>
Senior Court Clerk	1	1	1	1
Court Clerk	1	1	1.5	2
Warrant Officer			.5	1
Total	2	2	3	4

City of Alvarado

Municipal Court

	ACTUAL	ACTUAL	AMENDED	ADOPTED
	2011-2012	2012-2013	BUDGET	BUDGET
	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>
01-5203-111 Salaries and Wages	68,120.01	69,323.00	82,780.00	135,408.00
01-5203-113 Overtime	40.20	195.00	300.00	300.00
01-5203-114 Certification Pay	0.00	0.00	0.00	360.00
01-5203-115 Christmas Bonus	400.00	400.00	400.00	800.00
01-5203-116 Longevity Pay	960.18	1,080.00	1,200.00	1,320.00
01-5203-118 Workers Comp Insurance	210.00	212.00	315.00	1,361.00
01-5203-119 Insurance - Employees	11,749.12	12,271.00	18,125.00	30,168.00
01-5203-120 Retirement - Employees	2,723.25	2,610.00	3,292.00	6,036.00
01-5203-121 Social Security	4,112.71	4,201.00	5,250.00	8,718.00
01-5203-122 Medicare	961.66	982.00	1,226.00	2,023.00
01-5203-123 TWC Expense	522.00	18.00	803.00	828.00
01-5203-125 Uniform Allowance	0.00	0.00	0.00	1,300.00
01-5203-201 Legal Services	8,745.02	8,160.00	11,000.00	11,000.00
01-5203-204 Janitorial Services	1,959.03	2,218.00	2,218.00	2,218.00
01-5203-205 Utilities	2,079.84	1,814.00	2,070.00	1,874.00
01-5203-206 Communications	1,847.99	2,420.00	2,425.00	2,686.00
01-5203-208 Property & Liability Ins	878.04	703.00	1,459.00	1,116.00
01-5203-209 Dues & Subscriptions	36.00	86.00	50.00	100.00
01-5203-212 Postage	1,460.00	1,551.00	2,500.00	2,500.00
01-5203-213 Travel & Training	817.93	409.00	1,500.00	1,000.00
01-5203-215 Medical Costs	0.00	0.00	35.00	100.00
01-5203-218 Warrant Fees - Johnson Co	0.00	0.00	0.00	52,000.00
01-5203-223 Interpreters & Sign Lang	120.00	1,274.00	2,500.00	2,000.00
01-5203-224 Municipal Judge	14,587.50	14,400.00	14,400.00	18,000.00
01-5203-301 Office Supplies	3,178.29	5,545.00	5,500.00	5,500.00
01-5203-303 Janitorial Supplies	0.00	342.00	550.00	350.00
01-5203-308 Credit Card Services	6,947.14	9,532.00	9,500.00	9,000.00
01-5203-309 Warrant Round-Up	100.50	90.00	500.00	500.00
01-5203-310 Clothing & Uniforms	0.00	0.00	100.00	200.00
01-5203-403 Building Maintenance	986.93	1,260.00	1,865.00	1,500.00
01-5203-405 Maintenance Contracts	0.00	0.00	138.00	214.00
TOTAL COURT	<u>133,543.34</u>	<u>141,096.00</u>	<u>172,001.00</u>	<u>300,480.00</u>

City of Alvarado

Animal Control

Description

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

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

The City completed the construction of a new Animal Control facility last year with facilities to house both dogs and cats. The department has also added an additional employee this year to assist with animal problems.

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

<u>Departmental Personnel</u>	<u>Actual 2011-12</u>	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Budgeted 2014-2015</u>
Animal Control Officer	1	1	1	2
Animal Shelter Clerk (part-time)			.5	
Total	1	1	1.5	2

City of Alvarado

Animal Control

	ACTUAL 2011-2012	ACTUAL 2012-2013	AMENDED BUDGET 2013-2014	ADOPTED BUDGET 2014-2015
01-5205-11 Regular Salaries	25,764	26,167	26,973	49,127
01-5205-112 Part-Time Salaries	1,351	1,158	9,200	0
01-5205-113 Overtime	167	141	500	500
01-5205-115 Christmas Bonus	200	200	300	400
01-5205-116 Longevity Pay	0	60	120	180
01-5205-118 Workers Compensation Ins	900	806	1,219	1,583
01-5205-119 Insurance - Employees	5,275	5,058	5,680	12,207
01-5205-120 Retirement - TMRS	1,077	1,001	1,077	2,173
01-5205-121 FICA	1,699	1,716	2,299	3,138
01-5205-122 Medicare	397	401	538	728
01-5205-123 TWC Expense	261	9	351	414
01-5205-205 Utilities	1,940	1,507	6,900	8,420
01-5205-206 Communications	861	568	650	1,380
01-5205-208 Property & Liability Ins.	590	828	894	1,310
01-5205-213 Travel & Training	137	85	500	1,000
01-5205-215 Medical Costs	0	13	100	820
01-5205-217 Internet Services	280	0	0	0
01-5205-230 Website Maintenance	0	115	375	375
01-5205-301 Office Supplies	412	332	400	400
01-5205-303 Janitorial Supplies	0	10	500	250
01-5205-304 Fuel & Lubricants	1,665	1,826	2,490	2,751
01-5205-306 Materials & Supplies	677	24,047	750	2,000
01-5205-308 Animal Food	0	0	925	200
01-5205-310 Clothing & Uniforms	581	674	700	726
01-5205-314 Animal Disposal	1,755	1,639	3,000	250
01-5205-316 Vet Supplies	2,444	2,408	2,500	2,500
01-5205-401 Vehicle Maintenance	338	1,731	1,500	1,500
01-5205-403 Building Maintenance	1,105	702	3,250	5,252
01-5205-550 Capital Outlay	0	0	0	0
TOTAL ANIMAL CONTROL	49,876	73,202	73,691	99,584

City of Alvarado

Code Services

Description

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

<u>Departmental Personnel</u>	<u>Actual 2011-12</u>	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Budgeted 2014-15</u>
Community Development Dir	1	1	0	0
Building Inspector	1	1	1	1
Code Enforcement Officer	1	1	1	1
Code Enforce Admin Asst	.5	.5	0	0
Total	3.5	3.5	2	2

City of Alvarado

Code Services

	ACTUAL 2011-2012	ACTUAL 2012-2013	AMENDED BUDGET 2013-2014	ADOPTED BUDGET 2014-2015
01-5102-111 Regular Salaries	109,992	64,665	68,024	71,417
01-5102-113 Overtime	77	0	300	300
01-5102-115 Christmas Bonus	700	400	400	400
01-5102-116 Longevity Pay	1,662	960	1,080	1,200
01-5102-118 Workers Compensation	604	445	587	521
01-5102-119 Group Insurance	20,054	11,048	11,964	12,367
01-5102-120 Retirement - TMRS	4,533	2,385	2,705	3,173
01-5102-121 FICA	6,677	4,090	4,328	4,583
01-5102-122 Medicare	1,562	956	1,012	1,064
01-5102-123 TWC Expense	1,044	18	542	414
01-5102-204 Janitorial Services	2,482	2,218	2,218	2,218
01-5102-205 Utilities	2,408	1,814	2,200	1,874
01-5102-206 Communications	2,080	3,061	4,107	3,975
01-5102-207 Advertisements & Notices	175	0	0	0
01-5102-208 Property & Liability Ins	1,757	1,549	1,746	1,436
01-5102-209 Dues & Subscriptions	572	175	400	501
01-5102-212 Postage	2,180	1,697	1,800	1,800
01-5102-213 Travel & Training	1,458	155	2,000	2,870
01-5102-216 Mileage	163	0	0	0
01-5102-219 Platting & Zoning	857	617	600	600
01-5102-245 Back-Up Inspections	7,814	10,405	8,500	22,200
01-5102-301 Office Supplies	1,883	2,087	4,150	1,800
01-5102-303 Janitorial Supplies	0	342	250	350
01-5102-304 Fuel & Lubricants	3,871	3,611	4,436	4,056
01-5102-306 Materials & Supplies	45	213	200	400
01-5102-310 Clothing & Uniforms	469	288	500	800
01-5102-315 Demolitions	4,201	6,020	20,000	20,000
01-5102-316 Mowing	0	3,290	4,500	5,000
01-5102-401 Vehicle Maintenance	725	881	1,000	1,000
01-5102-403 Building Maintenance	1,535	1,247	1,800	1,500
01-5102-405 Maintenance Contracts	3,664	4,748	5,103	6,052
01-5102-505 Light/Med Trucks				24,700
01-5102-518 Easement & Deed Expense	771	605	1,000	1,000
01-5102-601 Lease & Note Payments	3,766	3,766	2,825	0
TOTAL CODE	189,781	133,756	160,277	199,571

