

City of Alvarado



City of Alvarado

Annual Budget

Fiscal Year 2017-2018

City of Alvarado Fiscal Year 2017-2018 Budget Cover Page

This budget will raise less revenue from property taxes than last year's budget by an amount of \$55,229, which is a 2.5% decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$48,537.

City Council Record Vote

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

Voting For:	Mayor Pro Tem Shawn Goulding Jacob Wheat Michael Bennett Beverly Short Cherry Bryant Arrdeen Vaughan
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Property Tax Rate Comparison

	<u>FY 2017-2018</u>	<u>FY 2016-2017</u>
Property Tax Rate	\$.733000/\$100	\$.733000/\$100
Effective Tax Rate	\$.694486/\$100	\$.718537/\$100
Effective M&O Tax Rate	\$.574195/\$100	\$.567251/\$100
Rollback Tax Rate	\$.767202/\$100	\$.764307/\$100
Debt Rate	\$.283778/\$100	\$.274559/\$100

Debt Obligation

The amount of the debt obligations for the City of Alvarado secured by property taxes for the 2017- 2018 budget:

\$839,613

City of Alvarado, Texas

**Budget
For Fiscal Year
October 1, 2017 to September 30, 2018**

**Mayor
E. DeWayne Richters**

CITY COUNCIL

Beverly Short	Councilmember	Ward	1
Michael Bennett	Councilmember	Ward	1
Cherry Bryant	Councilmember	Ward	2
Arrdeen Vaughan	Councilmember	Ward	2
Jacob Wheat	Councilmember	Ward	3
Shawn Goulding	Mayor Pro-Tem	Ward	3

CITY STAFF

Clint Davis	City Manager
Debbie Thomas	City Secretary
Kelle Whitfill	Director of Finance
Michael Dwigins	Director of Public Works
Brad Anderson	Police Chief
Richard Van Winkle	Fire Chief
Ashley D. Dierker	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 2017-2018. 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. There is one fund for water and sewer projects and another fund for general fund projects. Generally, the programs include 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 2017-2018 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, 2017. 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 21, 2017 and September 11, 2017. Plans call for the Fiscal Year Budget for 2017-2018 and the tax rate of \$0.733000/\$100 to be adopted by the City Council on September 18, 2017.

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 2017-2018

	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	\$2,544,335	\$1,430,710	\$(12,933)	\$1,182,161	\$1,167,288
SOURCES & REVENUES					
Property taxes	\$1,326,710		\$839,613		
Consumer taxes	1,250,500				\$416,667
Franchise taxes	447,650				
Licenses & Permits	242,800				
Fines & Forfeitures	1,079,005				
Charges for Services	23,550	\$2,924,114			
Rental Income	23,500				
Intergovernmental	214,200				
Administration Fees	100,600				
Interest	8,000	7,000		\$6,000	6,000
Transfers In	10,000				
Other funding	11,100			190,000	
Grants					
TOTAL ALL SOURCES & REVENUES	<u>\$4,737,615</u>	<u>\$2,931,114</u>	<u>\$839,613</u>	<u>\$196,000</u>	<u>\$422,667</u>
USES & EXPENDITURES					
General Government	\$356,059				\$117,671
Community Development	221,197				
Public Safety	3,164,713			80,000	
Public Works	228,548	\$2,775,760		\$98,000	
Culture & Recreation	513,210				400,997
Social & Welfare	70,311				
Economic Development					
Other			\$1,200	18,000	
Debt Payments		333,166	838,413		
Non-Departmental	397,804				
TOTAL ALL USES & EXPENDITURES	<u>\$4,951,842</u>	<u>\$3,108,926</u>	<u>\$839,613</u>	<u>\$196,000</u>	<u>\$518,668</u>
Ending Fund Balances/ Working Capital	<u>\$2,330,108</u>	<u>\$1,252,898</u>	<u>\$(12,933)</u>	<u>\$1,182,161</u>	<u>\$1,071,287</u>

City of Alvarado
All Funds Summary
Proposed Budget for Fiscal Year 2017-2018

<u>HOTEL FUNDS</u>	<u>COURT FUNDS</u>	<u>WS CAPITAL PROJECTS</u>	<u>GF CAPITAL PROJECTS</u>	<u>TOTAL</u>
\$484,786	\$158,961	\$1,199,966	\$1,244,660	\$9,399,934
				\$2,166,323
\$200,000				1,867,167
				447,650
				242,800
	\$56,700			1,135,705
				2,947,664
				23,500
				214,200
				100,600
1,000	600	\$1,000	\$4,000	33,600
		530,951		540,951
				201,100
		558,620		558,620
<hr/>				
<u>\$201,000</u>	<u>\$57,300</u>	<u>\$1,090,571</u>	<u>\$4,000</u>	<u>\$10,479,880</u>
				\$478,788
\$5,058				221,197
	\$47,300			3,292,013
		\$1,434,535	\$1,248,660	5,785,503
302,725		786,719		2,003,651
				70,311
				0
	10,000			29,200
				1,171,579
				397,804
<hr/>				
<u>\$307,783</u>	<u>\$57,300</u>	<u>\$2,221,254</u>	<u>\$1,248,660</u>	<u>\$13,450,046</u>
<u>\$378,003</u>	<u>\$158,961</u>	<u>\$69,283</u>	<u>\$0</u>	<u>\$6,429,768</u>

City of Alvarado

FY 2017-2018 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.

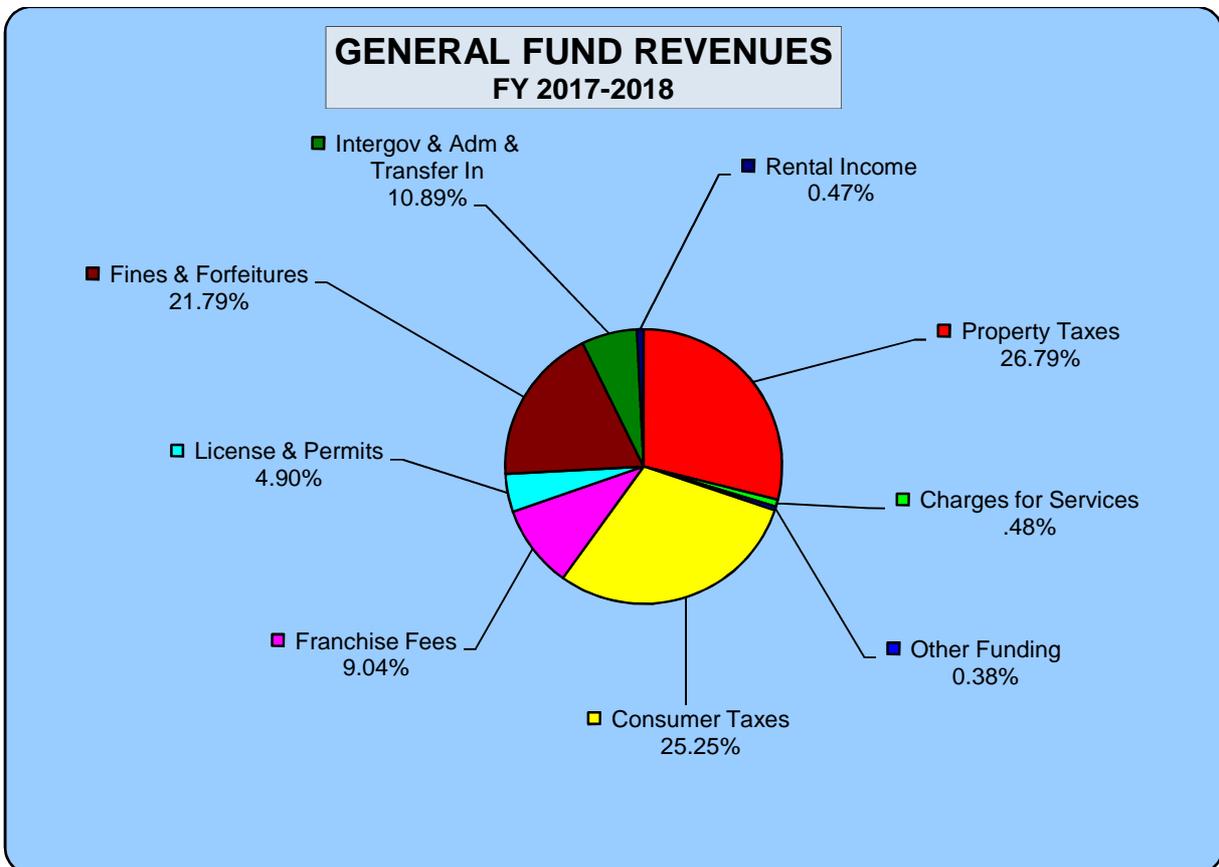
One of the major considerations in budgeting revenues is the increase or decrease in property values and their effect on the tax rate revenue generating capabilities. A major portion of the General Fund section is devoted to the tax rate analysis. An activity schedule for each function is included. Each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

GENERAL FUND

	<u>ACTUAL FY 2014</u>	<u>ACTUAL FY 2015</u>	<u>ACTUAL FY 2016</u>	<u>AMENDED FY 2017</u>	<u>BUDGETED FY 2018</u>
Beginning Fund Balances	\$1,165,575	\$1,558,012	\$5,211,812	\$2,544,335	\$2,544,335
REVENUE SOURCES					
Property Taxes	\$633,101	\$1,215,646	\$1,367,976	\$1,391,507	\$1,326,710
Consumer Taxes	1,101,010	1,091,865	1,226,012	1,200,600	1,250,500
Franchise Fees	412,414	429,545	450,438	481,698	447,650
Licenses & Permits	274,688	151,606	211,226	252,250	242,800
Fines and Forfeitures	783,683	735,364	917,404	920,000	1,079,005
Charges for Services	0	0	0	23,350	23,550
Rental Income	32,107	32,307	33,723	33,000	23,500
Intergovernmental	190,848	188,433	192,106	453,519	214,200
Interest	1,169	1,719	16,264	13,000	8,000
Administration Fees	102,295	75,000	75,000	90,600	100,600
Other Revenue	156,222	95,683	159,271	35,385	11,100
Grants Revenue	0	0	0	13,455	0
TOTAL REVENUES	\$3,687,537	\$4,017,168	\$4,649,420	\$4,908,364	\$4,727,615
EXPENSES/USES					
General Government	\$470,740	\$748,783	\$ 605,778	\$903,036	\$753,863
Community Development	165,814	183,742	225,567	197,769	221,197
Public Safety	2,101,730	2,321,480	2,532,950	3,097,687	3,120,373
Public Works	102,761	132,697	146,353	419,528	228,548
Culture / Recreational	223,155	255,840	254,809	610,922	489,796
Social and Welfare	64,352	63,380	68,018	69,302	70,311
Capital Outlay	37,320	194,755	133,090	67,319	67,754
TOTAL EXPENSES	\$3,165,872	\$3,900,677	\$3,966,565	\$5,365,563	\$4,951,842
Transfer In	0	3,635,562	35,221	479,699	224,227
Transfer Out	(129,228)	(98,253)	(3,385,553)	(22,500)	0
Ending Fund Balances	<u>\$1,558,012</u>	<u>\$5,211,812</u>	<u>\$2,544,335</u>	<u>\$2,544,335</u>	<u>\$2,544,335</u>

