

THE CITY OF



OFFICIAL BUDGET  
FISCAL YEAR 2016-2017



# CITY OF SANGER, TEXAS

## ANNUAL BUDGET

OCTOBER 1, 2016 – SEPTEMBER 30, 2017

This budget will raise more total property taxes than last year's budget by \$381,579, which is a 10.6% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$81,020.

The members of the governing body voted on the budget as follows:

FOR: Lee Allison, Councilmember Place 1  
Gary Bilyeu, Mayor Pro Tem / Councilmember Place 2  
Allen Chick, Councilmember Place 4  
David Clark, Councilmember Place 5

AGAINST: None

PRESENT and not voting: Thomas Muir, Mayor (only votes in case of a tie)

ABSENT: William Boutwell, Councilmember Place 3

<b>PROPERTY TAX RATE COMPARISON</b>	<b>2015-2016</b>	<b>2016-2017</b>
Property Tax Rate	\$0.679500 / \$100	\$0.679500/ \$100
Effective Tax Rate	\$0.635453 / \$100	\$0.619554/ \$100
Effective Maintenance & Operations Tax Rate	\$0.513353 / \$100	\$0.468064/ \$100
Rollback Tax Rate	\$0.669878 / \$100	\$0.633203/ \$100
Debt Rate	\$0.166147 / \$100	\$0.127694/ \$100

The total amount of municipal debt obligation secured by property taxes for the City of Sanger, Texas is \$5,427,817.



# CITY OF SANGER, TEXAS

## ANNUAL BUDGET

OCTOBER 1, 2016 – SEPTEMBER 30, 2017

SUBMITTED TO  
THE MAYOR AND CITY COUNCIL  
AUGUST 15, 2016

**THOMAS MUIR**

*Mayor*

**LEE ALLISON**

*Council Member, Place 1*

**GARY BILYEU**

*Mayor Pro Tem*

*Council Member, Place 2*

**WILLIAM BOUTWELL**

*Council Member, Place 3*

**ALLEN CHICK**

*Council Member, Place 4*

**DAVID CLARK**

*Council Member, Place 5*

BUDGET PREPARED BY

**MIKE BRICE**

City Manager

**CLAYTON GRAY**

Finance Director



## ORGANIZATIONAL VALUES

We respect each other

We communicate

We perform quality work

We are responsive to our customers

We behave ethically

We have an attitude of service

We are proactive

We focus on our customers

We work together

## TABLE OF CONTENTS

### INTRODUCTION

Budget Message.....	1
Ten Year Capital Improvement Plan.....	13
Authorized Personnel .....	18
Personnel Projection for 2017 to 2021.....	19
Organization Chart.....	21
Budget Calendar.....	22
The Budget Process .....	23
Fund Relationship with Functional Areas.....	24
Ordinance Adopting the Annual Budget.....	25
Ordinance Adopting the Property Tax Rate.....	27

### BUDGET SUMMARY

Combined Funds Budget Summary.....	29
------------------------------------	----

### GENERAL FUND

Introduction.....	31
General Fund Budget Summary .....	32
Revenues.....	33
Departmental Budgets	
Police .....	37
Animal Control .....	41
Fire.....	43
Municipal Court .....	47
Development Services .....	51
Streets.....	55
Parks .....	59
Recreation.....	63
Library .....	65
Solid Waste .....	69
Transfers to Other Funds .....	71

### DEBT SERVICE FUND

Introduction.....	73
Debt Service Fund Budget Summary .....	74
Debt Service Expenditures .....	75
Debt Service Requirements.....	76

### ENTERPRISE FUND

Introduction.....	77
Enterprise Fund Budget Summary.....	78
Revenues.....	79

## TABLE OF CONTENTS

Continued

### ENTERPRISE FUND

#### Departmental Budgets

Water .....	81
Waste Water .....	85
Electric .....	89
Debt Service.....	93
Transfers to Other Funds .....	95

### INTERNAL SERVICE FUND

Introduction .....	97
Internal Service Fund Budget Summary .....	98
Departmental Budgets	
City Council .....	99
Administration .....	101
Public Works Administration.....	105
Finance Department.....	109
Fleet Services .....	113
Non-Departmental.....	117

4A CORPORATION .....	119
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4B CORPORATION .....	123
----------------------	-----

### SPECIAL REVENUE FUNDS

Introduction .....	125
Hotel/Motel Tax Fund .....	126
Beautification Fund .....	127
Library Restricted Fund .....	128
Court Security Fund.....	129
Court Technology Fund .....	130
Child Safety Fund .....	131
Police Donations Fund.....	132
Fire Donations Fund .....	133
Park Donations Fund .....	134
Library Books Fund.....	135

### APPENDIX

About Sanger .....	137
Financial Management Policy .....	139
Investment Policy.....	147
2015 Performance Measure Highlights.....	151
Debt Service Schedules .....	155

## Introduction

The intent of this budget message is to explain both the structure of the budget and the atmosphere in which it was created. The budget message outlines the highlights of this year's budget. It also discusses the City's Strengths, Weaknesses, Opportunities and Threats (SWOT analysis) for the upcoming year. Finally, it discusses the structure of the budget, where revenues come from and where the money goes. The budget message should provide the reader insight into municipal government finances and make the raw numbers more understandable.

I encourage the reader to take a few moments to read through the budget message. I believe it will give you valuable insight into the budget process. It will also provide insight into the thinking and conditions in which the budget was prepared.

Municipal budgets are always challenging. There simply is never enough money to fix every problem and address every concern. While the economy remains strong, revenues are fairly flat when compared to 2016. This limits our ability to expand services beyond what is already being provided.

2017 will see the continuance of an aggressive effort to address our deteriorating infrastructure and expand utilities to support commercial and industrial growth. These activities are detailed in the Ten Year Capital Plan included in this budget. This will require strong leadership from the Mayor and Council. The result will be a community that continues to grow and improve the quality of life for its citizens.

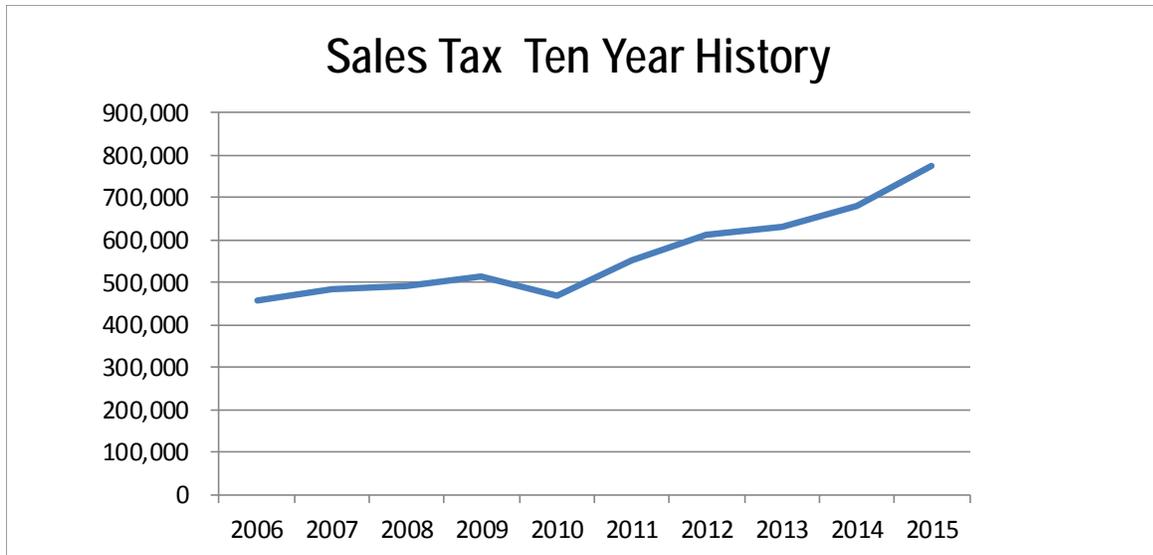
## Review of 2016

The housing market remains very strong, and demand is still high due to the shortage of housing in the area and low-interest rates. Additional residents add to several revenue streams but also increases the need for services which is often times offsetting, negating any revenue gains. Sales tax is trending up slightly, and we are projecting an 8% increase in sales tax revenue. New residential and commercial construction and increased valuations are reflected in an anticipated increase in the property tax base. We anticipate approximately a 6% increase in the property tax base in 2016. As always, we take a conservative approach to budgeting revenues.

We continue to work on the Capital projects scheduled for this year, and many of these will carry over into next year. The addition of water and wastewater lines on the east side of I35 between FM455 and Lois Road will begin this summer. We are acquiring the necessary easements for the reconstruction and overlay of McReynolds Road from Ranger Creek to FM 2164. We will be carrying over most of the \$350,000 in this year's budget for street rehabilitation to help cover the cost of McReynolds Road to next year. Engineering and permitting are continuing on the wastewater treatment plant with the first phase of construction anticipated for next year.

Utility Revenues are down somewhat this year due to the unusually wet spring and mild temperatures. This will result in less of a fund balance being available at the end of the year although we do anticipate ending the year with revenues higher than expenditures. We will do this by closely monitoring the budget and watching expenditures.

# BUDGET MESSAGE



## FY 2017 Budget Highlights

### Capital Equipment

The proposed budget includes the following Capital Equipment. All the vehicles listed below are replacing existing vehicles with the exception of one police vehicle.

Department	Equipment	Financing Method	Cost
Police	Three Police Vehicles	Purchase	\$ 164,000
Fire	2 Life Pak 15's	Purchase	\$ 86,000
Fire	Pumper Truck (Subject to Grant Approval)	Grant Match	\$ 72,500
Parks	2 Advance warning systems for lightning	Purchase	\$ 15,000
Parks	Bobcat Predator Pro Zero Turn Mower	Purchase	\$ 14,000
Water	Kubota Mini Excavator	Purchase	\$ 58,772
Water	BigTex 14K Tandem 16' Heavy Duty Bed Trailer	Purchase	\$ 4,999
Water	Bobcat Predator Pro Zero Turn Mower	Purchase	\$ 14,000
Electric	New Truck	Purchase	\$ 33,151
Electric	Vacuum Pump	Purchase	\$ 52,600

# BUDGET MESSAGE

## Expenditures by Classification

As you can see in the table below, overall expenditures are projected to rise by a little over 1.5%. We have been very conservative in our budgeting and have looked at the history of each individual line item when planning next year's expenditures. The largest increases are in Salaries & Benefits and Debt Service. Increased Salaries & Benefits are the result of adding two new positions in the new year. Debt Service is increasing as a result of required payments on the Certificates of Obligation, Series 2015. Maintenance & Operations, Utilities, and Capital Expenses are all decreasing.

Expenditures by Classification	2015 Actual	2016 Budget	2017 Budget	Difference	% Change
Salaries & Benefits	\$ 4,310,940	\$ 4,978,766	\$ 5,201,863	\$ 223,097	4.48%
Supplies & Materials	\$ 375,512	\$ 458,889	\$ 491,169	\$ 32,280	7.03%
Maintenance & Operations	\$ 6,947,156	\$ 7,342,703	\$ 7,239,478	\$ (103,225)	-1.41%
Contract Services	\$ 1,172,574	\$ 1,339,969	\$ 1,423,836	\$ 83,867	6.26%
Utilities	\$ 502,671	\$ 634,007	\$ 543,964	\$ (90,043)	-14.20%
Capital Expenses	\$ 325,023	\$ 612,102	\$ 595,822	\$ (16,280)	-2.66%
Debt Service	\$ 1,281,912	\$ 1,275,474	\$ 1,452,919	\$ 177,445	13.91%
Other Department Expense	\$ 44,923	\$ 57,472	\$ 133,282	\$ 75,810	131.91%
Transfers	\$ 1,032,393	\$ 926,800	\$ 926,800	\$ -	0.00%
Total	\$ 15,993,104	\$ 17,626,182	\$ 18,009,133	\$ 382,951	2.17%

## Personnel

I am recommending a 2% merit raise (Range from 0-3%) for employees again this year. If there is a council desire to increase this recommendation to 3%, this will add \$ 36,000 to the proposed budget. This year we are proposing to add two new positions. We propose adding a Lieutenant to the Police department. This will help alleviate the flat structure currently and provide additional supervisor coverage at night. We also propose adding an event coordinator to the recreation department. This will be our first employee in this department. Parks and recreation continue to increase the number of events annually and have plans on adding, even more, necessitating the need for this position. This person will also fulfill the administrative assistant role for both Parks and Fire.

## Operating Expenses

We do not directly control many of our operating expenses like health care costs and the price of fuel. Absorbing these costs can leave very little extra money left for the expansion of services. Any proposed increases in operating costs must be accompanied by written justification from the department head. All of the department heads have done a good job in their proposed budgets of keeping operating expenses in check. One big unknown this year is health insurance costs. We will not know these numbers until late summer. Because we allocate a set amount to each employee for insurance benefits, this will not impact the proposed budget.

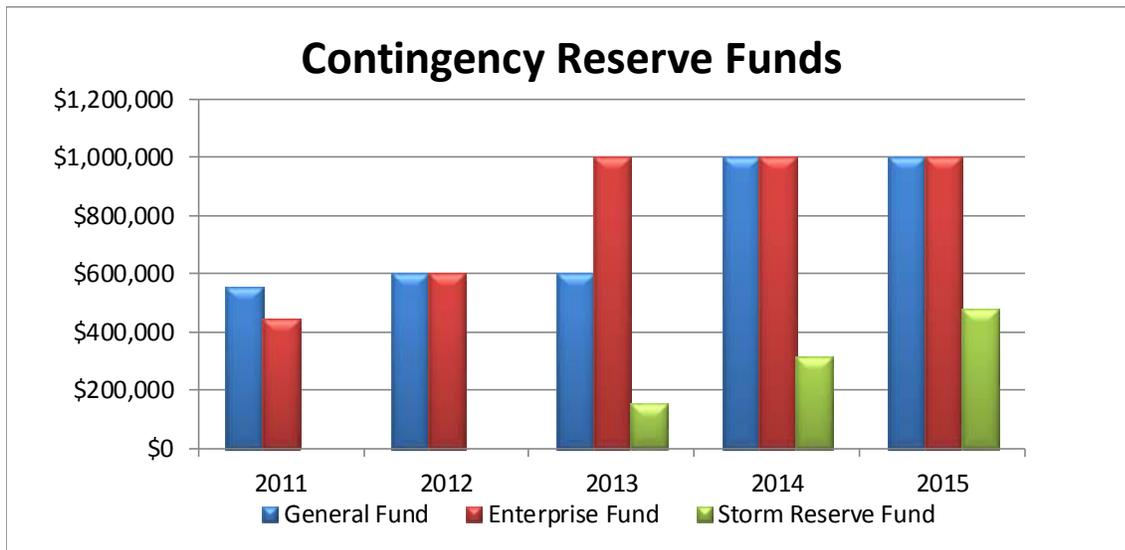
# BUDGET MESSAGE

## Capital Projects

Capital projects this year will be quite extensive. Capital projects are discussed in detail in the Capital Improvement Plan included in the overall budget. In summary, capital projects will include reconstruction and resurfacing of McReynolds Road in conjunction with Denton County and Extension and expansion of sewer lines along the east side of I35. We will also be replacing the Cowling Rd. Lift Station and Force Main. We anticipate applying for a Community Development Block Grant (CDBG) for replacement of Water, Waste Water Lines, and Street reconstruction along Plum St. from 5<sup>th</sup> to 10<sup>th</sup> Streets. This will also help relieve anticipated traffic congestion along Chapman Rd (FM 455) when TXDOT begins its widening project along FM455. 4B has committed funds for extending the trail system at Porter Park to the parkland on the east side of I35. This project is in design. We applied for a grant to fund a portion of this project but were not successful.

## Reserves

The Council set a goal of increasing emergency reserves to \$2,000,000 we realized that goal at the end of the 2014 Budget Year. The resolution also created a "Storm Reserve Fund". This fund is funded by 2% of electric utility revenue and is intended to be used in the event of extensive storm damage to the City's infrastructure. The storm reserve fund will end the year with approximately \$640,000 in reserve.



## Summary

While there are some structural changes in the budget, operationally there will be few changes. The staff has prepared a proposed budget with cautious optimism for 2017 that addresses both our short term and long term needs. As always we will closely monitor both revenues and expenses throughout the year and adjust accordingly as conditions dictate.

## SWOT Analysis

A SWOT analysis is a look at the City's Strengths, Weaknesses, Opportunities and Threats (SWOT). It is intended to give the reader a strategic perspective of current and future issues. These issues have an effect on both revenues and expenditures.

### Strengths

The local economy remains strong as indicated by the increase in construction and low unemployment. The area continues to see a large influx of new residents each year and this trend is expected to continue for the foreseeable future. Sanger's location is one of its greatest strengths and something we aggressively market.

Rail and Interstate access and developable industrial land also top the list of Sanger's strengths. Commercial interest in the industrial property has picked up in the last year. We continue to utilize the information developed by The Retail Coach to assist us in recruiting retailers and other business. We are also extending utilities along the east side of Interstate 35 to entice new businesses and industry to the City.

Another asset is the quality of life enjoyed by the citizens of Sanger. Sanger residents have access to all of the amenities of the metroplex while enjoying life in a quiet, small town atmosphere. Access to Lake Ray Roberts is also a quality of life asset and an economic boost for Sanger. The new sports park has been a tremendous quality of life improvement for our citizens as well. It is well used and has been well received by the citizens. It has also been a tremendous advertising tool for Sanger. Last year we added a splash park to replace our obsolete swimming pool. This is also a quality of life improvement for our citizens to enjoy. In 2016 the 4B board has authorized funding for the expansion of the trail system to the East side of I35. This will be the first phase in the development of the 55 acres of parkland on the opposite side of the interstate from Porter Park.

Sanger Electric is another strength enjoyed by the City of Sanger. Sanger Electric generated almost \$7,500,000 in gross revenue last year. This revenue not only supports the Enterprise Fund but the General Fund, and Storm Recovery Fund as well. Without this revenue, property taxes and other utility fees would need to be much higher.

Sanger also enjoys having both a 4A and 4B economic development board. Each of these boards generates approximately \$300,000 annually in revenue. These monies have allowed Sanger to compete economically and make the quality of life improvements. 4B funds are currently being used to pay for the debt service on the Porter Sports Complex and other projects. 4A funds were used to purchase a 51,000 square foot warehouse for job creation. It has been leased creating jobs as well as a positive cash flow in rent. This year 4A will continue assisting with the extension of utility lines for development of additional industrial properties.

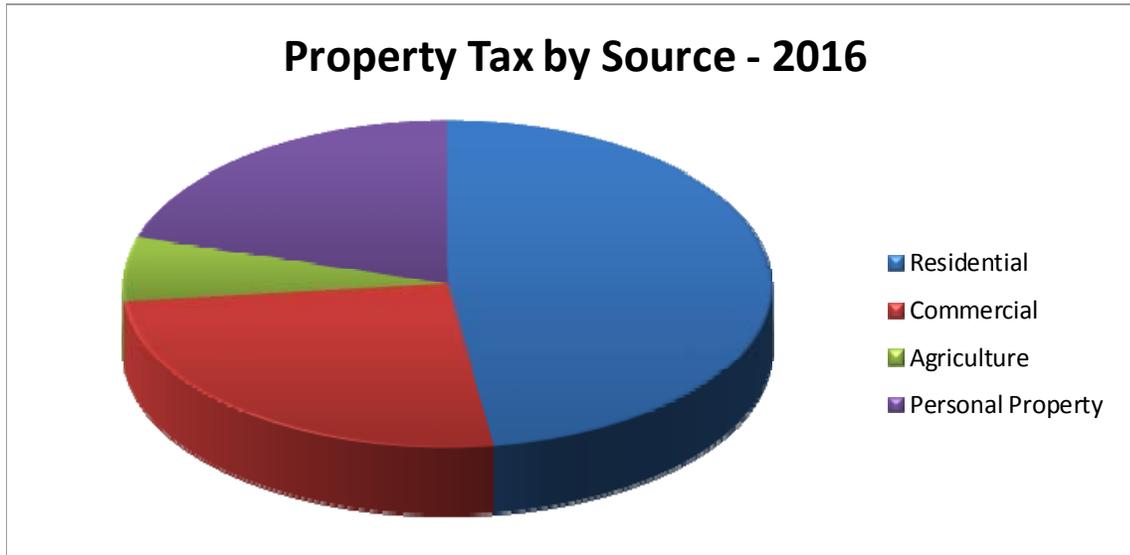
Sanger has approximately \$2.6 Million set aside in Contingency Reserve Funds for use in the case of emergency. Eventually, every City faces some type of disaster. Be it a tornado, flood, ice storm or another disaster two things are certain; the City will need money for the recovery efforts, and traditional revenue sources will be negatively impacted at the same time. Having these funds on hand will help us recover as quickly as possible without destroying us financially.

### Weaknesses

To a large extent cities in Texas are dependent on property taxes to fund their general revenue operations. In Sanger, approximately 40% of general fund operating revenues come from property tax. The weakness here is that almost half of the property tax in Sanger comes from residential improvements (See Figure 1 below). Demand for service is much higher from residential properties than from commercial properties. This means that, when averaged out, residences rarely pay the full amount in property tax for the services they receive from the City. Commercial properties, however, typically generate more property tax than they require in services. Growing our commercial

# BUDGET MESSAGE

property tax base is essential to providing quality service to our customers while limiting the property tax burden on our residents. Recruiting more industrial and commercial development continues to be a priority.



Another weakness is median home prices in Sanger. While the median home price in the DFW Metro area is around \$200,000, the median home price in Sanger is half that. This results in a much lower tax income per lot than in other areas. We need to diversify our housing mix to include houses in higher price ranges that generate higher property taxes. This will also help alleviate the tax burden on families with lower incomes and those with fixed incomes. We have seen a better mix and a higher average home cost this past couple of years. As a result, we see our average valuation increase. We need to proactively encourage this trend to help eliminate this weakness.

Another weakness that stifles growth is the fact that as the city limit expands, we add areas that are not in our water supply CCN. Because the water supply corporation that serves these areas does not provide fire protection, development is severely limited. Recent legislation has alleviated this to some extent by providing a mechanism to transfer the CCN. However, the issue still remains a hindrance to growth due to the costs associated with the transfer.

## Opportunities

### Industrial Development

As mentioned under strengths, Sanger is uniquely located to service both North Texas and Southern Oklahoma and has hundreds of acres of developable land with both interstate highway and rail access. Not only are these properties being marketed by the land owners but the City is also marketing these properties through the Greater Dallas Chamber of Commerce. Sanger must capitalize on these industrial prospects and aggressively market its strengths. To do this will require additional investment in infrastructure to ensure that industrial sites are "shovel ready" when companies are ready to move. To that end, plans are in the works to extend water and wastewater lines to potential industrial sites along I35 to entice industrial development. We are also working with private developers to develop shovel-ready industrial parks to spur industrial growth.

# BUDGET MESSAGE

## Residential Development

There have been 39 new home starts so far in Fiscal Year 2016. The average assessed value remained a little over \$100,000 for single-family residents in 2015. It is important that this growth is diversified across a wide range of the housing market from starter homes to homes that exceed \$500,000 in price. Homes in higher price ranges generate higher property taxes but typically require the same amount of services as homes of lesser appraised value. This allows the City to provide services at a lower tax rate, saving everyone on their property taxes. Currently, the average home value in Sanger is approximately \$100,000. At that value, a home will generate approximately \$665 in City property tax each year. In comparison, a \$250,000 home generates \$1662 at the same tax rate. Simply put, higher priced homes translate into lower property taxes and increased services for everyone.

## Commercial Development

Commercial development will follow residential development. Sanger is experiencing some commercial growth and should see more as the area's population increases. The good news is that Sanger has plenty of developable commercial property. The bad news is some of the large tracts available for commercial development lack infrastructure (water and sewer) on site. As with industrial development, we need to extend water and sewer into these areas to make them more attractive for development. In 2016 new water and sewer lines were extended along the West side of I35 to promote commercial development. The City must continue to promote commercial development, especially development that generates both property and sales tax.

## Threats

One threat that bears close watch is the increased cost of health insurance. We will not know until late in the budget process if we will face an increase this year or not but an increase is highly likely. Many aspects of healthcare reform continue to take effect. These new requirements will raise the cost of providing health insurance for both the City and its employees.

Another significant threat is action taken by the State Legislature. Cities will take multiple hits this year as the State reduces State funding for programs, keeps more revenue for themselves and passes new unfunded mandates that will cost the cities money to implement. In their quest to balance the budget without raising taxes, they are significantly impacting budgets and services at the local level. A general downturn in the economy is another potential threat, while the local economy is booming worldwide it is softening. It is imperative that we monitor it closely and stay ahead of any downturn.

## Understanding the Municipal Budget

This section is intended to give the reader an overview of how the budget works. Municipal budgets are governed by Federal and State Statutes and local regulations. The intent here is not to explain every requirement for municipal budgeting but to discuss generally how the budget works.

The City operates six major funds. They are the General Fund, Enterprise Fund, 4A Economic Development Fund, 4B Economic Development Fund, Debt Service Fund and Capital Improvement Fund. These funds are explained in detail below. The City's fiscal year runs from October 1<sup>st</sup> through September 30<sup>th</sup> each year. The budget process begins in the spring of each year internally. Budget workshops are held during the summer of each year with the City Council and economic development boards. Public hearings are also held on the budget. The budget must be approved and next year's property tax rate set before October 1<sup>st</sup> each year (see Timetable for Adopting the Budget). When the economy is volatile, such a lengthy process can lead to financial issues down the road. For example, a road project that is scheduled to begin in the summer would be estimated in the spring of the previous year, over a year earlier. Due to market volatility, the actual cost could be significantly higher or lower than estimated. This can occur frequently in government and is usually not understood by the public.

# BUDGET MESSAGE

To a great extent the City works on a pay as you go basis. Revenues must be sufficient to cover expenses. Sometimes this can create some short-term issues because of the timing of revenues. For example, the largest revenue stream in the General Fund is property taxes. However, we do not receive the bulk of these funds until the second quarter of the fiscal year (January – March). This means that other revenues must be used to cover expenses in the first quarter and that discretionary expenses (like buying new vehicles) are usually deferred until after the first quarter.

Because the City cannot spend money it does not have, it must find an alternative method of financing large infrastructure projects. Replacing or adding new roadways, water lines, sewer lines and drainage improvements are very expensive. After paying for operations, most cities do not have sufficient funds left over to pay for these improvements as they are done. Therefore, cities sell municipal bonds to pay for these improvements up front. The bonds are then paid off over a period of time, spreading the expense over a number of years. The City must pledge either property tax or some other revenue like utility fees toward repaying the bonds. The downside is that these pledged funds cannot be used for other purposes in future years. This means that long-term debt must be managed and controlled so that necessary improvements are made without hamstringing future budgets.

Another important point is that revenue numbers in the budget are estimates of what we think will be collected next year. The monies you see in revenue are not sitting in the bank October 1st waiting to be used. If revenues do not meet projections, then expenditures must be curtailed to meet those shortfalls. If revenues exceed projections, then excess fund balances at the end of the year can be used to build up reserves, do capital projects or supplant next year's revenues.

## Understanding Property Tax

Property Taxes are historically the primary funding source for General Fund operations. The property tax calculation process can be very complicated. Having a basic understanding of how it is calculated and the rules involved is essential in making sound decisions on the property tax rate. Because of the way the rate is calculated, decisions made about the rate this year will impact future year's budgets as well.

Property tax valuations run more than a year behind. For example, at the beginning of each year, the Tax Assessors office determines the taxable value of property for the year before. They then send notice to property owners of the assessed value of their property. Property owners then have an opportunity to protest that value if they feel it is unfair. The County Tax Assessors office hears the disputes and then certifies the *Total Net Taxable Valuation* for the City sometime around the end of July. The City then sets the rate for the upcoming year with the taxes due in January. Therefore, the taxes collected in January of 2017 are based on property values determined for 2015 and certified in 2016. This is why increases or decreases in property tax collections lag behind overall increases or decreases in property values.

The property tax rate is made up of two components; the Interest and Sinking (I&S) rate and the Maintenance and Operation (M&O) rate. The I&S rate is the rate necessary to generate enough revenue to service the debt on bonds pledged against the property tax. The M&O rate is the portion of the property tax used for day to day operations of General Fund departments. The I&S rate is set by the Assessor's office based on the net taxable valuation and the amount of debt. ( $\text{Debt/Valuation} = \text{I\&S tax rate}$ ). The City does not determine this rate, although it is included in the overall rate set by the city.

Two key rules apply when determining the tax rate. The first is the *Effective Rate*. The Effective Rate is the rate that, based on this year's valuation, will service the debt (I&S rate) and raise the same amount of revenue as was raised last year for M&O. The Effective Rate may be higher or lower than the year before depending on a decrease or increase in the total valuation and increase or decrease in debt service.

# BUDGET MESSAGE

The second term is the *Rollback Rate*. To oversimplify, if a City sets the tax rate so that it will generate more than 108% of the revenues generated last year, it is subject to the filing of a petition by the voters to send the tax rate to an election. If the City stays under 108%, it cannot be challenged by petition.

When a City sets the tax rate for the year, it is really determining the M&O rate since the I&S rate is a function of taxable value and debt. This is important for a number of reasons. First, any rate set below the Effective Rate means a decrease in revenues. This decrease in revenue comes 100% from M&O revenue. Second, if total valuation falls (as happened in 2010) and debt also decreases, the Effective Rate will be higher than the Rollback Rate. This means that to raise the same amount of operating funds in 2010; we would have had to exceed the Rollback Rate. While this is a rare occurrence for a growing City, it drives home the fact that setting the tax rate needs to be based on a number of factors considered together.