City of Alvarado

Streets

Description

This department provides both corrective and preventative maintenance to the City's vehicular circulation and flood control/drainage systems. Operationally, a broad array of maintenance tasks are performed, including pothole patching, curb and gutter repair, sweeping, traffic control signal and sign repair and replacement, drainage ditch and channel dredging and cleaning, and much more. Maintenance work is typically undertaken on either a scheduled (weather permitting) or condition-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 2011-12</u>	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Budgeted 2014-15</u>
Laborer	1	1	1	1
Total	1	1	1	1

City of Alvarado

Streets

	ACTUAL 2011-2012	ACTUAL 2012-2013	AMENDED BUDGET 2013-2014	ADOPTED BUDGET 2014-2015
01-5301-111 Regular Salaries	21,527	19,442	22,382	23,500
01-5301-113 Overtime	4,022	591	0	0
01-5301-115 Christmas Bonus	200	200	200	200
01-5301-116 Longevity Pay	0	0	60	120
01-5301-118 Workers Compensation	700	1,595	1,987	1,748
01-5301-119 Group Insurance	6,475	5,413	6,284	6,319
01-5301-120 Retirement - TMRS	1,015	741	877	1,031
01-5301-121 FICA	1,395	1,250	1,404	1,489
01-5301-122 Medicare	326	292	328	346
01-5301-123 TWC Expenses	404	44	271	207
01-5301-203 Engineering Services	0	0	0	80,000
01-5301-206 Communications	377	359	450	480
01-5301-208 Property & Liability Ins	1,620	2,606	2,348	2,151
01-5301-215 Medical Costs	130	30	200	100
01-5301-234 Street Lights	47,220	45,300	46,000	48,617
01-5301-301 Office Supplies	18	0	100	100
01-5301-304 Fuel & Lubricants	5,194	4,206	4,450	6,710
01-5301-306 Materials & Supplies	614	294	500	2,000
01-5301-307 Minor Tools & Equipment	361	154	3,000	3,000
01-5301-310 Clothing & Uniforms	1,202	950	1,000	1,240
01-5301-401 Vehicle Maintenance	1,180	1,806	1,500	1,500
01-5301-404 Equipment Maintenance	1,637	1,863	2,000	2,000
01-5301-406 Street Maintenance	8,419	6,143	50,000	50,000
01-5301-407 Sign Maintenance	665	6,285	7,000	7,000
01-5301-503 Special Purpose Equip	20,016	20,016	20,016	10,000
01-5301-601 Lease & Note Payments	14,700	6,160	0	0
TOTAL STREETS	139,417	125,740	172,357	249,858

City of Alvarado

Library

Description

The Library provides an organized collection of print and non-print materials for patrons of all ages that meet their 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 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 community 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 programs.

<u>Departmental Personnel</u>	<u>Actual 2011-12</u>	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Budgeted 2014-15</u>
Library Director	1	1	1	1
Assistant Librarian	1	1	1	1
Clerk (part-time)(2)	1	1	1	1
Total	3	3	3	3

City of Alvarado

Library

	ACTUAL 2011-2012	ACTUAL 2012-2013	AMENDED BUDGET 2013-2014	ADOPTED BUDGET 2014-2015
01-5401-111 Regular Salaries	62,474	64,518	65,983	69,277
01-5401-112 Part-Time Salaries	16,649	15,714	17,788	18,674
01-5401-115 Christmas Bonus	600	600	600	600
01-5401-116 Longevity Pay	1,200	1,320	1,440	1,560
01-5401-118 Workers Compensation	250	243	311	289
01-5401-119 Group Insurance	10,549	10,461	11,964	12,638
01-5401-120 Retirement - TMRS	2,523	2,373	3,325	3,083
01-5401-121 FICA	4,976	5,057	5,320	5,632
01-5401-122 Medicare	1,164	1,183	1,244	1,307
01-5401-123 TWC Expense	896	166	1,046	828
01-5401-204 Janitorial Service	5,460	5,760	5,760	5,760
01-5401-205 Utilities	9,127	9,183	9,600	10,744
01-5401-206 Communications	1,465	995	1,120	1,600
01-5401-208 Property & Liability Ins	4,676	1,773	4,707	1,585
01-5401-212 Postage	60	98	100	100
01-5401-217 Internet Services	649	489	500	0
01-5401-235 IT Expense	0	0	1,400	1,500
01-5401-301 Office Supplies	3,500	5,102	5,860	5,000
01-5401-306 Materials & Supplies	6,321	5,722	7,189	7,000
01-5401-325 Storytime	45	36	100	100
01-5401-327 Summer Reading Program	2,758	2,656	2,800	3,000
01-5401-328 Library Book Losses	0	0	0	1,000
01-5401-403 Building Maintenance	3,065	8,868	6,335	5,000
01-5401-404 Equipment Maintenance	70	110	500	500
01-5401-405 Maintenance Contracts	2,952	2,275	3,200	3,434
01-5401-550 Capital Outlay	0	5,800	8,856	
TOTAL LIBRARY	<u>141,429</u>	<u>150,502</u>	<u>167,048</u>	<u>160,211</u>

City of Alvarado

Senior Services

Description

This department provides multiple services and activities for the senior citizens of Alvarado and surrounding areas. Services include recreational activities, exercise and fitness opportunities and a host of other social activities and support services. All of this is designed to afford senior adults opportunities to continue to utilize their considerable wisdom, experience, and talents 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 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 2011-12</u>	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Budgeted 2014-15</u>
Senior Services Director	1	1	1	1
Total	1	1	1	1

City of Alvarado

Senior Services

	<u>ACTUAL</u> <u>2011-2012</u>	<u>ACTUAL</u> <u>2012-2013</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2013-2014</u>	<u>ADOPTED</u> <u>BUDGET</u> <u>2014-2015</u>
01-5402-111 Regular Salaries	29,752	30,684	31,047	32,607
01-5402-113 Christmas Bonus	200	200	200	200
01-5402-116 Longevity Pay	420	480	540	600
01-5402-118 Workers Compensation	100	95	123	114
01-5402-119 Group Insurance	5,275	5,068	5,680	6,104
01-5402-120 Retirement - TMRS	1,253	1,183	1,309	1,532
01-5402-121 FICA	1,948	1,981	2,095	2,213
01-5402-122 Medicare	456	463	490	513
01-5402-123 TWC Expense	261	9	271	207
01-5402-128 SCC Open/Close Fees	1,775	1,400	2,000	2,000
01-5402-204 Janitorial Services	4,800	4,800	4,800	4,800
01-5402-205 Utilities	7,299	7,155	7,000	8,830
01-5402-206 Communications	480	634	660	660
01-5402-208 Property & Liability Ins	1,845	1,297	1,844	2,017
01-5402-212 Postage	6	5	25	25
01-5402-217 Internet Services	100	0	0	0
01-5402-301 Office Supplies	250	0	500	500
01-5402-302 Office Furniture & Equip	496	496	600	500
01-5402-304 Fuel & Lubricants	77	0	350	350
01-5402-306 Materials & Supplies	1,010	829	900	900
01-5402-401 Vehicle Maintenance	348	153	500	500
01-5402-403 Building Maintenance	1,431	2,486	2,510	3,250
01-5402-404 Equipment Maintenance	0	0	100	100
01-5402-550 Capital Outlay	0	0	3,935	0
TOTAL SENIOR SERVICES	<u>59,582</u>	<u>59,418</u>	<u>67,479</u>	<u>68,522</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.

This year an additional full-time employee was added to the staff to keep up with park maintenance.

Goals

To maintain all common, right-of-way, and drainage areas at a standard and acceptable manner which reflect a positive light 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 areas 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 departments and programs throughout the City.