General Fund Revenues

	FY 2016-17		FY 2017-18	
	<u>BUDGETED</u>	<u>%</u>	<u>BUDGETED</u>	<u>%</u>
Property Taxes	1,391,507	25.83%	1,326,710	26.79%
Consumer Taxes	1,200,600	22.28%	1,250,500	25.25%
Franchise Fees	481,698	8.94%	447,650	9.04%
Permits & Licenses	252,250	4.68%	242,800	4.90%
Fines & Forfeitures	920,000	17.07%	1,079,005	21.79%
Charges for Service	23,350	.43%	23,550	.48%
Rental Income	33,000	.61%	23,500	.47%
Intergovernmental	453,519	8.42%	214,200	4.33%
Interest	13,000	.24%	8,000	.16%
Administrative Fees	90,600	1.68%	100,600	2.03%
Transfers In	479,699	8.90%	224,227	4.53%
Grants Revenue	13,455	.25%	0	0%
Other Revenue	35,385	.66%	11,100	.22%
Total	\$5,388,063	100.0%	\$4,951,842	100.0%

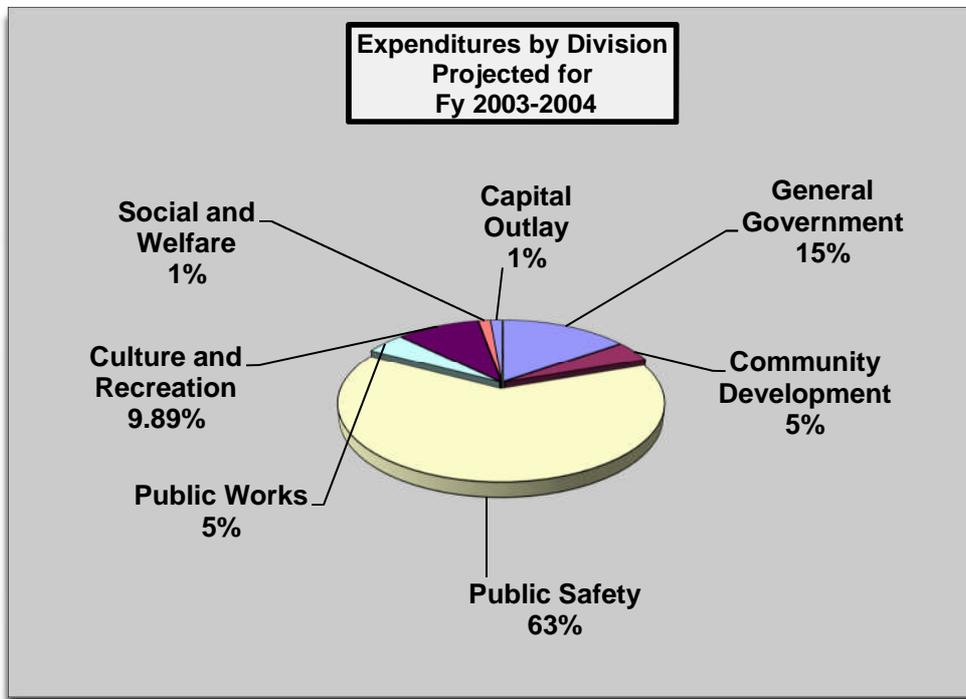


General Fund Expenditures by Division

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 2017-2018 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 2017-2018.

	2016-17		2017-18	
	<u>Budgeted</u>	%	<u>Budgeted</u>	%
General Government	\$903,036	16.83%	\$753,863	15.22%
Community Development	197,769	3.69%	221,197	4.47%
Public Safety	3,097,687	57.73%	3,120,373	63.01%
Public Works	419,528	7.92%	228,548	4.62%
Culture and Recreation	610,922	11.39%	489,796	9.89%
Social and Welfare	69,302	1.29%	70,311	1.42%
Capital Outlay	67,319	1.25%	67,754	1.37%
Total	<u>\$5,365,563</u>	<u>100.0%</u>	<u>\$4,951,842</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 2014-15</u>	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Budgeted 2017-18</u>
City Manager	1	1	1	1
City Secretary	1	1	1	1
Director of Finance	1	1	1	1
Administrative Asst.			1	1
	<u>3</u>	<u>3</u>	<u>4</u>	<u>4</u>
Total				

City of Alvarado Administration

	ACTUAL 2014-2015	ACTUAL 2015-2016	AMENDED BUDGET 2016-2017	ADOPTED BUDGET 2017-2018
01-5101-111 Regular Salaries	188,633	215,767	224,577	233,457
01-5101-114 Certification Pay	360	360	360	360
01-5101-115 Christmas Bonus	600	700	800	800
01-5101-116 Longevity Pay	1,200	1,371	1,560	1,800
01-5101-117 Auto Allowance	4,546	6,000	6,000	6,000
01-5101-118 Workers Compensation	575	601	588	585
01-5101-119 Group Insurance	20,999	23,773	32,818	28,770
01-5101-120 Retirement - TMRS	7,479	11,214	12,073	13,119
01-5101-121 Social Security	10,880	13,551	14,464	15,253
01-5101-122 Medicare	2,544	3,169	3,382	3,567
01-5101-123 TWC Expense	27	709	828	720
01-5101-203 Engineering Services	0	425	9,720	0
01-5101-204 Janitorial Services	3,427	3,427	3,500	3,500
01-5101-205 Utilities	3,143	3,142	3,500	3,300
01-5101-206 Communications	2,726	2,547	3,268	2,812
01-5101-207 Advertisements & Notices	4,382	6,853	5,500	5,500
01-5101-208 Property & Liability Ins.	1,433	1,346	1,548	1,601
01-5101-209 Dues & Subscriptions	1,670	2,629	2,231	2,231
01-5101-210 Election Costs	0	2,733	2,500	2,500
01-5101-212 Postage	1,627	2,299	2,200	2,200
01-5101-213 Travel & Training	87	180	2,000	2,000
01-5101-301 Office Supplies	3,484	5,081	4,500	4,500
01-5101-303 Janitorial Supplies	541	405	550	500
01-5101-304 Fuel & Lubricants	0	535	1,200	100
01-5101-310 Clothing & Uniforms	29	550	1,000	600
01-5101-401 Vehicle Maintenance	0	89	1,000	1,000
01-5101-403 Building Maintenance	3,329	1,221	2,740	2,500
01-5101-404 Equipment Maintenance	348	0	1,000	1,000
01-5101-405 Maintenance Contracts	7,163	8,724	9,574	15,784
01-5101-550 Capital Outlay	1,000	3,299,217	0	0
TOTAL ADMINISTRATION	272,232	3,618,618	354,981	356,059

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 2014-15</u>	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Budgeted 2017-18</u>
Police Chief	1	1	1	1
Police Captain	1	1	1	1
Lieutenant		1		
Sergeant	1	2	1	3
Corporal	3	4	3	3
Detective	1	1	2	1
Patrol Officers	8	6	8	6
Administrative Assistant	1	1	2	2
	<hr/>	<hr/>	<hr/>	<hr/>
Total	16	17	18	17

City of Alvarado
Police Department

	ACTUAL 2014-2015	ACTUAL 2015-2016	AMENDED BUDGET 2016-2017	ADOPTED BUDGET 2017-2018
01-5201-111 Regular Salaries	679,502	736,865	844,247	800,107
01-5201-113 Overtime	13,473	15,650	20,000	20,000
01-5201-114 Certification Pay	6,411	6,411	7,893	9,360
01-5201-115 Christmas Bonus	3,200	3,077	3,600	3,200
01-5201-116 Longevity Pay	3,547	3,196	3,840	3,840
01-5201-118 Workers Comp Ins	17,768	20,000	19,412	18,101
01-5201-119 Insurance - Employees	108,658	106,804	119,427	127,414
01-5201-120 Retirement - TMRS	27,564	39,487	46,578	45,803
01-5201-121 Social Security	42,035	48,977	55,800	53,240
01-5201-122 Medicare	9,832	11,454	13,050	12,450
01-5201-123 TWC Expenses	165	3,345	3,726	2,970
01-5201-125 Uniform Allowance	19,200	19,850	20,800	18,900
01-5201-204 Janitorial Services	7,114	7,548	12,154	9,720
01-5201-205 Utilities	12,295	12,204	13,900	13,715
01-5201-206 Communications	18,178	17,485	19,780	22,215
01-5201-208 Property & Liab Ins.	15,148	14,418	18,711	18,602
01-5201-209 Dues & Subscriptions	787	803	800	800
01-5201-212 Postage	2,324	2,404	2,700	2,750
01-5201-213 Travel & Training	9,199	8,996	9,000	9,000
01-5201-215 Medical Costs	210	355	500	500
01-5201-222 Emergency Public Services	0	0	1,000	1,000
01-5201-229 Forensic Investigations	2,364	1,965	4,000	4,000
01-5201-235 IT Expense	1,050	0	0	0
01-5201-239 Task Force	4,854	4,854	4,854	4,854
01-5201-301 Office Supplies	7,183	9,729	9,500	11,000
01-5201-302 Office Furniture & Equip	901	320	500	800
01-5201-303 Janitorial Supplies	1,293	1,358	1,500	1,500
01-5201-304 Fuel & Lubricants	43,438	39,982	67,800	69,143
01-5201-306 Materials & Supplies	3,030	8,104	1,500	1,500
01-5201-307 Minor Tools & Equipment	4,762	8,630	5,000	5,000
01-5201-310 Clothing & Uniforms	14,773	24,412	18,000	18,000
01-5201-312 Community Service	153	191	450	450
01-5201-333 Emerald Expenses	0	2,891	3,000	0
01-5201-401 Vehicle Maintenance	19,986	34,944	34,104	30,000
01-5201-403 Building Maintenance	6,511	10,037	10,621	3,460
01-5201-404 Equipment Maintenance	0	220	500	500
01-5201-405 Maintenance Contracts	31,868	31,734	33,081	25,440
01-5201-505 Light Vehicles	11,000	0	0	0
01-5201-550 Capital Outlay	33,376	17,621	16,819	0
01-5201-601 Lease & Note Payments	0	87,740	97,226	82,792
01-5201-660 Transfer Out	85,962	0	0	0
TOTAL POLICE DEPARTMENT	<u>1,269,114</u>	<u>1,364,061</u>	<u>1,545,373</u>	<u>1,452,126</u>

City of Alvarado

Commercial Vehicle Enforcement

Description

The Alvarado Police Department Commercial Vehicle Enforcement (CVE) unit was established in September 2017. The primary function of the Unit is to ensure the safety of the roadways within our City. The Alvarado Police Department has entered into an agreement with the Texas Department of Public Safety (DPS) as a local Jurisdictional member of the agency's Motor Carrier Safety Assistance Program (MCSAP). Officers selected for this Unit will have completed the required Federal Motor Carrier Safety Administration courses in Driver Inspections (North American Part A), Vehicle Inspections (North American Part B), Texas Intrastate Law (Part C), Basic CVE (License and Weight), Basic Hazardous Materials, Cargo Tank Inspections, Other Bulk Packaging Course and Passenger Vehicle Inspections. Assigned Officers continue to enhance skills through continuing education, training and conferences throughout the year.

Objectives

To work closely with other local CVE agencies to keep our roads a safe place to travel by securing compliance with traffic laws and regulations applicable to the operation of all vehicles. They will weigh and check commercial vehicles for compliance with the statutory provision of law regulating weight, motor carrier safety, registration, transportation of persons, hazardous material and other property.