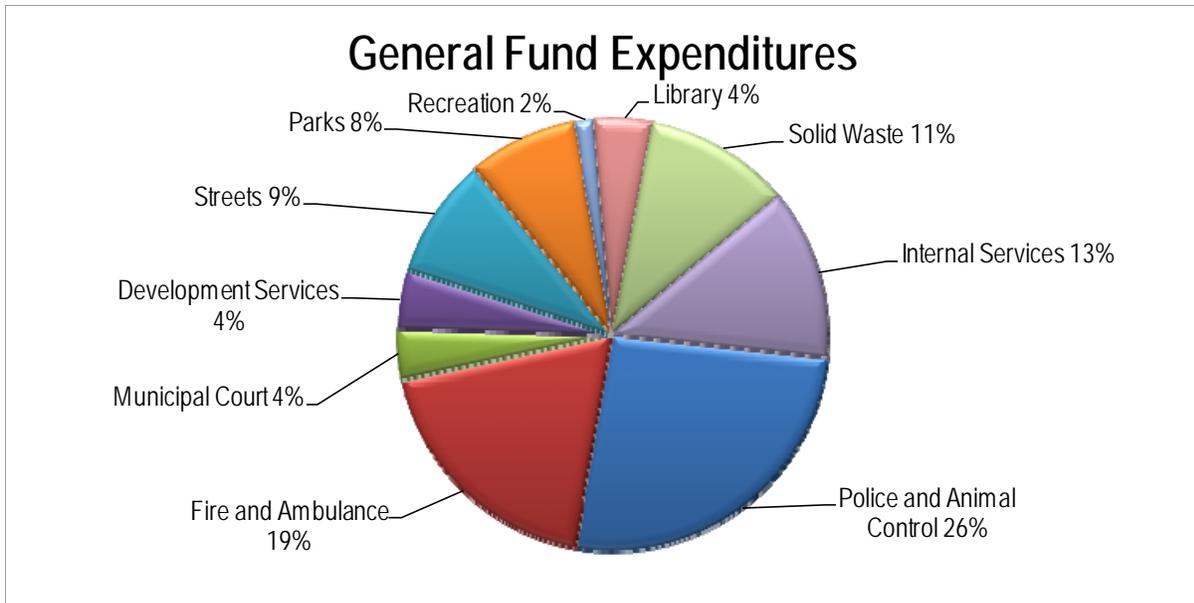
Tax rates can vary widely between cities. For example, there are 88 Cities in Texas with a population between 5,000 and 10,000. Property taxes range from \$0.1468/\$100 to \$0.957898/\$100 in those cities. The maximum a home rule city can charge is \$2.50/\$100. Net Taxable Valuations also vary widely and are the primary factor in determining what rate a city needs to charge to pay for debt and operations. Two examples help to clarify this point. The first is Highland Park with a net taxable valuation of over 4.5 Billion. Highland Park's tax rate is only \$0.22/100, but it generates over \$10,000,000 a year in revenue. On the other end of the spectrum is the city of Mathis with a tax rate of \$0.957898. Mathis' net taxable valuation is only \$85,987,583 and generates revenue of \$823,763. So, even though Mathis' rate is over four times higher than Highland Park's, it generates less than a tenth of the revenue.

I do not suggest any increase lightly and in fact, would like to see us lower the tax rate over time. However, until we start growing our commercial property tax base, this will be difficult to achieve. The key is growing our total net taxable value without adding a greater burden on services than what we receive in additional revenue. Again, this will require adding commercial property to the tax rolls. As stated earlier, new residential properties, while increasing the tax role, also increase service demand and are usually break even at best.

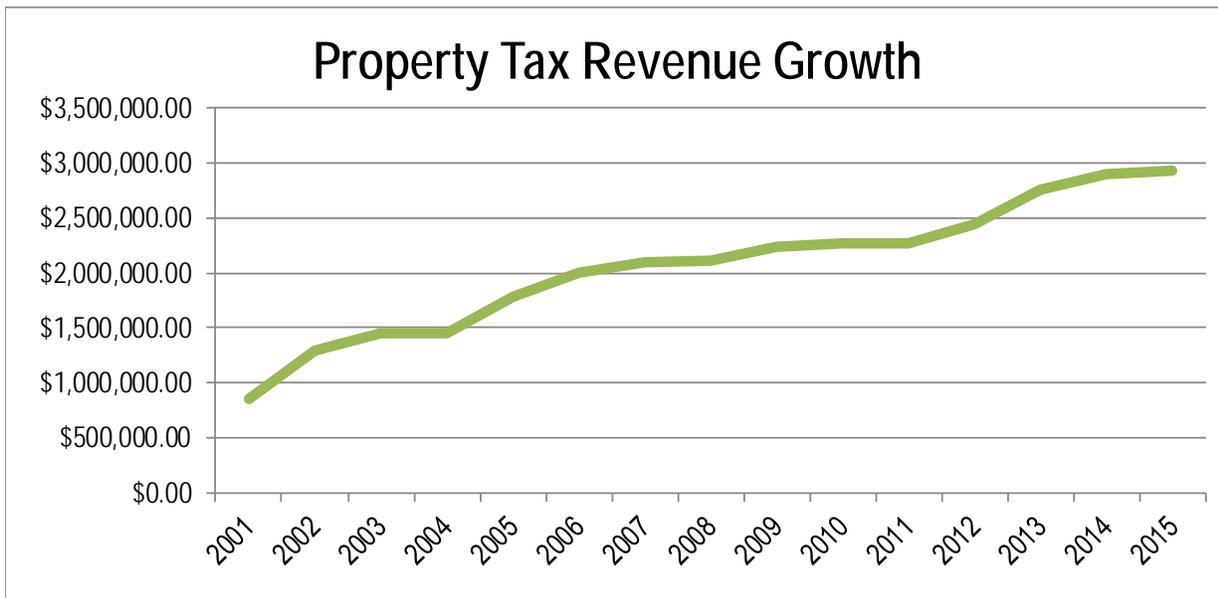
## General Fund

The General Fund is the fund used to finance the operations of general government. The General Fund includes Public Safety, a portion of Public Works, Community Services, Sanitation, and a portion of Administrative and Support Services. Public Safety includes; Police, Municipal Court, Animal Control, Code Enforcement, Fire and Ambulance departments. Sanitation is solid waste (Sanitation is contracted out to a third party operator). Community Services include; Development Services and the Library. The park and recreation and street departments are shown on their own to more clearly show the portion of the general fund spent on these departments. Internal Services include Administration, Custodial, Finance, Fleet Maintenance and Human Resources.

# BUDGET MESSAGE



General Fund revenues come from a myriad of sources including property tax, sales tax, court fees, Fire and EMS revenues and franchise fees. By far, the largest revenue stream is property tax. Due to growth and appreciation of property values, Sanger has enjoyed increasing property taxes over the last twelve years.



General Fund revenues do not cover expenditures. The difference is made up by the transfer of excess revenues from the Enterprise Fund. These funds come primarily from the Electric utility. Without these funds, property taxes would have to be increased or services severely cut to balance the budget. The Transfer in 2016 was budgeted at \$200,000. It is projected at \$150,000 for 2017. Typically, due to cost savings throughout the year, this transfer for operations is not necessary, and we have used these funds to build up reserves. This will likely not be the case this year due to lagging utility revenues caused by the wet weather and mild winter.

# BUDGET MESSAGE

## Enterprise Fund

The Enterprise Fund is made up of utility departments including Water, Wastewater, and Electric. Enterprise utilities are intended to generate more revenue than is needed for operations. This excess revenue is used to pay for infrastructure improvements and support the General Fund to defer higher property taxes. Not only does the Electric Utility generate the bulk of gross revenues, but it also produces the majority of excess revenues. In fact, after adding capital costs to operating costs the Water and Wastewater Utility barely break even. Fortunately, we have locked in the rate we pay for wholesale electric through May of 2019, so no significant increases in Electric rates are anticipated.

Recently the State has mandated that regional groundwater districts be established statewide to manage groundwater resources. To pay for the district's water producers will have to pay a fee on the water removed from the ground. We are calculating that this will cost Sanger about \$36,000 a year. The staff is proposing increasing the base rate for water by \$2.00 to cover this additional expense imposed by the regional water district.

One increase we have to absorb in the electric utility is the increase in transmission and congestion costs we pay. This cost has risen by over 60% in the last three years and continued to rise. These costs are regulated by the electric reliability council of Texas and are used partially to help pay for new transmission lines from West Texas to other parts of the State. The staff is also recommending a \$1.00 increase in the base electric rate to cover increased transmission costs.

The staff is recommending a 7.5% rate increase in sewer rates next year to pay the interest only bond payment for the Cowling Road lift station replacement and phase one of the rehabilitation and expansion of the wastewater treatment plant. Full payment of the bonds in future years will require additional increases over the next two to three years. These rate increases will pay the bond debt without having to rely on property tax to do so. The staff is proposing a 5% increase in water rates to cover cost increases both in ground water and water purchased from Upper Trinity Regional Water District.

Expenditures in the Enterprise Fund are overwhelmingly spent on Public Works as they should be. Expenditures include daily operations of the utilities, capital improvements, and debt service on bonds for capital improvements.

## Internal Service Fund

The internal service fund includes departments with responsibilities in both the General and Enterprise Funds. The Internal Service Fund allows us to show the department's entire budget in one place, making it more transparent and easier to manage. The departments include Non-Departmental costs, Mayor and Council, Administration, Public Works Administration, Finance and Fleet Services. Instead of each department having a separate budget for each fund, those departments have a single budget in the Internal Service Fund. This makes it easier for the reader to see the true cost of the department without having to look in two different places. It also streamlines cost allocation internally.

## Economic Development Funds

Under Texas Law, certain municipal governments can establish Economic Development Corporations for the purposes of attracting economic development and other limited purposes. These corporations are overseen by boards appointed by the City Council. Sanger is one of the few Cities that has both a 4A and 4B Economic Development Corporation. Both of these corporations receive revenues from a separate ½ cent sales tax. This sales tax generates around \$300,000 each year for each of the corporations.

Due to changes in legislation the 4A board can now fund projects authorized under either 4A or 4B statutes. This gives us the flexibility to combine 4A and 4B funds if we need to for either industrial development or to enhance the

# BUDGET MESSAGE

quality of life. Historically this money has been used to pay off the debt for the land associated with the Wal-Mart Distribution Center. Over the years, the 4A Board has also built up a healthy reserve. The 4B Board can fund any project authorized under the 4A statutes. In addition, the 4B Board can fund improvements in other areas including parks and recreation. Historically 4B monies have been used to help fund infrastructure improvements, park and recreation improvements and, most recently, the new Splash Pad. The 4B Board also maintains a modest reserve and is currently committed to servicing up to \$180,000 annually of the 2009 CIP for the new sports park and \$32,500 per year for the splash park debt service. The 4B Board has also committed \$300,000 to The Porter Park Trail linkage.

Thanks to these two boards the City of Sanger has been able to provide economic development incentives and make park and recreation improvements that it simply could not afford otherwise. While these funds can only be used for limited purposes, having them frees up other revenues for other purposes.

## **Debt Service Fund and Capital Projects Fund**

The Debt Service Fund is where long term, property tax funded debt is paid. The Capital Projects Fund is where expenditures on Capital Projects are paid. Both debt service and capital projects serve as internal service funds used for accounting purposes.

## **Hotel/Motel Tax Fund**

These expenditures are tightly regulated by state law. To ensure that these funds are spent appropriately, they are placed in a separate fund and not commingled with the General Fund.

## **Conclusion**

Revenue growth will allow us to maintain current service levels and continue to maintain and repair infrastructure this year. This means continuing to fill potholes and repave streets, replace old water and wastewater lines, build sidewalks and maintain our parks in an attractive condition.

Staff have worked hard and kept up with their responsibilities even when short staffed. They have willingly accepted cross training so they could help out in other departments when needed. They have been very frugal with spending. I want to commend all of our employees for their hard work and dedication this year

I also want to thank the Mayor and Council for their continued support and leadership. The Mayor and Council have had to make some hard decisions. They have poured much thought into those decisions and haven't flinched when doing the right thing was not going to be popular. The Citizens of Sanger are fortunate to have such people guiding the City.

The municipal budgeting process can be confusing, especially when looking only at the raw numbers. We have worked hard to make the budget more transparent and understandable. I think you will see even more improvements and transparency this year. However, the budget is still just numbers. The budget message explains the meaning of those numbers. It is intended to shed light on the budget process and provide a general overview of its structure. It is also intended to shed light on the thoughts and concerns that went into formulating the budget. I hope you have found it helpful.

**Michael Brice**  
*City Manager*

I want to thank Jim Berman, Parks and Recreation Director, for taking the lead on preparing this year's budget message.

# TEN YEAR CAPITAL IMPROVEMENT PLAN

This plan addresses capital improvement needs in the City of Sanger over the next ten years in the areas of Streets, Thoroughfares, Sidewalks, Drainage, Water Lines, Wastewater Lines, Parks and other Facilities. The plan discusses needs in each area funding sources for projects expected in FY 2017.

As in any city with older infrastructure, maintenance and rehabilitation of existing infrastructure is an ongoing and never ending process. It is easy to get behind and hard to catch up. Over the last five years more and more resources have been dedicated to infrastructure maintenance and replacement and several projects have been completed. We have rebuilt several thoroughfares including portions of Keaton Road, Freese Drive, Railroad Avenue and Cowling Road. We have replaced several thousand feet of deteriorated Wastewater Lines. We have rebuilt three major drainage structures and rehabbed several smaller ones. We have purchased and remodeled a new police station and remodeled the Municipal Court. This is a trend that needs to continue as we try to catch up with our aging and ailing infrastructure.

At the same time, we must expand our water and wastewater lines into areas that are prime for commercial and industrial development. We recently completed expansion of water and sewer service on the west side of I35. This year will see the first phase of expansion on the east side of I35. While residential development is nice, commercial and industrial development produce far more revenue and are less of an impact on services. Commercial and Industrial development also create jobs for our citizens and improve the quality of life.

Over \$100,000,000 in water, wastewater, roads and drainage projects have been identified that should be completed in the next ten years. This includes the two big ticket items of expanding the wastewater treatment plant and expanding FM 455.

To spur economic growth, the Council issued \$4,500,000 in bonds in 2013 to fund extending water and wastewater lines into industrial and commercial areas. The objective is to attract new businesses to these areas that will help fund future improvements such as rehabbing and expanding the wastewater treatment plant. In addition, these bonds helped pay for two new water wells completed in 2016 and the splash park completed in 2014. The water wells will ensure we have sufficient water to meet peak demands while maintaining sufficient fire protection reserves. These wells have been completed and will soon be tied in to the system. The sale of these bonds represents a proactive step by the Council to facilitate commercial and industrial growth.

## Projects Completing in FY 2016

- Jones, Kirkland, Smith and Sims Street Reconstruction
- West Side I35 Wastewater Line Extension
- West Side I35 Water Line Extension
- New Water Wells Phase I (Drilling)
- Presbyterian Church Restoration

## Projects in progress continuing in FY 2017

- East I35 Wastewater Line Upgrade
- New Water Wells Phase II (System Tie In)
- McReynolds Road Reconstruction
- Cowling Road Lift Station Replacement
- Final Design of WW Treatment Plant Expansion
- FM 455 Widening (TXDOT Project)
- East Side I35 Multi-Use Trails

## Anticipated Funding Source

2013 Bond Funds/ WWCIP Funds/4A  
Water CIP Funds/2013 Bond Funds  
Denton County/Street Funds  
2015 Bond Funds  
WW Tap Fees  
TXDOT/County/City  
4B Funds

# TEN YEAR CAPITAL IMPROVEMENT PLAN

## New Projects in 2017

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>➤ Cowling Road Water Improvements To Address Nitrification</li> <li>➤ Reconstruction of Plum Street from Fifth to Tenth (If funds are available)</li> <li>➤ Replacement of Water and Sewer Lines Along Plum</li> </ul> | <p><b>Anticipated Funding Source</b></p> <p>2013 Bond Funds</p> <p>Street Funds</p> <p>Water CIP Funds/ WW Capital Fund</p> |
|---|---|

## Future Projects:

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>➤ View Road Water Line Extension</li> <li>➤ View Road Wastewater Line Extension</li> <li>➤ Phase I WW Treatment Plant Rehabilitation</li> <li>➤ Relocation of Utilities along FM 455 Expansion</li> <li>➤ Rebuild and Expand Marion Road</li> <li>➤ Rebuild Bolivar Street</li> <li>➤ Rebuild Belz Road and Jennifer Circle</li> <li>➤ Rebuild Duck Creek Road</li> </ul> | <p><b>Anticipated Funding Source</b></p> <p>Water CIP Funds/4A</p> <p>WW CIP Funds/4A</p> <p>2015 Bond Funds</p> <p>Not Identified</p> <p>Not Identified</p> <p>Not Identified</p> <p>Not Identified</p> <p>Not Identified</p> |
|--|--|

## FM 455 Expansion Issues

One issue looming on the horizon is the relocation of utilities for the expansion of FM 455. For us that includes water, wastewater and electric utilities. We have had some preliminary discussions with TXDOT and the County on who will pay for these relocations. However, at this time, no funding sources have been identified.

Another big issue with the expansion of FM 455 will be traffic congestion during construction. We hope to have McReynolds Road completed before FM 455 begins to help relieve some of the congestion. We are also working on a CDBG grant to rebuild Plum Street from Fifth Street to Tenth Street to alleviate some of the congestion through town. To do this we also need to replace the water and sewer lines along plum. Our ability to accomplish this in time will depend on the award of the Grant and the timing of FM 455 construction.

## Water Capital Projects

The Water Capital Reserve Fund began the year with a balance of approximately \$1,450,000. \$900,000 of these funds were recently approved by Council to help pay for the new water well on the west side and the new water line along I35 from FM 455 to Belz Road. With additional fee collected so far this year, the balance as of June 1, 2016 is approximately \$550,000. In the future, some of these funds will be used to make fire protection improvements as identified in the 2010 Water and Wastewater Capital Improvement Plan (Plum Street Water Line) and for the extension of water service along the East side of I35 to View Road. Future projects, as funds come available; will include additional line extensions for development and to tie the system together for better fire protection and more efficient operations.

New regulations imposed by the Texas Commission on Environmental Quality (TCEQ) will mandate that we make improvements at our intake point where we receive water from Upper Trinity. A rough estimate for these improvements is in the \$150,000 range. This is due to the blending of ground water and surface water and the conflicting ways they are disinfected. Even though we have not experienced any problems, we must still comply with the new regulations. In consultation with Perkins Engineering we have looked at several options to meet the regulations. This option seems the most workable and the least expensive in the long term.

# TEN YEAR CAPITAL IMPROVEMENT PLAN

## Wastewater Capital Projects

Development along the I35 corridor is accelerating the need to extend wastewater lines to the area. This will also accelerate the need to upsize the trunk line running back south on the east side of I35. To move this project along, the Council authorized the selling of bonds to help fund these projects. We started the first phase of construction on these projects in 2015 and completed it in 2016. The second phase, upsizing the wastewater line on the east side of I35, will hopefully begin this fall.

To create more revenue for wastewater infrastructure improvements we started setting aside 10% of monthly wastewater revenues in 2014. The current balance in this fund is \$331,633. We are using these funds to address I&I issues and replace older wastewater lines in conjunction with street improvements. We intend to use these funds to replace the line along plum before street reconstruction.

We currently have \$1,244,000 in waste water tap fees. We have used these funds primarily to pay for the design, engineering and permitting of the waste water treatment plant refurbishing and expansion. As that phase of the project comes to an end we will have the opportunity to use these funds on other projects identified in the Capital Improvement Plan.

At the recommendation of Alan Plummer and Associates, Council decided to refurbish and expand the existing waste water treatment plant rather than build a new one in January 2014. Engineering, design and permitting are in their final phases. Construction is programmed to begin in late 2017 or early 2018. This will be a multi-year project.

The Cowling Road lift station is quickly reaching capacity and needs to be replaced. This will also require replacing the force main with a higher capacity main. Design and engineering began in 2016 and will continue this year. Construction is expected to begin in the spring of 2017. 2015 Bond funds will be used for this project.

## Streets and Thoroughfares

Many streets in Sanger are in dire need of rehabilitation. The last few years we have concentrated our efforts on improving the thoroughfares that carry the most traffic. This does not mean that there are not residential streets that are in as bad or worse condition. However, focusing on thoroughfares as our priority gives us the greatest positive impact for the most people. If funding can be secured in the future, Marion Rd., Bolivar from 5<sup>th</sup> to the Service road, Belz Rd. and Duck Creek will also be candidates for improvement.

Plans this year call for the reconstruction of McReynolds Road. This will be funded through County Funds and Sanger Street Funds. This project has been severely delayed because of the inability to secure easements from a small number of land owners. This delay, in turn, has prevented us from rehabilitating interior residential streets because we do not know how much McReynolds road is going to cost. This has forced us to hold the majority of our street improvement funds in reserve. We will be going to bid this summer and finally Identifying the cost of McReynolds Road. We will then know what funds, if any, we have available to start work on interior residential streets. If funds are available, we plan on reconstructing Plum Street from Fifth to Tenth so that it can serve as a reliever during the FM 455 widening.

FM 455 is scheduled for widening in the next few years. It is anticipated that funding for this project will come from County road construction bonds and TxDOT. However, there may be some cost to the City with associated utility relocation.

Reconstruction of the Cowling Road Bridge over Clear Creek is another need. This bridge is on TxDOT's off system bridge list for reconstruction but it is not funded at this time. The cost is likely to be well over \$4,000,000, which means it will have to wait for TxDOT funding.

# TEN YEAR CAPITAL IMPROVEMENT PLAN

## Sidewalks

We made great strides on sidewalks in the last few years. Sidewalks were extended almost the entire length of Keaton Road from FM 455 to the sports park. Our goal is to connect existing sidewalks and add new ones that allow pedestrians to travel throughout town without having to walk on busy streets. Although some of these sidewalks will pass through residential neighborhoods, the goal is not to build residential sidewalks but to create paths that link subdivisions with destinations such as schools, parks, downtown and commercial areas. We normally budget \$50,000 per year for sidewalks, so the work will have to be done in phases. Other portions will be done in conjunction with other projects such as the future widening of FM 455 and McReynolds Road.

Phase I will be to connect existing segments and create a central loop. This phase will provide access between five of the seven schools, Downtown, and several neighborhoods and subdivisions. This year we will be extending the sidewalk along Keaton Road North from its termination at Keaton and Holt.

Phase II will link the other two schools to the inner loop. It will also connect the Sable Creek and Ranger Creek subdivisions to the system.

Phase III connects the Quail Run and Lake Ridge subdivisions to the system, creates an old town loop and connects Switzer Park. It also extends the sidewalk up 5<sup>th</sup> street to FM 455.

Phase IV extends the system along FM 455 from Metz Road to Marion Road. It also connects the Sanger Trail Apartments and subdivision to the system. This section needs to be done along with or after the road is widened.

Once completed, sidewalks will link every school and major subdivision. Links will also provide walking access to the new sports park, public facilities and business areas throughout town without having to walk on busy streets.

## Parks and Facilities

We have finally begun the restoration of the Historic Presbyterian Church. This project has been delayed for years due to the lack of funds. A fundraising effort by the Sanger Area Historical Society to raise funds for the restoration began about two years ago. The 4A and 4B Development Corporations also contributed funds to this project. The project should be complete in early fall of 2016, weather permitting.

Another small project being done in 2016 is the remodeling of offices at the old police station located at 301 Bolivar. Once completed, the Public Works Offices will be moving over there. This will free up additional space at 201 Bolivar for Community and Economic Development and Parks and Recreation. This project is being paid for out of the existing 2016 Budget.

By far our greatest and most expensive facility need is rehabilitation and expansion of the wastewater treatment plant. The cost of this project will be in the range of \$10,000,000 and will have to be financed over the long term by bonds. Financing this plant will significantly encumber our ability to do other projects for several years. However, this project is necessary to handle future growth.

Facility needs that are farther out on the horizon include: Expansion of the library and a new fire station. A remodel of the community center also needs to be considered as it is becoming worn and dated. Farther out will be a recreation center and building a second fire station. Many of these are expensive projects that would require bond funding. Therefore, they may not be feasible until a good portion of our bond debt is retired in 2021.

4B has committed funds for extending the trail system at Porter Park to the parkland on the east side of I35. This project is in design. We applied for a grant to fund a portion of this project but were not successful. Other parks projects as identified in the parks master plan will soon undergo a prioritization process involving the community,

# TEN YEAR CAPITAL IMPROVEMENT PLAN

parks board, 4B board and City Council. Once prioritized, these projects will be programmed in as funds are available.

## **Conclusion**

As you can see, a myriad of projects is planned over the next ten years and they will keep us very busy. Many of these projects will go unseen to most citizens but they all directly impact the quality of life in the community by ensuring reliable utilities, safe streets and sidewalks and adequate public facilities. It is important to note again that even after all of this work is complete, there will still be other needs arise as our infrastructure continues to age. Like every City, we will continue the struggle of balancing needs and resources to maintain current facilities and infrastructure, prepare for growth and improve the quality of life in our community.

Adequate funds for large capital projects will continue to be a hindrance until other bond issues begin paying off in 2021 and until we grow sufficiently to expand the tax base. For the last two years we have diverted more resources for infrastructure rehabilitation. You will see expenditures in the 2017 proposed budget for such improvements as street reconstruction, new sidewalks, water and wastewater line replacement, wastewater plant rehabilitation and expansion and electrical system improvements. As future revenues improve we need to channel more funds toward these needs.

This plan identifies and prioritizes our most pressing needs in capital improvements for the next ten years. Some parts of the plan, like sidewalk improvements, project out further than ten years for comprehensive planning purposes. Revenue sources are identified for those projects ongoing this budget year. As with any plan it will change over time and it will be updated on an annual basis to keep it current and relevant.

**Mike Brice**  
*City Manager*

# AUTHORIZED PERSONNEL

	2015		2016		2017	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
<b>General Fund Authorized Personnel</b>						
Police	14	0	14	0	15	0
Animal Control	1	0	1	0	1	0
Fire *	9	1	12	1	12	1
Municipal Court	2	2	2	2	2	2
Development Services	3	0	3	0	3	0
Streets	3	0	4	0	4	0
Parks	6	3	6	2	6	2
Recreation	0	0	0	0	1	0
Library	3	2	3	2	3	2
<b>General Fund Totals</b>	<b>41</b>	<b>8</b>	<b>45</b>	<b>7</b>	<b>47</b>	<b>7</b>
<b>Enterprise Fund Authorized Personnel</b>						
Water	5	0	6	0	6	0
Waste Water	2	0	2	0	2	0
Electric	7	0	7	0	7	0
<b>Enterprise Fund Totals</b>	<b>14</b>	<b>0</b>	<b>15</b>	<b>0</b>	<b>15</b>	<b>0</b>
<b>Internal Service Fund Authorized Personnel</b>						
Administration	4	0	4	0	4	0
Public Works Administration	2	0	2	0	2	0
Finance	4	1	5	0	5	0
Fleet Services	2	0	2	0	2	0
<b>Internal Service Fund Totals</b>	<b>12</b>	<b>1</b>	<b>13</b>	<b>0</b>	<b>13</b>	<b>0</b>
<b>Total Authorized Personnel</b>	<b>67</b>	<b>9</b>	<b>73</b>	<b>7</b>	<b>75</b>	<b>7</b>

\* Six FTE positions are staffed by part time personnel

# PERSONNEL PROJECTION 2017 - 2021

Revenue projections are looking favorable for next year. With the expected increases in sales tax and property tax revenue available we are proposing to offer a merit raise to current employees and add two additional positions to the proposed budget.

As always there is a direct correlation between revenues and staffing. In 2016 we added two additional full time firefighter/paramedics positions, staffed with part time personnel, and one full time position to the Water Department. This gives us four Fire personnel on duty 24 hours a day. This allows for much more flexibility in responding to emergencies. It also brings us into compliance with the National Fire Protection Association (NFPA) standards of four personnel on scene for initial fire attack. This is the next step in transitioning from a combination paid/volunteer department to a fully paid department. A full transition will take several more years to complete.

This year we are proposing to add two new positions. We propose adding a Lieutenant (Detective) to the Police Department. This will help alleviate the flat command structure currently and provide additional assistance with the investigation caseload which is steadily increasing. We also propose adding an event coordinator to the Recreation Department. This will be our first employee in this department. Parks and Recreation continue to increase the number of events held annually and have plans on adding even more events in the future, necessitating the need for this position. This person will also fulfill the administrative assistant role for both Parks and Fire.

## 2016 Plan to Add Additional Personnel in the Future

As Needed	2017	2018	2019	2020	2021
Parks Maint.	Police Lieutenant (Detective)	Police Lieutenant (Patrol)	Police Officer	Police Officer	3 Firefighters
Water Maint.	Special Events Coordinator	Fire Lieutenant	Fire Lieutenant	Firefighter	
Elect. Lineman					
Estimated Cost <sup>1</sup>	\$135,648.00	\$143,202.00	\$134,046.00	\$131,000.00	\$168,000.00

Note 1: Includes salary and benefits. Figure does not include additional equipment, vehicles, or training.

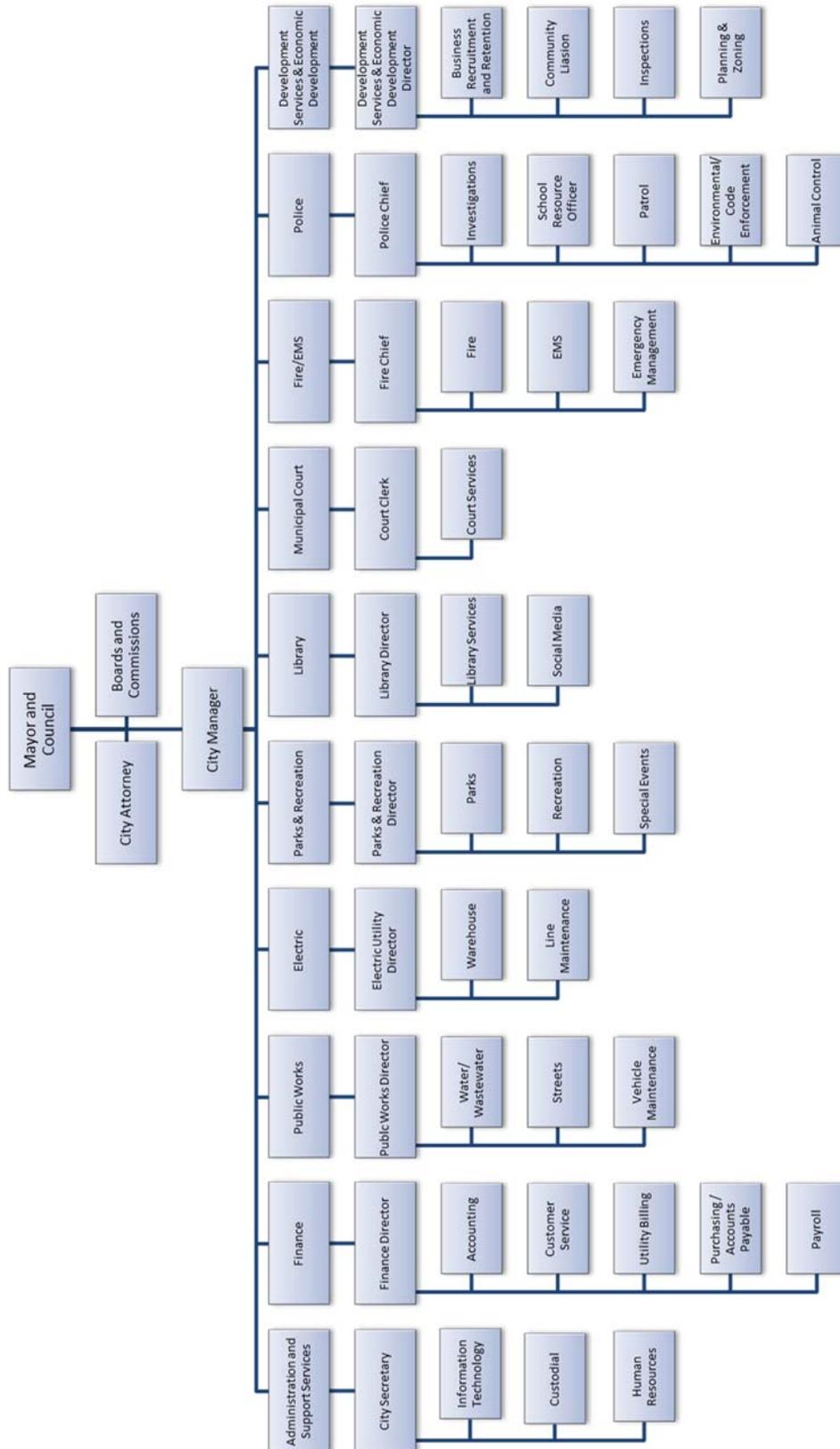
We continue to experience an upturn in new construction and interest in developing new subdivisions. If this continues, and even increases, we will need to add additional personnel to both water and electric to keep up with new service demand as well as routine maintenance. As we expand our parks we will need to add additional personnel there as well.