<u>Departmental Personnel</u>	<u>Actual 2011-12</u>	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Budgeted 2014-15</u>
Laborer	1	1	1	2
Total	1	1	1	2

City of Alvarado

Park Maintenance

	<u>ACTUAL</u> <u>2011-2012</u>	<u>ACTUAL</u> <u>2012-2013</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2013-2014</u>	<u>ADOPTED</u> <u>BUDGET</u> <u>2014-2015</u>
01-5403-111 Regular Salaries	20,581	19,838	22,382	45,968
01-5403-112 Part-time Salaries	0	4,912	6,912	6,912
01-5403-113 Overtime	1,767	1,120	3,500	3,500
01-5403-115 Christmas Bonus	200	200	200	400
01-5403-116 Longevity Pay	0	0	60	0
01-5403-118 Workers Compensation Ins	820	887	1,177	1,716
01-5403-119 Group Insurance	5,275	4,498	6,284	12,384
01-5403-120 Retirement - TMRS	894	766	1,281	2,158
01-5403-121 FICA	1,571	1,588	2,049	3,549
01-5403-122 Medicare	349	371	479	823
01-5403-123 TWC Expenses	484	164	472	621
01-5403-206 Communications	380	358	480	900
01-5403-208 Property & Liability Ins	569	1,177	935	1,408
01-5403-215 Medical Costs	0	210	400	400
01-5403-301 Office Supplies	131	0	200	200
01-5403-304 Fuel & Lubricants	5,413	5,824	7,775	7,000
01-5403-306 Materials & Supplies	433	471	1,000	1,000
01-5403-307 Minor Tools & Equipment	2,850	2,157	2,500	2,500
01-5403-310 Clothing & Uniforms	932	731	1,000	2,500
01-5403-317 Chemicals	18	25	500	500
01-5403-401 Vehicle Maintenance	2,434	684	1,000	2,000
01-5403-404 Equipment Maintenance	2,311	1,002	2,000	2,000
01-5403-408 Parks Maintenance	6,086	9,943	11,000	172,932
01-5403-409 Dam Maintenance	32,659	0	900	6,000
01-5403-412 Cemetery Maintenance	3,600	3,600	3,600	3,600
TOTAL PARKS MAINTENANCE	<u>89,757</u>	<u>60,526</u>	<u>78,086</u>	<u>280,971</u>

City of Alvarado

Non-Departmental

		<u>ACTUAL</u>	<u>ACTUAL</u>	<u>AMENDED</u>	<u>ADOPTED</u>
		<u>2011-2012</u>	<u>2012-2013</u>	<u>BUDGET</u>	<u>BUDGET</u>
				<u>2013-2014</u>	<u>2014-2015</u>
01-5103-201	Legal Services	45,714	61,765	50,000	50,000
01-5103-202	Audit & Accounting	11,760	10,900	12,250	12,950
01-5103-206	Communications	600	600	600	600
01-5103-209	Dues & Subscriptions	2,249	2,586	2,856	2,800
01-5103-213	Travel & Training	22	0	2,000	2,000
01-5103-214	Employee Recognition	4,388	4,863	6,000	6,600
01-5103-217	Internet Services	9,000	3,000	3,000	7,800
01-5103-231	Gas Drilling Inspector	22,650	0	24,750	35,750
01-5103-232	TASC Expense	1,996	1,996	2,500	2,500
01-5103-233	Code Revision	400	7,818	7,000	7,000
01-5103-235	IT Computer Services	0	8,826	39,651	36,944
01-5103-236	Hazardous Waste Collection	0	0	4,000	4,000
01-5103-238	Land Rental Expense	100	100	100	100
01-5103-241	Contingency Fund	8,338	8,579	82,877	22,254
01-5103-242	Clean-Up Landfill	4,000	4,000	4,000	4,000
01-5103-250	Johnson County Tax Office	3,514	3,590	5,469	5,687
01-5103-251	Central Appraisal District	18,331	17,801	20,899	24,450
01-5103-252	Johnson Co Transportation	3,028	3,065	3,024	3,350
01-5103-253	Mosquito Control	0	0	8,000	8,000
01-5103-304	Fuel & Lubricants	866	769	1,015	1,000
01-5103-310	Clothing & Uniform	133	0	250	250
01-5103-312	Community Events	0	0	6,678	7,000
01-5103-320	Council Chamber Expenses	4,774	1,551	8,000	3,000
TOTAL NON-DEPARTMENTAL		<u>141,863</u>	<u>141,809</u>	<u>294,919</u>	<u>248,035</u>

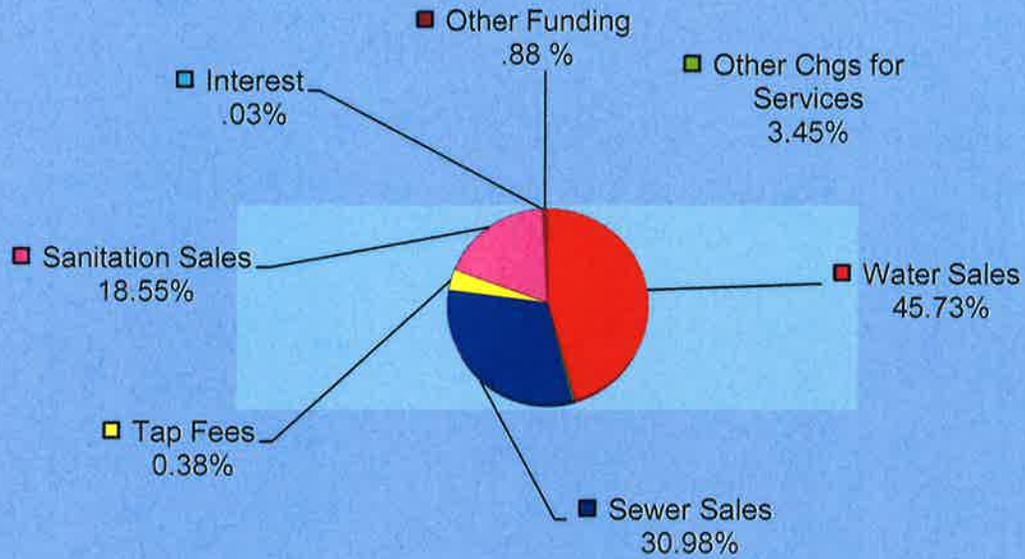
City of Alvarado FY 2014-2015 Annual Budget Water and Sewer Fund

The Water and Sewer Fund is used to account for the provision of water, wastewater and sanitation services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not 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, a personnel schedule, departmental descriptions, goals and objectives.

	<u>ACTUAL FY 2011</u>	<u>ACTUAL FY 2012</u>	<u>ACTUAL FY 2013</u>	<u>AMENDED BUDGET FY 2014</u>	<u>BUDGET FY 2015</u>
REVENUES/SOURCES					
Property Taxes					
Consumer Taxes					
Franchise Fees					
Licenses & Permits					
Fines and Forfeitures					
Charges for Service	\$2,415,422	\$2,468,749	\$2,541,166	\$2,621,700	\$2,639,035
Intergovernmental					
Interest	3,196	3,756	2,205	1,700	800
Interfund Transfers					
Other Funding	66,160	82,501	206,425	176,331	23,334
TOTAL REVENUES	<u>\$2,481,582</u>	<u>\$2,555,006</u>	<u>\$2,749,796</u>	<u>\$2,799,731</u>	<u>\$2,663,169</u>
EXPENDITURES/USES					
General Government					
Public Safety					
Public Works	\$2,043,897	\$2,567,206	\$2,573,628	\$2,467,239	\$2,331,639
Public Health					
Culture/Recreation					
Interfund Transfers					
Other					
DEBT SERVICE					
Principal & Interest	344,711	338,558	332,136	332,492	331,530
TOTAL EXPENDITURES	<u>\$2,388,608</u>	<u>\$2,905,764</u>	<u>\$2,905,764</u>	<u>\$2,799,731</u>	<u>\$2,663,169</u>