		ADOPTED BUDGET 2017-2018				
01-5202-111	Regular Salaries	100,999				
01-5202-113	Overtime	2,000				
01-5202-114	Certification Pay	360				
01-5202-115	Christmas Bonus	400				
01-5202-116	Longevity Pay	360				
01-5202-118	Workers Compensation Ins.	2,457				
01-5202-119	Insurance - Employee	14,055				
01-5202-120	Retirement - Employee	5,691				
01-5202-121	Social Security	6,617				
01-5202-122	Medicare	1,547				
01-5202-123	TWC Expenses	360				
01-5202-125	Uniform Allowance	2,600				
01-5202-213	Travel and Training	2,000				
01-5202-215	Medical Costs	200				
01-5202-301	Office Supplies	100				
01-5202-304	Fuel and Lubricants	4,000				
01-5202-306	Materials and Supplies	1,000				
01-5202-310	Clothing and Uniforms	2,500				
01-5202-401	Vehicle Maintenance	750				
01-5202-503	Special Purpose Equipment	44,340				
TOTAL POLICE CVE UNIT		192,336				

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 from 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 2014-15</u>	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Budgeted 2017-18</u>
Fire Chief	1	1	1	1
Fire Marshal	1	1	1	1
Fire Captain	3	3	3	3
Firefighter	6	7	7	7
Total	11	12	12	12

City of Alvarado
Fire Department

	ACTUAL	ACTUAL	AMENDED	ADOPTED
	2014-2015	2015-2016	BUDGET	BUDGET
			2016-2017	2017-2018
01-5204-111 Regular Salaries	502,646	543,927	556,319	574,513
01-5204-113 Overtime	10,421	10,172	14,000	14,000
01-5204-114 Certification Pay	3,960	4,473	6,120	6,120
01-5204-115 Christmas Bonus	2,200	2,400	2,400	2,400
01-5204-116 Longevity Pay	3,713	4,276	4,860	5,280
01-5204-118 Workers Compensation Ins	11,678	11,888	10,558	11,492
01-5204-119 Group Insurance	77,624	71,003	78,418	80,910
01-5204-120 Retirement - TMRS	19,901	28,559	30,206	32,694
01-5204-121 FICA	29,289	34,825	36,189	38,013
01-5204-122 Medicare	6,850	8,144	8,464	8,890
01-5204-123 TWC Expense	108	2,229	2,484	2,160
01-5204-124 Retirement - Vol Fire	1,944	1,728	4,320	3,456
01-5204-205 Utilities	10,736	10,163	11,000	10,900
01-5204-206 Communications	6,247	7,437	10,813	11,713
01-5204-208 Property & Liab Ins	8,835	8,642	8,627	8,627
01-5204-209 Dues & Subscriptions	2,696	4,084	4,650	5,640
01-5204-212 Postage	424	529	550	550
01-5204-213 Travel & Training	12,310	19,536	41,158	39,965
01-5204-214 Employee Recognition	0	81	1,000	1,900
01-5204-215 Medical Costs	2,010	1,870	2,860	3,760
01-5204-217 Internet Services	80		0	0
01-5204-235 IT Expense	1,031	1,999	1,000	0
01-5204-243 Emergency Management	14,597	4,832	7,405	8,395
01-5204-301 Office Supplies	998	852	2,500	2,300
01-5204-302 Office Furniture & Equip	208	771	1,900	900
01-5204-304 Fuel & Lubricants	4,597	11,061	16,620	18,258
01-5204-305 First Aid Supplies	422	1,474	4,000	3,250
01-5204-310 Protective Clothing & Uniforms	20,790	25,246	35,970	35,085
01-5204-311 Firefighting Equipment	11,415	9,361	13,325	12,300
01-5204-312 Community Risk Reduction	3,613	2,874	6,600	7,100
01-5204-313 Station Supplies	3,722	2,742	4,000	5,000
01-5204-340 ESD Reimbursements	0	0	75,000	21,000
01-5204-401 Vehicle Maintenance	39,415	43,820	57,299	55,250
01-5204-403 Building Maintenance	2,803	3,696	12,230	6,200
01-5204-405 Maintenance Contracts	7,601	3,062	5,196	4,167
01-5204-410 Repairs - SCBA	2,126	1,215	3,400	4,100
01-5204-505 Light/Med Trucks	0	0	44,500	0
01-5204-550 Capital Outlay	0	10,844	0	0
01-5204-601 Lease & Note Payments	12,291	12,291	79,833	8,000
01-5204-662 Transfer to Special Projects	0	0	0	0
TOTAL FIRE SERVICES	839,301	912,106	1,205,774	1,054,288

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 or twice 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 assists 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 2014-15</u>	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Budgeted 2017-18</u>
Senior Court Clerk	1	1	1	1
Court Clerk	2	2	2	2.5
Warrant Officer	1	1	1	1
Total	4	4	4	4.5

City of Alvarado

Municipal Court

		ACTUAL	ACTUAL	AMENDED	ADOPTED
		2014-2015	2015-2016	BUDGET	BUDGET
		2014-2015	2015-2016	2016-2017	2017-2018
01-5203-111	Salaries and Wages	134,249	138,160	141,420	168,543
01-5203-113	Overtime	239	455	1,070	600
01-5203-114	Certification Pay	969	720	720	1,080
01-5203-115	Christmas Bonus	800	800	800	1,000
01-5203-116	Longevity Pay	1,237	960	1,200	1,440
01-5203-118	Workers Comp Insurance	721	919	1,287	1,358
01-5203-119	Insurance - Employees	24,061	20,721	23,739	35,137
01-5203-120	Retirement - Employees	5,325	7,188	7,542	9,277
01-5203-121	Social Security	8,183	9,086	9,083	10,786
01-5203-122	Medicare	1,913	2,125	2,124	2,522
01-5203-123	TWC Expense	38	689	828	900
01-5203-125	Uniform Allowance	1,300	1,300	1,300	1,300
01-5203-201	Legal Services	7,364	8,231	10,000	12,000
01-5203-204	Janitorial Services	2,218	2,218	2,220	2,220
01-5203-205	Utilities	1,958	1,918	2,200	1,990
01-5203-206	Communications	2,963	2,636	2,490	2,946
01-5203-208	Property & Liability Ins	1,074	971	1,472	1,789
01-5203-209	Dues & Subscriptions	96	156	160	160
01-5203-212	Postage	2,285	2,333	2,500	2,500
01-5203-213	Travel & Training	895	991	3,000	6,000
01-5203-215	Medical Costs	35	0	200	200
01-5203-218	Warrant Fees - Johnson Co	25,688	35,875	30,000	40,000
01-5203-223	Interpreters & Sign Lang	212	0	2,000	2,000
01-5203-224	Municipal Judge	18,000	21,518	24,000	24,000
01-5203-301	Office Supplies	4,548	5,080	5,000	6,000
01-5203-303	Janitorial Supplies	368	262	400	400
01-5203-308	Credit Card Services	10,199	13,023	15,312	15,000
01-5203-309	Warrant Round-Up	0	0	1,000	1,000
01-5203-310	Clothing & Uniforms	0	225	500	750
01-5203-403	Building Maintenance	873	898	1,500	1,500
01-5203-405	Maintenance Contracts	215	288	750	750
	TOTAL COURT	258,026	279,746	295,817	355,148

City of Alvarado

Animal Control

Description

Animal Services is a division within the Alvarado Police Department. They are responsible for all animal related issues occurring within the City limits. 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.

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 2014-15</u>	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Budgeted 2017-18</u>
Animal Control Officer	1	2	2	2
Animal Shelter Clerk (part-time)	.5			
Total	1.5	2	2	2

City of Alvarado Animal Control

	ACTUAL	ACTUAL	AMENDED	ADOPTED
	2014-15	2015-16	BUDGET	BUDGET
	2014-15	2015-16	2016-17	2017-18
01-5205-11 Regular Salaries	48,952	51,068	52,125	53,688
01-5205-113 Overtime	270	1,158	800	500
01-5205-115 Christmas Bonus	400	400	400	400
01-5205-116 Longevity Pay	187	300	420	540
01-5205-118 Workers Compensation Ins	1,142	1,362	1,700	1,653
01-5205-119 Insurance - Employees	15,414	13,527	13,670	15,855
01-5205-120 Retirement - TMRS	1,906	2,665	2,766	2,940
01-5205-121 FICA	2,925	3,198	3,364	3,418
01-5205-122 Medicare	684	748	787	799
01-5205-123 TWC Expense	87	342	414	360
01-5205-205 Utilities	5,471	6,211	6,600	5,600
01-5205-206 Communications	1,233	1,255	1,368	1,368
01-5205-208 Property & Liability Ins.	1,260	1,206	1,298	1,352
01-5205-213 Travel & Training	50	645	1,000	1,000
01-5205-215 Medical Costs	1,332	0	320	100
01-5205-230 Website Maintenance	100	0	375	375
01-5205-301 Office Supplies	797	104	500	400
01-5205-303 Janitorial Supplies	190	0	350	250
01-5205-304 Fuel & Lubricants	1,341	983	1,512	1,530
01-5205-306 Materials & Supplies	2,055	5,751	9,400	2,500
01-5205-308 Animal Food	63	0	200	200
01-5205-310 Clothing & Uniforms	505	741	900	750
01-5205-314 Animal Disposal	108	386	400	500
01-5205-316 Vet Supplies	6,085	3,364	4,000	4,000
01-5205-326 Micro Chipping Expense	0	0	1,000	1,000
01-5205-401 Vehicle Maintenance	454	280	2,000	2,000
01-5205-403 Building Maintenance	4,441	9,837	3,464	6,465
01-5205-550 Capital Outlay	0	0	909	1,272
TOTAL ANIMAL CONTROL	97,452	105,531	112,042	110,815

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 2014-15</u>	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Budgeted 2017-18</u>
Building Inspector	1	1	1	1
Code Enforcement Officer	1	1	1	1
Total	2	2	2	2

City of Alvarado

Code Services

	ACTUAL	ACTUAL	AMENDED	ADOPTED
	2014-2015	2015-2016	BUDGET	BUDGET
			2016-2017	2017-2018
01-5102-111 Regular Salaries	71,524	74,350	75,798	78,069
01-5102-113 Overtime	0	0	300	300
01-5102-115 Christmas Bonus	400	400	400	400
01-5102-116 Longevity Pay	1,200	1,320	1,440	1,560
01-5102-118 Workers Compensation	501	506	445	433
01-5102-119 Group Insurance	12,486	11,169	11,870	14,055
01-5102-120 Retirement - TMRS	2,805	3,831	4,033	4,284
01-5102-121 FICA	4,343	4,846	4,832	4,980
01-5102-122 Medicare	1,016	1,133	1,130	1,165
01-5102-123 TWC Expense	18	342	414	360
01-5102-204 Janitorial Services	2,218	2,218	2,220	2,220
01-5102-205 Utilities	1,947	1,910	2,200	1,990
01-5102-206 Communications	4,203	3,269	3,206	3,278
01-5102-208 Property & Liability Ins	1,382	1,302	1,358	1,378
01-5102-209 Dues & Subscriptions	175	610	700	600
01-5102-212 Postage	1,176	2,319	1,800	2,000
01-5102-213 Travel & Training	480	610	2,500	2,500
01-5102-219 Platting & Zoning	219	448	500	700
01-5102-245 Back-Up Inspections	40,974	36,014	40,000	40,000
01-5102-301 Office Supplies	2,795	3,521	2,800	2,500
01-5102-303 Janitorial Supplies	347	262	350	350
01-5102-304 Fuel & Lubricants	2,012	1,414	3,100	2,140
01-5102-306 Materials & Supplies	124	150	800	800
01-5102-310 Clothing & Uniforms	130	1,469	1,000	750
01-5102-315 Demolitions	19,527	14,735	20,000	40,000
01-5102-316 Mowing	4,690	2,743	5,500	5,000
01-5102-401 Vehicle Maintenance	203	193	1,500	1,500
01-5102-403 Building Maintenance	766	654	1,500	1,500
01-5102-405 Maintenance Contracts	5,183	5,037	5,573	5,885
01-5102-518 Easement & Deed Expense	899	68	500	500
01-5102-601 Lease & Note Payments	0	0	0	0
TOTAL CODE	183,743	176,843	197,769	221,197