Additional residents will also place greater demands on public safety. This will require additional police officers and firefighters to meet these growing needs. The Police Lieutenant (Patrol), programmed for 2018, will provide additional supervision and manpower at night. He or she would also help with some of the routine administrative duties. The Fire Lieutenants, programmed for 2018 and 2019, will give us supervisory coverage on all three shifts. Currently only one shift has a lieutenant with the other two shifts being covered by part time officers. In future years additional police officers and firefighters will be needed to respond to increasing call volumes.

## PERSONNEL PROJECTION 2017 - 2021

These needs are based on projected growth and increased demand for service. Obviously, they will also require growth in revenues as well. It is hard to anticipate future revenues so the plan needs to remain flexible. We must also take into account other costs like vehicles, equipment, training and added maintenance when adding additional staff. Our goal is to staff adequately to provide service that is both efficient and effective, while operating within the confines of current revenues. We also want to be as sure as possible that any additional staff can be sustained should revenue streams slow down. I believe that this personnel plan meets these goals.

# ORGANIZATIONAL CHART



# BUDGET CALENDAR

Budget Calendar FY 2016-2017		
Monday	4/4/16	Announce Budget Schedule at Staff Meeting
	4/13/16 - 4/15/16, 4/20/16 - 4/22/16	Gray & Berman meet with Departments
	4/25/16 - 4/29/16	Gray & Berman meet prepare preliminary budget
Thursday	5/5/16	Brice, Gray & Berman meet to discuss revenues
Friday	5/13/16	Submit preliminary budget to Brice for review
	5/13/16 - 5/20/16	Brice review budget
	5/30/16 - 06/03/16	Budget Team meet with departments
Wednesday	6/15/16	Preliminary Budget Completed
Tuesday	7/5/16	Budget Workshop
Monday	7/18/16	Budget Workshop
Monday	7/25/16	Budget Workshop (if needed)
Monday	7/25/16	Chief Appraiser Certifies Tax Roll
Thursday	7/28/16	Notice of Qtr Page Ad - Appraisal District Property Tax Rates
Friday	7/29/16	Budget must be filed with the City Secretary. The budget needs to be ready for inspection by any taxpayer and posted on the website
Monday	8/1/16	Meeting with City Council to discuss tax rate. If proposed tax rate will raise more revenue than the proceeding year's revenue, take record vote and schedule public hearing
Thursday	8/4/16	Notice of Public Hearing on tax increase, send to paper (1st qtr page notice). Must publish at least 7 days before Public Hearing
Monday	8/15/16	First Public Hearing on Tax Rate and Budget
Thursday	8/25/16	Notice of 2nd Public Hearing if necessary
Tuesday	9/6/16	Second Public Hearing on Tax Rate Schedule and announce meeting to adopt tax rate 3-14 days from this date
Monday	9/19/16	Adopt budget for operating and capital expense. Adopt tax rate

# THE BUDGET PROCESS

The fiscal year of the City of Sanger begins on October 1<sup>st</sup> and ends on September 30<sup>th</sup> of the following calendar year. This fiscal year establishes both the budget year and the accounting year.

The budget is developed at a departmental level. In March, the Finance Director develops worksheets that detail expenditures for the past four years, year to date balances as of March 31<sup>st</sup>, and projected totals through the end of the current fiscal year. Upon completion, these worksheets are distributed to individual departments for review and completion. Each department prepares an estimate for their projected totals through the end of the fiscal year and estimates for the upcoming year. For any increases or addition of new items to the budget, departments will document the justification for the requested increases. Once the departments have completed the worksheets, they are returned along with any supporting documentation to the Finance Director.

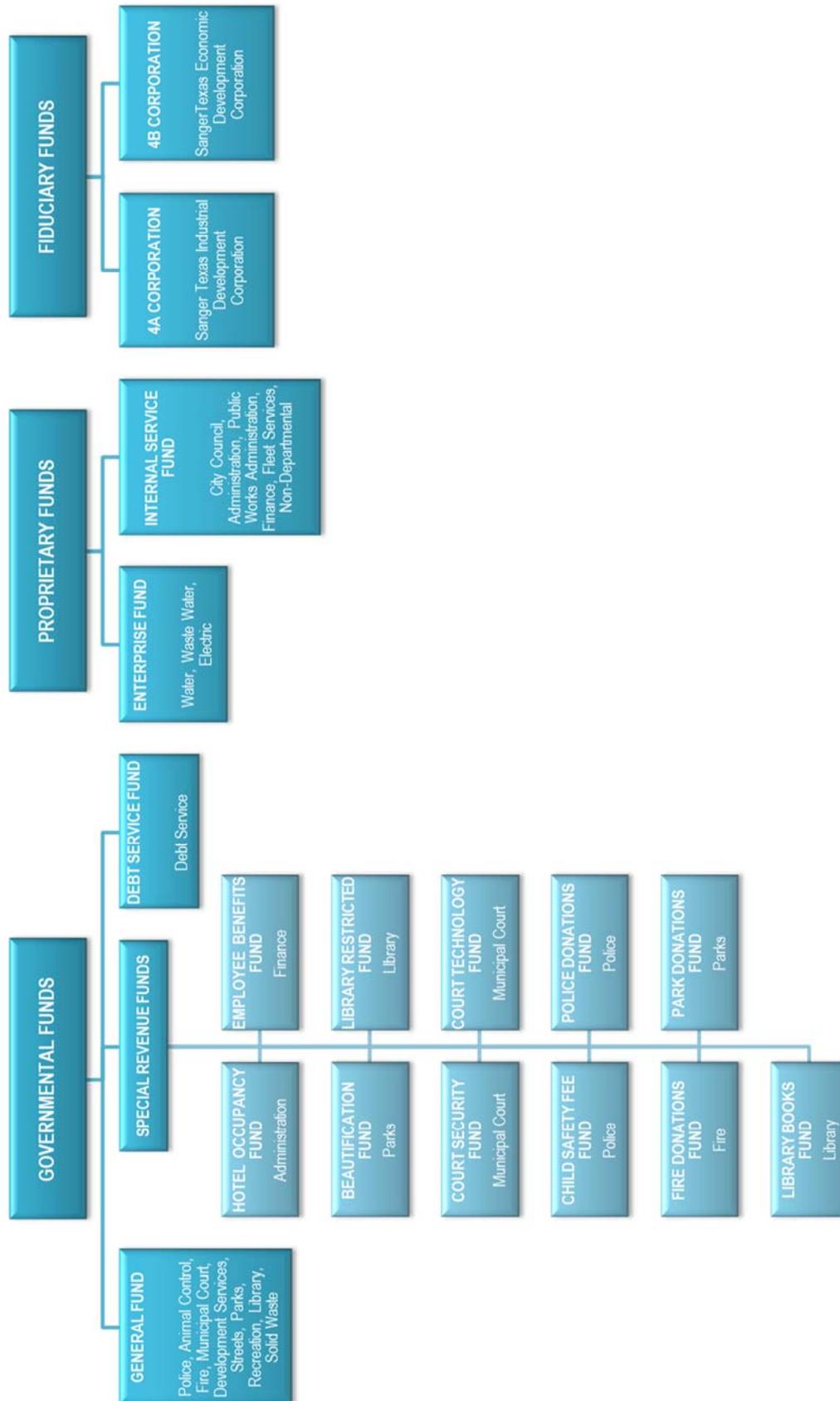
Revenues are projected based on historical trends, the current economic climate and expected future trends. Personnel expenses are prepared based upon the current year, adjusted as necessary for staffing changes or changes in the cost of benefits. Utility expenses are projected based on the current and prior years, modified where applicable due to utility rate changes or changes to City facilities.

The departmental budget worksheets are combined with revenues, personnel and utility expenses to prepare a working budget, which is reviewed by the City Manager. A budget team consisting of the City Manager, the Finance Director and the Parks and Recreation Director meets with each department to review and discuss the requested budget in detail. These meetings assist the City Manager in determining his priorities for the budget.

A series of public budget workshops are held with the City Council, allowing for citizen input for the budget process. These workshops allow the City Council to formulate its priorities for the proposed budget. Following these workshops, the proposed budget is formulated. This proposed budget is filed with the City Secretary and public hearings on the budget to allow for citizen input. Following the public hearings, the budget is ready to be adopted.

The budget may be adopted at any regular or special meeting of the City council prior to the beginning of the fiscal year. On final adoption, the budget is in effect for the budget year. During the year, the City Council may amend or change the budget to provide for any additional expense.

# FUND RELATIONSHIP WITH FUNCTIONAL AREAS



**ORDINANCE #09-17-16**

**AN ORDINANCE OF THE CITY OF SANGER, DENTON COUNTY, TEXAS, ADOPTING THE BUDGET PROVIDING FOR THE APPROPRIATION OF FUNDS FOR OPERATING AND CAPITAL EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING SEPTEMBER 30, 2017, PROVIDING FOR THE INTRA AND INTER DEPARTMENT AND FUND TRANSFERS, PROVIDING FOR UNEXPECTED REVENUES SUCH AS GRANTS, DONATIONS, AND INSURANCE PROCEEDS, PROVIDING FOR AN EFFECTIVE DATE, AND PROVIDING FOR APPROVAL OF THE INVESTMENT POLICY.**

**WHEREAS**, pursuant to the laws of the State of Texas and the City Charter, the budget covering proposed expenditures for the fiscal year beginning October 1, 2016 and ending September 30, 2017 was filed with the City Secretary; and

**WHEREAS**, budget workshops were conducted by the City Council on the proposed budget at which time the proposed budget was fully considered; and

**WHEREAS**, in accordance with the provisions of the City Charter and the Local Government Code, the City Council of the City of Sanger, Texas published notice of public hearing on the budget on August 4, 2016 and conducted public hearings on August 15, 2016 and September 6, 2016; and

**WHEREAS**, Chapter 2256 of the Texas Government Code, commonly known as the "Public Funds Investment Act," requires the City to review its investment policy and investment strategies not less than annually; and

**WHEREAS**, the Public Funds Investment Act requires the governing body to adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument shall record any changes made to either the investment policy or investment strategies; and

**WHEREAS**, the attached City of Sanger Investment Policy is in compliance with the Public Funds Investment Act and requires no changes to either the investment policy or investment strategies; and

**WHEREAS**, The City has implemented Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54) and Fund balance categories under GASB 54 are Nonspendable and Spendable and classifications under the Spendable category are Restricted, Committed, Assigned, and Unassigned and these classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SANGER, TEXAS:**

**Section 1.** That the City Council adopts the budget for the City of Sanger, Texas, a copy of which is on file in the office of the City Secretary and which hereinafter referred to as the "Budget" for the fiscal year beginning October 1, 2016 and ending September 30, 2017.

**Section 2.** That the budget presented by the City Council and reviewed during the public hearing is hereby approved and adopted for the Fiscal Year 2016-2017.

<b>General Fund</b>	<b>\$6,694,546</b>
<b>Enterprise Fund</b>	<b>\$11,601,587</b>
<b>Debt Fund</b>	<b>\$898,582</b>
<b>4A Fund</b>	<b>\$223,106</b>
<b>4B Fund</b>	<b>\$537,500</b>
<b>Special Revenue Funds</b>	<b>\$39,322</b>

**Section 3.** That the City Manager be authorized to make intra and inter department fund transfers during the fiscal year as becomes necessary in order to avoid over expenditure of any departments total budget.

**Section 4.** That the City Manager be authorized to increase the budget for items received during the year that have a corresponding revenue and expenditure such as Grants, Donations, and Insurance Proceeds received for property damage.

**Section 5.** That the City of Sanger has complied with the requirements of the Public Funds Investment Act and the City Council has reviewed the investment policy and investment strategies and there are no changes to either the investment policy or investment strategies.

**Section 6.** In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly unassigned fund balance. When it is appropriate for fund balance to be assigned, the City Council hereby delegates the authority to the City Manager. The following fund balances are committed: Equipment Replacement Funds, Library Building Expansion Funds, Beautification Board Funds, all Donated Funds, and Capital Projects Funds.

**Section 7.** This ordinance is effective immediately upon its adoption.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Sanger, Texas on this 19th day of September 2016.

ATTEST:

  
 Cheryl Price, Deputy City Secretary



  
 Thomas Muir, Mayor

**ORDINANCE #09-18-16**

**AN ORDINANCE OF THE CITY OF SANGER, DENTON COUNTY, TEXAS, LEVYING A TAX RATE FOR THE GENERAL GOVERNMENT FOR THE FISCAL YEAR 2016-2017 AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Sanger finds that a tax rate of \$0.6795 per \$100 valuation for the Fiscal Year 2016-2017, hereinafter levied for current expenses of the City and general improvements of the City and its property, must be levied to provide the revenue requirements of the budget for the ensuing year; and

**WHEREAS**, all statutory and constitutional requirements for the levy and assessment of ad valorem taxes have been completed in due and correct time and all requirements of the Sanger Charter have been met;

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SANGER, TEXAS:**

**SECTION 1:** That the City Council does hereby levy and adopt the tax rate on \$100 assessed valuation for the City for maintenance and operation of the City government for the tax year 2016-2017 as follows:

0.513353/\$100

**SECTION 2:** That the City Council does hereby levy and adopt the tax rate on \$100 assessed valuation for the City for debt service for City government for the tax year 2016-2017 as follows:

0.166147/\$100

**SECTION 3:** This ordinance is effective upon its adoption.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Sanger, Texas on this 19th\_ day of September 2016.

**ATTEST:**

  
\_\_\_\_\_  
Cheryl Price, Deputy City Secretary



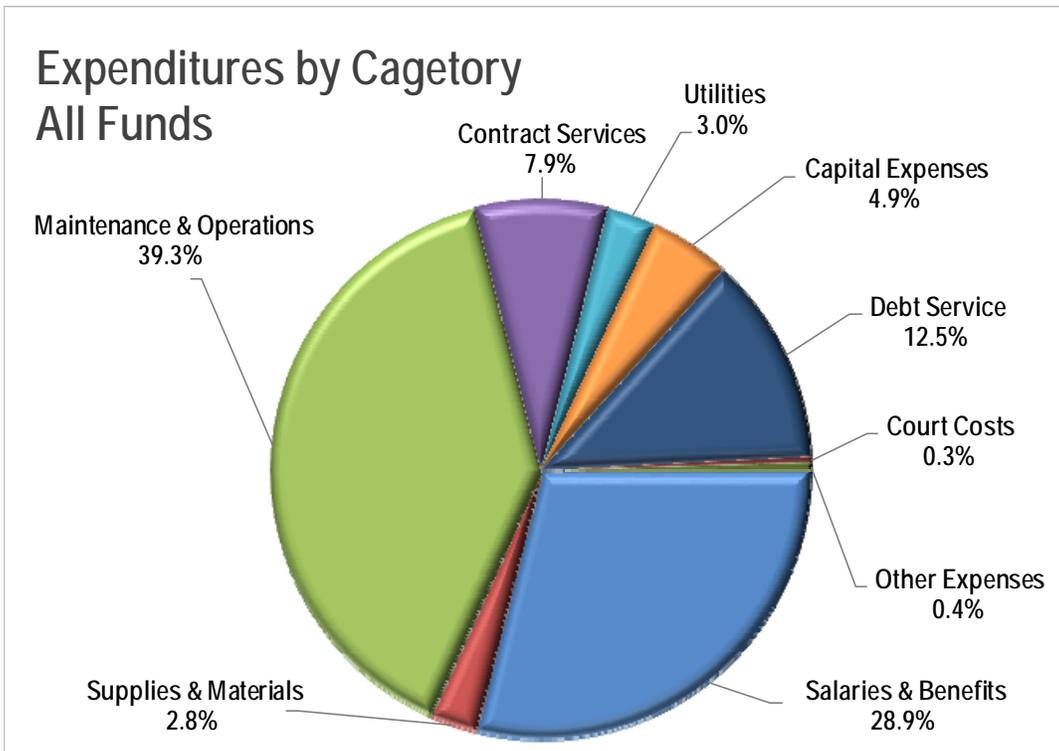
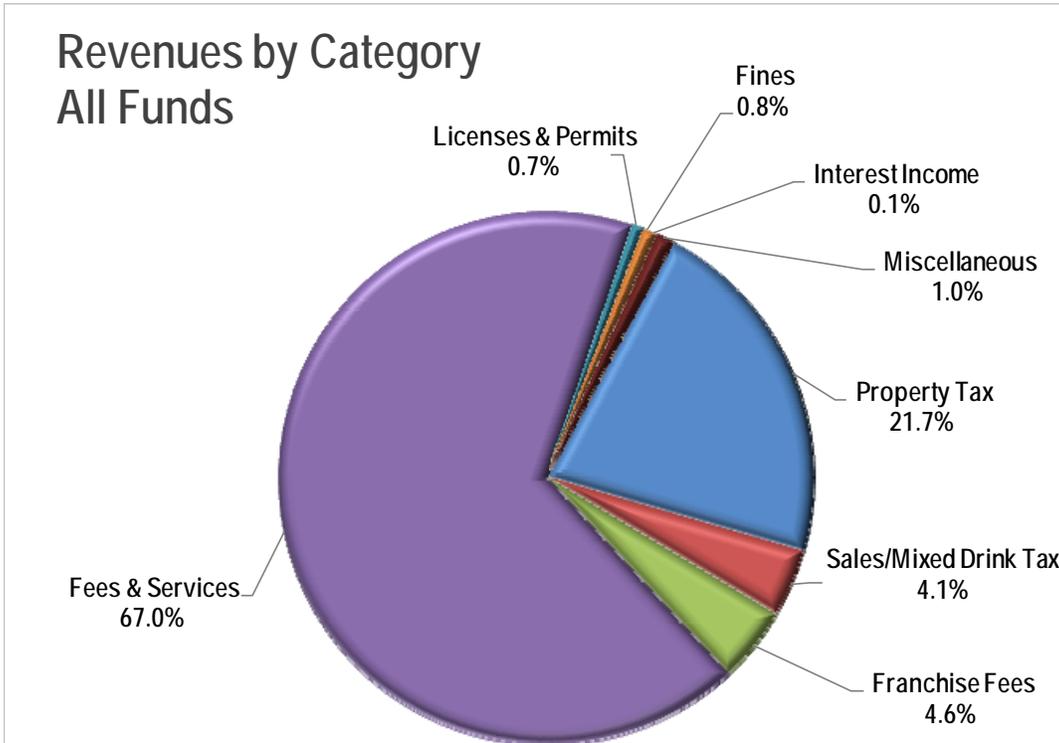
  
\_\_\_\_\_  
Thomas Muir, Mayor



# COMBINED FUNDS BUDGET SUMMARY

	General Fund	Debt Service Fund	Enterprise Fund	Internal Service Fund	4A Fund	4B Fund	Special Revenue Funds	Total
<b>Beginning Fund Balance</b>	<b>2,295,917</b>	<b>248,760</b>	<b>14,642,032</b>	<b>-</b>	<b>1,888,130</b>	<b>928,487</b>	<b>152,382</b>	<b>20,155,708</b>
<b>Revenues</b>								
Property Tax	2,844,518	676,038	-	-	362,500	362,500	20,000	4,265,556
Sales & Mixed Drink Tax	805,000	-	-	-	-	-	-	805,000
Franchise Fees	901,565	-	-	-	-	-	-	901,565
Fees & Services	1,422,704	-	11,737,500	-	-	-	-	13,160,204
Licenses & Permits	130,100	-	-	-	-	-	-	130,100
Fines	140,000	-	-	-	-	-	15,500	155,500
Interest Income	4,000	100	15,000	-	1,000	1,000	-	21,100
Miscellaneous	77,500	-	42,000	-	78,000	-	7,500	205,000
<b>Total Revenues</b>	<b>6,325,387</b>	<b>676,138</b>	<b>11,794,500</b>	<b>-</b>	<b>441,500</b>	<b>363,500</b>	<b>43,000</b>	<b>19,644,025</b>
<b>Other Sources</b>								
Transfers In	342,999	212,500	-	1,540,149	50,000	-	-	2,145,648
<b>Total Other Sources</b>	<b>342,999</b>	<b>212,500</b>	<b>-</b>	<b>1,540,149</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>2,145,648</b>
<b>Total Revenues/Sources</b>	<b>6,668,386</b>	<b>888,638</b>	<b>11,794,500</b>	<b>1,540,149</b>	<b>491,500</b>	<b>363,500</b>	<b>43,000</b>	<b>21,789,673</b>
<b>Expenditures</b>								
Salaries & Benefits	3,108,377	-	1,091,683	1,001,803	123,822	-	2,500	5,328,185
Supplies & Materials	301,589	-	83,590	105,990	20,800	-	11,822	523,791
Maintenance & Operations	433,659	-	6,754,919	50,900	6,867	-	-	7,246,345
Contract Services	1,021,574	-	76,200	326,062	6,250	-	25,000	1,455,086
Utilities	160,020	-	341,850	42,094	4,100	-	-	548,064
Capital Expenses	329,000	-	253,522	13,300	-	300,000	-	895,822
Debt Service	108,000	790,583	1,344,919	-	61,267	-	-	2,304,769
Court Costs	58,282	-	-	-	-	-	-	58,282
Other Expenses	75,000	-	-	-	-	-	-	75,000
<b>Total Expenditures</b>	<b>5,595,501</b>	<b>790,583</b>	<b>9,946,683</b>	<b>1,540,149</b>	<b>223,106</b>	<b>300,000</b>	<b>39,322</b>	<b>18,435,344</b>
<b>Other Uses</b>								
Transfers Out	1,012,045	107,999	1,654,904	-	-	237,500	-	3,012,448
<b>Total Other Uses</b>	<b>1,012,045</b>	<b>107,999</b>	<b>1,654,904</b>	<b>-</b>	<b>-</b>	<b>237,500</b>	<b>-</b>	<b>3,012,448</b>
<b>Total Expenses/Uses</b>	<b>6,607,546</b>	<b>898,582</b>	<b>11,601,587</b>	<b>1,540,149</b>	<b>223,106</b>	<b>537,500</b>	<b>39,322</b>	<b>21,447,792</b>
<b>Excess of Revenues/Sources over Expenditures/Uses</b>	<b>60,840</b>	<b>(9,944)</b>	<b>192,913</b>	<b>-</b>	<b>268,394</b>	<b>(174,000)</b>	<b>3,678</b>	<b>341,881</b>
<b>Ending Fund Balance</b>	<b>2,356,758</b>	<b>238,816</b>	<b>14,834,945</b>	<b>-</b>	<b>2,156,524</b>	<b>754,487</b>	<b>156,060</b>	<b>20,497,589</b>

# COMBINED FUND BUDGET SUMMARY



# GENERAL FUND

The General Fund is the principle operating fund for resources (revenues) and uses of resources (expenditures) for what are generally recognized as governmental functions and services. In general, all activities are recorded in this fund unless there is a managerial or legal reason for it to be recorded in another fund.

The General Fund receives revenues from property taxes, sales taxes, franchise fees, fines, fees for service, interest income and other miscellaneous general revenue sources.

The General Fund includes these departments:

- Police
- Animal Control
- Fire
- Municipal Court
- Development Services
- Streets
- Parks
- Recreation
- Library
- Solid Waste

The basis of accounting for the General Fund for both financial reporting and budgeting is the modified accrual basis.

# GENERAL FUND BUDGET SUMMARY

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Beginning Fund Balance</b>	<b>1,084,287</b>	<b>1,725,506</b>	<b>1,725,506</b>	<b>2,295,917</b>
<b>Revenues</b>				
Taxes	2,980,942	3,070,000	3,245,487	3,649,518
Franchise Fees	741,011	891,195	894,549	901,565
Solid Waste	740,850	735,000	747,888	748,500
Licenses & Permits	124,037	125,750	130,618	130,100
Fines	113,958	140,000	139,022	140,000
Fire & EMS	489,211	495,000	587,120	585,000
Police & Animal Control	54,492	55,150	62,600	49,254
Parks & Recreation	13,861	9,200	14,860	18,800
Library	23,938	21,140	21,428	21,150
Interest Income	2,712	2,500	8,396	4,000
Miscellaneous	112,753	77,500	67,940	77,500
<b>Total General Fund Revenues</b>	<b>5,397,765</b>	<b>5,622,435</b>	<b>5,919,908</b>	<b>6,325,387</b>
<b>Other Sources</b>				
Transfers In	493,535	461,536	401,536	342,999
<b>Total Other Sources</b>	<b>493,535</b>	<b>461,536</b>	<b>401,536</b>	<b>342,999</b>
<b>Total Revenues/Sources</b>	<b>5,891,300</b>	<b>6,083,971</b>	<b>6,321,444</b>	<b>6,668,386</b>
<b>Expenditures</b>				
Salaries & Benefits	2,522,214	2,910,651	2,793,748	3,108,377
Supplies & Materials	225,456	272,639	265,581	301,589
Maintenance & Operations	332,353	372,666	336,693	433,659
Contract Services	879,136	958,069	924,098	1,021,574
Utilities	140,744	186,768	132,977	160,020
Capital Expenses	195,134	340,700	340,000	329,000
Debt Service	195,628	166,536	103,051	108,000
Court Costs	42,769	57,472	45,053	58,282
Other Expenses	2,154	-	2,962	75,000
<b>Total Expenditures</b>	<b>4,535,588</b>	<b>5,265,501</b>	<b>4,944,164</b>	<b>5,595,501</b>
<b>Other Uses</b>				
Transfers Out	714,493	806,869	806,869	1,012,045
<b>Total Other Uses</b>	<b>714,493</b>	<b>806,869</b>	<b>806,869</b>	<b>1,012,045</b>
<b>Total Expenses/Uses</b>	<b>5,250,081</b>	<b>6,072,370</b>	<b>5,751,033</b>	<b>6,607,546</b>
<b>Excess of Revenues/Sources over Expenditures/Uses</b>	<b>641,219</b>	<b>11,601</b>	<b>570,411</b>	<b>60,840</b>
<b>Ending Fund Balance</b>	<b>1,725,506</b>	<b>1,737,107</b>	<b>2,295,917</b>	<b>2,356,758</b>

# GENERAL FUND REVENUES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Taxes</b>				
4310 Property Tax	2,156,872	2,310,000	2,394,399	2,804,518
4311 Delinquent Prop. Tax	20,497	15,000	14,112	20,000
4321 Penalty & Interest Prop. Tax	26,221	15,000	15,798	20,000
4325 Sales Tax	773,477	725,000	816,148	800,000
4350 Mixed Drink Tax	3,875	5,000	5,030	5,000
<b>Total Taxes</b>	<b>2,980,942</b>	<b>3,070,000</b>	<b>3,245,487</b>	<b>3,649,518</b>
<b>Franchise Fees</b>				
4460 Century Link	6,941	9,500	13,175	9,000
4461 ATMOS	54,341	45,000	43,264	45,000
4465 Suddenlink	24,468	40,000	42,718	42,000
4470 COSERV	49,037	70,000	67,202	70,000
4480 Cebridge	12,534	1,000	2,534	2,400
4483 Water	78,500	99,000	99,000	100,200
4484 Sewer	70,000	94,080	94,080	97,500
4485 Sanger Electric	398,750	485,415	485,415	485,265
4489 Progressive	40,329	42,000	41,046	42,000
4490 Roll-offs	5,338	5,000	5,919	8,000
4495 ROW fees	773	200	196	200
<b>Total Franchise Fees</b>	<b>741,011</b>	<b>891,195</b>	<b>894,549</b>	<b>901,565</b>
<b>Solid Waste</b>				
4190 Sanitation Billing	729,840	725,000	737,112	738,000
4191 Sanitation Penalties	11,010	10,000	10,776	10,500
<b>Total Solid Waste</b>	<b>740,850</b>	<b>735,000</b>	<b>747,888</b>	<b>748,500</b>
<b>Licenses &amp; Permits</b>				
4510 Building Permits	97,431	100,000	81,064	100,000
4511 Zoning Variances and Plats	5,000	4,000	5,024	5,000
4512 Variances and Plats	1,528	0	2,580	2,500
4520 Health Permits	15,588	15,000	34,300	17,000
4530 Electrical Licenses	1,755	2,000	2,000	1,000
4540 Plumbing Licenses	85	200	0	400
4545 Fire Alarm/Sprinkler	240	200	100	200
4550 AC & Mechanical	1,250	1,000	1,900	1,500
4555 Irrigation	700	1,000	2,000	2,000
4575 RV Park Annual Permit	0	1,350	650	0
4580 SOB Annual Permit	0	500	1,000	0
4581 Beer & Wine Permit	460	500	0	500
<b>Total Licenses &amp; Permits</b>	<b>124,037</b>	<b>125,750</b>	<b>130,618</b>	<b>130,100</b>