WATER AND SEWER FUND REVENUES

WATER AND SEWER FUND REVENUES FY 2014-2015

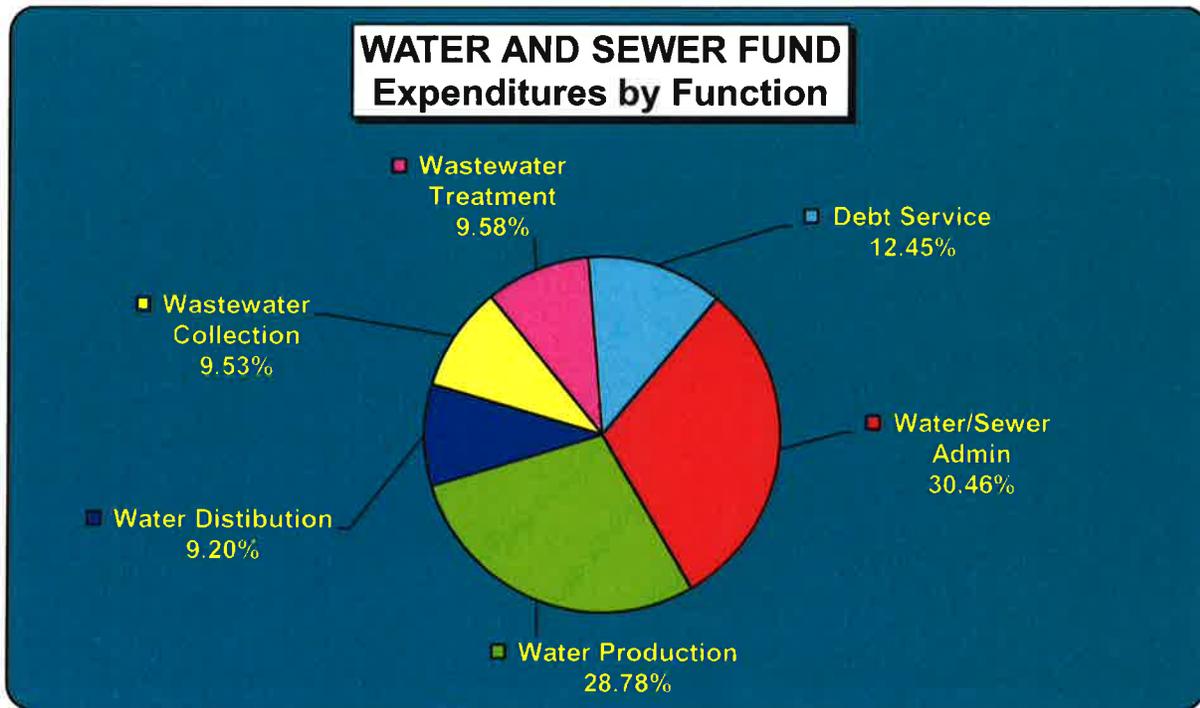


	2013-14		2014-15	
	<u>Budgeted</u>	<u>%</u>	<u>Budgeted</u>	<u>%</u>
Water Sales	\$1,215,000	43.40%	\$1,218,000	45.73%
Sewer Sales	825,000	29.47%	825,000	30.98%
Sanitation Sales	486,600	17.38%	494,120	18.55%
Other Charges for Service	81,900	2.93%	91,915	3.45%
Tap Fees	13,200	.47%	10,000	.38%
Interest	1,700	.06%	800	.03%
Other Funding	176,331	6.29%	23,334	.88%
Total	<u>\$2,799,731</u>	<u>100.0%</u>	<u>\$2,663,169</u>	<u>100.0%</u>

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 30.46%. The water system expenses account for 37.9%, including production at 28.7% and distribution at 9.20%. The wastewater system expenses account for 19.11%, including wastewater collection at 9.53% and wastewater treatment at 9.58%. Debt service costs are 12.45% of the total budget.

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



	2013-14		2014-15	
	Budget	%	Budget	%
Water/Sewer Administration	\$865,525	30.91%	\$811,236	30.46%
Water Production	898,102	32.08%	766,346	28.78%
Water Distribution	242,097	8.65%	245,009	9.20%
Wastewater Collection	211,075	7.54%	253,793	9.53%
Wastewater Treatment	250,440	8.95%	255,255	9.58%
Debt Service	332,492	11.87%	331,530	12.45%
Total	\$2,799,731	100.00%	\$2,663,169	100.00%

City of Alvarado

Water & Sewer Administration and Utility Billing

Description

The Water and Sewer Administration provides the administration and operations personnel and other expenses 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 sanitation services, this division is also responsible for receipting and depositing monies collected by other departments on a daily 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 resolutions.
- Deposit all monies received on a timely basis and in compliance with both City policies and generally accepted cash-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 billing 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 2011-12</u>	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Budget 2014-15</u>
Public Works Director	1	1	1	1
Asst. Public Works Director	1	1	1	1
Customer Service Clerks	2	2	2	2
Water/Sewer Laborers	7	7	7	7
Total	11	11	11	11

City of Alvarado
Water & Sewer Administration/Utility Billing

	ACTUAL 2011-12	ACTUAL 2012-13	AMENDED BUDGET 2013-14	ADOPTED BUDGET 2014-15
02-5101-111 Regular Salaries	207,956	184,007	152,716	158,693
02-5101-113 Overtime	1,307	2,164	1,000	1,500
02-5101-114 Certification Pay	1,440	1,121	607	720
02-5101-115 Christmas Bonus	800	1,000	800	800
02-5101-116 Longevity Pay	1,680	1,710	1,260	1,440
02-5101-118 Workers Compensation Ins.	5,390	4,328	3,489	3,006
02-5101-119 Insurance - Employees	26,822	26,121	24,531	28,661
02-5101-120 Retirement - Employees	8,307	6,865	6,065	7,061
02-5101-121 Social Security	12,514	11,273	9,703	10,197
02-5101-122 Medicare	2,945	2,636	2,270	2,366
02-5101-123 TWC Expenses	1,305	45	1,084	828
02-5101-202 Audit & Accounting	10,584	9,540	10,400	11,385
02-5101-204 Janitorial Services	1,959	2,228	2,218	2,218
02-5101-205 Utilities	2,080	1,814	2,000	2,139
02-5101-206 Communications	3,484	4,255	3,415	4,376
02-5101-207 Advertisements & Notices	468	0	250	200
02-5101-208 Property & Liability Ins.	1,208	1,136	1,653	1,750
02-5101-212 Postage	11,202	10,569	11,000	11,000
02-5101-213 Travel & Training	63	984	3,000	2,000
02-5101-215 Medical Cost	170	0	200	200
02-5101-216 Mileage	56	0	100	100
02-5101-217 Internet Services	9,000	3,000	3,000	0
02-5101-225 Collection Agency Fees	649	642	800	500
02-5101-235 IT Services	0	6,000	6,000	6,000
02-5101-237 Garbage Pickup Service	440,098	445,439	447,000	453,000
02-5101-240 Careflite Expense for Citizens	0	0	12,000	14,850
02-5101-241 Contingency Fund	225	18,716	54,101	12,063
02-5101-244 Bad Debt Expense	13,879	18,595	15,000	15,000
02-5101-301 Office Supplies	3,730	3,339	4,000	4,000
02-5101-302 Office Furniture & Equipment	0	0	1,000	3,500
02-5101-303 Janitorial Supplies	0	332	500	500
02-5101-306 Materials & Supplies	0	0	500	500
02-5101-308 Credit Card Services	6,138	8,298	8,600	9,300
02-5101-310 Clothing & Uniforms	2,976	2,795	2,000	2,500
02-5101-403 Building Maintenance	1,333	1,359	1,865	1,800
02-5101-404 Equipment Maintenance	135	351	1,000	1,000
02-5101-405 Maintenance Contracts	4,752	4,556	4,978	6,083
02-5101-503 Special Purpose Equipment	0	0	9,475	0
02-5101-509 Hydrants & Meters	3,320	2,565	6,000	6,000
02-5101-601 Lease & Note Pymts	8,126	5,946	4,460	0
02-5101-650 Administrative Fees to GF	51,585	28,548	32,735	24,000
02-5101-660 Transfers Out	67,479	2,180	12,750	0
02-5101-706 Series 2008A Principal	26,000	27,000	29,000	30,000
02-5101-707 Series 2008A Interest	101,790	100,620	99,406	98,100
02-5101-711 Series 2008B Principal	135,000	140,000	145,000	150,000
02-5101-712 Series 2008B Interest	69,768	64,516	59,086	53,430
TOTAL WATER/SEWER ADMIN	1,247,723	1,156,593	1,198,017	1,142,766

City of Alvarado

Water Production

Description

Water Production reflect the costs of the production and disaffection of water produced by 5 city owned wells. This department also reflects the costs of emergency repairs to the water system. The City entered into an agreement on 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 delivered to the customer.

Perform routine maintenance to improve system reliability.

City of Alvarado

Water Production Expenses

	ACTUAL 2011-12	ACTUAL 2012-13	AMENDED BUDGET 2013-14	ADOPTED BUDGET 2014-15
02-5201-111 Salaries and Wages	19,351	29,499	49,631	48,204
02-5201-113 Overtime	2,616	3,094	0	0
02-5201-114 Certification	0	0	0	0
02-5201-115 Christmas Bonus	200	200	400	400
02-5201-116 Longevity Pay	102	23	0	60
02-5201-118 Workers Compensation Ins.	990	835	1,815	1,480
02-5201-119 Insurance - Employees	3,583	5,847	11,361	12,600
02-5201-120 Retirement - Employees	1,181	1,201	1,953	2,106
02-5201-121 Social Security	1,717	2,008	3,124	3,042
02-5201-122 Medicare	402	469	731	706
02-5201-123 TWC Expenses	170	18	542	414
02-5201-127 Call Out Compensation	6,606	0	0	0
02-5201-204 Janitorial Services	856	0	0	0
02-5201-205 Utilities	121,177	92,396	115,000	93,017
02-5201-206 Communications	377	357	900	960
02-5201-208 Property and Liability Ins.	2,224	4,816	1,718	4,102
02-5201-209 Dues and Subscriptions	325	481	350	350
02-5201-213 Travel and Training	635	1,321	3,000	2,000
02-5201-215 Medical Costs	0	130	200	200
02-5201-301 Office Supplies	151	27	250	250
02-5201-304 Fuel and Lubricants	4,020	3,690	4,450	3,710
02-5201-306 Materials and Supplies	1,316	288	2,000	4,000
02-5201-307 Minor Tools and Equipment	293	790	2,200	2,500
02-5201-310 Clothing and Uniforms	956	997	2,000	2,500
02-5201-317 Chemicals	6,370	6,949	6,000	6,000
02-5202-318 TCEQ Fees	3,887	3,004	3,004	3,004
02-5201-319 Water and Sewer Analysis	2,582	2,455	3,000	3,000
02-5201-321 Purchased Water Expense	336,559	345,788	530,912	400,900
02-5201-322 Prairielands Groundwater Fees	20,361	22,189	17,000	24,800
02-5201-401 Vehicle Maintenance	358	867	1,500	1,500
02-5201-403 Building Maintenance	867	961	1,300	500
02-5201-411 System Maintenance	9,421	24,019	83,535	99,000
02-5201-601 Lease and Note Payments	599	458	3,980	3,981
02-5201-650 Administrative Fees to GF	30,628	16,950	19,436	14,250
02-5201-651 W/S Lines Franchise to GF	26,810	26,810	26,810	26,810
Total Water Production Expenses	607,690	598,937	898,102	766,346