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 2014-15</u>	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Budgeted 2017-18</u>
Laborer	1	1	1	1
Total	1	1	1	1

City of Alvarado Streets

		ACTUAL	ACTUAL	AMENDED	ADOPTED
		2014-2015	2015-2016	BUDGET	BUDGET
				2016-2017	2017-2018
01-5301-111	Regular Salaries	16,440	24,267	26,889	23,566
01-5301-113	Overtime	(198)	0	0	0
01-5301-115	Christmas Bonus	200	200	200	200
01-5301-116	Longevity Pay	32	0	60	0
01-5301-118	Workers Compensation	1,683	1,643	1,602	1,323
01-5301-119	Group Insurance	4,159	5,618	5,935	7,027
01-5301-120	Retirement - TMRS	588	1,232	1,405	1,267
01-5301-121	FICA	965	1,572	1,683	1,474
01-5301-122	Medicare	226	367	394	345
01-5301-123	TWC Expenses	10	171	207	180
01-5301-203	Engineering Services	0	0	20,000	0
01-5301-206	Communications	429	423	540	552
01-5301-208	Property & Liability Ins	2,069	2,161	2,628	2,344
01-5301-215	Medical Costs	100	0	100	200
01-5301-234	Street Lights	44,086	43,797	47,200	47,000
01-5301-301	Office Supplies	0	69	100	100
01-5301-304	Fuel & Lubricants	5,344	2,182	3,273	2,940
01-5301-306	Materials & Supplies	2,774	3,659	6,500	7,000
01-5301-310	Clothing & Uniforms	806	1,277	1,280	1,280
01-5301-401	Vehicle Maintenance	810	2,006	2,500	2,500
01-5301-404	Equipment Maintenance	1,872	2,855	2,000	2,000
01-5301-406	Street Maintenance	44,350	42,882	285,032	117,250
01-5301-407	Sign Maintenance	2,991	8,957	10,000	10,000
01-5301550	Capital Outlay	125,362	28,000	6,000	0
TOTAL STREETS		255,098	173,338	425,528	228,548

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 an experience of 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</u> <u>2014-15</u>	<u>Actual</u> <u>2015-16</u>	<u>Actual</u> <u>2016-17</u>	<u>Budgeted</u> <u>2017-18</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

	<u>ACTUAL</u> <u>2014-2015</u>	<u>ACTUAL</u> <u>2015-2016</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2016-2017</u>	<u>ADOPTED</u> <u>BUDGET</u> <u>2017-2018</u>
01-5401-111 Regular Salaries	65,138	65,586	69,653	71,728
01-5401-112 Part-Time Salaries	19,447	17,286	20,417	19,089
01-5401-115 Christmas Bonus	600	600	500	600
01-5401-116 Longevity Pay	1,382	960	1,080	1,200
01-5401-118 Workers Compensation	278	269	267	264
01-5401-119 Group Insurance	11,552	10,974	11,870	11,115
01-5401-120 Retirement - TMRS	2,640	3,371	3,678	4,102
01-5401-121 FICA	5,174	5,448	5,688	5,966
01-5401-122 Medicare	1,210	1,269	1,330	1,395
01-5401-123 TWC Expense	145	592	820	720
01-5401-204 Janitorial Service	5,760	5,760	5,760	5,760
01-5401-205 Utilities	9,823	8,252	9,000	8,750
01-5401-206 Communications	1,627	1,893	1,944	1,958
01-5401-208 Property & Liability Ins	1,525	1,492	1,485	1,800
01-5401-212 Postage	37	52	100	100
01-5401-217 Internet Services	35	0	43	100
01-5401-235 IT Expense	647	0	2,500	2,500
01-5401-301 Office Supplies	3,186	5,776	6,000	5,000
01-5401-306 Materials & Supplies	7,512	9,841	7,907	7,500
01-5401-310 Clothing and Uniform	0	340	667	500
01-5401-325 Storytime	37	32	100	100
01-5401-327 Summer Reading Program	2,807	2,795	3,000	3,000
01-5401-328 Library Book Losses	182	106	1,000	1,000
01-5401-403 Building Maintenance	2,856	505	4,000	9,000
01-5401-404 Equipment Maintenance	0	70	500	500
01-5401-405 Maintenance Contracts	2,846	3,445	5,615	5,655
TOTAL LIBRARY	<u>146,446</u>	<u>146,714</u>	<u>164,924</u>	<u>169,402</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 2014-15</u>	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Budgeted 2017-18</u>
Senior Services Director	1	1	1	1
Total	1	1	1	1

City of Alvarado
Senior Services

	ACTUAL 2014-2015	ACTUAL 2015-2016	AMENDED BUDGET 2016-2017	ADOPTED BUDGET 2017-2018
01-5402-111 Regular Salaries	32,756	33,966	34,600	35,628
01-5402-113 Christmas Bonus	0	200	200	200
01-5402-116 Longevity Pay	600	660	720	780
01-5402-118 Workers Compensation	110	112	109	103
01-5402-119 Group Insurance	6,109	5,482	5,935	7,027
01-5402-120 Retirement - TMRS	1,312	1,792	1,942	2,006
01-5402-121 FICA	2,006	2,214	2,326	2,332
01-5402-122 Medicare	469	518	544	545
01-5402-123 TWC Expense	9	171	207	180
01-5402-128 SCC Open/Close Fees	800	650	2,000	1,000
01-5402-204 Janitorial Services	4,800	4,800	4,800	4,800
01-5402-205 Utilities	7,291	6,566	7,200	7,000
01-5402-206 Communications	757	426	355	355
01-5402-208 Property & Liability Ins	1,941	2,027	2,138	2,379
01-5402-212 Postage	2	2	20	20
01-5402-301 Office Supplies	1	0	100	100
01-5402-302 Office Furniture & Equip	0	2,453	0	0
01-5402-304 Fuel & Lubricants	0	49	500	200
01-5402-306 Materials & Supplies	875	1,281	950	950
01-5402-310 Clothing and Uniform	0	75	100	100
01-5402-401 Vehicle Maintenance	26	778	350	400
01-5402-403 Building Maintenance	3,317	3,796	3,500	3,500
01-5402-404 Equipment Maintenance	0	0	100	100
01-5402-550 Capital Outlay	0	0	606	606
TOTAL SENIOR SERVICES	63,181	68,018	69,302	70,311

City of Alvarado

Park Maintenance

Description

The Parks Maintenance Department is responsible for the grounds maintenance, landscaping enhancement, beautification, and development of the City's parks .This past year the City added a new Park – George Washington Carver Park and a new area across the street from Parkway Park was donated to the City.

This year a supervisor 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 2014-15</u>	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Budgeted 2017-18</u>
Supervisor				1
Laborer	1	2	2	2
Part-time Summer Help	1	1	1	1
Total	2	3	3	4

City of Alvarado
Park Maintenance

	ACTUAL	ACTUAL	AMENDED	ADOPTED
	2014-2015	2015-2016	BUDGET	BUDGET
	2014-2015	2015-2016	2016-2017	2017-2018
01-5403-111 Regular Salaries	44,441	43,395	48,054	80,385
01-5403-112 Part-time Salaries	5,568	4,992	10,935	6,912
01-5403-113 Overtime	396	158	3,500	3,500
01-5403-115 Christmas Bonus	400	200	400	600
01-5403-116 Longevity Pay	0	51	120	420
01-5403-118 Workers Compensation Ins	975	1,602	1,476	2,516
01-5403-119 Group Insurance	13,262	10,780	11,870	21,082
01-5403-120 Retirement - TMRS	1,721	2,239	2,695	4,528
01-5403-121 FICA	3,028	3,117	3,880	5,693
01-5403-122 Medicare	708	734	907	1,331
01-5403-123 TWC Expenses	261	609	693	720
01-5403-205 Utilities	0	0	0	600
01-5403-206 Communications	790	828	1,080	1,644
01-5403-208 Property & Liability Ins	1,355	1,376	1,694	1,547
01-5403-213 Travel and Training	0	0	1,000	1,000
01-5403-215 Medical Costs	250	220	400	400
01-5403-301 Office Supplies	0	0	200	200
01-5403-304 Fuel & Lubricants	5,561	3,230	4,500	5,625
01-5403-306 Materials & Supplies	720	2,205	7,000	29,000
01-5403-307 Minor Tools & Equipment	1,347	2,278	350	3,000
01-5403-310 Clothing & Uniforms	2,008	2,148	2,560	3,840
01-5403-317 Chemicals	645	316	500	500
01-5403-401 Vehicle Maintenance	411	556	6,500	1,500
01-5403-404 Equipment Maintenance	2,030	2,790	2,500	2,500
01-5403-408 Parks Maintenance	19,531	20,669	319,584	130,876
01-5403-409 Dam Maintenance	293	0	10,000	6,875
01-5403-412 Cemetery Maintenance	3,600	3,600	3,600	3,600
01-5403-505 Light/Med Trucks/Autos	0	0	0	23,414
01-5403-550 Capital Outlay	0	58,574	0	0
01-5403-660 Transfers Out	0	0	22,500	0
TOTAL PARKS MAINTENANCE	109,301	166,667	468,498	343,808

City of Alvarado
Non-Departmental

				AMENDED	ADOPTED
		ACTUAL	ACTUAL	BUDGET	BUDGET
		<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>
01-5103-201	Legal Services	25,515	38,820	40,000	40,000
01-5103-202	Audit & Accounting	12,500	13,500	14,500	15,325
01-5103-206	Communications	600	812	1,003	1,003
01-5103-209	Dues & Subscriptions	2,115	3,400	3,459	3,459
01-5103-213	Travel & Training	0	40	2,000	2,000
01-5103-214	Employee Recognition	8,007	18,727	8,515	8,515
01-5103-217	Internet Services	7,800	8,640	8,640	8,640
01-5103-231	Gas Drilling Inspector	38,500	41,044	41,000	41,000
01-5103-232	TASC Expense	1,643	2,157	2,700	2,500
01-5103-233	Code Revision	2,642	800	4,800	4,500
01-5103-235	IT Computer Services	27,677	59,563	60,197	57,254
01-5103-236	Hazardous Waste Collection	0	0	4,000	4,000
01-5103-238	Land Rental Expense	100	0	100	100
01-5103-241	Contingency Fund	9,379	11,804	70,320	22,587
01-5103-242	Clean-Up Landfill	4,000	4,000	4,000	4,000
01-5103-250	Johnson County Tax Office	10,727	8,117	5,343	6,000
01-5103-251	Central Appraisal District	53,992	30,965	31,642	33,000
01-5103-252	Johnson Co Transportation	3,030	3,101	3,178	3,195
01-5103-253	Mosquito Control	15,120	12,101	20,000	20,000
01-5103-304	Fuel & Lubricants	183	302	400	600
01-5103-310	Clothing & Uniform	241	0	250	500
01-5103-312	Community Events	13,062	10,994	15,000	15,000
01-5103-320	Council Chamber Expenses	810	2,889	2,565	2,650
01-5103-610	Miscellaneous Expense	114,733	8,839	204,443	101,976
TOTAL NON-DEPARTMENTAL		352,376	280,615	548,055	397,804