# GENERAL FUND REVENUES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
4600 Default/Court	757	650	460	500
4603 Judicial Fee- County-JFCT	2,941	3,800	3,626	3,700
4604 Judicial Fee-City	337	420	408	450
4606 Expunction Fee	0	0	22	0
4607 State Traffic Fee	9,706	12,300	11,772	12,000
4608 Consolidated Court Fee	21,660	28,130	27,214	27,300
4609 State Jury Fee	2,158	2,820	2,698	2,750
4615 Child Safety Court Cost	2,137	3,310	280	300
4617 Insurance & Dismissal Fees	340	100	980	1,000
4620 Special Expense Fee	16,849	25,000	13,856	14,000
4621 Truancy Prevention Fund	1,011	1,400	1,292	1,300
4625 Fines	38,870	44,300	56,954	57,000
4627 Warrant Fees	4,182	3,600	4,778	4,800
4628 Arrest Fees	2,353	3,000	3,142	3,150
4630 LEOSE-Police	0	0	10	0
4637 Traffic Code	1,208	1,800	1,164	1,200
4639 Civil Justice Fee	38	60	52	50
4640 Defensive Driving Fee	622	740	826	850
4642 Cash Bonds Court	(30)	0	0	0
4643 Time Payment Local	592	720	488	500
4645 Municipal Service Bureau	5,266	4,850	5,492	5,500
4646 Time Payment State	584	700	488	500
4648 Truancy Defensive Fund	1,084	1,400	1,352	1,400
4651 TLFTA1	862	600	1,120	1,150
4652 TLFTA2	253	170	324	350
4653 TLFTA3	178	130	224	250
<b>Fines</b>	<b>113,958</b>	<b>140,000</b>	<b>139,022</b>	<b>140,000</b>
<b>Fire &amp; EMS</b>				
4740 Fire Denton Co. Interlocal	10,000	10,000	10,000	10,000
4750 EMS Denton Co. Interlocal	247,958	250,000	250,000	250,000
4770 Intermedix	733	0	0	0
4772 Emergicon	230,520	235,000	327,120	325,000
<b>Total Fire &amp; EMS</b>	<b>489,211</b>	<b>495,000</b>	<b>587,120</b>	<b>585,000</b>
<b>Police and Animal Control</b>				
4050 Animal Control Fees	1,390	1,250	1,310	1,250
4051 Child Safety	7,917	8,000	11,431	0
4055 Mowing Fees	7,732	5,000	6,596	6,000
4056 Police Fees	3,134	3,500	2,982	3,000
4057 Sanger ISD Resource Officer	32,702	37,000	39,811	38,604
4058 State Reimbursements	1,617	400	470	400
<b>Total Police and Animal Control</b>	<b>54,492</b>	<b>55,150</b>	<b>62,600</b>	<b>49,254</b>

# GENERAL FUND REVENUES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Parks &amp; Recreation</b>				
4032 Community Center Fees	6,253	5,000	7,200	6,200
4033 Park & Ballfield Revenues	7,608	4,200	7,300	7,600
4034 Tournament Fees	0	0	360	2,000
4940 Park Donations	0	0	0	3,000
<b>Total Parks and Recreation</b>	<b>13,861</b>	<b>9,200</b>	<b>14,860</b>	<b>18,800</b>
<b>Library</b>				
4180 Library Misc.	2,167	1,100	72	75
4181 Library Fines	2,157	2,000	1,518	1,500
4182 Library Copies	2,413	2,000	1,974	2,000
4183 Inter Library loan	1,034	2,400	82	100
4184 Library Cards	81	75	68	75
4185 lost Books	335	65	214	100
4189 Denton County Library Grant	0 15,751	0 13,500	1,700 15,800	1,500 15,800
<b>Total Library</b>	<b>23,938</b>	<b>21,140</b>	<b>21,428</b>	<b>21,150</b>
4800 Interest Income	2,712	2,500	8,396	4,000
<b>Interest Income</b>	<b>2,712</b>	<b>2,500</b>	<b>8,396</b>	<b>4,000</b>
<b>Miscellaneous Income</b>				
4009 Proceeds from Sale of Assets	60,797	25,000	13,948	25,000
4900 Rental Income	22,352	22,500	22,986	22,500
4910 Misc. Income GF	15,191	17,000	26,804	17,000
4946 Insurance Damage Reimb.	14,413	13,000	4,202	13,000
<b>Total Miscellaneous</b>	<b>112,753</b>	<b>77,500</b>	<b>67,940</b>	<b>77,500</b>
<b>Total General Fund Revenues</b>	<b>5,397,765</b>	<b>5,622,435</b>	<b>5,919,908</b>	<b>6,325,387</b>
<b>Transfers</b>				
4980 PILOT from EF	335,000	85,000	85,000	85,000
4980 Transfer from EF	0	150,000	150,000	150,000
Transfer from ERF	0	60,000	0	0
4987 From DSF	158,535	166,536	166,536	107,999
<b>Total Transfers</b>	<b>493,535</b>	<b>461,536</b>	<b>401,536</b>	<b>342,999</b>
<b>Total General Fund Revenues &amp; Tran</b>	<b>5,891,300</b>	<b>6,083,971</b>	<b>6,321,444</b>	<b>6,668,386</b>



# POLICE DEPARTMENT

The Police Department provides law enforcement services for the City. It is tasked with upholding and protecting the safety and security of citizens and visitors to the City of Sanger. The police department also is charged with code enforcement and environmental enforcement responsibilities.

<b>Budget Summary</b>	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	910,645	1,075,155	1,027,114	1,116,919	41,764	3.88%
Supplies & Materials	34,255	46,500	47,400	48,100	1,600	3.44%
Maintenance & Operations	57,480	90,000	90,000	90,000	-	0.00%
Contract Services	91,629	98,919	119,419	119,419	20,500	20.72%
Utilities	23,729	27,447	24,400	25,500	(1,947)	-7.09%
Capital Expenses	110,920	203,000	203,000	164,000	(39,000)	-19.21%
<b>Total</b>	<b>1,228,658</b>	<b>1,541,021</b>	<b>1,511,333</b>	<b>1,563,938</b>	<b>22,917</b>	<b>1.49%</b>

<b>Authorized Employees</b>	2015	2016	2017
Full Time	14	14	15
Part Time	0	0	0

# POLICE DEPARTMENT

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>20-Police Expenditures</b>				
<b>51-Salaries And Benefits</b>				
5110 Regular Salaries	657,776	742,210	704,000	764,917
5111 Merit Increase	-	14,844	14,844	15,299
5117 Vacation Compensation	-	6,000	-	6,000
5120 Overtime	31,973	35,000	40,000	35,000
5125 Longevity Pay	7,960	8,672	-	8,660
5130 F I C A	50,685	59,221	62,000	63,669
5140 Retirement	48,830	55,815	60,000	65,105
5150 Health Insurance	97,667	117,000	110,000	117,000
5160 Worker's Compensation	15,388	35,758	36,000	38,533
5170 T.E.C.	131	135	20	2,736
5180 Medical/Physicals	210	500	250	-
5182 Background Checks	25	-	-	-
<b>Total 51-Salaries And Benefits</b>	<b>910,645</b>	<b>1,075,155</b>	<b>1,027,114</b>	<b>1,116,919</b>
<b>52-Supplies And Materials</b>				
5210 Office Supplies	3,686	5,500	5,500	5,500
5235 Dues And Subscriptions	3,655	500	500	500
5240 Conferences And Training	892	6,000	6,000	6,000
5245 Janitorial Supplies, Etc.	506	700	700	700
5255 Wearing Apparel	17,482	9,800	9,800	10,500
5260 Safety Equipment	4,237	7,000	7,000	7,000
5265 Drug Prev & Investigation	847	1,500	1,500	1,500
5266 Child Safety	-	500	500	500
5275 Filing Fees	900	-	900	900
5280 Computer Systems	-	15,000	15,000	15,000
5298 Non Capital Supplies And Materials	2,050	-	-	-
<b>Total 52-Supplies And Materials</b>	<b>34,255</b>	<b>46,500</b>	<b>47,400</b>	<b>48,100</b>
<b>53-Maintenance And Operations</b>				
5310 R & M Building	908	10,000	10,000	10,000
5310 Motor Vehicle Fuel	33,540	56,000	56,000	56,000
5325 R & M Motor Vehicle	19,389	20,000	20,000	20,000
5326 R & M Minor Equipment	1,525	1,500	1,500	1,500
5332 Office Machine Lease	2,118	2,500	2,500	2,500
<b>Total 53-Maintenance And Operations</b>	<b>57,480</b>	<b>90,000</b>	<b>90,000</b>	<b>90,000</b>

# POLICE DEPARTMENT

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>20-Police Expenditures</b>				
<b>54-Contract Services</b>				
5420 Contractual Services	183	-	-	-
5430 Professional Services	20,228	20,000	40,500	40,500
5450 Technical Support	20,465	21,000	21,000	21,000
5451 Annual Software Support	12,871	22,500	22,500	22,500
5460 Dispatch Services	37,882	35,419	35,419	35,419
5498 Non Cap Contract Services				
<b>Total 54-Contract Services</b>	<b>91,629</b>	<b>98,919</b>	<b>119,419</b>	<b>119,419</b>
<b>55-Utilities</b>				
5510 Telephone Services	-	2,900	-	-
5515 Electric	9,185	9,194	8,000	8,800
5516 Gas Utilities	823	853	800	700
5520 Cell Phone	13,721	14,500	15,600	16,000
<b>Total 55-Utilities</b>	<b>23,729</b>	<b>27,447</b>	<b>24,400</b>	<b>25,500</b>
<b>61-Capital Outlay</b>				
6120 Building Improvements	14,630	-	-	-
6130 Vehicles	96,290	98,000	98,000	154,700
6135 Mobile Equipment	-	105,000	105,000	9,300
<b>Total 61-Capital Outlay</b>	<b>110,920</b>	<b>203,000</b>	<b>203,000</b>	<b>164,000</b>
<b>Total 20-Police</b>	<b>1,228,658</b>	<b>1,541,021</b>	<b>1,511,333</b>	<b>1,563,938</b>



# ANIMAL CONTROL DEPARTMENT

Animal Control provides for the safety of the public through the control of wild and domesticated animals. It is also charged with providing for the welfare of animals within the City. Animal control is responsible for the adoption of abandoned and surrendered animals. Animal control operates under the supervision of the Police Chief.

Budget Summary	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	49,927	51,218	55,394	52,605	1,387	2.71%
Supplies & Materials	54,976	48,100	48,100	48,100	-	0.00%
Maintenance & Operations	4,299	7,800	1,500	5,500	(2,300)	-29.49%
Utilities	600	600	600	600	-	0.00%
<b>Total</b>	<b>109,802</b>	<b>107,718</b>	<b>105,594</b>	<b>106,805</b>	<b>(913)</b>	<b>-0.85%</b>

Authorized Employees	2015	2015	2017
Full Time	1	1	1
Part Time	0	0	0

# ANIMAL CONTROL DEPARTMENT

22-Animal Control Expenditures	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>51-Salaries And Benefits</b>				
5110 Salaries	35,403	34,768	38,000	35,461
5111 Merit Increase	-	695	695	709
5120 Overtime	701	1,000	1,000	1,000
5125 Longevity Pay	120	172	168	216
5130 F I C A	2,647	2,771	3,000	2,906
5140 Retirement	2,543	2,612	3,100	2,971
5150 Health Insurance	7,546	7,800	8,700	7,800
5160 Worker's Compensation	958	1,290	600	1,352
5170 T.E.C.	9	10	31	190
5175 Earp (Employer Assist.Prog)	-	50	50	-
5180 Medical/Physicals	-	50	50	-
<b>Total 51-Salaries And Benefits</b>	<b>49,927</b>	<b>51,218</b>	<b>55,394</b>	<b>52,605</b>
<b>52-Supplies And Materials</b>				
5210 Office Supplies	-	50	50	50
5223 Chemical Supplies	23	250	250	250
5235 Dues And Subscriptions	60	100	100	100
5240 Conferences And Training	-	900	900	900
5245 Janitorial Supplies	-	100	100	100
5248 Animal Care Expense	54,063	45,000	45,000	45,000
5250 Tools & Equipment	130	500	500	500
5255 Wearing Apparel	673	700	700	700
5260 Safety Equipment	27	500	500	500
<b>Total 52-Supplies And Materials</b>	<b>54,976</b>	<b>48,100</b>	<b>48,100</b>	<b>48,100</b>
<b>53-Maintenance And Operations</b>				
5320 Motor Vehicle Fuel	4,299	6,300	-	4,000
5325 R & M Motor Vehicle	-	1,000	1,000	1,000
5326 R & M Minor Equipment	-	500	500	500
<b>Total 53-Maintenance And Operations</b>	<b>4,299</b>	<b>7,800</b>	<b>1,500</b>	<b>5,500</b>
<b>55-Utilities</b>				
5520 Cell Phone	600	600	600	600
<b>Total 55-Utilities</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>
<b>Total 22-Animal Control</b>	<b>109,802</b>	<b>107,718</b>	<b>105,594</b>	<b>106,805</b>

# FIRE DEPARTMENT

The Fire Department is responsible for all facets of fire suppression and prevention within the City and surrounding area of the county. It is a combination department made up of paid staff and volunteers. The fire station is staffed around the clock for rapid response to emergencies. Other duties include rescue, emergency medical services and public education.

Budget Summary	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	585,455	729,331	675,205	756,465	27,134	3.72%
Supplies & Materials	53,242	79,520	75,065	97,450	17,930	22.55%
Maintenance & Operations	62,085	73,180	64,385	87,550	14,370	19.64%
Contract Services	20,033	26,000	26,400	29,000	3,000	11.54%
Utilities	15,196	20,519	14,985	18,600	(1,919)	-9.35%
Capital Expenses	10,490	-	-	86,000	86,000	-
Debt Service	144,092	115,000	51,515	56,464	(58,536)	-50.90%
Other Department Expense	2,154	-	2,962	75,000	75,000	-
<b>Total</b>	<b>892,747</b>	<b>1,043,550</b>	<b>910,517</b>	<b>1,206,529</b>	<b>162,979</b>	<b>-2.81%</b>

Full Time Equivalents*	9	12	12	*
Part Time	1	1	1	

\* Six FTE positions staffed by part time personnel.

# FIRE DEPARTMENT

24-Fire And Ambulance Expenditures	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>51-Salaries And Benefits</b>				
5110 Salaries	242,973	275,000	242,000	277,138
5111 Merit Increase	-	9,705	9,705	10,872
5112 Temp/Part-Time Salaries	142,283	240,000	210,000	240,000
5120 Overtime	70,531	54,000	56,000	54,000
5125 Longevity Pay	1,828	1,305	-	2,428
5126 Special Pay	9,623	10,800	10,800	9,969
5130 F I C A	32,481	36,213	43,000	47,544
5140 Retirement	20,811	17,908	22,000	24,613
5145 Pension Fund	3,276	6,000	3,100	6,000
5150 Health Insurance	42,234	46,800	40,000	46,800
5160 Worker's Compensation	8,881	19,000	24,000	23,800
5165 Disability Insurance	9,176	8,000	12,000	8,000
5170 T.E.C.	1,006	4,000	2,000	5,301
5180 Medical/Physicals	185	500	500	-
5185 Flex Fees	-	100	100	-
5182 Background Checks	167	-	-	-
<b>Total 51-Salaries And Benefits</b>	<b>585,455</b>	<b>729,331</b>	<b>675,205</b>	<b>756,465</b>
<b>52-Supplies And Materials</b>				
5210 Office Supplies	1,410	1,750	1,500	1,750
5215 Food	464	1,000	750	1,000
5223 Chemical Supplies	315	750	750	1,250
5225 Maps & Subscriptions	-	500	-	500
5230 Advertising/Public Education	2,879	3,250	3,250	3,250
5235 Dues & Registration	4,777	10,500	16,000	20,000
5240 Conferences And Training	-	3,200	3,200	3,200
5245 Janitorial Supplies	480	1,000	1,000	1,000
5250 Tools & Equipment	933	2,000	2,000	2,000
5255 Wearing Apparel	11,811	11,000	11,000	11,000
5260 Safety Equipment	6,506	8,955	-	10,000
5262 Ems Supplies	22,096	26,000	29,000	33,500
5280 Computer Systems	-	6,615	6,615	6,000
5285 Furniture & Fixtures	-	3,000	-	3,000
5298 Non Capital Supplies & Materials	1,571	-	-	-
<b>Total 52-Supplies And Materials</b>	<b>53,242</b>	<b>79,520</b>	<b>75,065</b>	<b>97,450</b>

# FIRE DEPARTMENT

24-Fire And Ambulance Expenditures	Actual	Budget	Estimate	Budget
<b>53-Maintenance And Operations</b>				
5310 R & M Building	5,599	7,500	7,500	7,500
5320 Motor Vehicle Fuel	18,088	22,500	15,000	22,500
5325 R & M Motor Vehicle	27,990	22,795	22,000	22,000
5326 R & M Minor Equipment	8,691	11,750	11,750	11,500
5345 Lease Equipment	1,344	-	-	6,300
5375 Minor Equipment	223	1,750	1,750	1,750
5376 Hep. B Immunizations	-	1,000	500	1,000
5390 Radios Fire Dept.	150	5,885	5,885	15,000
<b>Total 53-Maintenance And Operations</b>	<b>62,085</b>	<b>73,180</b>	<b>64,385</b>	<b>87,550</b>
<b>54-Contract Services</b>				
5430 Professional Services/Emergicon	2,935	7,000	7,000	5,000
5440 Medical Services	-	-	-	-
5450 Technical Support	5,860	6,000	8,400	10,500
5451 Annual Software Support	1,455	3,000	-	3,000
5460 Dispatch Services	9,783	10,000	11,000	10,500
<b>Total 54-Contract Services</b>	<b>20,033</b>	<b>26,000</b>	<b>26,400</b>	<b>29,000</b>
<b>55-Utilities</b>				
5510 Telephone Services	-	1,319	-	-
5515 Electric	11,939	15,000	11,385	15,000
5516 Gas Service	561	600	600	600
5520 Cell Phone	2,696	3,600	3,000	3,000
<b>Total 55-Utilities</b>	<b>15,196</b>	<b>20,519</b>	<b>14,985</b>	<b>18,600</b>
<b>56-Grant Expense</b>				
5610 Grant Expense	-	-	2,962	2,500
5624 Grant Match	2,154	-	-	72,500
<b>Total 56-Grant Expense</b>	<b>2,154</b>	<b>-</b>	<b>2,962</b>	<b>75,000</b>

# FIRE DEPARTMENT

<b>24-Fire And Ambulance Expenditures</b>	<b>2014-15 Actual</b>	<b>2015-16 Budget</b>	<b>2015-16 Estimate</b>	<b>2016-17 Budget</b>
<b>61-Capital Outlay</b>				
6130 Vehicles	8,592	-	-	-
6135 Mobile Equipment	-	-	-	86,000
6145 Fire Equipment	1,898	-	-	-
<b>Total 61-Capital Outlay</b>	<b>10,490</b>		<b>-</b>	<b>86,000</b>
<b>70-Debt Payments</b>				
7006 Lease Payment	138,345	115,000	38,356	51,752
7099 Interest Expense	5,747	-	13,159	4,712
<b>Total 70-Debt Payments</b>	<b>144,092</b>	<b>115,000</b>	<b>51,515</b>	<b>56,464</b>
<b>Total 24-Fire And Ambulance</b>	<b>892,747</b>	<b>1,043,550</b>	<b>910,517</b>	<b>1,206,529</b>

# MUNICIPAL COURT DEPARTMENT

The Municipal Court is responsible for the adjudication of criminal matters arising from events occurring within the City. The Municipal Court tracks and collects fines and warrants, holds court to adjudicate cases and renders fines to the appropriate state agency.

Budget Summary	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	103,871	129,596	115,248	131,846	\$2,250	1.74%
Supplies & Materials	4,375	5,000	4,060	4,800	(\$200)	-4.00%
Maintenance & Operations	10,811	3,200	1,817	2,700	(\$500)	-15.63%
Contract Services	29,411	36,000	21,262	36,000	\$0	0.00%
Utilities	5,243	9,450	4,341	8,100	(\$1,350)	-14.29%
Court Costs	42,769	57,472	45,053	58,282	\$810	1.41%
<b>Total</b>	<b>196,480</b>	<b>240,718</b>	<b>191,781</b>	<b>241,728</b>	<b>1,010</b>	<b>0.42%</b>

Authorized Employees	2015	2016	2017
Full Time	2	2	2

# MUNICIPAL COURT DEPARTMENT

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>26-Municipal Court Expenditures</b>				
<b>51-Salaries And Benefits</b>				
5110 Regular Salaries	75,788	94,487	80,000	96,042
5111 Merit Increase	-	1,890	1,890	1,921
5120 Overtime	-	500	500	500
5125 Longevity Pay	1,012	1,108	1,108	1,204
5130 F I C A	6,401	7,511	7,600	7,625
5140 Retirement	5,305	7,079	6,500	7,796
5150 Health Insurance	14,833	15,600	16,000	15,600
5160 Worker's Compensation	328	471	700	478
5170 T.E.C.	204	800	800	680
5180 Medical/Physicals	-	100	100	-
5182 Background Checks	-	50	50	-
<b>Total 51-Salaries And Benefits</b>	<b>103,871</b>	<b>129,596</b>	<b>115,248</b>	<b>131,846</b>
<b>52-Supplies And Materials</b>				
5210 Office Supplies	2,141	2,200	1,800	2,000
5235 Dues And Subscriptions	851	900	760	900
5240 Conferences And Training	1,024	1,100	930	1,100
5245 Janitorial Supplies	359	500	270	500
5285 Furniture & Fixtures	-	300	300	300
<b>Total 52-Supplies And Materials</b>	<b>4,375</b>	<b>5,000</b>	<b>4,060</b>	<b>4,800</b>
<b>53-Maintenance And Operations</b>				
5310 R & M Building	9,816	2,000	995	1,500
5320 Office Machine Lease	995	1,200	822	1,200
<b>Total 53-Maintenance And Operations</b>	<b>10,811</b>	<b>3,200</b>	<b>1,817</b>	<b>2,700</b>
<b>54-Contract Services</b>				
5424 Court Services	14,799	15,000	11,902	15,000
5425 Legal Services	8,850	13,000	6,150	13,000
5426 Credit Card Fees	1,606	2,500	1,110	2,500
5450 Technical Support	1,929	5,500	2,100	5,500
5451 Annual Software Support	2,227	-	-	-
<b>Total 54-Contract Services</b>	<b>29,411</b>	<b>36,000</b>	<b>21,262</b>	<b>36,000</b>

# MUNICIPAL COURT DEPARTMENT

26-Municipal Court Expenditures		2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>55-Utilities</b>					
5510	26-5510 Telephone Services	-	1,350	-	-
5515	26-5515 Electric	5,243	8,100	4,341	8,100
<b>Total 55-Utilities</b>		<b>5,243</b>	<b>9,450</b>	<b>4,341</b>	<b>8,100</b>
<b>57-Municipal Fees</b>					
5703	Judicial Fee County Jfct	2,935	4,000	3,736	4,000
5707	State Traffic Fee	9,514	14,000	11,478	14,000
5708	Consolidated Court Cost 04	19,601	26,000	17,270	26,000
5709	State Jury Fee -Sjrf	1,960	2,600	2,946	3,000
5710	Consolidated Court Cost	-	75	-	75
5714	Juvenile Crime & Delinquency	-	22	-	22
5719	Jcpt	-	15	-	15
5421	Tpf Fees	1,010	800	900	1,000
5724	Technology Fund Expense	-	1,600	-	-
5725	Municipal Court Over Payments	50	20	-	20
5731	Fugitive Apprehension	-	75	-	75
5733	Ctvoc	-	90	-	90
5734	Idf (Court)	976	1,200	844	1,200
5735	Child Safety & Seat Belt Viol	-	75	-	75
5736	Corr.Mgt.Instit.Cjcf	-	20	-	20
5738	Child Safety Seats	35	40	-	40
5739	Civil Justice Fees	-	40	40	50
5745	Collection Agency Fee	5,168	5,000	5,563	6,000
5746	Time Payment State	588	1,000	1,076	1,100
5751	Tlfta1 - State	680	400	780	1,000
5752	OTlfta2 - Omni	252	400	420	500
<b>Total 57-Municipal Fees</b>		<b>42,769</b>	<b>57,472</b>	<b>45,053</b>	<b>58,282</b>
<b>Total 26-Municipal Court</b>		<b>196,480</b>	<b>240,718</b>	<b>191,781</b>	<b>241,728</b>



# DEVELOPMENT SERVICES DEPARTMENT

Development Services issues business related permits and provides inspection services for both new and existing construction. Development Services also reviews and approves construction plans and documents and works with builders and property owners on development issues. Development Services is also responsible for planning and zoning and provides support for the planning and zoning commission. Development Services maintains the comprehensive master plan, zoning maps and city limits maps and files the necessary documents with the County.

Budget Summary	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	211,856	177,693	177,737	229,878	\$52,185	29.37%
Supplies & Materials	8,738	9,245	9,245	9,995	\$750	8.11%
Maintenance & Operations	3,751	3,525	3,525	3,392	(\$133)	-3.77%
Contract Services	15,421	26,250	26,250	32,450	\$6,200	23.62%
Utilities	4,385	4,700	4,000	4,520	(\$180)	-3.83%
<b>Total</b>	<b>244,151</b>	<b>221,413</b>	<b>220,757</b>	<b>280,235</b>	<b>58,822</b>	<b>26.57%</b>

Authorized Employees	2015	2016	2017
Full Time	3	3	3
Part Time	0	0	0

# DEVELOPMENT SERVICES DEPARTMENT

28-Development Services Expenditures	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>51-Salaries And Benefits</b>				
5110 Salaries	166,106	135,567	135,567	172,569
5111 Merit Increase	-	2,711	2,711	3,451
5125 Longevity Pay	760	760	904	1,048
5130 F I C A	11,676	10,726	10,726	13,638
5140 Retirement	11,623	10,109	10,109	13,945
5150 Health Insurance	21,190	15,600	15,600	23,400
5160 Worker's Compensation	475	1,120	1,120	1,314
5170 T.E.C.	26	1,000	1,000	513
5180 Medical Physicals	-	50	-	-
5182 Background Checks	-	50	-	-
<b>Total 51-Salaries And Benefits</b>	<b>211,856</b>	<b>177,693</b>	<b>177,737</b>	<b>229,878</b>
<b>52-Supplies And Materials</b>				
5210 Office Supplies	1,501	1,380	1,380	1,380
5230 Advertisement	715	1,500	1,500	1,500
5235 Dues And Subscriptions	4,763	3,500	3,500	3,500
5240 Conferences And Training	202	500	500	500
5245 Janitorial Supplies	497	250	250	250
5250 Tools & Equipment	-	220	220	220
5255 Wearing Apparel	573	395	395	395
5275 Filing Fees	487	1,500	1,500	1,500
5280 Computer Systems	-	-	-	750
<b>Total 52-Supplies And Materials</b>	<b>8,738</b>	<b>9,245</b>	<b>9,245</b>	<b>9,995</b>
<b>53-Maintenance And Operations</b>				
5310 R & M Building	647	300	300	300
5320 Motor Vehicle Fuel	1,017	1,000	1,000	1,000
5325 R & M Motor Vehicle	680	225	225	225
5332 Office Machine Lease	1,407	2,000	2,000	1,867
<b>Total 53-Maintenance And Operations</b>	<b>3,751</b>	<b>3,525</b>	<b>3,525</b>	<b>3,392</b>

# DEVELOPMENT SERVICES DEPARTMENT

28-Development Services Expenditures	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>54-Contract Services</b>				
5420 Contractual Services	183	800	800	-
5426 Credit Card Fees	-	-	-	1,500
5430 Professional Services	3,171	6,200	6,200	11,700
5440 Health Inspections	4,150	9,000	9,000	9,000
5450 Technical Support	4,667	4,500	4,500	4,500
5451 Annual Software Support	3,250	5,750	5,750	5,750
<b>Total 54-Contract Services</b>	<b>15,421</b>	<b>26,250</b>	<b>26,250</b>	<b>32,450</b>
<b>55-Utilities</b>				
5515 Electric	2,381	2,600	2,100	2,600
5516 Gas Service	804	900	700	720
5520 Cell Phone	1,200	1,200	1,200	1,200
<b>Total 55-Utilities</b>	<b>4,385</b>	<b>4,700</b>	<b>4,000</b>	<b>4,520</b>
<b>Total 28-Development Services</b>	<b>244,151</b>	<b>221,413</b>	<b>220,757</b>	<b>280,235</b>



# STREET DEPARTMENT

The Street Department is responsible for maintaining the roads, streets, alleys, sidewalks and right of ways in the City of Sanger. They also maintain street signs. The Street Department serves as the liaison with contractors building new streets or rehabilitating old streets.