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 also 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

	ACTUAL 2011-12	ACTUAL 2012-13	AMENDED BUDGET 2013-14	ADOPTED BUDGET 2014-15
02-5202-111 Salaries and Wages	78,851	64,395	68,607	72,029
02-5202-113 Overtime	12,340	2,247	21,000	21,000
02-5202-114 Certification Pay	305	0	125	1,080
02-5202-115 Christmas Bonus	600	400	400	400
02-5202-116 Longevity Pay	379	420	540	660
02-5202-118 Workers Comp Ins	2,750	2,114	3,378	3,094
02-5202-119 Insurance - Employees	16,299	11,071	11,964	12,423
02-5202-120 Retirement - Employees	3,961	2,647	3,784	4,402
02-5202-121 Social Security	5,965	4,465	6,065	6,358
02-5202-122 Medicare	1,395	1,045	1,418	1,475
02-5202-123 TWC Expenses	783	18	542	414
02-5202-127 Call Out Compensation	0	6,976	6,552	6,552
02-5202-204 Janitorial Services	749	1,151	1,124	900
02-5202-205 Utilities	1,938	2,046	2,350	3,787
02-5202-206 Communications	1,586	1,536	2,184	2,004
02-5202-208 Property & Liability Ins.	2,185	2,348	1,688	1,441
02-5202-209 Dues & Subscriptions	111	0	0	0
02-5202-213 Travel and Training	687	1,035	3,000	2,000
02-5202-215 Medical Costs	190	0	200	200
02-5202-301 Office Supplies	149	27	250	250
02-5202-303 Janitorial Supplies	0	144	250	250
02-5202-304 Fuel and Lubricants	4,638	4,206	4,450	3,710
02-5202-306 Materials and Supplies	7,587	8,846	12,000	15,000
02-5202-307 Minor Tools and Equip	4,054	2,448	2,500	2,500
02-5202-310 Clothing and Uniforms	3,903	1,821	2,200	2,500
02-5202-401 Vehicle Maintenance	2,464	1,078	1,500	1,500
02-5202-403 Building Maintenance	316	377	700	1,000
02-5202-404 Equipment Maintenance	2,175	5,105	3,000	3,000
02-5202-405 Maintenance Contracts	415	103	100	40
02-5202-411 System Maintenance	17,405	23,702	30,000	30,000
02-5202-503 Special Purpose Equip.	0	0	0	0
02-5202-601 Lease & Note Payments	638	453	3,980	3,980
02-5202-650 Administrative Fees to GF	30,628	16,950	19,436	14,250
02-5202-651 W/S Lines Franchise to GF	26,810	26,810	26,810	26,810
Total Water Distribution Expenses	232,256	195,984	242,097	245,009

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 a large part of the workload of this department.

This department periodically installs new mains or replaces existing ones. This is normally done to correct repeated 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 in waste water system.

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

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

City of Alvarado

Wastewater Collection Expenses

	ACTUAL 2011-12	ACTUAL 2012-13	AMENDED BUDGET 2013-14	ADOPTED BUDGET 2014-15
02-5301-111 Salaries and Wages	16,453	43,327	43,932	47,996
02-5301-113 Overtime	1,383	3,293	0	0
02-5301-114 Certification Pay	0	0	208	720
02-5301-115 Christmas Bonus	200	400	400	400
02-5301-116 Longevity Pay	0	0	120	0
02-5301-118 Workers Compensation Ins.	770	1,240	1,572	1,468
02-5301-119 Insurance - Employees	4,390	10,471	11,964	12,423
02-5301-120 Retirement - Employees	981	1,711	1,723	2,126
02-5301-121 Social Security	1,544	2,807	2,756	3,070
02-5301-122 Medicare	361	656	645	712
02-5301-123 TWC Expenses	652	18	542	414
02-5301-203 Engineering / Survey Services	0	2,450	5,000	2,500
02-5301-204 Janitorial Services	867	1,160	1,124	900
02-5301-205 Utilities	6,770	6,886	6,850	6,727
02-5301-206 Communications	836	1,284	1,765	1,920
02-5301-208 Property & Liability Ins.	995	2,257	1,929	1,871
02-5301-213 Travel and Training	325	347	3,000	2,000
02-5301-215 Medical Costs	210	60	200	260
02-5301-301 Office Supplies	134	27	250	250
02-5301-303 Janitorial Supplies	0	144	250	250
02-5301-304 Fuel and Lubricants	5,194	4,206	4,450	3,710
02-5301-306 Materials and Supplies	799	998	2,000	2,500
02-5301-307 Minor Tools and Equipment	480	2,060	1,500	1,500
02-5301-310 Clothing and Uniforms	950	1,821	2,000	2,500
02-5301-317 Chemicals	316	85	1,500	1,000
02-5301-401 Vehicle Maintenance	651	1,003	1,500	1,500
02-5301-403 Building Maintenance	764	1,338	1,500	1,000
02-5301-404 Equipment Maintenance	537	2,933	5,000	3,000
02-5301-405 Maintenance Contracts	415	51	100	40
02-5301-411 System Maintenance	11,794	4,942	60,000	85,000
02-5301-601 Lease and Note Payments	2,825	988	10,886	10,887
02-5301-650 Administrative Fees to GF	24,180	13,382	15,344	11,250
02-5301-651 W/S Lines Franchise to GF	21,065	21,065	21,065	21,065
02-5301-662 Transfer to Special Projects	0	0	0	22,834
Total Wastewater Collection Expenses	106,841	133,410	211,075	253,793

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 wastewater treatment plant began production in 2009. Additional improvements are included in the capital projects budget for 2014-2015.

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 2011-12	ACTUAL 2012-13	AMENDED BUDGET 2013-14	ADOPTED BUDGET 2014-15
02-5302-111 Salaries and Wages	22,030	26,011	31,950	32,760
02-5302-113 Overtime	1,676	8,155	0	0
02-5302-114 Certification Pay	305	0	125	360
02-5302-115 Christmas Bonus	200	200	200	200
02-5302-116 Longevity Pay	0	180	240	300
02-5302-118 Workers Compensation Ins.	1,100	839	1,180	1,023
02-5302-119 Insurance - Employees	3,583	5,058	5,680	6,319
02-5302-120 Retirement - Employees	904	1,243	1,269	1,455
02-5302-121 Social Security	1,396	1,951	2,031	2,101
02-5302-122 Medicare	326	456	475	488
02-5302-123 TWC Expenses	255	9	271	207
02-5302-205 Utilities	77,398	54,531	64,300	73,527
02-5302-206 Communications	3,716	4,550	4,500	3,792
02-5302-208 Property & Liability Ins.	4,535	6,867	2,743	5,616
02-5302-209 Dues and Subscriptions	111	0	0	0
02-5302-213 Travel and Training	0	629	2,000	2,000
02-5302-215 Medical Costs	160	0	100	100
02-5302-301 Office Supplies	223	100	250	250
02-5302-304 Fuel and Lubricants	10,049	5,768	8,750	3,710
02-5302-306 Materials and Supplies	3,850	339	2,000	2,500
02-5302-307 Minor Tools and Equipment	1,106	1,009	1,000	2,000
02-5302-310 Clothing and Uniforms	1,038	1,021	1,000	1,240
02-5302-317 Chemicals	3,007	5,904	1,200	3,000
02-5302-318 TCEQ Fees	10,910	2,714	5,000	5,000
02-5302-319 Water and Sewer Analysis	30,284	32,057	31,000	33,000
02-5302-401 Vehicle Maintenance	368	824	1,500	1,500
02-5302-402 Equipment Rental	30,973	0	0	0
02-5302-403 Building Maintenance	266	0	500	1,000
02-5302-404 Equipment Maintenance	1,074	4,398	3,000	3,000
02-5302-405 Maintenance Contracts	0	0	7,787	2,512
02-5302-411 System Maintenance	29,860	16,506	30,000	30,000
02-5302-601 Lease and Note Payments	728	458	3,980	3,980
02-5302-650 Administrative Fees to GF	24,180	13,382	15,344	11,250
02-5302-651 W/S Lines Franchise to GF	21,065	21,065	21,065	21,065
Total Wastewater Treatment Expenses	286,676	216,224	250,440	255,255

City of Alvarado

FY 2014-2015 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 general benefit of its citizens, and to allow the fulfillment of its various missions as a City. Debt may be issued for the purposes of purchasing land or right-of-way and/or improvements to land, for construction projects to provide for the general good, or for capital equipment. The City will uphold all related bond covenant agreements associated with bond issues. Bond issues will be conducted after consultation with an outside financial advisor. The City will maintain good communications with bond rating agencies, financial advisors, independent auditors, investors, and citizens regarding its financial 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 materials for 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 rate of \$ 0.665469 falls well below this limit.