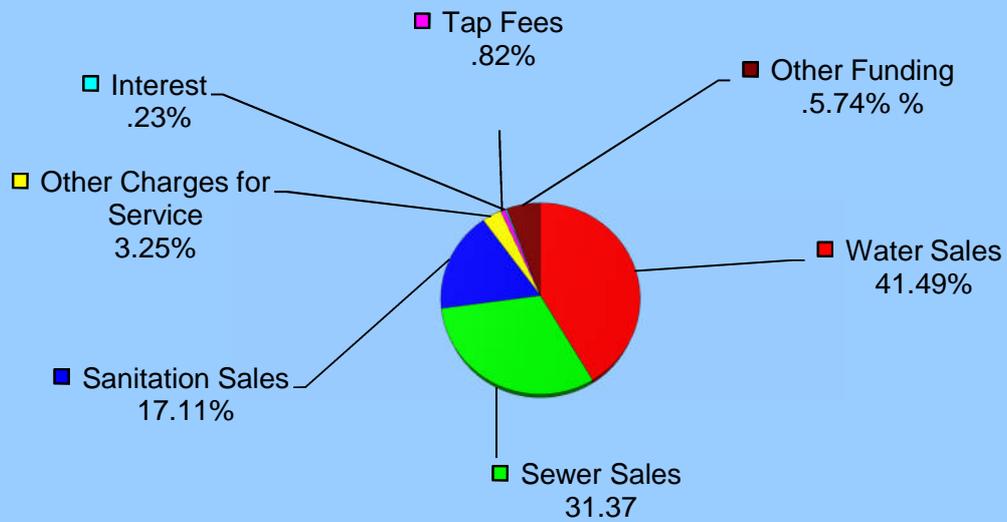
City of Alvarado FY 2017-2018 Annual Budget Water and Sewer Fund

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 2014</u>	<u>ACTUAL FY 2015</u>	<u>ACTUAL FY 2016</u>	<u>AMENDED BUDGET FY 2017</u>	<u>BUDGET FY 2018</u>
REVENUES/SOURCES					
Property Taxes					
Consumer Taxes					
Franchise Fees					
Licenses & Permits					
Fines and Forfeitures					
Charges for Service	\$2,524,204	\$2,530,214	\$2,599,626	\$2,905,924	\$2,923,614
Intergovernmental					
Interest	2,906	4,004	10,866	7,000	7,000
Transfer In	546,594	338,046	542,385	465,525	177,812
177,812Other Funding	67,739	284,885	58,371	6,283	500
TOTAL REVENUES	<u>\$3,141,443</u>	<u>\$3,157,149</u>	<u>\$3,121,248</u>	<u>\$3,384,732</u>	<u>\$3,108,926</u>
EXPENDITURES/USES					
General Government					
Public Safety					
Public Works	\$2,599,393	\$2,599,261	\$2,969,994	\$3,054,840	\$2,775,760
Public Health					
Culture/Recreation					
Transfers Out		21,478			
Other					
DEBT SERVICE					
Principal & Interest	516,961	338,558	516,961	329,892	333,166
TOTAL EXPENDITURES	<u>\$3,116,354</u>	<u>\$2,959,297</u>	<u>\$3,486,955</u>	<u>\$3,384,732</u>	<u>\$3,108,926</u>

WATER AND SEWER FUND REVENUES

WATER AND SEWER FUND REVENUES
FY 2017-2018

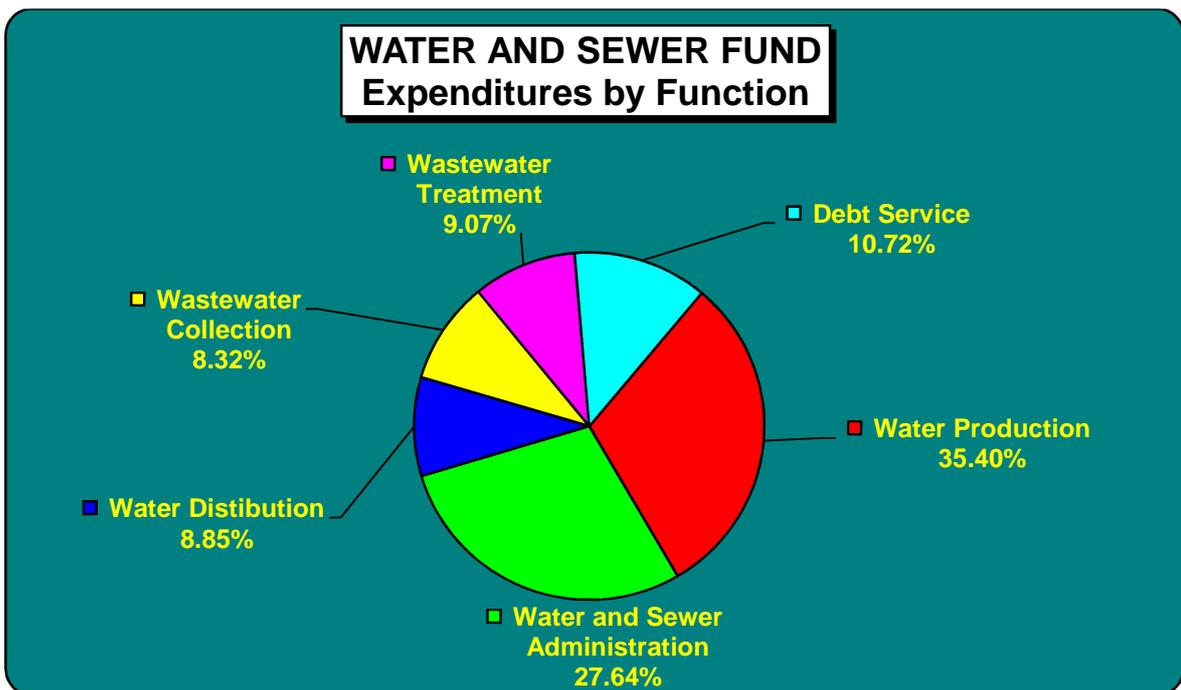


	<u>2016-17</u> <u>Budgeted</u>	<u>%</u>	<u>2017-18</u> <u>Budgeted</u>	<u>%</u>
Water Sales	\$1,280,000	37.82%	\$1,290,000	41.49%
Sewer Sales	975,124	28.81%	975,124	31.37%
Sanitation Sales	529,500	15.64%	531,890	17.11%
Other Charges for Service	99,500	2.94%	101,100	3.25%
Tap Fees	21,800	.64%	25,500	.82%
Interest	7,000	.21%	7,000	.23%
Other Funding	471,808	13.94%	178,312	5.74%
Total	<u>\$3,384,732</u>	<u>100.0%</u>	<u>\$3,108,926</u>	<u>100.0%</u>

Water/Sewer Expenditures By Function

The administration of the City's water and sewer systems accounts for 27.64% of the total water and sewer expense. The water system expenses account for 44.25% of the total expense, including production at 35.4% and distribution at 8.85%. The wastewater system expenses account for 17.39%, including wastewater collection at 8.32% and wastewater treatment at 9.07%. Debt service costs are 10.72% of the total budget.

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



	2016-17 Budget	%	2017-18 Budget	%
Water/Sewer Administration	\$1,238,391	36.59%	\$859,199	27.64%
Water Production	1,004,737	29.68%	1,100,644	35.40%
Water Distribution	276,195	8.16%	275,212	8.85%
Wastewater Collection	244,972	7.24%	258,767	8.32%
Wastewater Treatment	290,545	8.58%	281,938	9.07%
Debt Service	329,892	9.75%	333,166	10.72%
Total	\$3,384,732	100.00%	\$3,108,926	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 divided among the 5 departments based upon time utilization but are shown in this department below.

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 2014-15</u>	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Budget 2017-18</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

	<u>ACTUAL</u> <u>2014-2015</u>	<u>ACTUAL</u> <u>2015-2016</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2016-2017</u>	<u>ADOPTED</u> <u>BUDGET</u> <u>2017-2018</u>
02-5101-111 Regular Salaries	152,683	169,539	165,242	162,018
02-5101-113 Overtime	4,642	199	1,000	1,000
02-5101-114 Certification Pay	720	720	720	720
02-5101-115 Christmas Bonus	800	800	800	800
02-5101-116 Longevity Pay	1,770	2,460	2,313	2,160
02-5101-118 Workers Compensation Ins.	2,884	3,307	4,792	2,885
02-5101-119 Insurance - Employees	24,723	22,363	23,739	28,110
02-5101-120 Retirement - Employees	(9,342)	3,137	8,868	8,889
02-5101-121 Social Security	9,027	11,013	10,579	10,335
02-5101-122 Medicare	2,107	2,576	2,474	2,417
02-5101-123 TWC Expenses	36	684	828	720
02-5101-202 Audit & Accounting	10,980	11,700	11,000	11,660
02-5101-204 Janitorial Services	2,218	2,218	2,220	2,220
02-5101-205 Utilities	1,958	1,910	2,130	1,990
02-5101-206 Communications	4,050	3,414	4,765	4,615
02-5101-208 Property & Liability Ins.	1,684	1,636	903	2,136
02-5101-209 Dues and Subscriptions	0	0	0	375
02-5101-212 Postage	11,965	10,899	11,000	11,000
02-5101-213 Travel & Training	2,033	907	1,000	1,000
02-5101-214 Employee Recognition	0	0	2,000	2,000
02-5101-215 Medical Cost	0	95	100	100
02-5101-225 Collection Agency Fees	658	525	500	100
02-5101-226 Emergency Public Services	0	0	4,707	2,000
02-5101-237 Garbage Pickup Service	552,100	508,826	500,000	500,000
02-5101-240 Careflite Expense for Citizens	14,991	14,969	15,000	15,000
02-5101-241 Contingency Fund	27,589	23,403	2,160	0
02-5101-244 Bad Debt Expense	10,166	10,463	11,000	11,000
02-5101-301 Office Supplies	3,185	3,643	4,000	4,000
02-5101-302 Office Furniture & Equipment	0	748	1,000	1,000
02-5101-303 Janitorial Supplies	347	262	400	400
02-5101-306 Materials & Supplies	71	897	6,200	1,300
02-5101-308 Credit Card Services	11,699	12,594	13,500	13,000
02-5101-310 Clothing & Uniforms	1,774	2,348	2,700	2,500
02-5101-403 Building Maintenance	860	1,387	1,800	1,800
02-5101-404 Equipment Maintenance	471	0	500	500
02-5101-405 Maintenance Contracts	6,389	6,380	7,474	8,649
02-5101-503 Special Purpose Equipment	0	0	71,402	1,076
02-5101-509 Hydrants & Meters	6,352	7,386	315,575	0
02-5101-611 Depreciation Expense	576,694	627,901	0	0
02-5101-612 Amortization Expense	(6,778)	(6,778)	0	0
02-5101630 Pension Expense	14,995	26,322	0	0
02-5101-650 Administrative Fees to GF	24,000	24,000	24,000	27,200
02-5101-660 Transfers Out	0	36,421	0	12,524
02-5101-706 Series 2008A Principal	0	0	33,000	34,000
02-5101-707 Series 2008A Interest	98,100	96,750	95,356	93,870
02-5101-711 Series 2008B Principal	0	0	160,000	170,000
02-5101-712 Series 2008B Interest	53,367	47,531	41,536	35,296
TOTAL WATER/SEWER ADMIN	<u>1,621,968</u>	<u>1,695,555</u>	<u>1,568,283</u>	<u>1,192,365</u>

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 needed.