Budget Summary	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	193,410	236,031	237,320	241,509	5,478	2.32%
Supplies & Materials	5,802	8,194	7,009	8,194	-	0.00%
Maintenance & Operations	118,766	112,900	100,966	162,900	50,000	44.29%
Contract Services	-	4,800	4,800	4,800	-	0.00%
Utilities	47,147	74,590	46,781	61,200	(13,390)	-17.95%
Capital Expenses	38,939	75,000	75,000	50,000	(25,000)	-33.33%
Debt Service	51,536	51,536	51,536	51,536	-	0.00%
<b>Total</b>	<b>455,600</b>	<b>563,051</b>	<b>523,413</b>	<b>580,139</b>	<b>17,088</b>	<b>3.03%</b>

Authorized Employees	2015	2016	2017
Full Time	3	4	4
Part Time	0	0	0

# STREET DEPARTMENT

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>30-Streets Expenditures</b>				
<b>51-Salaries And Benefits</b>				
5110 Regular Salaries	136,450	153,038	157,500	156,810
5111 Merit Increase	-	3,060	3,060	3,137
5117 Vacation Compensation	-	1,700	-	1,700
5120 Overtime	924	500	500	500
5125 Longevity	1,744	1,960	1,950	2,108
5130 F I C A	10,318	12,137	13,400	12,481
5140 Retirement	9,614	11,439	12,650	12,763
5150 Health Insurance	25,152	31,200	31,050	31,200
5160 Workers Comp	9,107	19,563	17,000	20,117
5170 T.E.C.	32	1,284	10	693
5180 Medical/Physicals	50	100	150	-
5182 Background Checks	19	50	50	-
<b>Total 51-Salaries And Benefits</b>	<b>193,410</b>	<b>236,031</b>	<b>237,320</b>	<b>241,509</b>
<b>52-Supplies And Materials</b>				
5223 Chemical Supplies	-	1,500	800	1,500
5230 Advertising	24	-	-	-
5235 Dues And Subscriptions	635	1,000	1,000	1,000
5240 Conferences And Training	-	100	-	100
5255 Wearing Apparel	2,285	2,794	2,409	2,794
5260 Safety Equipment	1,583	2,800	2,800	2,800
5298 Non Capital Supplies & Materials	1,275	-	-	-
<b>Total 52-Supplies And Materials</b>	<b>5,802</b>	<b>8,194</b>	<b>7,009</b>	<b>8,194</b>
<b>53-Maintenance And Operations</b>				
5310 R & M Building	415	2,300	2,300	2,300
5320 Motor Vehicle Fuel	8,613	10,000	9,000	10,000
5325 R & M Motor Vehicle	8,341	9,000	4,726	9,000
5326 R & M Minor Equipment	2,097	5,000	7,500	5,000
5330 Equipment Rental	50	-	-	-
5360 System Maintenance	88,569	75,000	75,000	125,000
5380 Street Signs	10,456	11,600	2,400	11,600
5390 Radios	225	-	40	-
<b>Total 53-Maintenance And Operations</b>	<b>118,766</b>	<b>112,900</b>	<b>100,966</b>	<b>162,900</b>
<b>54-Contract Services</b>				
5420 Contract Services	-	4,800	4,800	4,800
<b>Total 54-Contract Services</b>	<b>-</b>	<b>4,800</b>	<b>4,800</b>	<b>4,800</b>

# STREET DEPARTMENT

30-Streets Expenditures		2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>55-Utilities</b>					
5515	Electric	46,547	73,990	46,181	60,000
5520	Cell Phone	600	600	600	1,200
<b>Total 55-Utilities</b>		<b>47,147</b>	<b>74,590</b>	<b>46,781</b>	<b>61,200</b>
<b>61-Capital Outlay</b>					
6113	Sidewalk Improvements	38,939	-	-	50,000
6145	Streets Equipment	-	75,000	75,000	
<b>Total 61-Capital Outlay</b>		<b>38,939</b>	<b>75,000</b>	<b>75,000</b>	<b>50,000</b>
<b>70-Debt Payments</b>					
7006	Lease Payment	40,570	38,324	38,324	39,606
7099	Interest Expense	10,966	13,212	13,212	11,930
<b>Total 70-Debt Payments</b>		<b>51,536</b>	<b>51,536</b>	<b>51,536</b>	<b>51,536</b>
<b>Total 30-Streets</b>		<b>455,600</b>	<b>563,051</b>	<b>523,413</b>	<b>580,139</b>



# PARKS DEPARTMENT

The Park Department is responsible for the maintenance operations associated with all City Park and Facilities; this department is also responsible for all building maintenance operations throughout the organization. The Parks Department is responsible for the brush removal program and vector control operations.

<b>Budget Summary</b>	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	275,325	299,572	302,766	313,170	13,598	4.54%
Supplies & Materials	33,354	34,655	36,850	35,400	745	2.15%
Maintenance & Operations	59,476	62,500	55,800	62,867	367	0.59%
Contract Services	38,093	56,000	51,000	69,600	13,600	24.29%
Utilities	21,133	33,913	26,870	26,900	(7,013)	-20.68%
Capital Expenses	28,664	62,700	62,000	29,000	(33,700)	-53.75%
<b>Total</b>	<b>456,045</b>	<b>549,340</b>	<b>535,286</b>	<b>536,937</b>	<b>(12,403)</b>	<b>-2.26%</b>

<b>Authorized Employees</b>	2015	2016	2017
Full Time	6	6	6
Part Time	3	2	2

# PARKS DEPARTMENT

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>32-Parks Expenditures</b>				
<b>51-Salaries And Benefits</b>				
5110 Regular Salaries	189,992	198,357	204,000	203,363
5111 Merit Increase	-	3,967	-	4,067
5117 Vacation Compensation	-	1,500	-	1,500
5119 Standby P Ay	-	-	-	4,629
5120 Overtime	7,240	6,000	6,000	6,000
5125 Longevity Pay	1,172	1,460	1,384	1,648
5130 F I C A	14,181	15,635	18,000	16,854
5140 Retirement	13,708	14,736	17,000	17,234
5150 Health Insurance	41,479	46,800	44,700	46,800
5160 Worker's Compensation	6,778	9,217	11,500	9,935
5170 T.E.C.	402	1,600	32	1,140
5180 Medical/Physicals	290	200	100	-
5185 Background Checks	83	100	50	-
<b>Total 51-Salaries And Benefits</b>	<b>275,325</b>	<b>299,572</b>	<b>302,766</b>	<b>313,170</b>
<b>52-Supplies And Materials</b>				
5210 Office Supplies	-	100	600	600
5211 Landscape Material	2,028	4,000	6,400	5,000
5221 Beautification Board	1,362	-	50	-
5223 Chemical Supplies	8,686	19,000	19,000	20,000
5230 Advertising	127	100	100	100
5235 Dues And Subscriptions	4,283	440	2,200	500
5240 Conferences And Training	41	2,515	2,200	2,500
5245 Janitorial Supplies	1,910	2,000	1,300	1,500
5250 Tools & Equipment	2,758	2,800	2,500	2,800
5255 Wearing Apparel	2,730	2,400	2,200	2,400
5260 Safety Equipment	1,125	1,000	-	-
5270 Program Supplies	2,052	-	-	-
5285 Furniture And Fixtures	-	300	300	-
5298 Non Capital Supplies And Materials	6,252	-	-	-
<b>Total 52-Supplies And Materials</b>	<b>33,354</b>	<b>34,655</b>	<b>36,850</b>	<b>35,400</b>

# PARKS DEPARTMENT

32-Parks Expenditures	Actual	Budget	Estimate	Budget
<b>53-Maintenance And Operations</b>				
5310 R&M Building And Structures	1,673	2,500	1,000	2,000
5320 Motor Vehicle Fuel	13,094	15,000	14,000	15,000
5325 R & M Motor Vehicle	2,689	9,500	6,000	8,000
5326 R & M Minor Equipment	3,748	3,000	3,000	3,000
5329 Christmas Lights & Accessories	11,796	2,500	3,800	4,000
5332 Office Machine Lease	-	-	-	1,867
5333 Flags	484	1,500	1,500	1,500
5343 Park Maintenance	23,841	25,000	25,000	26,000
5345 Lease Equipment	780	1,000	500	500
5360 System Maintenance	1,371	2,500	1,000	1,000
<b>Total 53-Maintenance And Operations</b>	<b>59,476</b>	<b>62,500</b>	<b>55,800</b>	<b>62,867</b>
<b>54-Contract Services</b>				
5471 Contract Tree Maintenance	2,902	3,000	3,000	3,000
5472 Contract Mowing	12,244	23,000	23,000	36,600
5475 Part-Time Salaries	22,947	30,000	25,000	30,000
<b>Total 54-Contract Services</b>	<b>38,093</b>	<b>56,000</b>	<b>51,000</b>	<b>69,600</b>
<b>55-Utilities</b>				
5510 32-5510 Telephone Service	-	1,750	-	-
5515 32-5515 Electric	20,286	30,284	25,000	25,000
5516 Gas Service	-	1,279	1,270	1,300
5520 32-5520 Cell Phone	847	600	600	600
<b>Total 55-Utilities</b>	<b>21,133</b>	<b>33,913</b>	<b>26,870</b>	<b>26,900</b>
<b>61-CAI</b>				
6130 Vehicles	28,664	-	-	-
6135 Mobile Equipment	-	7,900	7,900	-
6137 Tractor & Riding Mowers	-	47,000	46,300	14,000
6140 Parks Improvements	-	7,800	7,800	-
6145 Parks Equipment	-	-	-	15,000
<b>Total 61-Capital Outlay</b>	<b>28,664</b>	<b>62,700</b>	<b>62,000</b>	<b>29,000</b>
<b>Total 32-Parks</b>	<b>456,045</b>	<b>549,340</b>	<b>535,286</b>	<b>536,937</b>



# RECREATION DEPARTMENT

The Recreation Department is responsible for organizing, planning and implementation of all Department Special Events. This Department also coordinates with all athletic leagues for facility scheduling and usage. This Department also serves the administration function for Parks, Fire as well as Recreation.

<b>Budget Summary</b>	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	-	-	-	52,634	52,634	0.00%
Supplies & Materials	1,800	5,400	5,400	14,200	8,800	162.96%
Maintenance & Operations	10,050	10,250	10,250	10,250	-	0.00%
Contract Services	5,000	5,000	5,000	16,755	11,755	235.10%
Utilities	15,800	5,800	5,000	6,600	800	13.79%
<b>Total</b>	<b>32,650</b>	<b>26,450</b>	<b>25,650</b>	<b>100,439</b>	<b>73,989</b>	<b>279.73%</b>

<b>Authorized Employees</b>	2015	2016	2017
Full Time	0	0	1
Part Time	0	0	0

# RECREATION DEPARTMENT

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>34-Recreation Expenditures</b>				
<b>51-Salaries And Benefits</b>				
5110 Regular Salaries	-	-	-	36,764
5111 Merit Increase	-	-	-	735
5120 Overtime	-	-	-	1,000
5125 Longevity Pay	-	-	-	212
5130 F I C A	-	-	-	2,961
5140 Retirement	-	-	-	2,810
5150 Health Insurance	-	-	-	7,800
5160 Worker's Compensation	-	-	-	181
5170 T.E.C.	-	-	-	171
<b>Total 51-Salaries And Benefits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,634</b>
<b>52-Supplies And Materials</b>				
5211 Landscape Material	400	-	-	-
5213 Building Supplies	400	-	-	-
5215 Food	-	500	500	500
5230 Advertising	-	200	200	500
5245 Janitorial Supplies	1,000	-	-	-
5270 Program Supplies/Special Events	-	4,700	4,700	10,200
5280 Computers	-	-	-	3,000
<b>Total 52-Supplies And Materials</b>	<b>1,800</b>	<b>5,400</b>	<b>5,400</b>	<b>14,200</b>
<b>53-Maintenance And Operations</b>				
5310 R&M Building And Structures	9,000	9,000	9,000	9,000
5345 Lease Equipment	800	-	-	-
5347 Vandalism Replacement	250	250	250	250
5360 System Maintenance	-	1,000	1,000	1,000
<b>Total 53-Maintenance And Operations</b>	<b>10,050</b>	<b>10,250</b>	<b>10,250</b>	<b>10,250</b>
<b>54-Contract Services</b>				
5430 Professional Services	5,000	5,000	5,000	16,755
<b>Total 54-Contract Services</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>16,755</b>
<b>55-Utilities</b>				
5515 34-5515 Electric	5,000	5,000	4,000	5,000
5516 Gas Service	800	800	1,000	1,000
5520 34-5520 Cell Phone	-	-	-	600
<b>Total 55-Utilities</b>	<b>15,800</b>	<b>5,800</b>	<b>5,000</b>	<b>6,600</b>
<b>Total 34-Recreation</b>	<b>32,650</b>	<b>26,450</b>	<b>25,650</b>	<b>100,439</b>

# LIBRARY DEPARTMENT

The Library provides written, audio and video materials for loan to the public. The library also provides computer and internet access free of charge. Librarians assist customers with researching a wide range of subjects. The Library also provides a wide range of educational programs to both adults and children.

<b>Budget Summary</b>	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	191,725	212,055	202,964	213,351	1,296	0.61%
Supplies & Materials	28,914	36,025	32,452	35,350	(675)	-1.87%
Maintenance & Operations	5,635	9,311	8,450	8,500	(811)	-8.71%
Contract Services	7,392	5,100	4,967	13,550	8,450	165.69%
Utilities	7,511	9,749	6,000	8,000	(1,749)	-17.94%
Capital Expenses	6,121	-	-	-	-	-
<b>Total</b>	<b>247,298</b>	<b>272,240</b>	<b>254,833</b>	<b>278,751</b>	<b>6,511</b>	<b>2.39%</b>

<b>Authorized Employees</b>	2015	2016	2017
Full Time	3	3	3
Part Time	2	2	2

# LIBRARY DEPARTMENT

42-Library Expenditures		2014-15	2015-16	2015-16	2016-17
		Actual	Budget	Estimate	Budget
<b>51-Salaries And Benefits</b>					
5110	Regular Salaries	128,100	131,000	131,000	131,977
5111	Merit Increase		2,700		3,456
5112	Temp/Part Time Salaries	19,975	29,190	23,050	30,000
5117	Vacation Compensation	-	500	-	-
5120	Overtime	-	200	-	-
5125	Longevity Pay	864	1,008	1,000	1,152
5130	F I C A	10,768	12,579	12,900	10,551
5140	Retirement	8,966	9,406	10,600	10,788
5150	Health Insurance	22,279	23,400	23,500	23,400
5160	Worker's Compensation	420	772	700	837
5170	T.E.C.	253	1,200	24	1,190
5180	Medical/Physicals	70	50	140	-
5182	Background Checks	30	50	50	-
5185	Flex Fees				
<b>Total 51-Salaries And Benefits</b>		<b>191,725</b>	<b>212,055</b>	<b>202,964</b>	<b>213,351</b>
<b>52-Supplies And Materials</b>					
5200	Print Books/Materials	14,747	9,550	9,400	9,000
5201	Periodicals	860	1,150	719	1,100
5202	E-Books And E-Audio	-	5,000	4,200	4,500
5203	Audiobooks	-	1,500	1,500	2,000
5204	Dads	-	1,500	1,400	1,500
5205	Other Electronic Services	-	250	150	450
5206	Other Collection Materials	-	300	200	300
5207	Library Supplies	-	1,000	1,000	1,000
5208	Program Supplies	-	700	700	900
5209	Program Services	-	5,500	4,300	5,000
5210	Office Supplies	2,234	2,800	2,600	2,800
5215	Food	-	50	50	75
5220	Postage	-	-	-	-
5235	Dues & Registrations	1,273	1,675	1,400	1,675
5240	Conferences And Training	1,183	1,750	1,600	1,750
5245	Janitorial Supplies	1,138	1,500	1,400	1,500
5270	Programs And Library Supplies	1,326	-	-	-
5280	Computer Systems	-	1,200	1,200	1,200
5285	Furniture And Fixtures	106	600	633	600
5298	Non Capital Supplies And Materials	6,047	-	-	-
<b>Total 52-Supplies And Materials</b>		<b>28,914</b>	<b>36,025</b>	<b>32,452</b>	<b>35,350</b>

# LIBRARY DEPARTMENT

42-Library Expenditures		Actual	Budget	Estimate	Budget
<b>53-Maintenance And Operations</b>					
5310	R & M Building	2,386	6,000	5,000	5,000
5326	R&M Minor Equipment	733	700	700	700
5332	Office Machine Lease	2,516	2,611	2,750	2,800
<b>Total 53-Maintenance And Operations</b>		<b>5,635</b>	<b>9,311</b>	<b>8,450</b>	<b>8,500</b>
<b>54-Contract Services</b>					
5420	Contractual Services	4,095	2,200	2,567	2,650
5430	Professional Services	-	-	-	8,000
5450	Technical Support	255	1,100	800	1,100
5451	Annual Software Support	3,042	1,800	1,600	1,800
<b>Total 54-Contract Services</b>		<b>7,392</b>	<b>5,100</b>	<b>4,967</b>	<b>13,550</b>
<b>55-UTI</b>					
5510	Telephone Services	-	611	-	-
5515	Electric	6,711	8,538	5,000	7,000
5520	Cell Phone	800	600	1,000	1,000
<b>Total 55-Utilities</b>		<b>7,511</b>	<b>9,749</b>	<b>6,000</b>	<b>8,000</b>
<b>61-Capital Outlay</b>					
6120	Building Improvements	6,121	-	-	-
<b>Total 61-Capital Outlay</b>		<b>6,121</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total 42-Library</b>		<b>247,298</b>	<b>272,240</b>	<b>254,833</b>	<b>278,751</b>



# SOLID WASTE DEPARTMENT

The City contracts with Progressive Waste Management for solid waste services in the City of Sanger. Progressive is responsible for providing residential and commercial waste management services to the businesses, schools, and residents of Sanger.

Budget Summary	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Contract Services	672,157	700,000	665,000	700,000	-	0.00%
Total	672,157	700,000	665,000	700,000	-	0.00%

Authorized Employees	2015	2016	2017
Full Time	0	0	0
Part Time	0	0	0

# SOLID WASTE DEPARTMENT

<b>66-Solid Waste Expenditures</b>	<b>2014-15 Actual</b>	<b>2015-16 Budget</b>	<b>2015-16 Estimate</b>	<b>2016-17 Budget</b>
54-Contract Services				
5420 Contractual	672,157	700,000	665,000	700,000
<b>Total 54-Contract Services</b>	<b>672,157</b>	<b>700,000</b>	<b>665,000</b>	<b>700,000</b>
<b>Total 66-Solid Waste</b>	<b>672,157</b>	<b>700,000</b>	<b>665,000</b>	<b>700,000</b>

# TRANSFERS TO OTHER FUNDS

The City transfers between funds in order to properly account for revenues and expenses.

Budget Summary	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Transfers	714,493	806,869	806,869	1,012,045	205,176	25.43%
Total	714,493	806,869	806,869	1,012,045	205,176	25.43%

Authorized Employees	2015	2016	2017
Full Time	0	0	0
Part Time	0	0	0

# TRANSFERS TO OTHER FUNDS

74-Transfers		2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
74-Transfers					
7404	Transfer To Capital Improvement Fund	364,493	350,000	350,000	550,000
7499	Transfer To Internal Service Fund	350,000	456,869	456,869	462,045
<b>Total Transfers</b>		<b>714,493</b>	<b>806,869</b>	<b>806,869</b>	<b>1,012,045</b>

## DEBT SERVICE FUND

The Debt Service Fund accounts for the receipt of funds from a tax levy and other sources for the accumulation of funds to meet the principal and interest obligations on General Fund Obligations.

The State of Texas limits the ad valorem tax rate to \$2.50 per \$100 of assessed valuation for all City purposes. The City's adopted tax rate of \$0.551806 for maintenance and operations plus \$0.127694 for debt service equals the total tax rate of \$0.6795, which is well below the maximum rates allowed by law.

# DEBT SERVICE FUND BUDGET SUMMARY

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Beginning Fund Balance</b>	236,535	248,761	248,761	248,760
<b>Revenues</b>				
Property Taxes	796,750	790,723	790,723	676,038
Interest Income	115	100	100	100
<b>Total General Fund Revenues</b>	<b>796,865</b>	<b>790,823</b>	<b>790,823</b>	<b>676,138</b>
<b>Other Sources</b>				
Transfers In	212,500	212,500	212,500	212,500
<b>Total Other Sources</b>	<b>212,500</b>	<b>212,500</b>	<b>212,500</b>	<b>212,500</b>
<b>Total Revenues/Sources</b>	<b>1,009,365</b>	<b>1,003,323</b>	<b>1,003,323</b>	<b>888,638</b>
<b>Expenditures</b>				
Debt Service	838,604	836,788	836,788	790,583
<b>Total Expenditures</b>	<b>838,604</b>	<b>836,788</b>	<b>836,788</b>	<b>790,583</b>
<b>Other Uses</b>				
Transfers Out	158,535	166,536	166,536	107,999
<b>Total Other Uses</b>	<b>158,535</b>	<b>166,536</b>	<b>166,536</b>	<b>107,999</b>
<b>Total Expenses/Uses</b>	<b>997,139</b>	<b>1,003,324</b>	<b>1,003,324</b>	<b>898,582</b>
<b>Excess of Revenues/Sources over Expenditures/Uses</b>	<b>12,226</b>	<b>(1)</b>	<b>(1)</b>	<b>(9,944)</b>
<b>Ending Fund Balance</b>	<b>248,761</b>	<b>248,760</b>	<b>248,760</b>	<b>238,816</b>

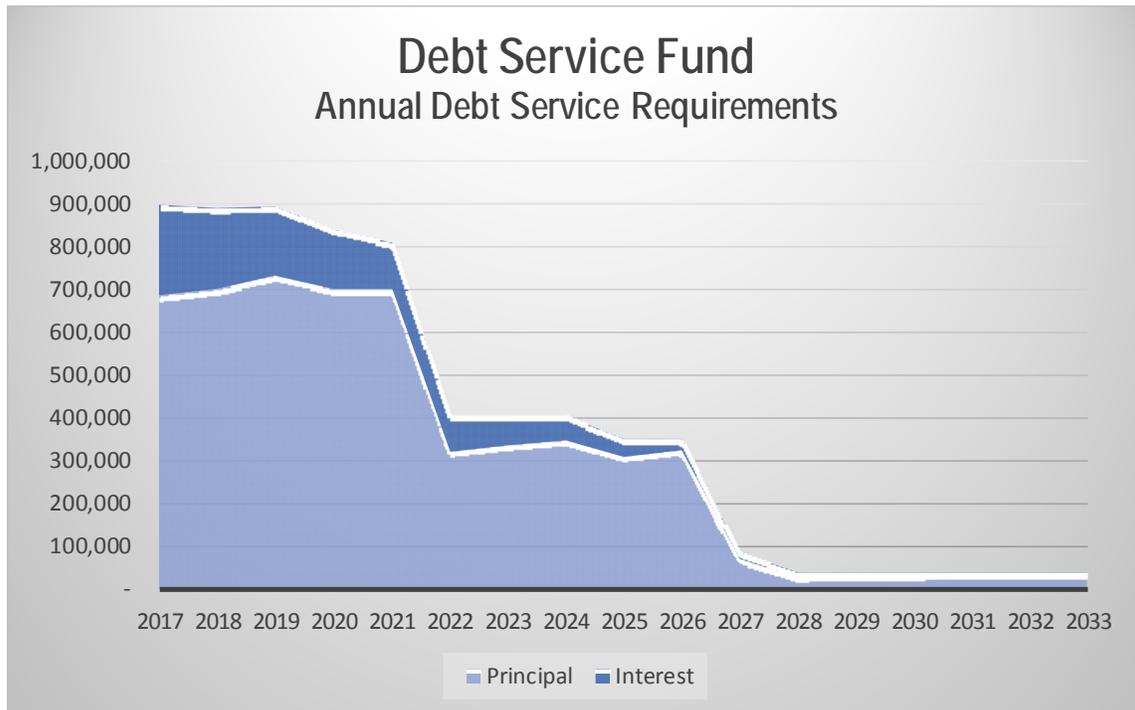
# DEBT SERVICE FUND EXPENDITURES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>70-Debt Payments</b>				
7020	\$ 202,400	\$ 211,600	\$ -	\$ -
7021	67,411	59,316	\$ 29,658	-
7023	25,500	27,200	\$ 27,200	28,900
7024	19,519	18,401	\$ 18,401	17,204
7026	165,000	170,000	\$ 170,000	175,000
7027	104,150	98,375	\$ 98,375	92,425
7028	182,600	184,800	\$ 184,800	154,000
7029	31,614	27,962	\$ 27,962	22,418
7030	19,800	19,800	\$ 19,800	20,400
7031	19,230	18,834	\$ 18,834	18,438
7037	-	-	\$ 6,900	218,500
7038	-	-	\$ 9,129	41,998
7080	1,380	500	\$ 500	1300
<b>Total Debt Payments</b>	<b>\$ 838,604</b>	<b>\$ 836,788</b>	<b>\$ 611,559</b>	<b>\$ 790,583</b>
<b>74-Transfers</b>				
7401	158,535	166,536	166,536	107,999
<b>Total 74-Transfers</b>	<b>158,535</b>	<b>166,536</b>	<b>166,536</b>	<b>107,999</b>
<b>Total Debt Service</b>	<b>997,139</b>	<b>1,003,324</b>	<b>778,095</b>	<b>898,582</b>

# DEBT SERVICE FUND REQUIREMENTS

## Debt Service Fund Annual Debt Service Requirements

Fiscal Year	Principal	Interest	Total
2017	688,157	209,125	897,282
2018	701,108	188,603	889,711
2019	731,548	163,149	894,697
2020	703,516	136,562	840,078
2021	699,979	111,337	811,316
2022	320,190	84,765	404,955
2023	334,652	71,541	406,193
2024	346,867	57,435	404,302
2025	309,300	42,687	351,987
2026	323,900	28,193	352,093
2027	71,800	13,023	84,823
2028	28,800	9,768	38,568
2029	30,600	8,400	39,000
2030	31,800	6,870	38,670
2031	33,600	5,280	38,880
2032	35,400	3,600	39,000
2033	36,600	1,830	38,430
<b>Total</b>	<b>5,427,817</b>	<b>1,142,168</b>	<b>6,569,985</b>



# ENTERPRISE FUND

The Enterprise Fund is the financial structure used for the accounting of providing water, sanitary sewer, and electric services to the residents of the City and for the billing and collection of charges to customers for these services.

The Enterprise Fund receives revenues from the billing of water, waste water and electric, interest income and other miscellaneous revenue sources.

The Enterprise Fund includes these departments:

- Water
- Waste Water
- Electric
- Debt Service

The basis of accounting for the Enterprise Fund for both financial reporting is the accrual basis.

# ENTERPRISE FUND BUDGET SUMMARY

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Beginning Fund Balance</b>	<b>13,777,662</b>	<b>14,203,952</b>	<b>14,203,952</b>	<b>14,642,032</b>
<b>Revenues</b>				
Water	1,486,426	1,662,500	1,486,426	1,740,000
Waste Water	1,343,170	1,568,000	1,343,170	1,700,000
Electric	8,067,223	8,090,250	8,049,480	8,087,500
Penalties and Fees	207,444	205,000	204,450	210,000
Interest Income	10,818	12,000	15,712	15,000
Miscellaneous	39,739	36,500	36,242	42,000
<b>Total Enterprise Fund Revenues</b>	<b>11,154,820</b>	<b>11,574,250</b>	<b>11,135,480</b>	<b>11,794,500</b>
<b>Expenditures</b>				
Salaries & Benefits	969,655	1,057,436	1,051,023	1,091,683
Supplies & Materials	78,697	80,790	80,649	83,590
Maintenance & Operations	6,585,567	6,906,080	6,245,436	6,754,919
Contract Services	36,820	76,200	49,412	76,200
Utilities	323,233	410,139	312,332	341,850
Capital Expenses	129,889	271,402	218,500	253,522
Debt Service	1,086,284	1,108,938	1,097,221	1,344,919
<b>Total Expenditures</b>	<b>9,210,145</b>	<b>9,910,985</b>	<b>9,054,573</b>	<b>9,946,683</b>
<b>Other Uses</b>				
Transfers Out	1,518,385	1,642,827	1,642,827	1,654,904
<b>Total Other Uses</b>	<b>1,518,385</b>	<b>1,642,827</b>	<b>1,642,827</b>	<b>1,654,904</b>
<b>Total Expenses/Uses</b>	<b>10,728,530</b>	<b>11,553,812</b>	<b>10,697,400</b>	<b>11,601,587</b>
<b>Excess of Revenues/Sources over Expenditures/Uses</b>	<b>426,290</b>	<b>20,438</b>	<b>438,080</b>	<b>192,913</b>
<b>Ending Fund Balance</b>	<b>14,203,952</b>	<b>14,224,390</b>	<b>14,642,032</b>	<b>14,834,945</b>

# ENTERPRISE FUND REVENUES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Water</b>				
4110 Water Billing	1,461,476	1,650,000	1,461,476	1,720,000
4112 Water Meter Revenue	24,950	12,500	24,950	20,000
<b>Total Water</b>	<b>1,486,426</b>	<b>1,662,500</b>	<b>1,486,426</b>	<b>1,740,000</b>
4120 <b>Total Sewer</b>	<b>1,343,170</b>	<b>1,568,000</b>	<b>1,343,170</b>	<b>1,700,000</b>
<b>Electric</b>				
4140 Electric Income	7,980,094	8,000,000	7,980,094	8,000,000
4141 Security Lights	69,160	70,000	69,160	70,000
4146 Pole Contact Fee	17,570	17,500	-	17,500
4147 Saw Set Pole Fees	60	2,500	120	-
4148 Meter Bases	339	250	106	-
<b>Total Electric</b>	<b>8,067,223</b>	<b>8,090,250</b>	<b>8,049,480</b>	<b>8,087,500</b>
<b>Penalties &amp; Fees</b>				
4151 Penalties	147,464	150,000	144,990	150,000
4152 Service Fees	59,980	55,000	59,460	60,000
<b>Total Penalties and Fees</b>	<b>207,444</b>	<b>205,000</b>	<b>204,450</b>	<b>210,000</b>
4800 <b>Total Interest</b>	<b>10,818</b>	<b>12,000</b>	<b>15,712</b>	<b>15,000</b>
<b>Miscellaneous Income</b>				
4910 Miscellaneous Income	11,434	10,000	3,408	10,000
4913 Credit Card Fees	26,590	25,000	30,524	30,000
4930 Returned Check Fees	1,715	1,500	2,310	2,000
<b>Total Miscellaneous</b>	<b>39,739</b>	<b>36,500</b>	<b>36,242</b>	<b>42,000</b>
<b>Total Revenues</b>	<b>11,154,820</b>	<b>11,574,250</b>	<b>11,135,480</b>	<b>11,794,500</b>



# WATER DEPARTMENT

The Water Department operates and maintains the city's potable water system providing service to over 2000 customers.