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

Standard & Poor’s Ratings Services raised its long-term rating and underlying rating in November 2013 to ‘AA’, 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, and 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 prepared projections, are utilized when making evaluations about future performance. Evaluations are generally based on what has 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, current capital improvement program, statements of long and short-term debt, and an indication of appropriate authority for debt issuance. Standard & Poor’s ratings range from AAA to BBB with AAA being the highest rating. Moody’s has nine basic 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 debt requirements.

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

City of Alvarado

FY 2014-2015 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 bond principal and interest as they come due and capital lease payments. Debt issuance finances the City's purchase of land, 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 General Obligation debt 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. Once the debt service portion of the tax rate exceeds a 50% pro-rata share, a city's ability to adjust the operations levy to adapt to changes in the tax base and in operational needs is hindered. The inflexibility in the tax rate places further stress upon other sources of revenue.

For the 2014-2015 fiscal year, the debt service portion of the proposed tax rate is \$0.269493 per \$100 of assessed value. This represents 40.49% of the proposed total adopted rate of \$0.665469 per \$100 of assessed value. Debt principal payments paid from ad valorem tax revenues are paid annually. Interest payments on tax-supported debt are made semi-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 and 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. This Note will be paid in full this budget year.

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 to be 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 City's combined Waterworks and Sewer System.

GENERAL DEBT SERVICE

	<u>ACTUAL FY 2011</u>	<u>ACTUAL FY 2012</u>	<u>ACTUAL FY 2013</u>	<u>AMENDED FY 2014</u>	<u>BUDGET FY 2015</u>
Beginning Fund Balances	\$63,869	\$(16,086)	\$(44,603)	\$(58,401)	\$(58,401)
REVENUES/SOURCES					
Property Taxes	\$589,598	\$603,336	\$763,543	\$804,275	\$804,157
Consumer Taxes					
Franchise Fees					
Licenses & Permits					
Fines and Forfeitures					
Charges for Service					
Intergovernmental					
Interest					
Transfers	4,067,482	63,329			
Other Funding	6,807				
TOTAL REVENUES	\$4,663,887	\$666,665	\$763,543	\$804,275	\$804,157
EXPENDITURES/USES					
General Government					
Public Safety					
Public Works					
Public Health					
Culture/Recreation					
Transfers					
Other					
DEBT SERVICE					
Principal	\$4,459,361	\$534,969	\$485,000	\$525,000	\$540,000
Interest	282,703	159,312	291,842	277,875	262,857
Other – Fiscal Agent Fee	1,778	900	500	1,400	1,300
TOTAL EXPENDITURES	\$4,743,842	\$695,181	\$777,342	\$804,275	\$804,157
Ending Fund Balances	<u>\$(16,086)</u>	<u>\$(44,603)</u>	<u>\$(58,401)</u>	<u>\$(58,401)</u>	<u>\$(58,401)</u>

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

2014-2015 REQUIREMENTS

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2008 TAX NOTES	\$185,000	\$8,344	\$193,344
2011 REFUNDING BONDS	215,000	104,250	319,250
2012 BOND	140,000	150,263	290,263
	<hr/>	<hr/>	<hr/>
G. O. DEBT SERVICE REQUIREMENTS FOR 2012-13	<u>\$540,000</u>	<u>\$262,857</u>	<u>\$802,857</u>

**TOTAL OUTSTANDING G. O. DEBT SERVICE REQUIREMENTS
AS OF OCTOBER 1, 2014**

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2008 TAX NOTES	\$185,000	\$8,344	\$193,344
2011 REFUND BONDS	3,120,000	801,900	3,921,900
2012 BOND	<u>4,675,000</u>	<u>2,338,054</u>	<u>7,013,054</u>
	<hr/>	<hr/>	<hr/>
TOTAL REQUIREMENTS	<u>\$7,980,000</u>	<u>\$3,426,173</u>	<u>\$11,901,173</u>

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



City of Utility FY 2014-2015 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**

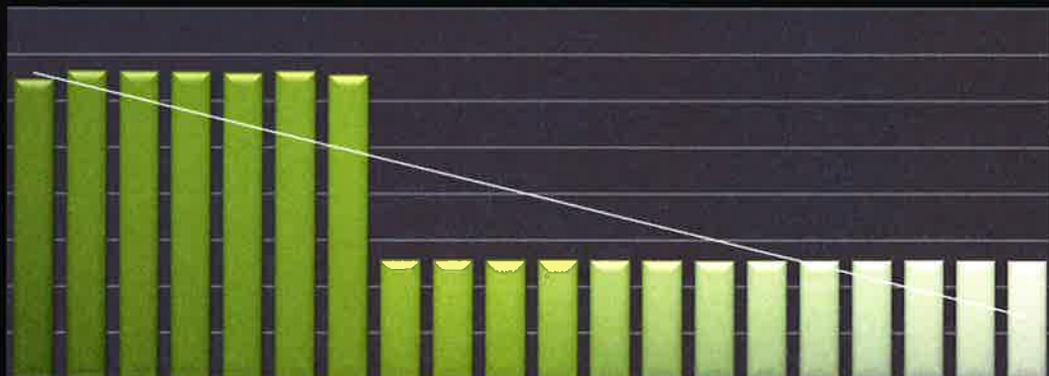
2014-2015 REQUIREMENTS

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2008A SERIES	\$30,000	\$98,100	\$128,100
2008B SERIES	<u>150,000</u>	<u>53,430</u>	<u>203,430</u>
WATER & SEWER DEBT SERVICE REQUIREMENTS FOR 2012-13	<u>\$180,000</u>	<u>\$151,530</u>	<u>\$331,530</u>

**TOTAL DEBT SERVICE REQUIREMENTS
FROM WATERWORKS & SEWER SYSTEM REVENUE
AS OF OCTOBER 1, 2014**

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2008A SERIES	\$2,180,000	\$2,252,434	\$4,432,434
2008B SERIES	<u>1,370,000</u>	<u>250,766</u>	<u>1,620,766</u>
TOTAL OUTSTANDING WATER & SEWER DEBT SERVICE REQUIREMENTS	<u>\$3,550,000</u>	<u>\$2,503,200</u>	<u>\$6,053,200</u>

**WATER AND SEWER SYSTEMS
BOND REQUIREMENTS
THROUGH MATURITY**



City of Alvarado FY 2014-2015 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 FY 2011</u>	<u>ACTUAL FY 2012</u>	<u>ACTUAL FY 2013</u>	<u>BUDGETED FY 2014</u>	<u>BUDGETED FY 2015</u>
Beginning Fund Balances	\$619,343	\$619,343	\$1,181,993	\$1,508,605	\$1,508,605
REVENUES/SOURCES					
Property Taxes					
Consumer Taxes	\$278,780	\$336,365	\$371,368	370,000	\$ 370,000
Franchise Fees					
Licenses & Permits					
Intergovernmental					
Charges for Service					
Interest	820	972	989	1000.00	300
Transfers	75				
Miscellaneous		612			
TOTAL REVENUES	\$ 279,676	\$ 337,949	\$372,357	\$371,000	\$370,300
EXPENDITURES/USES					
General Government	\$13,007	\$13,176	15,105	15,700	\$26,265
Public Safety					
Public Works			20,640	279,360	515,730
Public Health					
Culture/Recreation	8,180				71,257
Economic Development	10,000	10,000	10,000	64,000	69,641
Other				11,940	203,137
TOTAL EXPENDITURES	\$31,187	\$23,176	\$45,745	\$371,000	\$886,030
Ending Fund Balances	<u>\$867,220</u>	<u>\$1,181,999</u>	<u>\$1,508,605</u>	<u>\$1,508,605</u>	<u>\$992,875</u>

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.