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 2014-2015	ACTUAL 2015-2016	AMENDED BUDGET 2016-2017	ADOPTED BUDGET 2017-2018
02-5201-111 Salaries and Wages	49,133	34,027	49,213	49,447
02-5201-113 Overtime	0	(169)	0	0
02-5201-114 Certification	0	0	360	360
02-5201-115 Christmas Bonus	400	200	200	400
02-5201-116 Longevity Pay	53	35	0	60
02-5201-118 Workers Compensation Ins.	1,373	1,556	1,442	1,377
02-5201-119 Insurance - Employees	11,829	10,430	11,870	14,055
02-5201-120 Retirement - Employees	(2,923)	1,891	2,568	2,680
02-5201-121 Social Security	2,950	2,309	3,097	3,117
02-5201-122 Medicare	694	540	724	729
02-5201-123 TWC Expenses	111	390	414	360
02-5201-127 Call Out Compensation	206	0	0	0
02-5201-205 Utilities	106,117	109,724	144,120	141,000
02-5201-206 Communications	478	421	1,080	1,092
02-5201-208 Property and Liability Ins.	3,946	4,170	6,739	6,879
02-5201-209 Dues and Subscriptions	375	330	375	0
02-5201-213 Travel and Training	649	70	1,020	1,500
02-5201-215 Medical Costs	0	190	200	200
02-5201-301 Office Supplies	63	132	200	200
02-5201-304 Fuel and Lubricants	3,230	2,184	3,273	2,940
02-5201-306 Materials and Supplies	232	1,442	3,000	3,000
02-5201-307 Minor Tools and Equipment	71	417	1,500	1,500
02-5201-310 Clothing and Uniforms	2,306	920	2,560	2,560
02-5201-317 Chemicals	6,394	5,454	6,000	7,000
02-5202-318 TCEQ Fees	3,038	3,888	7,850	7,850
02-5201-319 Water and Sewer Analysis	5,862	4,289	3,500	3,500
02-5201-321 Purchased Water Expense	340,411	535,010	419,305	413,659
02-5201-322 Prairielands Groundwater Fees	25,019	19,870	32,000	30,000
02-5201-401 Vehicle Maintenance	813	1,471	1,500	1,500
02-5201-403 Building Maintenance	99	41	3,100	3,600
02-5201-405 Maintenance Contracts	0	0	1,244	1,244
02-5201-411 System Maintenance	8,286	(9,948)	245,000	346,316
02-5201-601 Lease and Note Payments	0	0	10,223	9,559
02-5201-650 Administrative Fees to GF	14,250	14,250	14,250	16,150
02-5201-651 W/S Lines Franchise to GF	26,810	26,810	26,810	26,810
02-5201-402 Interest Expense	224	1,139	0	
Total Water Production Expenses	612,499	773,483	1,004,737	1,100,644

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	ACTUAL	AMENDED	ADOPTED
		2014-2015	2015-2016	BUDGET	BUDGET
				2016-2017	2017-2018
02-5202-111	Salaries and Wages	58,776	72,633	73,784	74,556
02-5202-113	Overtime	9,985	18,730	21,000	21,000
02-5202-114	Certification Pay	360	443	720	720
02-5202-115	Christmas Bonus	200	400	400	400
02-5202-116	Longevity Pay	494	540	600	660
02-5202-118	Workers Comp Ins	2,674	3,094	2,995	2,847
02-5202-119	Insurance - Employees	12,579	12,470	13,670	14,055
02-5202-120	Retirement - Employees	-4,361	4,845	5,333	5,540
02-5202-121	Social Security	4,142	5,917	6,389	6,441
02-5202-122	Medicare	969	1,384	1,494	1,506
02-5202-123	TWC Expenses	21	348	414	360
02-5202-127	Call Out Compensation	5,274	6,248	6,552	6,552
02-5202-204	Janitorial Services	1,843	2,046	3,060	3,060
02-5202-205	Utilities	3,114	3,064	3,550	3,502
02-5202-206	Communications	2,104	1,450	2,304	2,599
02-5202-208	Property & Liability Ins.	1,386	1,375	2,094	3,111
02-5202-213	Travel and Training	448	320	1,000	1,500
02-5202-215	Medical Costs	230	0	200	200
02-5202-301	Office Supplies	18	180	200	200
02-5202-303	Janitorial Supplies	584	594	750	750
02-5202-304	Fuel and Lubricants	3,221	2,182	3,273	2,940
02-5202-306	Materials and Supplies	20,850	31,839	24,000	20,000
02-5202-307	Minor Tools and Equip	682	676	3,000	2,000
02-5202-310	Clothing and Uniforms	2,002	2,466	2,560	2,560
02-5202-401	Vehicle Maintenance	810	1,658	1,500	1,500
02-5202-403	Building Maintenance	585	952	1,000	1,000
02-5202-404	Equipment Maintenance	969	1,466	3,000	3,000
02-5202-405	Maintenance Contracts	1,576	69	70	134
02-5202-411	System Maintenance	4,926	58,331	30,000	30,000
02-5202-413	Meters and Hydrants	0	0	10,000	10,000
02-5202-601	Lease & Note Payments	0	0	10,223	9,559
02-5202-650	Administrative Fees to GF	14,250	14,250	14,250	16,150
02-5202-651	W/S Lines Franchise to GF	26,810	26,810	26,810	26,810
02-5202-702	Interest Expense	223	1,139	0	0
	Total Water Distribution Expenses	177,744	277,919	276,195	275,212

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 2014-2015	ACTUAL 2015-2016	AMENDED BUDGET 2016-2017	ADOPTED BUDGET 2017-2018
02-5301-111 Salaries and Wages	40,692	40,115	46,769	50,711
02-5301-113 Overtime	(210)	0	0	0
02-5301-114 Certification Pay	139	0	0	0
02-5301-115 Christmas Bonus	400	400	400	400
02-5301-116 Longevity Pay	0	12	60	180
02-5301-118 Workers Compensation Ins.	1,398	1,480	1,373	1,406
02-5301-119 Insurance - Employees	10,785	9,265	11,870	14,055
02-5301-120 Retirement - Employees	(2,271)	2,079	2,444	2,735
02-5301-121 Social Security	2,426	2,622	2,928	3,180
02-5301-122 Medicare	564	613	685	744
02-5301-123 TWC Expenses	147	387	414	360
02-5301-204 Janitorial Services	1,843	2,046	3,060	3,060
02-5301-205 Utilities	9,294	9,611	11,650	18,408
02-5301-206 Communications	1,390	1,211	1,680	1,975
02-5301-208 Property & Liability Ins.	1,800	2,477	4,314	4,407
02-5301-213 Travel and Training	577	305	1,000	1,500
02-5301-215 Medical Costs	190	340	200	200
02-5301-222 Emergency Public Services	0	17,872	500	500
02-5301-301 Office Supplies	18	62	200	200
02-5301-303 Janitorial Supplies	584	594	750	750
02-5301-304 Fuel and Lubricants	3,230	2,182	3,273	2,940
02-5301-306 Materials and Supplies	3,748	2,654	4,095	4,000
02-5301-307 Minor Tools and Equipment	154	320	1,500	1,500
02-5301-310 Clothing and Uniforms	2,192	2,060	2,560	2,560
02-5301-317 Chemicals	0	100	500	500
02-5301-401 Vehicle Maintenance	810	1,658	1,500	1,500
02-5301-403 Building Maintenance	584	654	1,000	1,000
02-5301-404 Equipment Maintenance	3,253	1,562	3,000	3,000
02-5301-405 Maintenance Contracts	4,020	69	2,558	2,622
02-5301-411 System Maintenance	8,691	2,544	50,000	50,000
02-5301-601 Lease and Note Payments	0	0	11,374	9,559
02-5301-650 Administrative Fees to GF	11,250	11,250	11,250	12,750
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	1,025	41000	41,000
02-5301-702 Interest Expense	525	1139	0	0
Total Wastewater Collection Expenses	129,288	137,609	244,972	258,767

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 2017-2018.

Goals

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

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

Objectives

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

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

Provide routine scheduled maintenance of pumps and mechanical equipment.

City of Alvarado

Wastewater Treatment Expenses

		ACTUAL	ACTUAL	AMENDED	ADOPTED
		2014-2015	2015-2016	BUDGET	BUDGET
		2014-2015	2015-2016	2016-2017	2017-2018
02-5302-111	Salaries and Wages	33,974	34,754	34,750	35,800
02-5302-114	Certification Pay	360	360	360	720
02-5302-115	Christmas Bonus	200	200	200	200
02-5302-116	Longevity Pay	300	360	420	480
02-5302-118	Workers Compensation Ins.	861	1,084	1,049	1,019
02-5302-119	Insurance - Employees	6,297	5,609	5,935	7,028
02-5302-120	Retirement - Employees	(2,088)	1,803	1,868	1,984
02-5302-121	Social Security	1,933	2,180	2,215	2,306
02-5302-122	Medicare	452	510	518	539
02-5302-123	TWC Expenses	9	202	207	180
02-5302-203	Engineering Services	0	1,866	0	0
02-5302-205	Utilities	69,475	74,141	100,933	72,670
02-5302-206	Communications	3,457	3,604	4,012	4,312
02-5302-208	Property & Liability Ins.	5,727	6,120	6,476	7,209
02-5302-213	Travel and Training	826	1,186	2,000	1,500
02-5302-215	Medical Costs	0	0	100	100
02-5302-301	Office Supplies	220	195	200	200
02-5302-304	Fuel and Lubricants	3,221	2,182	3,273	2,940
02-5302-306	Materials and Supplies	615	2,295	2,500	3,500
02-5302-307	Minor Tools and Equipment	399	109	1,000	1,000
02-5302-310	Clothing and Uniforms	1,030	1,172	1,280	1,280
02-5302-317	Chemicals	3,024	3,000	3,000	3,000
02-5302-318	TCEQ Fees	4,932	3,315	3,650	3,650
02-5302-319	Water and Sewer Analysis	30,660	33,811	33,000	33,000
02-5302-401	Vehicle Maintenance	810	1,657	1,500	1,500
02-5302-403	Building Maintenance	1,191	1,509	1,500	1,500
02-5302-404	Equipment Maintenance	2,792	1,556	3,000	2,500
02-5302-405	Maintenance Contracts	2,664	2,191	3,061	2,921
02-5302-411	System Maintenance	3,350	6,949	30,000	45,526
02-5302-601	Lease and Note Payments	0	0	10,223	9,559
02-5302-650	Administrative Fees to GF	11,250	11,250	11,250	12,750
02-5302-651	W/S Lines Franchise to GF	21,065	21,065	21,065	21,065
02-5302-705	Interest Expense	224	1,313	0	0
				0	
	Total Wastewater Treatment Expenses	209,230	227,548	290,545	281,938

City of Alvarado

FY 2017-2018 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 for cities of less than 5,000 population to \$1.50 per \$100 valuation. The City of Alvarado proposed rate of \$ 0.733000 falls 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 Hilltop Securities, Dallas, Texas in the 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 2017-2018 Annual Budget

General Fund 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 2017-2018 fiscal year, the debt service portion of the proposed tax rate is \$0.283778 per \$100 of assessed value. This represents 38.71% of the proposed total adopted rate of \$0.733000 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 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.