<b>Budget Summary</b>	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	298,897	372,397	322,204	365,653	(6,744)	-1.81%
Supplies & Materials	17,265	19,500	24,300	22,500	3,000	15.38%
Maintenance & Operations	555,347	612,325	601,380	609,325	(3,000)	-0.49%
Contract Services	4,352	8,500	9,500	8,500	-	0.00%
Utilities	152,605	189,718	150,000	161,000	(28,718)	-15.14%
Capital Expenses	44,153	213,402	218,500	167,771	(45,631)	-21.38%
<b>Total</b>	<b>1,072,619</b>	<b>1,415,842</b>	<b>1,325,884</b>	<b>1,334,749</b>	<b>(81,093)</b>	<b>-5.73%</b>

<b>Authorized Employees</b>	2015	2016	2017
Full Time	5	6	6
Part Time	0	0	0

# WATER DEPARTMENT

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>50-Water Expenditures</b>				
<b>51-Salaries And Benefits</b>				
5110 Regular Salaries	202,578	237,680	206,500	225,565
5111 Merit Increase	-	4,754	4,754	4,511
5112 Part-Time Salaries	2,919	-	-	-
5117 Vacation Compensation	-	2,000	-	2,000
5119 Standby Pay	-	-	-	2,392
5120 Overtime	17,858	26,000	16,400	26,000
5125 Longevity Pay	1,308	1,521	3,100	1,692
5130 F I C A	16,379	19,168	18,700	19,948
5140 Retirement	14,879	18,066	17,900	20,398
5150 Health Insurance	36,251	46,800	39,500	46,800
5160 Worker's Compensation	6,429	14,558	15,000	15,150
5170 T.E.C.	192	1,700	-	1,197
5180 Medical/Physicals	85	100	300	-
5182 Background Checks	19	50	50	-
<b>Total 51-Salaries And Benefits</b>	<b>298,897</b>	<b>372,397</b>	<b>322,204</b>	<b>365,653</b>
<b>52-Supplies And Materials</b>				
5210 Office Supplies	893	-	-	-
5220 Postage	503	1,500	1,500	1,500
5223 Chemical Supplies	3,290	6,000	4,500	6,000
5230 Advtg (Wa. Drinking)	1,620	1,300	1,300	1,300
5235 Dues And Subscriptions	1,993	3,000	3,000	3,000
5240 Conferences And Training	-	200	-	200
5245 Janitorial Supplies	-	-	-	-
5250 Minor Tools	2,040	2,500	6,500	5,000
5255 Wearing Apparel	2,934	2,500	5,000	3,000
5260 Safety Equipment	1,260	2,500	2,500	2,500
5298 Non Capital Supplies And Materials	2,732	-	-	-
<b>Total 52-Supplies And Materials</b>	<b>17,265</b>	<b>19,500</b>	<b>24,300</b>	<b>22,500</b>

# WATER DEPARTMENT

50-Water Expenditures	Actual	Budget	Estimate	Budget
<b>53-Maintenance And Operations</b>				
5310 R & M Building	6,070	1,525	1,000	1,025
5320 Motor Vehicle Fuel	15,187	22,000	10,000	15,000
5325 R & M Motor Vehicle	2,225	7,500	15,000	7,500
5326 R & M Minor Equipment	925	5,000	1,000	5,000
5335 Permit Fees	27,843	34,500	34,500	34,500
5345 Lease Equipment	780	800	300	800
5350 Franchise Fees	78,500	99,000	99,000	99,000
5358 Water Main Application	985	-	-	-
5360 System Maintenance	94,960	70,000	70,000	70,000
5372 Water Meter & Boxes	62,957	40,000	45,000	50,000
5373 R & M Water Wells	26,142	30,000	70,000	30,000
5374 R & M Scada	2,145	10,000	10,000	10,000
5377 Testing	3,851	12,000	5,500	8,000
5385 Water Purchase	61,184	75,000	65,000	65,000
5386 Utility Demand Charge	196,755	205,000	175,000	213,500
5390 Radios	225	-	80	-
5399 Inventory Adjustment	(25,387)	-	-	-
<b>Total 53-Maintenance And Operations</b>	<b>555,347</b>	<b>612,325</b>	<b>601,380</b>	<b>609,325</b>
<b>54-Contract Services</b>				
5430 Professional Svcs	2,832	7,500	7,500	7,500
5450 Technical Support	1,520	1,000	2,000	1,000
<b>Total 54-Contract Services</b>	<b>4,352</b>	<b>8,500</b>	<b>9,500</b>	<b>8,500</b>
<b>55-Utilities</b>				
5510 50-5510 Telephone Services	-	1,335	-	-
5515 50-5515 Electric	151,717	187,483	150,000	160,000
5520 50-5520 Cell Phone	888	900	-	1,000
<b>Total 55-Utilities</b>	<b>152,605</b>	<b>189,718</b>	<b>150,000</b>	<b>161,000</b>
<b>61-Capital Outlay</b>				
6130 Vehicles	29,332	31,100	30,000	-
6135 Mobile Equipment	-	92,302	98,500	77,771
6140 Other Improvements	14,821	-	-	-
6145 Water Equipment	-	90,000	90,000	90,000
<b>Total 61-Capital Outlay</b>	<b>44,153</b>	<b>213,402</b>	<b>218,500</b>	<b>167,771</b>
<b>Total 50-Water</b>	<b>1,072,619</b>	<b>1,415,842</b>	<b>1,325,884</b>	<b>1,334,749</b>



# WASTE WATER DEPARTMENT

The Waste Water department is responsible for the collection and treatment of waste water through the City's sanitary sewer system.

<b>Budget Summary</b>	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	149,121	151,071	165,804	157,754	6,683	4.42%
Supplies & Materials	10,311	18,540	12,540	18,340	(200)	-1.08%
Maintenance & Operations	150,603	329,540	244,380	281,380	(48,160)	-14.61%
Contract Services	-	500	250	500	-	0.00%
Utilities	162,008	208,064	155,100	170,600	(37,464)	-18.01%
Capital Expenses	45,736	-	-	-	-	-
<b>Total</b>	<b>517,779</b>	<b>707,715</b>	<b>578,074</b>	<b>628,574</b>	<b>(79,141)</b>	<b>-11.18%</b>

<b>Authorized Employees</b>	2015	2016	2017
Full Time	2	2	2
Part Time	0	0	0

# WASTE WATER DEPARTMENT

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>54-Waste Water Expenditures</b>				
<b>51-Salaries And Benefits</b>				
5110 54-5110 Regular Salaries	99,456	95,000	108,400	99,575
5111 54-5111 Merit Increase	-	1,862	1,862	1,992
5117 54-5117 Vacation Compensation	-	1,000	-	1,000
5119 Standby Pay	-	-	-	5,044
5120 54-5120 Overtime	15,743	15,000	14,300	10,000
5125 54-5125 Longevity Pay	856	952	952	1,048
5130 54-5130 F I C A	7,998	8,707	9,550	9,047
5140 54-5140 Retirement	8,041	8,422	9,790	9,251
5150 54-5150 Health Insurance	15,002	15,600	16,100	15,600
5160 54-5160 Worker's Compensation	2,007	3,678	4,000	4,684
5170 54-5170 T.E.C.	18	750	750	513
5180 54-5180 Medical/Physicals	-	50	50	-
5182 54-5182 Background Checks	-	50	50	-
<b>Total 51-Salaries And Benefits</b>	<b>149,121</b>	<b>151,071</b>	<b>165,804</b>	<b>157,754</b>
<b>52-Supplies And Materials</b>				
5223 Chemical Supplies	4,560	10,000	5,000	10,000
5235 Dues And Subscriptions	272	1,500	1,000	1,500
5240 Conferences And Training	40	200	-	-
5245 Janitorial Supplies	-	200	100	200
5250 Tools & Equipment	2,278	1,500	1,500	1,500
5255 Wearing Apparel	924	1,140	1,140	1,140
5260 Safety Equipment	922	2,000	2,000	2,000
5270 Laboratory Supplies	-	1,500	1,500	1,500
5285 Furniture And Fixtures	-	500	300	500
5298 Non Capital Supplies And Materials	1,315	-	-	-
<b>Total 52-Supplies And Materials</b>	<b>10,311</b>	<b>18,540</b>	<b>12,540</b>	<b>18,340</b>
<b>53-Maintenance And Operations</b>				
5310 R & M Building	1,558	5,000	2,500	5,000
5325 R & M Motor Vehicle	595	1,000	1,500	1,000
5326 R & M Equipment	-	500	500	500
5335 Permit Fees	8,785	20,800	20,800	20,800
5350 Franchise Fees	70,000	94,080	94,080	94,080
5358 Collection System Maintenance	10,866	40,000	-	-
5360 Plant Maintenance	37,258	158,160	115,000	150,000
5377 Testing	7,110	10,000	10,000	10,000
5398 Non Cap Maint & Operations	14,431	-	-	-
<b>Total 53-Maintenance And Operations</b>	<b>150,603</b>	<b>329,540</b>	<b>244,380</b>	<b>281,380</b>

# WASTE WATER DEPARTMENT

54-Waste Water Expenditures		Actual	Budget	Estimate	Budget
<b>54-Contract Services</b>					
5450	Technical Support	-	500	250	500
<b>Total 54-Contract Services</b>		<b>-</b>	<b>500</b>	<b>250</b>	<b>500</b>
<b>55-Utilities</b>					
5510	Telephone Services	-	-	-	-
5515	Electric	155,748	197,464	150,000	160,000
5520	Cell Phone	600	600	600	600
5535	Solid Waste	5,660	10,000	4,500	10,000
<b>Total 55-Utilities</b>		<b>162,008</b>	<b>208,064</b>	<b>155,100</b>	<b>170,600</b>
<b>61-Capital Outlay</b>					
6140	Other Improvements	45,736	-	-	-
<b>Total 61-Capital Outlay</b>		<b>45,736</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total 54-Waste Water</b>		<b>517,779</b>	<b>707,715</b>	<b>578,074</b>	<b>628,574</b>



# ELECTRIC DEPARTMENT

The electric department provides service to over 2000 customers and maintains the electrical distribution system with the City's Electric service area.

<b>Budget Summary</b>	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	521,637	533,968	563,015	568,276	34,308	6.43%
Supplies & Materials	51,121	42,750	43,809	42,750	-	0.00%
Maintenance & Operations	5,879,617	5,964,215	5,399,676	5,864,214	(100,001)	-1.68%
Contract Services	32,468	67,200	39,662	67,200	-	0.00%
Utilities	8,620	12,357	7,232	10,250	(2,107)	-17.05%
Capital Expenses	40,000	58,000	-	85,751	27,751	47.85%
Debt Service	50,235	57,283	100,468	128,052	70,769	123.54%
<b>Total</b>	<b>6,583,698</b>	<b>6,735,773</b>	<b>6,153,862</b>	<b>6,766,493</b>	<b>30,720</b>	<b>0.46%</b>

<b>Authorized Employees</b>	2015	2016	2017
Full Time	7	7	7
Part Time	0	0	0

# ELECTRIC DEPARTMENT

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>58-Electric Expenditures</b>				
<b>51-Salaries And Benefits</b>				
5110 Regular Salaries	396,137	385,468	412,300	405,760
5111 Merit Increase	-	7,709	7,709	8,116
5117 Vacation Compensation	-	5,500	-	-
5119 Standby Pay	-	-	-	10,845
5120 Overtime	7,099	7,500	5,300	7,500
5125 Longevity Pay	4,720	5,056	5,056	5,392
5130 F I C A	28,831	30,556	34,000	33,569
5140 Retirement	28,272	28,799	33,700	34,326
5150 Health Insurance	51,980	54,600	54,800	54,600
5160 Worker's Compensation	4,485	6,180	10,000	6,828
5170 T.E.C.	63	2,500	-	1,340
5180 Medical/Physicals	50	50	150	-
5182 Background Checks	-	50	-	-
<b>Total 51-Salaries And Benefits</b>	<b>521,637</b>	<b>533,968</b>	<b>563,015</b>	<b>568,276</b>
<b>52-Supplies And Materials</b>				
5210 Office Supplies	732	2,000	2,359	2,000
5215 Food	378	500	500	500
5230 Advertising	715	900	900	900
5235 Dues And Subscriptions	11,308	5,000	10,100	5,000
5240 Conferences And Training	725	5,000	600	5,000
5245 Janitorial Supplies	581	750	750	750
5250 Tools & Equipment	3,694	12,000	12,000	12,000
5255 Wearing Apparel	8,877	8,600	8,600	8,600
5260 Safety Equipment	9,321	8,000	8,000	8,000
5298 Non Capital Supplies And Materials	14,790	-	-	-
<b>Total 52-Supplies And Materials</b>	<b>51,121</b>	<b>42,750</b>	<b>43,809</b>	<b>42,750</b>

# ELECTRIC DEPARTMENT

58-Electric Expenditures	Actual	Budget	Estimate	Budget
<b>53-Maintenance And Operations</b>				
5310 R & M Building	2,204	4,000	4,000	4,000
5320 Motor Vehicle Fuel	10,727	20,000	20,000	20,000
5325 R & M Motor Vehicle	22,760	20,000	20,000	20,000
5326 R & M Minor Equipment	1,327	4,000	4,000	4,000
5329 Christmas Display	3,887	3,800	3,800	3,800
5330 Equipment Rental	306	5,000	5,000	3,000
5340 Hazardous Waste Disposal	-	1,000	1,000	1,000
5345 Lease Equipment	1,344	1,500	1,500	1,500
5347 Vandalism Replacement	-	1,000	1,000	1,000
5350 Franchise Fees	398,750	485,415	485,414	485,414
5355 Meter Maintenance	7,653	14,500	14,500	14,500
5360 System Maintenance	49,951	155,000	155,000	155,000
5365 Transformers	11,910	49,000	49,000	49,000
5384 Transmission Costs	837,256	1,000,000	837,956	900,000
5385 Wholesale Utility Purchase	4,551,008	4,200,000	3,764,298	4,200,000
5386 Fines & Penalties	-	-	33,168	-
5390 Radios Electric	150	-	40	2,000
5399 Inventory Adjustment	(19,616)	-	-	-
<b>Total 53-Maintenance And Operations</b>	<b>5,879,617</b>	<b>5,964,215</b>	<b>5,399,676</b>	<b>5,864,214</b>
<b>54-Contract Services</b>				
5440 Engineering Architect	-	6,000	-	6,000
5450 Technical Support	5,060	5,600	5,560	5,600
5451 Annual Software Support	1,211	2,000	-	2,000
5470 Contract Utility Work	1,200	25,000	5,502	25,000
5471 Contract Tree Trimming	24,997	28,600	28,600	28,600
<b>Total 54-Contract Services</b>	<b>32,468</b>	<b>67,200</b>	<b>39,662</b>	<b>67,200</b>
<b>55-Utilities</b>				
5510 Telephone Services	-	1,231	-	-
5515 Electric	7,157	9,026	6,000	9,000
5520 Cell Phone	1,463	2,100	1,232	1,250
<b>Total 55-Utilities</b>	<b>8,620</b>	<b>12,357</b>	<b>7,232</b>	<b>10,250</b>

# ELECTRIC DEPARTMENT

58-Electric Expenditures		Actual	Budget	Estimate	Budget
<b>61-Capital Outlay</b>					
6130	Vehicles	40,000	58,000	-	33,151
6135	Mobile Equipment	-	-	-	52,600
<b>Total 61-Capital Outlay</b>		<b>40,000</b>	<b>58,000</b>	<b>-</b>	<b>85,751</b>
<b>70-Debt Payments</b>					
7020	Lease Payment	46,333	54,500	95,366	120,147
7099	Interest Expense	3,902	2,783	5,102	7,905
<b>Total Other Expenditures</b>		<b>50,235</b>	<b>57,283</b>	<b>100,468</b>	<b>128,052</b>
<b>Total 58-Electric</b>		<b>6,583,698</b>	<b>6,735,773</b>	<b>6,153,862</b>	<b>6,766,493</b>

# DEBT SERVICE

Debt Service is used to pay principal, interest, and bond fees on the City's debt.

Budget Summary	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Debt Service	1,036,049	1,051,655	996,753	1,216,867	165,212	15.71%
Total	1,036,049	1,051,655	996,753	1,216,867	165,212	15.71%

Authorized Employees	2015	2016	2017
Full Time	0	0	0
Part Time	0	0	0

# DEBT SERVICE

70-Debt Service		2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>70-Debt Payments</b>					
7017	N/P Meter System Principal	70,492	-	-	-
7018	N/P Meter System Interest	1,378	-	-	-
7022	Co 2006 Principal	237,600	248,400	-	-
7023	Co 2006 Interest	79,136	69,632	34,816	-
7025	Co 2007 Principal	49,500	52,800	52,800	56,100
7026	Co 2007 Interest	37,891	35,719	35,719	33,396
7028	Go Refunding 2012 Principal	232,400	235,200	235,200	196,000
7029	Go Refunding 2012 Interest	40,236	35,588	35,588	28,532
7030	Co 2013 Principal	145,200	145,200	145,200	149,600
7032	Co 2013 Interest	141,020	138,116	138,116	135,212
7035	Co 2015 Principal	-	90,000	100,548	115,000
7036	Co 2015 Interest	-	-	198,949	195,725
7037	Refunding 2016 Principal	-	-	8,100	256,500
7038	Refunding 2016 Interest	-	-	10,717	49,302
7080	Bond Administration Fees	1,196	1,000	1,000	1,500
<b>Total Debt Service</b>		<b>1,036,049</b>	<b>1,051,655</b>	<b>996,753</b>	<b>1,216,867</b>

# TRANSFERS TO OTHER FUNDS

The City transfers between funds in order to properly account for revenues and expenses.

Budget Summary	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Transfers	1,518,385	1,642,827	1,642,827	1,654,904	12,077	0.74%
Total	1,518,385	1,642,827	1,642,827	1,654,904	12,077	0.74%

Authorized Employees	2015	2016	2017
Full Time	0	0	0
Part Time	0	0	0

# TRANSFERS TO OTHER FUNDS

<b>74-Transfers</b>		<b>2014-15 Actual</b>	<b>2015-16 Budget</b>	<b>2015-16 Estimate</b>	<b>2016-17 Budget</b>
<b>74-Transfers</b>					
7401	Transfer To General Fund	250,000	150,000	150,000	150,000
7441	Transfer To 4A	25,000	25,000	25,000	25,000
7454	Transfer To WW Cap	140,000	156,800	156,800	156,800
7458	Transfer To Electric Storm Recovery	167,900	160,000	160,000	160,000
7480	Transfer Pilot	85,000	85,000	85,000	85,000
7499	Transfer To Internal Service Fund	850,485	1,066,027	1,066,027	1,078,104
<b>Total Transfers</b>		<b>1,518,385</b>	<b>1,642,827</b>	<b>1,642,827</b>	<b>1,654,904</b>

# INTERNAL SERVICE FUND

Revenues and expenses related to services provided to organizations inside the City on a cost reimbursement basis are accounted for in an Internal Service Fund. The City's Internal Service Fund was set up to provide administrative support services to other Funds of the City.

The Internal Service Fund receives revenues from transfers from the General Fund and the Enterprise Fund.

The Internal Service Fund includes these departments:

- Mayor and Council
- Administration
- Public Works Administration
- Finance
- Fleet Services
- Non-Departmental

The basis of accounting for the Internal Service Fund for both financial reporting and budgeting is the modified accrual basis.

# INTERNAL SERVICE FUND BUDGET SUMMARY

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Beginning Fund Balance</b>	-	-	-	-
<b>Revenues</b>				
Transfers In	1,214,978	1,522,896	1,391,341	1,540,149
<b>Total Internal Service Fund Revenues</b>	<b>1,214,978</b>	<b>1,522,896</b>	<b>1,391,341</b>	<b>1,540,149</b>
<b>Expenditures</b>				
Salaries & Benefits	819,071	1,010,679	925,859	1,001,803
Supplies & Materials	71,359	105,460	104,412	105,990
Maintenance & Operations	29,236	63,957	37,986	50,900
Contract Services	256,618	305,700	287,628	326,062
Utilities	38,694	37,100	34,300	42,094
Capital Expenses	-	-	1,156	13,300
<b>Total Expenditures</b>	<b>1,214,978</b>	<b>1,522,896</b>	<b>1,391,341</b>	<b>1,540,149</b>
<b>Excess of Revenues over Expenditures</b>	-	-	-	-
<b>Ending Fund Balance</b>	-	-	-	-

# CITY COUNCIL DEPARTMENT

The City Council is elected by the people and is responsible for setting general policy and direction for city government. The Council's budget is split between the General fund and Enterprise fund. The Council's budget includes funds to pay for legal services, audit services and elections.

<b>Budget Summary</b>	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	102	125	123	125	-	0.00%
Supplies & Materials	6,699	13,500	14,200	13,500	-	0.00%
Contract Services	41,380	60,200	59,200	60,000	(200)	-0.33%
<b>Total</b>	<b>48,181</b>	<b>73,825</b>	<b>73,523</b>	<b>73,625</b>	<b>(200)</b>	<b>-0.27%</b>

<b>Authorized Employees</b>	2015	2016	2017
Full Time	0	0	0
Part Time	0	0	0

# CITY COUNCIL DEPARTMENT

10-Mayor And Council Expenditures	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>51-Salaries And Benefits</b>				
5160 Worker's Compensation	102	125	123	125
<b>Total 51-Salaries And Benefits</b>	<b>102</b>	<b>125</b>	<b>123</b>	<b>125</b>
<b>52-Supplies And Materials</b>				
5210 Office Supplies	571	0	800	0
5215 Food	41	500	150	500
5230 Advertising	1,510	1,500	750	1,500
5235 Dues & Registrations	2,325	3,500	3,500	3,500
5240 Travel Expense	0	2,000	0	2,000
5280 Computers, Printers, Etc		6,000	9,000	6,000
5298 Non Cap Supplies & Materials	2,252	0	0	0
<b>Total 52-Supplies And Materials</b>	<b>6,699</b>	<b>13,500</b>	<b>14,200</b>	<b>13,500</b>
<b>54-Contract Services</b>				
5415 Accounting Services	23,480	30,000	25,000	25,000
5425 Legal Services	6,282	16,000	25,000	20,000
5430 Professional Services	7,985	10,000	5,000	10,000
5450 Technical Support	3,633	4,200	4,200	5,000
<b>Total 54-Contract Services</b>	<b>41,380</b>	<b>60,200</b>	<b>59,200</b>	<b>60,000</b>
<b>Total 10-Mayor And Council</b>	<b>48,181</b>	<b>73,825</b>	<b>73,523</b>	<b>73,625</b>

# ADMINISTRATION DEPARTMENT

Administration is responsible for the daily operations of all aspects of city government. Administration includes the offices of city manager, city secretary and human resources. Its responsibilities include human resources and payroll, record keeping, administration of contracts, oversight of other departments, economic development and long range planning.

Budget Summary	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	339,579	362,275	368,740	376,398	14,123	3.90%
Supplies & Materials	8,344	13,500	11,500	13,500	-	0.00%
Maintenance & Operations	1,316	12,000	500	12,000	-	0.00%
Contract Services	-	-	7,500	7,500	7,500	-
Utilities	3,837	4,000	4,000	4,000	-	0.00%
Capital Expenses	-	-	1,156	-	-	-
<b>Total</b>	<b>353,076</b>	<b>391,775</b>	<b>393,396</b>	<b>413,398</b>	<b>21,623</b>	<b>5.52%</b>

Authorized Employees	2015	2016	2017
Full Time	4	4	4
Part Time	0	0	0

# ADMINISTRATION DEPARTMENT

15-Administration Expenditures		2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>51-Salaries And Benefits</b>					
5110	Regular Salaries	264,173	270,360	275,000	281,554
5111	Merit Increase	0	7,000	7,000	5,631
5120	Overtime	39	200		200
5125	Longevity Pay	1,748	1,940	1,940	2,132
5128	Auto Allowance	5,750	6,000	6,000	6,000
5130	F I C A	19,138	21,800	22,000	22,699
5140	Retirement	18,827	20,535	22,500	23,210
5150	Health Insurance	28,500	31,200	31,300	31,200
5160	Worker's Compensation	1,386	3,000	3,000	3,084
5170	T.E.C.	18	40	0	688
5180	Medical/Physicals	0	100	0	0
5185	Background Checks	0	100	0	0
<b>Total 51-Salaries And Benefits</b>		<b>339,579</b>	<b>362,275</b>	<b>368,740</b>	<b>376,398</b>
<b>52-Supplies And Materials</b>					
5210	Office Supplies	532	0	0	0
5215	Food	19	0	0	0
5225	Maps & Subscription	215	0	0	0
5230	Advertising	1,343	2,000	1,500	2,000
5235	Dues & Registration	3,225	3,000	3,000	3,000
5240	Travel Expense	1,801	5,000	1,500	5,000
5255	Janitorial Apparel	0	500	500	500
5280	Computers, Printers, Etc	0	3,000	5,000	3,000
5298	Non Cap Supplies & Materials	1,209		0	0
<b>Total 52-Supplies And Materials</b>		<b>8,344</b>	<b>13,500</b>	<b>11,500</b>	<b>13,500</b>
<b>53-Maintenance And Operations</b>					
5305	Contingency Reserve	0	10,000	0	10,000
5320	Motor Vehicle Fuel	594	1,000	500	1,000
5325	R & M Motor Vehicle	722	1,000	0	1,000
<b>Total 53-Maintenance And Operations</b>		<b>1,316</b>	<b>12,000</b>	<b>500</b>	<b>12,000</b>
<b>54-Contract Services</b>					
5450	Technical Support	0	0	7,500	7,500
<b>Total 54-Contract Services</b>		<b>0</b>	<b>0</b>	<b>7,500</b>	<b>7,500</b>

# ADMINISTRATION DEPARTMENT

15-Administration Expenditures		2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>55-Utilities</b>					
5515	Electric	2,370	2,400	2,400	2,400
5516	Gas Service	317	400	400	400
5520	Cell Phone	1,150	1,200	1,200	1,200
<b>Total 55-Utilities</b>		<b>3,837</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>
<b>60-Capital Outlay &lt; \$5K</b>					
6010	Computer Equipment	0	0	1,156	0
<b>Total 60-Capital Outlay &lt;\$5K</b>		<b>0</b>	<b>0</b>	<b>1,156</b>	<b>0</b>
<b>Total 15-Administration</b>		<b>353,076</b>	<b>391,775</b>	<b>393,396</b>	<b>413,398</b>



# PUBLIC WORKS ADMINISTRATION DEPARTMENT

Public Works Administration oversees the street, park and recreation, fleet maintenance, water and wastewater departments. It is also responsible for engineering services and liaison with outside engineers and contractors. Public Works Administration oversees most capital improvement projects. Engineering also reviews new subdivision plans and serves as the flood plain coordinator.

<b>Budget Summary</b>	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	122,734	199,788	159,850	161,279	(38,509)	-19.27%
Supplies & Materials	8,164	18,360	20,170	12,790	(5,570)	69.66%
Maintenance & Operations	2,505	2,100	3,506	3,500	1,400	166.67%
Contract Services	11,047	18,000	18,000	25,000	7,000	138.89%
Utilities	3,785	4,100	4,100	9,600	5,500	234.15%
<b>Total</b>	<b>148,235</b>	<b>242,348</b>	<b>205,626</b>	<b>212,169</b>	<b>(30,179)</b>	<b>87.55%</b>

<b>Authorized Employees</b>	2015	2016	2017
Full Time	2	2	2
Part Time	0	0	0

# PUBLIC WORKS ADMINISTRATION DEPARTMENT

18-Public Works Admin Expenditures	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>51-Salaries And Benefits</b>				
5110 Regular Salaries	93,928	142,274	114,000	115,905
5111 Merit Increase	-	2,846	2,846	2,318
5117 Vacation Compensation	-	500	-	500
5120 Overtime	-	300	300	300
5125 Longevity Pay	52	368	204	300
5128 Vehicle Allowance	6,000	6,000	6,000	6,000
5130 F I C A/Medicare	7,350	11,635	9,800	9,595
5140 Retirement	6,126	10,965	9,500	9,811
5150 Health Insurance	8,407	23,400	15,700	15,600
5160 Worker's Compensation	625	750	1,500	602
5170 `	246	600	-	348
5180 Medical/Physicals	-	100	-	-
5182 Background Checks	-	50	-	-
<b>Total 51-Salaries And Benefits</b>	<b>122,734</b>	<b>199,788</b>	<b>159,850</b>	<b>161,279</b>
<b>52-Supplies And Materials</b>				
5210 Office Supplies	2,891	3,400	3,400	3,400
5215 Food	-	200	100	200
5230 Advertising	587	250	250	250
5235 Dues And Subscriptions	2,366	1,310	3,310	3,310
5240 Conferences And Training	1,777	1,330	1,330	1,330
5245 Janitorial Supplies	543	1,500	1,500	1,500
5275 Filing Fees	-	990	900	500
5280 Computer Systems	-	9,080	9,080	2,000
5285 Furniture And Fixtures	-	300	300	300
<b>Total 52-Supplies And Materials</b>	<b>8,164</b>	<b>18,360</b>	<b>20,170</b>	<b>12,790</b>
<b>53-Maintenance And Operations</b>				
5310 R & M Building	921	600	636	2,000
5310 Motor Vehicle Fuel	176	-	-	-
5332 Office Machine Leas	1,408	1,500	1,500	1,500
5345 Lease Equipment	-	-	1,370	-
<b>Total 53-Maintenance And Operations</b>	<b>2,505</b>	<b>2,100</b>	<b>3,506</b>	<b>3,500</b>

# PUBLIC WORKS ADMINISTRATION DEPARTMENT

18-Public Works Admin Expenditures	Actual	Budget	Estimate	Budget
<b>54-Contract Services</b>				
5430 Professional Service	2,500	2,500	2,500	2,500
5440 Engineering/Architect	100	8,000	8,000	8,000
5450 Technical Support	10,337	7,500	7,500	7,500
5451 Annual Software Sup	(1,890)	-	-	7,000
<b>Total 54-Contract Services</b>	<b>11,047</b>	<b>18,000</b>	<b>18,000</b>	<b>25,000</b>
<b>55-UTI</b>				
5515 Electric	2,381	2,600	2,600	8,100
5516 Gas Service	804	900	900	900
5520 Cell Phone	600	600	600	600
<b>Total 55-Utilities</b>	<b>3,785</b>	<b>4,100</b>	<b>4,100</b>	<b>9,600</b>
<b>Total 18-Public Works</b>	<b>148,235</b>	<b>242,348</b>	<b>205,626</b>	<b>212,169</b>



# FINANCE DEPARTMENT

The Finance Department is responsible for all banking and investments activities of the City. Finance also handles accounts payable and utility billing. Finance assists administration with budget preparation and monitoring and provides reports to the manager and council on current revenues and expenditures.