Current Projects

The City is proposing to hire a full-time Economic Development Director this year where in the past we have shared an Economic Director with Johnson County and other cities within the County. A match for a Parks Grant the City received to revamp the boat ramp at Alvarado Lake and add a restroom at the lake park is one of the projects approved for this budget. The regional lift station project to aid in development on the west side of I-35 is carried over from last year's budget.

City of Alvarado
Economic Development Corporation

	ACTUAL 2011-12	ACTUAL 2012-13	AMENDED BUDGET 2013-14	ADOPTED BUDGET 2014-15
04-5101-111 Salary and Benefits	0	0	0	51,441
04-5101-201 Legal Services		2,030	1,000	1,000
04-5101-202 Audit & Accounting	1,176	1,060	1,200	1,265
04-5101-206 Communications	0	0	0	684
04-5101-207 Advertisements & Notices			500	12,000
04-5101-213 Travel & Training	0	15	1,000	15,000
04-5101-235 IT Expenses	0	0	0	2,516
04-5101-365 Economic Development	10,000	10,000	10,000	0
04-5101-371 Future Studies or Plans			30,000	0
04-5101-506 Parks Grant match	0	0		71,257
04-5101-510 Sewer System Improvements		20,640	279,360	0
04-5101-610 Projects to be Decided			11,940	203,137
04-5101-621 Committed Projects			24,000	0
04-5101-650 Administrative Costs	12,000	12,000	12,000	12,000
04-5101-662 Transfer to Special Projects	0	0	0	515,730
TOTAL ECONOMIC DEVELOPMENT	23,176	45,745	371,000	886,030

CITY OF ALVARADO

HOTEL OCCUPANCY TAXES

All hotels/motels within the City of Alvarado are required to remit monthly 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 within the City limits of Alvarado.

MISSION STATEMENT

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

HOTEL OCCUPANCY TAXES

	<u>ACTUAL FY 2011</u>	<u>ACTUAL FY 2012</u>	<u>ACTUAL FY 2013</u>	<u>BUDGET FY 2014</u>	<u>BUDGET FY 2015</u>
Beginning Fund Balances	\$137,076	\$197,731	\$285,070	\$387,107	\$387,107
REVENUES/SOURCES					
Property Taxes					
Consumer Taxes	\$111,000	\$149,899	\$180,848	\$160,000	\$140,000
Franchise Fees					
Licenses & Permits					
Fines & Forfeitures					
Charges for Service					
Interest	150	172	195	200	100
Interfund Transfers					
Other Funding					
TOTAL REVENUES	\$111,150	\$ 150,071	\$181,043	\$160,200	\$140,100
EXPENDITURES/USES					
General Government	\$1,200	\$1,200	\$3,604	\$2,200	\$2,200
Public Safety	1,573				
Public Works					
Public Health					
Culture/Recreation	52,568	61,533	75,402	158,000	137,900
Transfers					
Other					
TOTAL EXPENDITURES	\$55,341	\$62,733	\$79,006	\$160,200	\$140,100
Ending Fund Balances	<u>\$197,731</u>	<u>\$285,070</u>	<u>\$387,107</u>	<u>\$387,107</u>	<u>\$387,107</u>

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, 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.

	<u>ACTUAL</u> <u>2011-2012</u>	<u>ACTUAL</u> <u>2012-2013</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2013-2014</u>	<u>ADOPTED</u> <u>BUDGET</u> <u>2014-2015</u>
05-5101-201 Legal Services		2,404	1,000	1,000
05-5101-360 Marketing & Promotions	14,421	24,710	77,267	55,689
05-5101-361 Christmas Events	0			
05-5101-362 Hwy Signs & Landscaping				
05-5101-363 July 4th Event	25,366	29,611	35,000	35,000
05-5101-364 National Night Out	0	0		
05-5101-368 Tractor Show Advertising	4,859	4,900	4,900	4,900
05-5101-369 Old Settlers Reunion	0	0		
05-5101-372 Old Wagon Barn	0	0	24,650	42,311
05-5101-501 Land	16,887	16,181	16,183	0
01-5101-550 Capital Outlay				
05-5101-650 Administrative Costs	1,200	1,200	1,200	1,200
TOTAL HOTEL OCCUPANCY TAXES	<u>62,733</u>	<u>79,006</u>	<u>160,200</u>	<u>140,100</u>

CITY OF ALVARADO

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 with the remaining 50% to be used for any approved project.

Current Projects

The Council approved expenditures from the "other expenditures" this year to purchase a new backhoe for the Public Works Department, a water rate study and an impact fee study, a makeover of the City's website, zoning map update, new forensic software for the Police Department and new furniture for the water clerks.

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 FY 2011</u>	<u>ACTUAL FY 20112</u>	<u>ACTUAL FY 2013</u>	<u>AMENDED BUDGET FY 2014</u>	<u>BUDGET FY 2015</u>
Beginning Fund Balances	\$444,659	\$1,328,113	\$1,129,891	\$1,062,172	\$1,062,172
REVENUES/SOURCES					
Property Taxes					
Consumer Taxes					
Franchise Fees					
Licenses & Permits					
Fines & Forfeitures					
Gas & Oil Revenue	\$1,131,008	\$430,865	\$392,680	\$320,000	\$550,000
Interest	843	1,309	1,071	1,100	300
Other Funding					
TOTAL REVENUES	\$1,131,851	\$432,174	\$393,751	\$321,100	\$550,300
EXPENDITURES/USES					
General Government					
Public Safety			\$20,000		\$16,263
Public Works	\$188,210	\$414,402	276,964	\$160,550	361,236
Culture/Recreation			149,564		
Other	60,187	215,995	14,942	160,550	172,801
DEBT SERVICE					
Principal					
Interest					
Other					
TOTAL EXPENDITURES	\$248,397	\$630,397	\$461,470	\$321,100	\$550,300
Ending Fund Balances	<u>\$1,328,113</u>	<u>\$1,129,891</u>	<u>\$1,062,172</u>	<u>\$1,062,172</u>	<u>\$1,062,172</u>

City of Alvarado
Mineral Leases and Royalties

	ACTUAL 2011-2012	ACTUAL 2012-2013	AMENDED BUDGET 2013-2014	ADOPTED BUDGET 2014-2015
06-5101-508 Street Improvements	414,402	271,225	160,550	275,150
06-5101-510 Other Approved Expenses				177,801
06-5101-550 Other Capital Projects	215,995	190,245	160,550	97,349
06-5101-660 Transfer Out	0	0		0
TOTAL MINERAL LEASES/ROYALTIES	630,397	461,470	321,100	550,300

OTHER SPECIAL REVENUES

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 - COURT

	<u>ACTUAL FY 2011</u>	<u>ACTUAL FY 2012</u>	<u>ACTUAL FY 2013</u>	<u>BUDGET FY 2014</u>	<u>BUDGET FY 2015</u>
Beginning Fund Balances	\$108,984	\$116,040	\$129,725	\$140,486	\$140,486
REVENUES/SOURCES					
Property Taxes					
Consumer Taxes					
Franchise Fees					
Licenses & Permits					
Fines & Forfeitures	\$30,754	\$37,635	\$51,585	\$50,000	\$55,000
Charges for Service					
Interest	27	123	109	102	30
Interfund Transfers					
Other Funding					
TOTAL REVENUES	\$30,781	\$37,758	\$51,694	\$50,102	\$55,030
EXPENDITURES/USES					
General Government					
Public Safety	\$23,725	\$24,108	\$40,933	\$50,102	\$55,030
Public Works					
Public Health					
Culture/Recreation					
Transfers					
Other					
TOTAL EXPENDITURES	\$23,725	\$24,108	\$40,933	\$50,102	\$55,030
Ending Fund Balances	<u>\$116,040</u>	<u>\$129,725</u>	<u>\$140,486</u>	<u>\$140,486</u>	<u>\$140,486</u>

City of Alvarado

Other Special Revenues

	ACTUAL	ACTUAL	AMENDED	ADOPTED
	2010-2012	2012-2013	BUDGETED	BUDGET
	2010-2012	2012-2013	2013-2014	2014-2015
07-5101-350 Court Security Expenses	6,208	4,491	3,454	5,140
07-5101-350.2 Security - Warrant Officer	0	3,411	16,580	4,870
07-5101-351 Court Technology Expenses	0	514	8,821	21,343
07-5101-352 Court Child Safety Expenses	686	437	7,034	10,010
07-5101-405 Maintenance Contracts	8,425	11,378	11,537	3,667
07-5101-550 Capital Outlay	0	17,135	0	0
07-5101-601 Lease & Note Payments	8,691	0	2,676	0
07-5101-660 Transfers Out	0	3,567	0	10,000
TOTAL OTHER SPECIAL REVENUES	24,010	40,933	50,102	55,030

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.