The City issued Combination Tax and Revenue Certificates of Obligation, Series 2015 in the amount of \$3,475,000 for the proceeds to be used for the purpose of replacing sewer lines, constructing and improving streets and relocating the utility lines relating thereto and for Legal, Engineering, Architectural Professional Services. 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 FUND DEBT SERVICE

	<u>ACTUAL FY 2014</u>	<u>ACTUAL FY 2015</u>	<u>ACTUAL FY 2016</u>	<u>AMENDED FY 2017</u>	<u>BUDGET FY 2018</u>
Beginning Fund Balances	\$(58,401)	\$(54,297)	\$(21,719)	\$(12,933)	\$(12,933)
REVENUES/SOURCES					
Property Taxes	\$808,278	\$836,735	\$849,533	\$835,713	\$839,613
Consumer Taxes					
Franchise Fees					
Licenses & Permits					
Fines and Forfeitures					
Charges for Service					
Intergovernmental					
Interest					
Transfers In	140,344	98,253	96,304		
Other Funding					
TOTAL REVENUES	\$948,622	\$934,988	\$945,837	\$835,713	\$839,613
EXPENDITURES/USES					
General Government					
Public Safety					
Public Works					
Public Health					
Culture/Recreation					
Transfers Out	\$140,344	\$98,253	\$96,304		
Other					
DEBT SERVICE					
Principal	525,000	540,000	\$475,000	\$485,000	\$500,000
Interest	277,874	262,856	364,547	349,413	338,413
Other – Fiscal Agent Fee	1,300	1,300	1,200	1,300	1,200
TOTAL EXPENDITURES	\$944,518	\$902,409	\$937,051	\$835,713	\$839,613
Ending Fund Balances	<u>\$(54,297)</u>	<u>\$(21,719)</u>	<u>\$(12,933)</u>	<u>\$(12,933)</u>	<u>\$(12,933)</u>

**SUMMARY OF GENERAL COMBINATION TAX & REVENUE
CERTIFICATES OF OBLIGATION
PRINCIPAL AND INTEREST REQUIREMENTS**

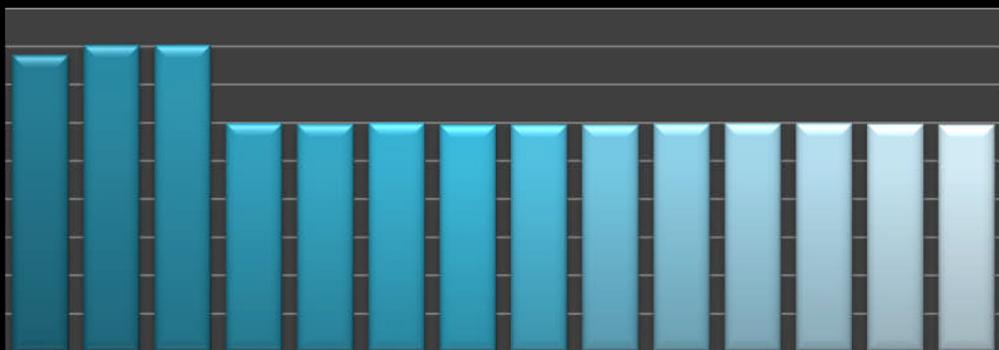
2017-2018 REQUIREMENTS

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011 REFUNDING BONDS	\$235,000	\$90,950	\$325,950
2012 CO	130,000	142,363	272,363
2015 CO	<u>135,000</u>	<u>105,100</u>	<u>240,100</u>
G. O. DEBT SERVICE REQUIREMENTS FOR 2017-2018	<u>\$500,000</u>	<u>\$338,413</u>	<u>\$838,413</u>

**TOTAL OUTSTANDING G. O. DEBT SERVICE REQUIREMENTS
AS OF OCTOBER 1, 2017**

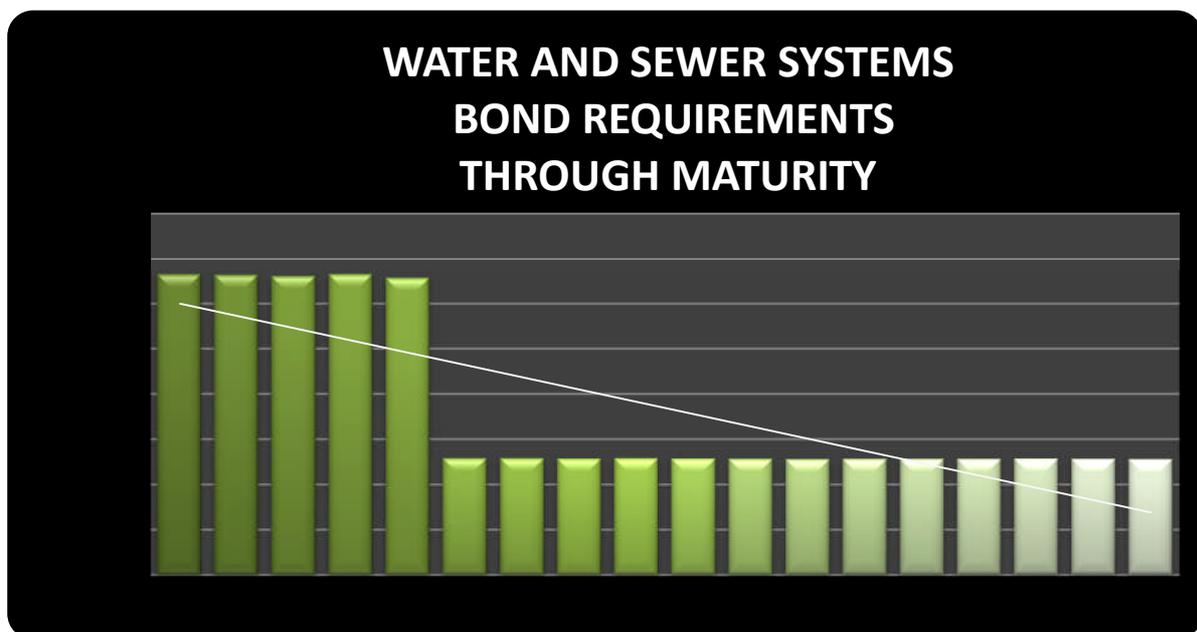
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011 REFUND BONDS	\$2,455,000	\$502,150	\$2,957,150
2012 CO	4,280,000	1,895,465	6,175,465
2015 CO	<u>3,220,000</u>	<u>1,101,525</u>	<u>4,321,525</u>
TOTAL REQUIREMENTS	<u>\$9,955,000</u>	<u>\$3,499,140</u>	<u>\$13,454,140</u>

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



City of Alvarado FY 2017-2018 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**

2017-2018 REQUIREMENTS

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2008A SERIES	\$34,000	\$93,870	\$127,870
2008B SERIES	<u>170,000</u>	<u>35,296</u>	<u>205,296</u>
WATER & SEWER DEBT SERVICE REQUIREMENTS FOR 2017-2018	<u>\$204,000</u>	<u>\$129,166</u>	<u>\$333,166</u>

**TOTAL DEBT SERVICE REQUIREMENTS
FROM WATERWORKS & SEWER SYSTEM REVENUE
AS OF OCTOBER 1, 2017**

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2008A SERIES	\$2,086,000	\$1,754,141	\$3,840,141
2008B SERIES	<u>905,000</u>	<u>108,228</u>	<u>1,013,228</u>
TOTAL OUTSTANDING WATER & SEWER DEBT SERVICE REQUIREMENTS	<u>\$2,991,000</u>	<u>\$1,862,369</u>	<u>\$4,853,369</u>

City of Alvarado

FY 2017-2018 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 2014</u>	<u>ACTUAL FY 2015</u>	<u>ACTUAL FY 2016</u>	<u>BUDGETED FY 2017</u>	<u>BUDGETED FY 2018</u>
Beginning Fund Balances	\$1,508,606	\$1,681,780	\$1,930,339	\$1,167,288	\$1,167,288
REVENUES/SOURCES					
Property Taxes					
Consumer Taxes	\$366,507	\$363,780	\$408,480	375,000	\$ 1,167,288
Franchise Fees					
Licenses & Permits					
Intergovernmental					
Charges for Service					
Interest	467	890	5,288	7,433	6,000
Transfers					
Miscellaneous		24,056			
TOTAL REVENUES	\$ 366,974	\$ 388,727	\$413,768	\$382,433	\$422,667
EXPENDITURES/USES					
General Government	\$13,150	\$64,619	84,741	110,419	\$117,671
Public Safety					
Public Works	146,593	49,420	967,702	58,647	
Public Health					
Culture/Recreation		26,128	4,609		
Economic Development	34,056		119,767	55,499	400,997
Other				157,868	
TOTAL EXPENDITURES	\$193,800	\$140,168	\$1,176,819	\$382,433	\$518,668
Ending Fund Balances	<u>\$1,681,780</u>	<u>\$1,930,339</u>	<u>\$1,167,288</u>	<u>\$1,167,288</u>	<u>\$1,071,287</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 hired a full-time Economic Development Director in 2014 where in the past we had shared an Economic Director with Johnson County and other cities within the County. The Director is able to devote full time to working with new and existing economic projects for the City. 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 the only major project the 4-B board has budgeted for in the 2017-2018 Budget.

City of Alvarado
Economic Development Corporation

	ACTUAL	ACTUAL	AMENDED	ADOPTED
	2014-2015	2015-2016	BUDGET	BUDGET
	2014-2015	2015-2016	2016-2017	2017-2018
04-5101-111 Salary and Benefits	29515	38745	47476	48,900
04-5101-115 Christmas Bonus	0	200	200	200
04-5101-116 Longevity Pay	0	0	60	120
04-5101-117 Auto Allowance	3069	3800	3800	3,800
04-5101-118 Workers compensation	0	121	132	126
04-5101-119 Insurance - Employees	4242	7918	7735	8,827
04-5101-120 Retirement - Employees	1240	2151	2667	2,827
04-5101-121 Social Security	1905	2526	3195	3,287
04-5101-122 Medicare	445	591	747	769
04-5101-123 TWC Expense	36	171	207	180
04-5101-201 Legal Services	0	0	1,000	1,000
04-5101-202 Audit & Accounting	1,220	1,300	1,375	1,458
04-5101-206 Communications	434	933	1,087	1,087
04-5101-207 Advertisements & Notices	0	5,697	12,000	12,000
04-5101-208 Property and Liability Insurance	0	0	621	688
04-5101-209 Dues and Subscriptions	0	0	0	1,000
04-5101-213 Travel & Training	10,494	8,289	15,000	15,000
04-5101-235 IT Expenses	19	271	1,000	1,000
04-5101-304 Fuel and Lubricants	0	0	0	785
04-5101-306 Materials and Supplies	0	0	0	1,000
04-5101-371 Future Studies or Plans	0	25,767	9,499	0
04-5101-401 Vehicle Maintenance	0	0	0	1,500
04-5101-405 Maintenance Contracts	0	0	117	117
04-5101-502 EDC Grants	0	94,000	46,000	0
04-5101-506 Parks Grant match	0	0	0	400,997
04-5101-610 Projects to be Decided	0	29	269,281	0
04-5101-650 Administrative Costs	12,000	12,000	12,000	12,000
04-5101-662 Transfer to Special Projects	75,548	972,311	58,647	0
TOTAL ECONOMIC DEVELOPMENT	140,167	1,176,820	493,846	518,668

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 charged to room rentals. All projects funded with these revenues are approved by the City Council on an annual basis and are restricted to projects related 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 2014</u>	<u>ACTUAL FY 2015</u>	<u>ACTUAL FY 2016</u>	<u>BUDGET FY 2017</u>	<u>BUDGET FY 2018</u>
Beginning Fund Balances	\$387,106	\$402,116	\$549,404	\$484,786	\$162,538
REVENUES/SOURCES					
Property Taxes					
Consumer Taxes	\$165,026	\$184,109	\$225,826	\$200,000	\$200,000
Franchise Fees					
Licenses & Permits					
Fines & Forfeitures					
Charges for Service					
Interest	110	207	1,209	1,200	1,000
Interfund Transfers					
Other Funding		51,038	44,705	59,334	
TOTAL REVENUES	\$165,136	\$ 235,354	\$271,740	\$260,534	\$201,000
EXPENDITURES/USES					
General Government	\$1,200	\$2,128	\$1,489	\$4,975	\$5,058
Public Safety					
Public Works					
Public Health					
Culture/Recreation	138,878	85,938	334,868	577,807	302,725
Transfers					
Other Expense	10,048				
TOTAL EXPENDITURES	\$150,126	\$88,066	\$336,358	\$582,782	\$307,783
Ending Fund Balances	<u>\$402,116</u>	<u>\$549,404</u>	<u>\$484,786</u>	<u>\$162,538</u>	<u>\$55,755</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.