<b>Budget Summary</b>	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	271,630	319,563	321,011	331,323	11,760	3.68%
Supplies & Materials	10,829	18,000	17,150	23,500	5,500	30.56%
Maintenance & Operations	498	2,000	1,000	2,000	-	0.00%
Contract Services	66,783	64,000	67,881	70,812	6,812	10.64%
Utilities	3,137	4,000	3,500	3,894	(106)	-2.65%
<b>Total</b>	<b>352,877</b>	<b>407,563</b>	<b>410,542</b>	<b>431,529</b>	<b>23,966</b>	<b>5.88%</b>

<b>Authorized Employees</b>	2015	2016	2017
Full Time	4	5	5
Part Time	1	0	0

# FINANCE DEPARTMENT

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>19-Finance Expenditures</b>				
<b>51-Salaries And Benefits</b>				
5110 Regular Salaries	206,790	235,000	235,500	245,695
5111 Merit Increase	-	4,769	4,769	4,914
5125 Longevity Pay	716	912	1,432	676
5130 F I C A	14,618	18,721	18,500	19,270
5140 Retirement	14,388	17,644	18,500	19,704
5150 Health Insurance	34,187	39,000	39,000	39,000
5160 Worker's Compensation	822	1,817	1,500	1,209
5170 T.E.C.	43	1,700	1,700	855
5180 Medical/Physicals	35	-	70	-
8182 Background Checks	31	-	40	-
<b>Total 51-Salaries And Benefits</b>	<b>271,630</b>	<b>319,563</b>	<b>321,011</b>	<b>331,323</b>
<b>52-Supplies And Materials</b>				
5201 Other	618	-	-	-
5210 Office Supplies	6,063	7,000	6,900	7,500
5230 Advertising	119	-	-	-
5235 Dues And Subscriptions	1,740	1,000	1,000	1,000
5240 Conferences And Training	651	6,000	5,500	6,000
5245 Janitorial Supplies	603	1,000	750	1,000
5280 Computer Systems	-	3,000	3,000	3,000
5280 Furniture and Fixtures	-	-	-	5,000
5298 Non Capital Supplies And Materials	1,035	-	-	-
<b>Total 52-Supplies And Materials</b>	<b>10,829</b>	<b>18,000</b>	<b>17,150</b>	<b>23,500</b>
<b>53-Maintenance And Operations</b>				
5310 R & M Building	467	2,000	1,000	2,000
5325 R & M Motor Vehicle	31	-	-	-
<b>Total 53-Maintenance And Operations</b>	<b>498</b>	<b>2,000</b>	<b>1,000</b>	<b>2,000</b>
<b>54-Contract Services</b>				
5426 Credit Card Fees	33,063	33,000	33,000	35,000
5450 Technical Support	14,732	15,000	15,000	15,000
5451 Annual Software Support	18,988	16,000	19,881	20,812
<b>Total 54-Contract Services</b>	<b>66,783</b>	<b>64,000</b>	<b>67,881</b>	<b>70,812</b>

# FINANCE DEPARTMENT

19-Finance Expenditures	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>55-Utilities</b>				
5515 Electric	2,370	3,000	2,600	3,000
5516 Gas Service	317	400	300	294
5520 Cell Phone	450	600	600	600
<b>Total 55-Utilities</b>	<b>3,137</b>	<b>4,000</b>	<b>3,500</b>	<b>3,894</b>
<b>Total 19-Finance</b>	<b>352,877</b>	<b>407,563</b>	<b>410,542</b>	<b>431,529</b>



# FLEET SERVICES DEPARTMENT

Fleet services provides vehicle and equipment maintenance for all City departments.

Budget Summary	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	72,550	113,928	61,135	112,678	(1,250)	-1.10%
Supplies & Materials	5,070	9,200	8,392	9,700	500	5.43%
Maintenance & Operations	13,772	26,857	27,480	12,400	(14,457)	-53.83%
Contract Services	895	5,000	-	5,000	-	0.00%
Utilities	9,648	6,000	3,700	5,600	(400)	-6.67%
Capital Expenses	-	-	-	13,300	13,300	-
<b>Total</b>	<b>101,935</b>	<b>160,985</b>	<b>100,707</b>	<b>158,678</b>	<b>(2,307)</b>	<b>-1.43%</b>

Authorized Employees	2015	2016	2017
Full Time	2	2	2
Part Time	0	0	0

# FLEET SERVICES DEPARTMENT

36-Fleet Services Expenditures		2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>51-Salaries And Benefits</b>					
5110	Regular Salaries	53,214	76,143	41,850	78,549
5111	Merit Increase	-	1,800	-	1,570
5117	Vacation Compensation	-	1,000	-	-
5120	Overtime	730	500	500	500
5125	Longevity Pay	608	900	12	108
5130	F I C A	3,776	6,885	3,350	6,175
5140	Retirement	3,822	6,750	3,335	6,314
5150	Health Insurance	8,360	15,600	7,828	15,600
5160	Worker's Compensation	1,953	3,550	4,140	3,511
5170	T.E.C.	18	700	20	351
5180	Medical/Physicals	50	50	50	-
5182	Background Checks	19	50	50	-
<b>Total 51-Salaries And Benefits</b>		<b>72,550</b>	<b>113,928</b>	<b>61,135</b>	<b>112,678</b>
<b>52-Supplies And Materials</b>					
5223	Chemical Supplies	557	800	600	500
5235	Dues And Subscriptions	50	500	25	500
5245	Janitorial Supplies	-	-	-	500
5250	Tools & Equipment	1,284	2,300	3,867	2,300
5252	Mechanic Supplies	1,231	1,700	1,700	1,700
5255	Wearing Apparel	541	900	800	2,200
5260	Safety Equipment	751	500	400	500
5280	Computer Systems	-	2,500	1,000	1,500
5298	Non Capital Supplies And Materials	656	-	-	-
<b>Total 52-Supplies And Materials</b>		<b>5,070</b>	<b>9,200</b>	<b>8,392</b>	<b>9,700</b>
<b>53-Maintenance And Operations</b>					
5310	R & M Building	3,725	2,400	6,600	2,400
5320	Motor Vehicle Fuel	897	1,800	1,000	1,000
5321	Oil & Lubricants	3,640	5,000	4,000	5,500
5325	R & M Motor Vehicle	4,714	1,500	1,930	1,500
5326	R & M Minor Equipment	15	1,500	100	1,200
5345	Lease/Purchase Equip	781	800	-	800
5390	Radios	-	13,857	13,850	-
<b>Total 53-Maintenance And Operations</b>		<b>13,772</b>	<b>26,857</b>	<b>27,480</b>	<b>12,400</b>

# FLEET SERVICES DEPARTMENT

36-Fleet Services Expenditures		2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>54-Contract Services</b>					
5430	Professional Services	895	-	-	-
5451	Annual Software Support	-	5,000	-	5,000
<b>Total 54-Contract Services</b>		<b>895</b>	<b>5,000</b>	<b>-</b>	<b>5,000</b>
<b>55-Utilities</b>					
5515	36-5515 Electric	9,298	5,000	2,200	5,000
5516	Gas	350	1,000	1,500	600
<b>Total 55-Utilities</b>		<b>9,648</b>	<b>6,000</b>	<b>3,700</b>	<b>5,600</b>
<b>61-Capital Outlay</b>					
6120	Building Improvements	-	-	-	6,000
6145	Fleet Equipment	-	-	-	7,300
<b>Total 61-Capital Outlay</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>13,300</b>
<b>Total 36-Fleet Services</b>		<b>101,935</b>	<b>160,985</b>	<b>100,707</b>	<b>158,678</b>



# NON-DEPARTMENTAL

The Non Departmental budget accounts for expenses that cannot easily be attributed to any specific department. This includes postage, property and liability insurance and tax collection fees.

Budget Summary	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Salaries & Benefits	12,476	15,000	15,000	20,000	5,000	33.33%
Supplies & Materials	32,253	32,900	33,000	33,000	100	0.30%
Maintenance & Operations	11,145	21,000	5,500	21,000	-	0.00%
Contract Services	136,513	158,500	135,047	157,750	(750)	-0.47%
Utilities	18,287	19,000	19,000	19,000	-	0.00%
<b>Total</b>	<b>210,674</b>	<b>246,400</b>	<b>207,547</b>	<b>250,750</b>	<b>4,350</b>	<b>1.77%</b>

	2015	2016	2017
Full Time	0	0	0
Part Time	0	0	0

# NON-DEPARTMENTAL

99-Non-Departmental Expenditures	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>51-Salaries And Benefits</b>				
5150 Health Insurance	9,330	10,000	10,000	10,000
5183 Safety & Incentive	3,146	5,000	5,000	10,000
<b>Total 51-Salaries And Benefits</b>	<b>12,476</b>	<b>15,000</b>	<b>15,000</b>	<b>20,000</b>
<b>52-Supplies And Materials</b>				
5210 Office Supplies	881	900	1,000	1,000
5220 Postage	31,372	32,000	32,000	32,000
<b>Total 52-Supplies &amp; Materials</b>	<b>32,253</b>	<b>32,900</b>	<b>33,000</b>	<b>33,000</b>
<b>53-Maintenance &amp; Operations</b>				
5305 Contingency Reserve				
5332 Office Machine Lease	5,583	6,000	5,500	6,000
5397 Reimburse For Damage Claims	5,562	15,000	0	15,000
<b>Total 53-Maintenance And Operations</b>	<b>11,145</b>	<b>21,000</b>	<b>5,500</b>	<b>21,000</b>
<b>54-Contract Services</b>				
5410 Tamla Insurance	86,021	90,000	82,047	90,000
5420 Tax Collections	22,653	25,000	25,000	25,000
5430 Professional Services	27,839	43,500	28,000	40,000
5435 Medicals/Physicals	-	-	-	2,000
5436 Background Checks	-	-	-	750
5455 Annual Bond Admin Fees	-	-	-	-
<b>Total 54-Contract Services</b>	<b>136,513</b>	<b>158,500</b>	<b>135,047</b>	<b>157,750</b>
<b>55-Utilities</b>				
5510 Telephone Services	18,287	19,000	19,000	19,000
<b>Total 55-Utilities</b>	<b>18,287</b>	<b>19,000</b>	<b>19,000</b>	<b>19,000</b>
<b>Total 99-Non-Departmental</b>	<b>210,674</b>	<b>246,400</b>	<b>207,547</b>	<b>250,750</b>

# 4A CORPORATION

The Sanger Texas Industrial Development Corporation (4A Fund) is funded by a 1/2 cent sales tax. It is used to help new and existing businesses expand in Sanger with a primary goal of bringing jobs to the Sanger community. Primary jobs include manufacturing and distribution jobs that increase income and enhance the local economy.

The Sanger Texas Industrial Development Corporation is governed by a board of five directors, all of whom are appointed by the City Council of the City of Sanger. The 4A Fund was incorporated in the state of Texas as a non-profit industrial development corporation under section 4A of the Development Corporation Act of 1979.

<b>Budget Summary</b>	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Sales Tax	393,664	362,500	366,000	362,500	-	0.00%
Rental Income (103 Bolivar)	78,667	78,000	78,000	78,000	-	0.00%
Interest Income	1,268	1,000	1,200	1,000	-	0.00%
Miscellaneous Income	20,075	-	-	-	-	-
Transfer In	50,000	50,000	50,000	50,000	-	0.00%
<b>Total Revenues</b>	<b>543,674</b>	<b>491,500</b>	<b>495,200</b>	<b>491,500</b>	<b>-</b>	<b>0.00%</b>
<b>Expenditure Summary</b>						
Salaries & Benefits	99,195	111,922	109,900	123,822	11,900	10.83%
Supplies & Materials	14,110	16,700	16,700	20,800	4,100	24.55%
Maintenance & Operations	932	5,000	5,000	6,867	1,867	37.34%
Contract Services	1,399	5,500	12,725	6,250	750	5.89%
Utilities	600	600	600	4,100	3,500	583.33%
Grant Expenses	15,075	-	-	-	-	-
Debt Service	61,267	61,267	61,266	61,267	-	0.00%
<b>Total Expenditures</b>	<b>192,578</b>	<b>200,989</b>	<b>206,191</b>	<b>223,106</b>	<b>22,117</b>	<b>10.73%</b>
<b>Revenue Over (Under) Expenditure</b>	<b>351,096</b>	<b>290,511</b>	<b>289,009</b>	<b>268,394</b>	<b>(22,117)</b>	
<b>Beginning Fund Balance</b>	<b>1,246,523</b>	<b>1,597,619</b>	<b>1,597,619</b>	<b>1,888,130</b>		
<b>Ending Fund Balance</b>	<b>1,597,619</b>	<b>1,888,130</b>	<b>1,886,628</b>	<b>2,156,524</b>		

# 4A CORPORATION

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget	
<b>46-Economic Development</b>					
<b>51-Salaries And Benefits</b>					
5110	Regular Salaries	70,991	82,000	81,200	91,000
5111	Merit Increase	-	2,460	-	2,730
5125	Longevity Pay	4	52	100	100
5128	Auto Allowance	5,750	6,000	6,000	6,000
5130	F I C A	5,664	6,595	7,300	7,683
5140	Retirement	5,295	6,215	6,700	7,856
5150	Health Insurance	7,175	7,800	7,800	7,800
5160	Worker's Compensation	-	500	500	482
5170	T.E.C.	216	200	200	171
5180	Medical/Physicals	35	50	50	-
5182	Background Checks	-	50	50	-
<b>Total 51-Salaries And Benefits</b>		<b>95,130</b>	<b>111,922</b>	<b>109,900</b>	<b>123,822</b>
<b>52-Supplies And Materials</b>					
5210	Office Supplies	457	1,000	1,000	1,000
5215	Food	86	300	300	300
5226	Marketing And Promotion	-	9,500	9,500	11,500
5235	Dues And Registrations	2,610	2,000	2,000	2,000
5240	Conferences And Training	28	3,500	3,500	4,000
5280	Computer Systems	-	400	400	500
5285	Furniture And Fixtures	-	-	-	1,500
5298	Non Capital Supplies And Materials	4,587	-	-	-
<b>Total 52-Supplies And Materials</b>		<b>7,768</b>	<b>16,700</b>	<b>16,700</b>	<b>20,800</b>
<b>53-Maintenance And Operations</b>					
5310	R & M Building	933	5,000	5,000	5,000
5332	Office Machine Lease	-	-	-	1,867
<b>Total 53-Maintenance And Operations</b>		<b>933</b>	<b>5,000</b>	<b>5,000</b>	<b>6,867</b>
<b>54-Contract Services</b>					
5430	Professional Service	519	2,500	9,725	3,000
5445	Property Taxes	-	-	-	-
5450	Technical Support	880	1,500	1,500	1,500
5451	Annual Software Support	-	1,500	1,500	1,750
<b>Total 54-Contract Services</b>		<b>1,399</b>	<b>5,500</b>	<b>12,725</b>	<b>6,250</b>

# 4A CORPORATION

46-Economic Development		2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>55-Utilities</b>					
5515	Electric	-	-	-	2,600
5516	Gas Service	-	-	-	900
5520	Cell Phone	600	600	-	600
<b>Total 55-Utilities</b>		<b>600</b>	<b>600</b>	<b>-</b>	<b>4,100</b>
<b>56-Grant Expense</b>					
5610	Grant Expense	15,075	-	-	-
<b>Total Grant Expense</b>		<b>15,075</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>70-Debt Payments</b>					
7005	Note Pymts - Gnb				
7007	Note Pymts - Warehouse	39,762	40,093	41,218	43,949
7099	Interest Expense	21,505	21,174	20,048	17,318
<b>Total 70-Debt Payments</b>		<b>61,267</b>	<b>61,267</b>	<b>61,266</b>	<b>61,267</b>
<b>Total 4A Fund Expenditures</b>		<b>182,172</b>	<b>200,989</b>	<b>205,591</b>	<b>223,106</b>



# 4B CORPORATION

The Sanger Texas Economic Development Corporation (4B Fund) is funded by a 1/2 cent sales tax. It is used to enhance the local economy by improving the quality of life. This includes park improvements, downtown streetscaping and other projects that make living in Sanger enjoyable.

The Sanger Texas Economic Development Corporation is governed by a board of seven directors, all of whom are appointed by the City Council of the City of Sanger. The 4B Fund was incorporated in the state of Texas as a nonprofit industrial development corporation under Section 4B of the Development Corporation Act of 1979.

<b>Budget Summary</b>	2014-15 Actual	2015-16 Budget	2015-16 Estimated	2016-17 Budget	Difference	% Change
Sales Tax	393,664	362,500	366,000	362,500	-	0.00%
Interest Income	1,306	1,000	1,300	1,000	-	0.00%
<b>Total Revenues</b>	<b>394,970</b>	<b>363,500</b>	<b>367,300</b>	<b>363,500</b>	<b>-</b>	<b>0.00%</b>
<b>Expenditure Summary</b>						
Capital Expenditures	-	39,500	39,500	300,000	260,500	659.49%
Transfers	237,500	237,500	237,500	237,500	-	0.00%
<b>Total Expenditures</b>	<b>237,500</b>	<b>277,000</b>	<b>277,000</b>	<b>537,500</b>	<b>260,500</b>	<b>94.04%</b>
<b>Revenue Over (Under) Expenditure</b>	<b>157,470</b>	<b>86,500</b>	<b>90,300</b>	<b>(174,000)</b>	<b>(260,500)</b>	
<b>Beginning Fund Balance</b>	<b>684,517</b>	<b>841,987</b>	<b>841,987</b>	<b>928,487</b>		
<b>Ending Fund Balance</b>	<b>841,987</b>	<b>928,487</b>	<b>932,287</b>	<b>754,487</b>		

# 4B CORPORATION

76-4B Fund		2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>61-Capital Outlay</b>					
6113	Design Hike And Bike Trail	-	39,500	39,500	-
6114	Construction Hike And Bike Trail	-	-	-	300,000
<b>Total 61-Capital Outlay</b>		<b>-</b>	<b>39,500</b>	<b>39,500</b>	<b>300,000</b>
<b>74-Transfers</b>					
7403	Transfer To Debt Service Fund	212,500	212,500	212,500	212,500
7441	Transfer To 4A	25,000	25,000	25,000	25,000
<b>Total 74-Transfers</b>		<b>237,500</b>	<b>237,500</b>	<b>237,500</b>	<b>237,500</b>
<b>Total 4B Fund Expenditures</b>		<b>237,500</b>	<b>277,000</b>	<b>277,000</b>	<b>537,500</b>

# SPECIAL REVENUE FUNDS

The City utilizes Special Revenue Funds to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes. The City utilizes the following Special Revenue Funds:

- Hotel Occupancy Tax Fund
- Beautification Fund
- Library Restricted Fund
- Court Security Fund
- Court Technology Fund
- Child Safety Fee Fund
- Police Donations Fund
- Fire Donations Fund
- Parks Donations Fund
- Library Donations Fund

# SPECIAL REVENUE FUNDS

The Hotel Occupancy Tax Fund is used to account for revenues from the Hotel Occupancy Tax.

CITY OF SANGER, TEXAS  
PROPOSED BUDGET FISCAL YEAR 2016-2017  
HOTEL OCCUPANCY FUND REVENUES AND EXPENDITURES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
Beginning Fund Balance	24,648	33,061	33,061	41,061
<b>Revenues</b>				
Taxes	16,826	20,000	20,000	20,000
<b>Total Hotel Tax Fund Revenues</b>	<b>16,826</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
<b>Expenditures</b>				
Contract Services	8,413	10,000	12,000	12,000
<b>Total Hotel Tax Fund Expenditures</b>	<b>8,413</b>	<b>10,000</b>	<b>12,000</b>	<b>12,000</b>
Excess of Revenues/Sources over Expenditures/Uses	8,413	10,000	8,000	8,000
<b>Ending Fund Balance</b>	<b>33,061</b>	<b>43,061</b>	<b>41,061</b>	<b>49,061</b>

# SPECIAL REVENUE FUNDS

The Beautification Fund is utilized to account for revenue sources dedicated to beautification of City-owned parks by the Parks Department.

CITY OF SANGER, TEXAS  
PROPOSED BUDGET FISCAL YEAR 2016-2017  
BEAUTIFICATION FUND REVENUES AND EXPENDITURES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Beginning Fund Balance</b>	5,508	5,525	5,525	5,525
<b>Revenues</b>				
Miscellaneous	17	500	-	500
<b>Total Beautification Fund Revenues</b>	17	500	-	500
<b>Expenditures</b>				
Supplies & Materials	-	6,000	-	6,000
<b>Total Beautification Fund Expenditures</b>	-	6,000	-	6,000
<b>Excess of Revenues/Sources over Expenditures/Uses</b>	17	(5,500)	-	(5,500)
<b>Ending Fund Balance</b>	5,525	25	5,525	25

# SPECIAL REVENUE FUNDS

The Library Restricted Fund is utilized to account for specific revenues set aside for future Library expenditures.

CITY OF SANGER, TEXAS  
 PROPOSED BUDGET FISCAL YEAR 2016-2017  
 LIBRARY RESTRICTED FUND REVENUES AND EXPENDITURES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Beginning Fund Balance</b>	72,945	75,564	75,564	80,554
<b>Revenues</b>				
Interest Income	219	-	190	
Miscellaneous	2,400	4,800	4,800	500
<b>Total Library Restricted Fund Revenue</b>	<b>2,619</b>	<b>4,800</b>	<b>4,990</b>	<b>500</b>
<b>Expenditures</b>				
Supplies & Materials	-	-	-	-
<b>Total Library Restricted Fund Expendit</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess of Revenues/Sources over Expenditures/Uses</b>	<b>2,619</b>	<b>4,800</b>	<b>4,990</b>	<b>500</b>
<b>Ending Fund Balance</b>	<b>75,564</b>	<b>80,364</b>	<b>80,554</b>	<b>81,054</b>

# SPECIAL REVENUE FUNDS

The Court Security Fund is utilized to account for Court Security Fees imposed on convictions by the Sanger Municipal Court.

CITY OF SANGER, TEXAS  
PROPOSED BUDGET FISCAL YEAR 2016-2017  
COURT SECURITY FUND REVENUES AND EXPENDITURES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Beginning Fund Balance</b>	6,756	5,687	5,687	6,837
<b>Revenues</b>				
Fines	1,607	2,500	1,900	2,500
<b>Total Court Security Fund Revenues</b>	1,607	2,500	1,900	2,500
<b>Expenditures</b>				
Salaries & Benefits	2,676	2,500	750	2,500
<b>Total Court Security Fund Expenditure</b>	2,676	2,500	750	2,500
<b>Excess of Revenues/Sources over Expenditures/Uses</b>	(1,069)	-	1,150	-
<b>Ending Fund Balance</b>	5,687	5,687	6,837	6,837

# SPECIAL REVENUE FUNDS

The Court Technology Fund is utilized to account for Court Technology Fees imposed on convictions by the Sanger Municipal Court.

CITY OF SANGER, TEXAS  
 PROPOSED BUDGET FISCAL YEAR 2016-2017  
 COURT TECHNOLOGY FUND REVENUES AND EXPENDITURES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Beginning Fund Balance</b>	757	1,081	1,081	981
<b>Revenues</b>				
Fines	2,193	3,000	2,900	3,000
<b>Total Court Technology Fund Revenue</b>	<b>2,193</b>	<b>3,000</b>	<b>2,900</b>	<b>3,000</b>
<b>Expenditures</b>				
Contract Services	1,869	3,000	3,000	3,000
<b>Total Court Technology Fund Expendit</b>	<b>1,869</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>
<b>Excess of Revenues/Sources over Expenditures/Uses</b>	324	-	(100)	-
<b>Ending Fund Balance</b>	<b>1,081</b>	<b>1,081</b>	<b>981</b>	<b>981</b>

# SPECIAL REVENUE FUNDS

The Child Safety Fund is utilized to account for Child Safety Fees collected by the Sanger Municipal Court.

CITY OF SANGER, TEXAS  
 PROPOSED BUDGET FISCAL YEAR 2016-2017  
 CHILD SAFETY FEE FUND REVENUES AND EXPENDITURES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Beginning Fund Balance</b>	-	-	-	9,000
<b>Revenues</b>				
Fines	-	-	10,000	10,000
<b>Total Child Safety Fee Fund Revenues</b>	-	-	10,000	10,000
<b>Expenditures</b>				
Contract Services	-	-	1,000	10,000
<b>Total Child Safety Fee Fund Expenditures</b>	-	-	1,000	10,000
<b>Excess of Revenues/Sources over Expenditures/Uses</b>	-	-	9,000	-
<b>Ending Fund Balance</b>	-	-	9,000	9,000

# SPECIAL REVENUE FUNDS

The Police Donations Fund is utilized to account for specific funds donated for the exclusive use of the Sanger Police Department.

CITY OF SANGER, TEXAS  
PROPOSED BUDGET FISCAL YEAR 2016-2017  
POLICE DONATIONS FUND REVENUES AND EXPENDITURES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Beginning Fund Balance</b>	4,547	1,385	1,385	1,338
<b>Revenues</b>				
Miscellaneous	-	2,500	2,500	2,500
<b>Total Police Donations Fund Revenues</b>	-	2,500	2,500	2,500
<b>Expenditures</b>				
Supplies & Materials	3,162	2,547	2,547	2,547
<b>Total Police Donations Fund Expenditu</b>	3,162	2,547	2,547	2,547
<b>Excess of Revenues/Sources over Expenditures/Uses</b>	(3,162)	(47)	(47)	(47)
<b>Ending Fund Balance</b>	1,385	1,338	1,338	1,291

# SPECIAL REVENUE FUNDS

The Fire Donations Fund is utilized to account for specific funds donated for the exclusive use of the Sanger Fire Department.

CITY OF SANGER, TEXAS  
 PROPOSED BUDGET FISCAL YEAR 2016-2017  
 FIRE DONATIONS FUND REVENUES AND EXPENDITURES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Beginning Fund Balance</b>	2,775	4,175	4,175	2,900
<b>Revenues</b>				
Miscellaneous	1,400	1,000	1,000	1,000
<b>Total Fire Donations Fund Revenues</b>	<b>1,400</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Expenditures</b>				
Supplies & Materials	-	2,275	2,275	2,275
<b>Total Fire Donations Fund Expenditure</b>	<b>-</b>	<b>2,275</b>	<b>2,275</b>	<b>2,275</b>
<b>Excess of Revenues/Sources over Expenditures/Uses</b>	<b>1,400</b>	<b>(1,275)</b>	<b>(1,275)</b>	<b>(1,275)</b>
<b>Ending Fund Balance</b>	<b>4,175</b>	<b>2,900</b>	<b>2,900</b>	<b>1,625</b>

# SPECIAL REVENUE FUNDS

The Park Donations Fund is utilized to account for specific funds donated for the exclusive use of the Parks Department.

CITY OF SANGER, TEXAS  
 PROPOSED BUDGET FISCAL YEAR 2016-2017  
 PARK DONATIONS FUND REVENUES AND EXPENDITURES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Beginning Fund Balance</b>	2,536	2,536	2,536	3,036
<b>Revenues</b>				
Miscellaneous	-	500	500	2,500
<b>Total Park Donations Fund Revenues</b>	-	500	500	2,500
<b>Expenditures</b>				
Supplies & Materials	-	-	-	-
<b>Total Park Donations Fund Expenditures</b>	-	-	-	-
<b>Excess of Revenues/Sources over Expenditures/Uses</b>	-	500	500	2,500
<b>Ending Fund Balance</b>	2,536	3,036	3,036	5,536

# SPECIAL REVENUE FUNDS

The Library Donations Fund is utilized to account for specific funds donated for the exclusive use of the Sanger Public Library.

CITY OF SANGER, TEXAS  
 PROPOSED BUDGET FISCAL YEAR 2016-2017  
 LIBRARY DONATIONS FUND REVENUES AND EXPENDITURES

	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Budget
<b>Beginning Fund Balance</b>	1,150	1,650	1,650	1,150
<b>Revenues</b>				
Miscellaneous	500	500	500	500
<b>Total Library Donations Fund Revenue</b>	500	500	500	500
<b>Expenditures</b>				
Supplies & Materials	-	1,000	1,000	1,000
<b>Total Library Donations Fund Expendit</b>	-	1,000	1,000	1,000
<b>Excess of Revenues/Sources over Expenditures/Uses</b>	500	(500)	(500)	(500)
<b>Ending Fund Balance</b>	1,650	1,150	1,150	650



# ABOUT SANGER

## OVERVIEW

The City of Sanger, Texas was incorporated in 1886 and operates under a Council-Manager form of government. The City provides general government, public safety, public works, culture and recreation, water, sewer and electricity operations.

## HISTORY

Sanger was founded in 1886 as a stop on the Santa Fe Railroad. Cattle from the ranches of north Denton County were driven up the old cattle trails through Sanger to northern markets. The cattle industry of the prairies of north Denton County contributed to the founding of the town, and wheat growing contributed substantially to its economy as did the production of oats, maize, millet and cotton. Santa Fe named Sanger in honor of one of its customers, the Sanger family who owned stores in Waco and Dallas. The F.M. Ready family was the first to settle in Sanger in October 1887, the same year as the first engine and caboose arrived. In 1920 the building of a state highway that connected Sanger and Dallas helped compensate for the declining rail business.

Cattle and other livestock are raised around Sanger, and there are several horse farms for the breeding and training of registered stock. The oldest continual business was Wilson Lumber Company, founded by Andy Marshall Wilson in the 1890s. His son, T. C. (Tilford Clifton Wilson), expanded the business and was the longest serving city councilman and mayor in Sanger history. Wilson Lumber Company was finally sold by the family in 2001, becoming Denton County Building Supply.

## LOCATION

Sanger is strategically located along Interstate 35 in Northern Denton County. The City occupies 10.9 square miles along Interstate 35.

Its location offers residents and businesses direct access to the amenities of a major metropolitan area, extensive labor market, airports and top universities while still retaining a small town quality of life. Sanger is approximately 50 miles from Downtown Dallas and 50 miles from Downtown Fort Worth. Dallas/Fort Worth International Airport is 38 miles away.



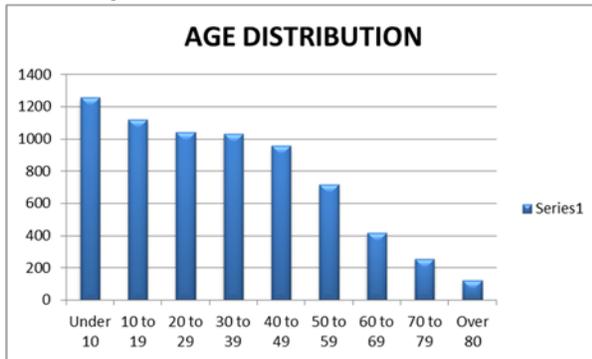
# ABOUT SANGER

## POPULATION <sup>1</sup>

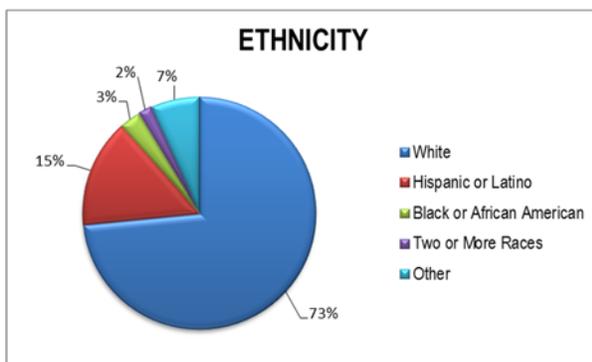
1920	1,204
1930	1,119
1940	1,000
1950	1,170
1960	1,190
1970	1,603
1980	2,574
1990	3,508
2000	4,534
2010	6,916
2015 (estimated)	7,747

## AGE DISTRIBUTION <sup>1</sup>

Median Age 29.5



## ETHNICITY <sup>1</sup>



## HOUSING <sup>1</sup>

1 Unit	2,644
2 Units	16
3 or 4 Units	18
5 to 9 Units	146
10 to 19+ Units	58
More than 20 Units	43
<u>Mobile Home</u>	<u>205</u>
Total Housing Units	2,644
Median Household Income	\$53,862

## MAJOR EMPLOYERS <sup>2</sup>

Wal-Mart Distribution Center  
 Sanger Independent School District  
 Sam's Distribution Center

## BOND RATINGS <sup>3</sup>

Moody's A1

## SALES TAX RATE <sup>2</sup>

State of Texas	6.25%
City of Sanger	1.00%
4A	0.50%
<u>4B</u>	<u>0.50%</u>
Total	8.25%

## SCHOOLS <sup>2</sup>

Butterfield Elementary School  
 Chisholm Trail Elementary School  
 Clear Creek Intermediate School  
 Sixth Grade Campus  
 Sanger Middle School  
 Linda Tutt High School  
 Sanger High School

<sup>1</sup> factfinder.census.gov

<sup>2</sup> Sanger Economic Development Corporation

<sup>3</sup> Moody's Investors Service

## Introduction

The City of Sanger, Texas financial policies set forth the basic framework for the fiscal management of the City. These policies were developed within the parameters established by applicable provisions of the Texas Local Government Code and the Sanger City Charter. The policies are intended to assist the City Council and city staff in evaluating current activities and proposals for future programs. The policies are to be reviewed on an annual basis and modified to accommodate changing circumstances or conditions.