FY 2014-2015 Capital Improvements

The following pages identify the capital improvements that have been authorized for FY 2014-2015.

- ✓ The City was awarded a 2013-2014 TxCDBG Grant for \$275,000 in support of sewer system improvements with a City match of \$42,080. This project began during last year's budget but will continue this budget year.
- ✓ The largest projects are those being funded with the proceeds from a CO the City issued in 2012 and include both water and sewer projects. The water projects include drilling a new well, adding both an elevated storage tank and a ground storage tank and laying transmission lines to connect with JC SUD for future water needs. The sewer projects include a new Scada system and improvements to the Wastewater Treatment Plant.
- ✓ Included in the Capital Improvements is the construction of a Regional Lift Station to support the sewer needs on the west side of I-35. This project is being funded with funds from the AEDC.
- ✓ The City was awarded a Parks Grant to repair the boat ramp at Lake Alvarado and to add a new restroom and other improvements at the same park area. There is a City match which is being funded by AEDC.
- ✓ The Fire Department has applied for a Grant to fund a new fire engine. The engine will cost \$650,000 with the City's portion around \$32,500. It is budgeted this year in the anticipation that we will receive the grant.

CAPITAL PROJECTS FUND

BUDGET **2014-2015**

REVENUES/SOURCES

Grant Revenue	\$ 1,137,866
Bond Proceeds (from previous year)	4,370,109
Interest	1,000
Transfer from General Fund	56,355
Transfer from Water/Sewer	28,607
Transfer from AEDC	<u>586,987</u>

TOTAL REVENUES **\$6,180,924**

EXPENDITURES/USES

General Government	
Public Safety	\$ 650,000
Public Works	5,176,874
Public Health	
Culture/Recreation	354,050
Transfers	
Other	<u> </u>

TOTAL EXPENDITURES **\$6,180,924**

CITY OF ALVARADO
CAPITAL PROJECTS FUND

	<u>ACTUAL</u> <u>2012-2013</u>	<u>BUDGET</u> <u>2013-2014</u>	<u>BUDGET</u> <u>2014-2015</u>
TxCDBG Sewer Project		317,080	290,036
2012 CO - Water Improvements	113,233	3,177,767	2,871,270
2012 CO - Sewer Improvements	111,273	1,406,322	1,499,838
Regional Lift Station			515,730
Parks Grant			354,050
Fire Department Equipment			650,000
Transfers Out			
 Total Expenditures	<u>224,506</u>	<u>4,901,169</u>	<u>6,180,924</u>

APPROVED CITY EMPLOYEE POSITIONS

	<u>FY2012-13</u>		<u>FY2013-14</u>		<u>FY2014-15</u>	
	<u>FT</u>	<u>PT</u>	<u>FT</u>	<u>PT</u>	<u>FT</u>	<u>PT</u>
<u>GENERAL FUND</u>						
Administration	3.0		3.0		3.0	
Police Department	16.0		16.0		16.0	
Code Services	2.0		2.0		2.0	
Municipal Court	2.0		3.0	.5	4.0	
Fire Department	11.0		11.0		11.0	
Animal Control	1.0	1.0	1.0	1.0	2.0	
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	2.0	1.0	3.0	2.0	3.0
TOTAL GENERAL FUND	40.0	5.0	41.0	6.5	44.0	5.0
<u>WATER & SEWER FUND</u>						
Water and Sewer Admin	11.0		11.0		11.0	
TOTAL WATER & SEWER	11.0	0.0	11.0	0.0	11.0	0.0
TOTAL EMPLOYEES	51.0	5.0	52.0	6.5	55.0	5.0

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 2014-2015 Annual Budget.

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

<u>Budget Document</u>	The instrument used by the budget-making authority to present a comprehensive financial plan of operations to the City Council.
<u>Budget Message</u>	The opening section of the budget from the City Manager which provides the City Council an overview of the upcoming Budget.
<u>Budget Ordinance</u>	The official enactment by City Council to legally authorize City staff to obligate and expend resources.
<u>Budgetary Accounts</u>	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.
<u>Budgetary Control</u>	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.
<u>Capital Improvement Program</u>	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.
<u>Capital Projects Fund</u>	A fund created to account for financial resources to be used for the acquisition or the construction of major capital facilities or equipment.
<u>Capital Outlays</u>	Expenditures which result in the acquisition of or addition to the fixed assets.
<u>Certificates of Obligation</u>	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.
<u>City Council</u>	The Mayor and six (6) Council members collectively acting as the legislative and policymaking body of the City.
<u>Community Development Block Grant (CDBG)</u>	A type of federal grant to improve infrastructure in specified portions of the community.
<u>Component Unit</u>	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.
<u>Contingency</u>	A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.
<u>Contractual Services</u>	The costs related to services performed for the City by individuals, business, or utilities.
<u>Current Taxes</u>	Taxes levied and due within one year.
<u>Debt Service</u>	The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

<u>Debt Service Fund</u>	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.
<u>Deficit</u>	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.
<u>Delinquent Taxes</u>	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.
<u>Department</u>	A major administrative organizational unit of the City which indicates overall management responsibility for one or more divisions.
<u>Depreciation</u>	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.
<u>Division</u>	A major administrative organizational unit of the City which indicates overall management responsibility for one or more activities.
<u>Effective Tax Rate</u>	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.
<u>Encumbrance</u>	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.
<u>Enterprise Fund</u>	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.
<u>Estimated Revenue</u>	The amount of projected revenues to be collected during the fiscal year.
<u>Exempt</u>	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.
<u>Expenditure</u>	A decrease in the net financial resources of the City due to the acquisition of goods and services.
<u>Financial Policies</u>	Financial polices 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.

<u>Fiscal Year</u>	A 12-month period to which the Annual Budget applies. The City of Alvarado has specified October 1 to September 30 as its fiscal year.
<u>Fixed Assets</u>	Assets of a long-term character which are intended to continue to be held or used, such as land, buildings machinery and equipment.
<u>Franchise Fee</u>	A fee paid by public service utilities for use of public property in providing their services to the citizens of the community.
<u>Full Faith and Credit</u>	A pledge of the general taxing power of the City to repay debt obligations (the term typically used in reference to bonds.)
<u>Full Time Equivalent (FTE)</u>	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. Firefighters are based on 2,912 hours per year.
<u>Function</u>	A group of related activities aimed at accomplishing a major service for which the City is responsible. For example, public safety is a function.
<u>Fund</u>	An accounting entity with a self-balancing set of accounts that record financial transactions for specific activities or government function.
<u>Fund Accounting</u>	A governmental accounting system which is organized and operated on a fund basis.
<u>Fund Balance</u>	The excess of assets over liabilities.
<u>Fund Type</u>	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.
<u>GAAP</u>	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.
<u>GASB</u>	(Governmental Accounting Standards Board) GASB was established in 1984 as the body authorized to establish accounting standards for state and local government.
<u>GASB 34</u>	The 34 th 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.
<u>General Fund</u>	The fund used to account for all financial resources except those required to be accounted for in another fund.
<u>General Obligation Bonds</u>	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 fund 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.

<u>Public Hearing</u>	The portions of open meetings held to present evidence and provide information on both sides of an issue.
<u>Reserve</u>	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 legally segregated for a specific future use.
<u>Retained Earnings</u>	The excess of assets less liabilities. Also known as fund balance.
<u>Revenue</u>	Funds that the government receives as income. All amounts of money earned or received by the City from external sources.
<u>Revenue Bonds</u>	Bonds whose principal and interest are payable exclusively from a revenue source pledged as the payment source before issuance.
<u>Sales Tax</u>	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.
<u>Special Revenue Fund</u>	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.
<u>Supplies</u>	Expendable materials and operating supplies necessary to conduct the business of departmental activities.
<u>Tax Base</u>	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.
<u>Tax Levy</u>	The amount calculated when the tax rate per hundred dollars is multiplied by the tax base.
<u>Tax Rate</u>	Total tax rate is set by Council and is made up of two components; debt service and operations rates. The 2014-2015 tax rate for the City of Alvarado is \$.665469 per \$100.00 valuation.
<u>Taxable Value</u>	Estimated value of taxable property to which the ad valorem tax rate is applied.
<u>User Charges</u>	The payment of a fee for a direct receipt of a public service by the party benefiting from the service.
<u>Unreserved Fund Balance</u>	The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.
<u>Working Capital</u>	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.