	ACTUAL 2014-2015	ACTUAL 2015-2016	AMENDED BUDGET 2016-2017	ADOPTED BUDGET 2017-2018
05-5101-201 Legal Services	928.00	289	1,000	0
05-5101-202 Audit and Accounting	0.00	0	1,375	1,458
05-5101-205 Utilities for Wagon Barn	0.00	0	1,200	0
05-5101-360 Marketing & Promotions	44,709	43,277	42,500	58,500
05-5101-363 July 4th Event	34,837	32,709	35,000	0
05-5101-368 Tractor Show Advertising	4,900	4,900	4,900	4,900
05-5101-369 Old Settlers Reunion	0	20,481	282,660	50,000
05-5101-370 Joe Beaver	0	30,000	30,000	30,000
05-5101-372 Old Wagon Barn	0	0	52,747	14,325
05-5101-372.01 Wagon Barn Sidewalk	0	0	0	35,000
05-5101-373 Music Series	0	130,000	130,000	110,000
01-5101-550 Capital Outlay	1,492	73,501	0	0
05-5101-650 Administrative Costs	1,200	1,200	3,600	3,600
TOTAL HOTEL OCCUPANCY TAXES	88,066	336,357	584,982	307,783

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 two new vehicles for the Police Department and an Engineering study for reconstruction of South Cummings Street.

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

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	AMENDED BUDGET FY 2017	BUDGET FY 2018
Beginning Fund Balances	\$1,062,172	\$1,365,752	\$1,481,304	\$1,182,161	\$1,182,161
REVENUES/SOURCES					
Property Taxes					
Consumer Taxes					
Franchise Fees					
Licenses & Permits					
Fines & Forfeitures					
Gas & Oil Revenue	\$630,461	\$355,543	\$156,940	\$121,000	\$190,000
Interest	368	667	3,723	2,000	6,000
Other Funding			55,000		
TOTAL REVENUES	\$630,829	\$356,211	\$215,663	\$123,000	\$196,000
EXPENDITURES/USES					
General Government	\$31,194	\$39,279	\$11,795		
Public Safety	67,287	9,347	124,310		\$80,000
Public Works	225,804	192,034	378,701	\$61,500	98,000
Culture/Recreation	2,963				
Other				61,500	18,000
DEBT SERVICE					
Principal					
Interest					
Other					
TOTAL EXPENDITURES	\$327,248	\$240,659	\$514,806	\$123,000	\$196,000
Ending Fund Balances	<u>\$1,365,752</u>	<u>\$1,481,304</u>	<u>\$1,182,161</u>	<u>\$1,182,161</u>	<u>\$1,182,161</u>

City of Alvarado
Mineral Leases and Royalties

	ACTUAL 2014-2015	ACTUAL 2015-2015	AMENDED BUDGET 2016-2017	ADOPTED BUDGET 2017-2018
06-5101-508 Street Improvements	15,896	7,300	147,742	98,000
06-5101-510 Other Approved Expenses	60,279	13,595	91,500	98,000
06-5101-550 Capital Outlay	41,986	493,911	0	0
06-5101-660 Transfer Out	122,498	0		0
TOTAL MINERAL LEASES/ROYALTIES	240,659	514,806	239,242	196,000

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 2014</u>	<u>ACTUAL FY 2015</u>	<u>ACTUAL FY 2016</u>	<u>BUDGET FY 2017</u>	<u>BUDGET FY 2018</u>
Beginning Fund Balances	\$140,486	\$138,684	\$141,368	\$158,960	\$158,960
REVENUES/SOURCES					
Property Taxes					
Consumer Taxes					
Franchise Fees					
Licenses & Permits					
Fines & Forfeitures	\$52,493	\$39,787	\$53,929	\$50,400	\$56,700
Charges for Service					
Interest	46	74	414	300	600
Transfers In					
Other Funding					
TOTAL REVENUES	\$52,539	\$39,861	\$54,343	\$50,700	\$57,300
EXPENDITURES/USES					
General Government					
Public Safety	\$54,341	\$37,177	\$36,751	\$50,700	\$57,300
Public Works					
Public Health					
Culture/Recreation					
Transfers Out					
Other					
TOTAL EXPENDITURES	\$54,341	\$37,177	\$36,751	\$50,700	\$55,030
Ending Fund Balances	<u>\$138,684</u>	<u>\$141,368</u>	<u>\$158,960</u>	<u>\$158,960</u>	<u>\$158,960</u>

City of Alvarado
Court Special Revenues

	ACTUAL	ACTUAL	AMENDED	ADOPTED
	2014-2015	2015-2016	BUDGETED	BUDGET
	2014-2015	2015-2016	2016-2017	2017-2018
07-5101-350 Court Security Expenses	5,205	5,071	6,000	6,896
07-5101-350.2 Security - Warrant Officer	4,070	4,550	5,100	5,600
07-5101-351 Court Technology Expenses	4,178	2,516	15,492	16,372
07-5101-352 Court Child Safety Expenses	1,701	2,289	1,500	1,900
07-5101-405 Maintenance Contracts	12,025	12,325	12,608	15,668
07-5101-601 Lease & Note Payments	0	0	0	864
07-5101-660 Transfers Out	10,000	10,000	10,000	10,000
TOTAL OTHER SPECIAL REVENUES	37,179	36,751	50,700	57,300

CITY OF ALVARADO

CAPITAL IMPROVEMENTS PROGRAMS

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 2017-2018 Capital Improvements

The following pages identify the capital improvements that have been authorized for FY 2017-2018.

Capital Improvements for the Water and Sewer Capital Projects Fund:

- ✓ The City was awarded a 2015-2016 TxCDBG Grant for \$256,200 in support of sewer system improvements with a City match of \$40,000. The Grant was awarded in August 2016 and the construction has been awarded and should be completed during this year's budget
- ✓ Projects continue utilizing the \$4,810,000 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 water projects are 99% complete and should be finalized during this budget year. The completed sewer projects include a new Scada system and sludge boxes. The additional sewer projects this budget year include a new Wastewater Treatment Plant headworks, as well as a new equalization basin.
- ✓ The City was awarded a Parks Grant from Texas Parks & Wildlife in July 2014 for \$258,937.50 to repair the boat ramp at Lake Alvarado and to add a new restroom and other improvements at the same park area. The City match was for \$86,312.50 to be funded from monies put back in anticipation of the project and with assistance from AEDC. The project was delayed numerous times and because of ADA requirements and an increase in labor and materials cost, the cost escalated to \$819,000. The Grant agreed to fund an additional \$64,686 and the remainder of the increased expense will be funded by the AEDC. Construction has been awarded so the project should finally begin this year.

Capital Improvements for the General Fund Capital Projects Fund:

- ✓ The City received proceeds of \$3,500,000 from a CO in 2015 to fund street and sewer projects. The street project included a major reconstruction of North Cummings Street which is 99% completed. The sewer project is to upgrade the Lakeview Outfall Sanitary Sewer line and should be completed during this budget year.

WATER/SEWER CAPITAL PROJECTS FUND

BUDGET **2017-2018**

REVENUES/SOURCES

Grant Revenue	\$ 558,620
Bond Proceeds (from previous years)	1,130,683
Interest	1,000
Transfer from General Fund	88,963
Transfer from Water/Sewer	41,000
Transfer from AEDC	<u>400,988</u>

TOTAL REVENUES **\$2,221,254**

EXPENDITURES/USES

General Government	
Public Safety	
Public Works	1,434,535
Public Health	
Culture/Recreation	786,719
Transfers	
Other	<u> </u>

TOTAL EXPENDITURES **\$2,221,254**

CITY OF ALVARADO
WATER SEWER CAPITAL PROJECTS FUND

	<u>ACTUAL</u> <u>2015-2016</u>	<u>BUDGET</u> <u>2016-2017</u>	<u>BUDGET</u> <u>2017-2018</u>
TxCDBG Sewer Project		296,200	248,350
2012 CO - Water Improvements	1,265,326	32,490	34,585
2012 CO - Sewer Improvements	918	1,406,470	1,151,600
Regional Lift Station	702,105	0	0
Parks Grant	4,610	363,387	786,719
Fire Line on I-35	249,429	29,410	0
Transfers Out			
 Total Expenditures	<u>2,222,388</u>	<u>2,127,957</u>	<u>2,221,254</u>

GENERAL FUND CAPITAL PROJECTS FUND

BUDGET 2017-2018

REVENUES/SOURCES

Bond Proceeds (from previous years)	1,244,660
Interest	4,000

TOTAL REVENUES	\$1,248,660
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EXPENDITURES/USES

General Government	
Public Safety	
Public Works	1,248,660
Public Health	
Culture/Recreation	
Transfers	
Other	

TOTAL EXPENDITURES	\$1,248,660
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CITY OF ALVARADO
GENERAL FUND SPECIAL PROJECTS

	<u>ACTUAL</u> <u>2015-2016</u>	<u>BUDGET</u> <u>2016-2017</u>	<u>BUDGET</u> <u>2017-2018</u>
2015 Street Improvements	520,353	1,675,153	451,988
2015 Sewer Improvements	67,043	17,620	796,672
Transfers Out			
Total Expenditures	<u>587,396</u>	<u>1,692,773</u>	<u>1,248,660</u>

APPROVED CITY EMPLOYEE POSITIONS

	<u>FY2015-16</u>		<u>FY2016-17</u>		<u>FY2017-18</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		4.0		4.0	
Police Department	17.0		18.0		17.0	
CVE	0.0		0.0		2.0	
Code Services	2.0		2.0		2.0	
Municipal Court	4.0		4.0		4.0	.5
Fire Department	12.0		12.0		12.0	
Animal Control	2.0		2.0		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	2.0	2.0	2.0	2.0	3.0	2.0
TOTAL GENERAL FUND	46.0	4.0	48.0	4.0	50.0	4.5
<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	57.0	4.0	59.0	6.5	61.0	4.5

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 2017-2018 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 policies are used to enable the City to achieve a sound financial position. They are in writing and are updated and endorsed on an annual basis.

<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 2017-2018 tax rate for the City of Alvarado is \$.733000 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.