The scope of these policies generally spans accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, expenditure control and debt management, all to make it possible both: (a) to present fairly and with full disclosure the financial position and results of financial operations of the City in conformity to generally accepted accounting principles (GAAP), and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

It is the goal of the Statement of Financial Management Policies to enable the City to adhere to the principles of sound municipal finance and to continue its long-term stable and positive financial condition.

## Annual Budget

1. The fiscal year of the City of Sanger shall begin on October 1 of each calendar year and will end on September 30 of the following calendar year. The fiscal year will also be established as the accounting and budget year.
2. The City Manager, prior to August first of each year, shall prepare and submit to the City Secretary the annual budget covering the next fiscal year. The budget shall provide a complete financial plan of all city funds and activities and, except as required by law or the City Charter, shall be in such form as the Council may require. The budget shall contain the following information:
  - a. The City Manager's budget message outlining the proposed financial policies for the next fiscal year with an explanation of any changes in expenditures from the previous year, any major changes in policies, and a complete statement regarding the financial condition of the City. (Proposition 1 approved at an election held November 7, 2006 and certified by Resolution 11-19-06 adopted November 20, 2006.)
  - b. An estimate of all revenues from taxes and other sources, including the present tax structure, rates, and property valuations for the ensuing year;
  - c. A carefully itemized list of proposed expenses and revenues by fund, service type, and project for the budget year, as compared to actual expenditures and revenues of the last ended fiscal year and the projected final expenditures and revenues for the current fiscal year;
  - d. A description of all outstanding bond indebtedness, showing amount, date of issue, rate of interest, and maturity date; also any other indebtedness which the City has incurred and which has not been paid;
  - e. A statement proposing any capital expenditures deemed necessary for undertaking during the next budget year and the recommended provision for financing; and
  - f. Such other information as is required by City Council or deemed desirable by the City Manager.
3. The City Manager's budget should assume, for each fund, operating revenues that are equal to or exceed operating expenditures. The City Manager's budget message shall explain the reasons for any fund that reflects operating expenditures exceeding operating revenues.

# FINANCIAL MANAGEMENT POLICY

4. The City Council shall hold a public hearing on the budget, as submitted, at the time and place so advertised in the official newspaper, which will be no less than seven (7) days or more than fifteen (15) days after the date of notice. All interested persons shall be given the opportunity to be heard, either for or against, any item of the proposed budget.
5. The budget and tax rate may be adopted at any regular or special meeting of the Council prior to the beginning of the budgeted fiscal year by a majority vote of a two thirds (2/3) quorum. The Council may amend the proposed budget by increasing, decreasing, or removing any programs or amounts, except for expenditures required by law, for debt service, or for estimated cash deficit. No amendment to the budget shall increase the authorized expenditures to an amount greater than the total of estimated income plus funds available from prior years.
6. If the Council fails to adopt a budget by the beginning of the fiscal year, the budget currently in place for the preceding year shall remain in place on a month-to-month basis until such time as a new budget has been adopted.
7. On final adoption, the budget shall be in effect for the budget year. Final adoption of the budget by the City Council shall constitute the official appropriations for the current year and shall constitute the basis of the official levy of the property tax. Under conditions which may arise, the City Council may amend or change the budget to provide for any additional expense.

## Capital Program

1. The City Manager shall submit a five-year capital improvement program (CIP) as an attachment to the annual budget. The CIP shall induce the following:
  - a. A clear, general summary of its contents;
  - b. A list of all capital improvements which are proposed for the five (5) fiscal years including the budget year, with appropriate supporting information as to the necessity for such improvements;
  - c. Cost estimates, method of financing and recommended time schedules for each improvement; and
  - d. The estimated annual cost of operating and maintaining the facilities to be constructed or acquired.

## Basis of Accounting and Budgeting

1. The City's finances shall be accounted for in accordance with generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board (GASB).
  - a. The accounts of the City are organized and operated on the basis of funds and account groups. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.
  - b. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Substantially all revenues are considered to be susceptible to accrual. Ad valorem, sales, hotel, franchise and tax revenues recorded in the General Fund and ad valorem tax revenues recorded in the Debt Service Fund are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except earnings

# FINANCIAL MANAGEMENT POLICY

on investments) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Expenditures are recognized when the related fund liability is incurred, if measurable, except for principal and interest on general long-term debt, which are recorded when due, and compensated absences, which are recorded when payable from currently available financial resources.

- c. The City utilizes encumbrance accounting for its governmental fund types, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.
  - d. The City's proprietary fund types are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.
2. The City's annual budgets shall be prepared and adopted on a basis consistent with generally accepted accounting principles for all governmental and proprietary funds
  3. The issuance of Statement 34 by GASB has influenced the creation and reporting of individual funds. GASB 34 essentially mandates dual accounting systems: one for government-wide (i.e. the government as a single entity) reporting and another for individual fund reporting. Under GASB 34 for individual funds, the City will continue utilizing the accounting and budgeting processes as described in paragraphs (1) and (2) of this section. However, because GASB 34 mandates the flow of economic resources measurement focus and accrual basis of accounting for the government-wide reporting, extensive reconciliation must be performed to present aggregated fund information in the government-wide reporting model. Therefore, individual operating funds will be created with the objective of reducing fund to government-wide reconciliation as much as possible. When appropriate, individual funds will be examined as to whether it will be appropriate to account for them as proprietary fund types. Also, the City will limit the use of internal service funds and incorporate the financial transactions of those funds into other governmental funds.

## **Budget Administration**

1. All expenses of the City shall be made in accordance with the adopted annual budget. Budgetary control is maintained at the individual expenditure account level by the review of all requisitions of estimated purchase amounts prior to the release of purchase orders to vendors.
2. The following represents the City's budget amendment policy delineating responsibility and authority for the amendment process. Transfers between expenditure accounts in one department may occur with the approval of the City Manager and Finance Director. Transfers between operating departments may occur with the approval of the City manager and Finance Director provided that a department's total budget is not changed by more than \$50,000. Transfers between funds must be accomplished by budget amendment approved by the City Council. Budget amendments calling for new fund appropriations must also be approved by the City Council.

## **Financial Reporting**

1. At the close of each fiscal year, and at such other times as it may be deemed necessary, the Council shall direct that an independent audit be made on all accounts of the City by a certified public accountant. The certified public accountant shall have no personal interest directly or indirectly, in the financial affairs of the City or any of its officers and shall report directly to the Council. Upon completion of the audit, a summary of the results thereof shall be placed on file in the City Secretary's office for public record. A copy of the comprehensive financial annual report shall be available at City Hall.

# FINANCIAL MANAGEMENT POLICY

2. The City Manager shall submit to the Council a monthly report of the financial condition of the City by department for the fiscal year-to-date. The financial records of the City will be maintained on a modified accrual basis to support this type of financial management. The City Manager shall make available to the Council the monthly cash disbursements journal of the City of all funds and accounts.

## Revenues

1. To protect the City's financial integrity, the City will maintain a diversified and stable revenue system to shelter it from fluctuations in any one revenue source. Recognizing that sales tax is a volatile, unpredictable source of revenue, the City will attempt to reduce its dependence on sales tax revenue.
2. For every annual budget, the City shall levy two property tax rates: operation/ maintenance and debt service. The debt service levy shall be sufficient for meeting all principal and interest payments associated with the City's outstanding general obligation debt for that budget year. The debt service levy and related debt service expenditures shall be accounted for in the Debt Service Fund. The operation and maintenance levy shall be accounted for in the General Fund. City Council will consider exceeding the rollback rate only after options have been presented by staff to avoid the rollback by increasing revenue from other sources or reducing expenditures.
3. The City will maintain a policy of levying the lowest tax rate on the broadest tax base. Minimal exemptions may be provided to homeowners, senior citizens, and disabled veterans. The City may consider providing tax abatements or other incentives to encourage development.
4. The City will establish user charges and fees at a level that attempts to recover the full cost of providing the service.
  - a. User fees, particularly utility rates, should identify the relative costs of serving different classes of customers.
  - b. Where possible, utility rates should be designed to reduce peak (hour and day) demands on the utility systems.
  - c. The City will make every reasonable attempt to ensure accurate measurement of variables impacting taxes and fees (e.g. verification of business sales tax payments, verification of appraisal district property values, and accuracy of water meters).
5. The City will attempt to maximize the application of its financial resources by obtaining supplementary funding through agreements with other public and private agencies for the provision of public services or the construction of capital improvements.
6. The City will consider market rates and charges levied by other public and private organizations for similar services in establishing tax rates, fees and charges.
7. When developing the annual budget, the City Manager shall project revenues from every source based on actual collections from the preceding year and estimated collections of the current fiscal year, while taking into account known circumstances which will impact revenues for the new fiscal year. The revenue projections for each fund should be made conservatively so that total actual fund revenues exceed budgeted projections.

## Operating Expenditures

1. Operating expenditures shall be accounted, reported, and budgeted for in the following major categories:
  - a. Operating, Recurring Expenditures
    - i. Salaries and Benefits
    - ii. Supplies and Materials
    - iii. Maintenance and Operations
    - iv. Contractual Services

# FINANCIAL MANAGEMENT POLICY

- v. Utilities
    - vi. Capital Replacement
    - vii. Other Expenses
  - b. Operating, Non-Recurring Expenditures
    - i. Capital Equipment
2. The annual budget shall appropriate sufficient funds for operating, recurring expenditures necessary to maintain established (i.e. status quo) quality and scope of city services.
3. The City will constantly examine the methods for providing public services in order to reduce operating, recurring expenditures and/or enhance quality and scope of public services with no increase to cost.
4. Salaries and benefits expenditures will reflect the minimum staffing needed to provide established quality and scope of city services. To attract and retain employees necessary for providing high-quality service, the City shall maintain a compensation and benefit package competitive with the public and, when quantifiable, private service industries.
5. Supplies and materials expenditures shall be sufficient for ensuring the optimal productivity of City employees.
6. Maintenance and operations expenditures shall be sufficient for addressing the deterioration of the City's capital assets to ensure the optimal productivity of the capital assets. Maintenance should be conducted to ensure a relatively stable level of maintenance expenditures for every budget year.
7. Utility expenditure providers shall, when options are available, be selected on the basis of the provider's competitive pricing and service.
8. The City will utilize contractual services for the provision of city services whenever private contractors can perform the established level of service at less expense to the City. The City will regularly evaluate its agreements with private contractors to ensure the established levels of service are performed at the least expense to the City.
9. Capital equipment is defined as equipment that exceeds \$5,000 and has a useful life of at least one year. Bulk purchases of smaller equipment with a useful life of at least one year will be capitalized if the total amount of the purchase exceeds \$25,000. Existing capital equipment shall be replaced when needed to ensure the optimal productivity of City employees.
10. Expenditures for additional capital equipment shall be made only to enhance employee productivity, improve quality of service, or expand scope of service.
11. Expenditures for other expenses not included in the categories above shall be made strictly on the basis of economic and business merit, ensuring the best possible return on each dollar spent.
12. To assist in controlling the growth of operating expenditures, operating departments will submit their annual budgets to the City Manager during the budget preparation process. Departments shall provide justification where projected expenditures exceed prior year budgeted amounts.

## Fund Balance

1. The annual budget shall be presented to City Council with each fund reflecting an ending fund balance which is no less than 25 percent of that fund's annual operating expenditures. To satisfy the particular needs of individual funds, ending fund balances may be established which exceed the 25 percent minimum.
2. Fund balance that exceeds the minimum level established for each fund may be appropriated for non-recurring capital projects or programs, reserves or as the Council directs.
3. The City will exercise diligence in avoiding the appropriation of fund balance for recurring operating expenditures. In the event fund balance is appropriated for recurring operating expenditures to meet the needs of the Sanger community, the budget document shall include an explanation of the circumstances

# FINANCIAL MANAGEMENT POLICY

requiring the appropriation and the methods to be used to arrest the future use of fund balance for operating expenditures.

## Fund Transfers

1. With the exceptions noted below, there will be no operating transfers between funds. Any costs incurred by one fund to support the operations of another shall be charged directly to the fund.
2. Fund transfers may occur when surplus fund balances are used to support non-recurring capital expenses or when needed to satisfy debt service obligations.
3. Transfers are permitted between funds to support economic development programs.
4. Transfers are permitted from the Enterprise Fund to other funds to cover the cost of operations.

## Debt Expenditures

1. The City shall have the right and power, except as prohibited by law or the City Charter, to borrow money by whatever method it may deem to be in the public interest.
2. The City shall have the power to borrow money on the credit of the City and to issue general obligation bonds for permanent public improvements or for any other public purpose not prohibited by law and the City Charter and to issue refunding bonds to refinance outstanding bonds previously issued. All such bonds or certificates of obligation shall be issued in conformity with the laws of the State of Texas and shall be used only for purposes for which they were issued. General obligation bonds shall not be issued without an election. In all cases when the City Council shall order an election for the issuance of bonds of the City, it shall, at the same time, state whether or not a tax rate increase is anticipated for the purpose of paying the principal and interest on the bonds and to create a sinking fund for their redemption.
3. The City shall have the power to borrow money for the purpose of constructing, purchasing, improving, extending or repairing public utilities, recreational facilities, or any other self-liquidating municipal function not prohibited by the Constitution and the laws of the State of Texas, and to issue revenue bonds to evidence the obligation created thereby. Such shall be a charge upon and payable from the properties, or interest therein pledged, or the income therefrom, or both. The holders of the revenue bonds shall never have the right to demand payment thereof out of moneys raised or to be raised by taxation. All such bonds shall be issued in conformity with the laws of the State of Texas and shall be used only for the purpose for which they were issued.
4. When needed to minimize annual debt payments, the City will obtain insurance for new debt issues.

## Capital Project Expenditures

1. The City will develop a multi-year plan for capital projects, which identifies all projects likely to be constructed within a five-year horizon. The multi-year plan will reflect for each project the likely source of funding and attempt to quantify the project's impact to future operating expenditures.
2. Capital projects will be constructed to:
  - a. Protect or improve the community's quality of life.
  - b. Protect or enhance the community's economic vitality.
  - c. Support and service new development.
3. To minimize the issuance of debt, the City will attempt to support capital projects with appropriations from operating revenues or excess fund balances (i.e. "pay-as-you-go").

## Purchasing

1. All purchases and contracts over \$3,000 shall conform to Chapter 252, Subchapter B of the Local Government Code of Texas, as amended. Purchases of goods or services over \$50,000 shall be submitted

# FINANCIAL MANAGEMENT POLICY

to the City Council for approval. The adoption of the annual budget gives the City Manger the authority to approve all other purchases for goods or services in accordance with each department's approved budget.

2. Purchases of goods or services at a total cost of \$1,000 or more must be made through the City's purchase order system. Written purchase orders shall also be used for vendors requiring formal City authorization regardless of dollar amount.
3. Purchases of goods or services at a total cost of less than \$1,000 may be made via a written Accounts Payable Voucher, signed and submitted by the applicable Department Director to the Finance Department.
4. All invoices approved for payment by the proper City authorities shall be paid by the Finance Department within thirty (30) calendar days of receipt in accordance with provisions of Article 601f, Section 2 of the State of Texas Civil Statutes.



# INVESTMENT POLICY

Investment Policy  
For the City of Sanger, Texas  
Approved September 15, 2014

## I. POLICY STATEMENT

It is the objective of the City of Sanger, Texas ("City") that the administration of its funds and the investment of those funds shall be handled in the highest public trust. Investments shall be made in a manner which will provide the maximum security of principle invested through limitations and diversification while meeting the daily cash flow needs of the city and conforming to all applicable federal, state, and local statutes, rules and regulations governing the investment of public funds. The receipt of a market rate return will be secondary to the requirements for safety and liquidity. The earning from investments shall be used in a manner that best serves the public trust and interest of the City. This policy serves to satisfy the statutory requirements of defining and adopting a formal investment policy and shall be reviewed annually for modifications. It is the intent of the City to be in compliance with local law and the provisions of Public Funds Investment Act of the Texas Government Code Chapter 2256.

## II. SCOPE

This Investment Policy applies to the investment activities, all financial assets and funds held by the City of Sanger, Texas. Funds covered and managed by this Investment Policy include:

- A. General Fund – Used to account for resources traditionally associated with government, which are not required to be accounted for in another fund.
- B. Debt Service Fund – Used to account for resources to be used for the payment of principle, interest and related costs on debt.
- C. Enterprise Fund – Used to account for operations that are financed and operated in a manner similar to private business enterprises.
- D. Capital Improvement Fund – Used to account for resources to enable the acquisition or construction of major capital facilities which are not financed by enterprise funds, internal service funds, or trust funds.
- E. Special Revenue Funds – Used to account for proceeds from specific revenue sources which are restricted to expenditures for specific purposes.
  - 1. 4A Fund
  - 2. 4B Fund
- 3. Employee Benefits Fund

## III. INVESTMENT OBJECTIVES AND STRATEGY

It is the policy of the City that all funds shall be invested in conformance with state and federal regulations, applicable bond ordinance requirements, and adopted Investment Policy.

In accordance with the Public Funds Investment Act, the following prioritized primary objectives, in accordance with the Texas Government Code Section 2256.005(d) apply to the City's investment strategy. Listed in order of their priority, these objectives encompass:

- A. Suitability – Understanding the suitability of the investment to the financial requirement of the City is important. Any investment eligible in the Investment Policy is suitable for all City funds.
- B. Safety – Preservation and safety of principal are the primary objectives of the Investment Policy. Investments of the City shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. To obtain this goal, diversification is required in the portfolio's composition. The suitability of each investment decision will be made on the basis of these objectives. The City prefers to invest in money market accounts, certificates of deposits, and United States government backed agency discount notes.

# INVESTMENT POLICY

- C. Liquidity – The City's investment portfolio will remain sufficiently liquid to meet operating requirements that might be reasonably anticipated. The City's investment portfolio will remain sufficiently liquid and enable it to meet all operating requirements which might be reasonably anticipated.
- D. Diversification – Investment maturities shall be staggered throughout the budget cycle to provide cash flow based on the anticipated needs of the City. Diversifying the appropriate maturity structure will reduce market cycle risk. Diversification of the portfolio will include diversification by maturity and market sector and will include the use of a number of brokers/dealers for diversification and market coverage. Competitive bidding will be used on each sale and purchase.
- E. Yield – Attaining a competitive market yield, commensurate with the City's investment risk constraints and cash flow characteristic of the portfolio, is the desired objective. The City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints and the cash flow of the portfolio. "Market rate of return" may be defined as the average yield of the current three-month U.S. Treasury Bill or such other index that most closely matches the average maturity of the portfolio. The City's objective shall be a reasonably safe yield rate in accordance with payment schedules and other investment goals.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability. The City shall maintain a comprehensive cash management program which includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services. The City staff will follow the "Prudent Person" statement relating to the standard of care that must be exercised when investing public funds as expressed in the Texas Government Code Section 2256.006(a-b). The Investment Officers shall avoid any transactions that might impair public confidence in the City's ability to govern effectively. The governing body recognizes that in diversifying the portfolio, occasional measured unrealized losses due to market volatility are inevitable, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented. The prudence of the investment decision shall be measured in accordance with the tests set forth in the Texas Government Code Section 2256.006(b).

It shall be the policy of the City not to invest in speculative instruments such as derivatives.

#### IV. LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY

Direct specific investment parameters for the investment of public funds in Texas are found in the Public Funds Investment Act of the Texas Government Code Section 2256.

The Interlocal Cooperation Contracts, Section 791, of the Texas Government Code authorizes local governments to participate in public funds investments in conjunction with other local governments and agencies of the state of Texas. Section 791 along with Section 2256 of the Texas Government Code provides authorization for participation in investment pools to invest public funds jointly with objectives of preservation and safety of principal, liquidity, and yield.

#### V. DELEGATION OF INVESTMENT AUTHORITY

The City Manager and the Finance Director acting on behalf of the City Council are designated as the Investment Officers of the City and are responsible for investment management decisions and activities. The Council is responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The Investment Officers shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with the investment policy. Procedures will include reference to

# INVESTMENT POLICY

safekeeping, wire transfers, certificates of deposit, and fund accounts. Additional procedures will be documented for the performance of wire transfer agreements; banking services contracts, and other investment related activities.

The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and staff. The Investment Officers shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officers are not available.

No officer or designee may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officers and approved by the City Council.

## VI. PRUDENCE – STANDARD OF CARE

The standard of prudence to be used in the investment function shall be the “prudent person” standard and shall be applied in the context of managing the overall portfolio. The Texas Government Code Section 2256.006(a) states Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.

### Limitation of Personal Liability

The Investment Officers and those delegated investment authority under this policy, when acting in accordance with the written procedures and this policy and in accordance with the written procedures and this policy and in accord with the Prudent Person Rule, shall be relieved of personal responsibility and liability in the management of the portfolio provided that deviations from expectations for a specific security’s credit risk or market price change or portfolio shifts are reported in a timely manner and that appropriate action is taken to control adverse market effects.

## VII. INTERNAL CONTROLS

The Investment Officers shall establish a system of written internal controls which will be reviewed annually with the independent auditor of the City. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees or Investment Officers of the City.

### Cash Flow Forecasting

Cash flow forecasting is designated to protect and sustain cash flow requirements of the City. Supplemental to the financial and budgetary systems, the Investment Officers will maintain a cash flow forecasting process designed to monitor and forecast cash positions for investment purposes. Cash flow will include the historical researching and monitoring of specific cash flow items, payables, and receivables as well as overall cash position and patters.

## VIII. AUTHORIZED INVESTMENTS

Acceptable investments under this policy shall be limited to the instruments listed below. The investments shall be selected in a manner which promotes diversity of the market sector and maturity. The selection of high-grade government investments and high-grade money market instruments is designed to assure the marketability of those investments should the need for liquidity arise.

- A. Obligations of the United States Government, its agencies and instrumentalities, and government sponsoring enterprises, not to exceed two years to stated maturity;
- B. Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas and under the terms of a written depository agreement with that bank, not to exceed three years to the stated maturity;
- C. Money market funds authorized by the Public Funds Investment Act of the Texas Government Code Chapter 2256.
- D. Texas Local Government Investment Pools authorized by the Public Funds Investment Act of the Texas Government Code Chapter 2256.

Additional types of securities approved for investment of public funds by Texas state statutes are not eligible for investment by the City until this Investment Policy has been amended and the amended version approved by the City Council authorizing investment of these additional types of securities.

# INVESTMENT POLICY

## Competitive Bidding Requirements

All securities, excluding certificates of deposit, will be purchased or sold after three (3) offers/bids are taken to verify that the City is receiving fair market value/price for the investment.

## Delivery versus Payment

All security transactions, including collateral for repurchase agreements, entered into by the City, shall be conducted on a delivery versus payment (DVP) basis.

## IX. SAFEKEEPING AND COLLATERALIZATION

The laws of the State and prudent treasury management require that all purchased securities be bought on a delivery versus payment basis and be held in safekeeping by either the City, an independent third party financial institution, or the City's designated depository.

All safekeeping arrangements shall be designed by the Investment Officers and an agreement of the terms executed in writing. The third party custodian shall be required to issue safekeeping receipts to the City listing each specific security, rate, description, maturity, cusip number, and other pertinent information. Each safekeeping receipt will be clearly marked that the security is held for the City or pledged to the City.

All securities pledged to the City for certificates of deposit or demand deposits shall be held by an independent third party bank domiciled in Texas. The safekeeping bank may be written within the same holding company as the bank, from which the securities are pledged.

## Collateralization

Collateralization shall be required on all public funds of the City over the FDIC insurance coverage limit, and in order to anticipate market changes and provide a level of additional security for all funds, the collateralized level required will be 102% of the market value of the principal accrued interest.

## XII. PERFORMANCE EVALUATION AND REPORTING

The Investment Officers shall submit quarterly and annual reports to the City Council containing a written report of investment transactions and investment positions as of the date of report.

The report will be prepared jointly by all involved in the investment activity and be signed by the Investment Officer(s).

## XIII. DEPOSITORIES

The City will designate one banking institution through a competitive process as its central banking service provider. This institution will be used for normal banking services including disbursements, deposits, and lockbox. As a matter of ensuring liquidity and security should the funds deposited with the designated bank be temporarily unavailable, the City will maintain an emergency reserve in another qualified bank.

## XIV. INVESTMENT POLICY ADOPTION BY CITY COUNCIL

The City's Investment Policy shall be formally approved and adopted by resolution of the City Council and reviewed annually in accordance with the provisions of the Public Funds Investment Act of the Texas Government Code Chapter 2256.

## XV. AMENDMENT

In the event Texas state law changes and the City cannot invest in the investments described by this policy, this policy shall automatically be conforming to existing law.

# PERFORMANCE MEASURES

## 2015 Performance Measure Highlights

As we begin 2016 we start our fourth year of measuring performance in the departments. Each department has developed performance measures for their department and established benchmarks for those performance measures. Most performance measures are reported monthly. One purpose of monitoring performance measures is to check for trends that might indicate a problem with service delivery. This helps me keep on top of things. We also publish it on the website each month so the public can see how we are doing.

We do not use performance measures as continuous improvement tools. However, monitoring them has led to service improvements and efficiencies. Department heads are tasked with improving their departments in their annual performance review. Performance measures are leading indicators of core performance for the department and should not change much over time. When they do, we look into what is causing the change. Following this synopsis is a list of all the performance measures but first let's look at some highlights.

Administration continues to process Freedom of Information requests within the statutory time limit 100% of the time. The police department's response time has decreased over the last five years. This is likely due to more accurate information from the software system. However, this is one I monitor closely because an increase could indicate the need for more police personnel on the street. Code enforcement continues to send out letters on complaints the same day it is received 75% of the time and always within the three-day benchmark. Because of the time requirements of the statutes it is imperative that we start the process as quickly as possible.

One benchmark that will change for 2016, due to the additional fire personnel added to this year's budget, is the number of personnel on fire calls within the first ten minutes. The benchmark will go from three to four. This is imperative for firefighter safety since mutual aid assistance is so far away. I also monitor their response times closely within the city limits as an indicator of the need for more resources.

In the municipal court, case disposal within sixty days has been a real challenge. We hope to improve in this area now that we are working with a new collection agency. Another performance measure that is getting our attention is in Development Services. Turn around on building permits is trending upward due to the increase in volume. This is one reason we hired Bureau Veritas to assist us with inspections.

The condition of our parks continues to rate consistently high with park patrons which is a testament to the care the parks department provides. Finance scored 100% on all of their performance measures for the entire year last year due to their high diligence and strong internal controls. Also, the Electric department has rated 100% satisfied in customer service for the last three years.

The end of the year is also the time we look at revising any of the benchmarks. I have already mentioned a couple that will be adjusted. Another adjustment will be in the water department concerning the amount of time it takes to respond to a water leak. The benchmark was initially set at sixty minutes. However, they have consistently responded in less than twenty minutes for the last two years. We are currently considering lowering this benchmark to 20 minutes based on past history. This gives us a more appropriate benchmark to monitor.

You will notice that some performance measures do not have benchmarks but say "Info Only". These are input and output performance measures opposed to outcome performance measures. Outcome performance measures are customer focused. In other words, how does the activity impact the customer? Input and output performance measures measure trends over time. We use input and output performance measures to track key indicators internally. They help us predict future service levels and needs.

# PERFORMANCE MEASURES

Performance measures are used differently from organization to organization. We use them to indicate potential problems and as a quality assurance tool. We also use them for future planning purposes. For example, an increase in police response times might indicate a need for additional personnel. We use them to establish a base level of service while using other processes like the merit pay system to encourage and reward higher levels of service. I hope you find this report informative and helpful.

Mike Brice, City Manager

Performance Measure	Critical Mission	Stakeholders	Frequency	Benchmark	FY 2013 Average	FY 2014 Average	FY 2015 Average
<b>Administration</b>							
New employee orientation will be completed within 2 business days on average.	Human Resources	Employees	Quarterly	2 Days	1.1	1	1.15
100% of employees will complete their annual training each year.	Human Resources	Employees	Annually	100%	100%	100%	100%
Monthly Human Resources reports will be submitted on or before the due date.	Human Resources	Vendors/ Govt. Entities	Monthly	100%	100%	100%	100%
100% of open records requests are processed in the time allowed.	Records Management	Public	Monthly	100%	100%	100%	100%
<b>Economic Development</b>							
Inquiries are followed up on within 24 hours on average to ensure a prompt response.	Responsive	Potential Businesses	Monthly	100%	100%	100%	100%
Annually update a plan for long term infrastructure improvements that will facilitate retail and industrial growth.	Infrastructure Improvements	Public/ Business	Annually	By October First	Complete	Complete	
<b>Police</b>							
To promote community interaction each officer will make 5 public contacts per shift on average.	Community Interaction	Public	Monthly	5 or more	7.17	7.19	5.84
To meet customer expectations, respond to calls for service within 7 minutes on average.	Customer Service	Public	Monthly	Under 7 minutes	6.42	5.84	4.55
Keep the public informed by providing local media crime and prevention information 4 times per month.	Public Information and Crime Prevention	Public	Monthly	4 or more	3.92	4.42	5.27
Respond promptly to complaints by sending registered letters on all valid complaints within 3 business days on average.	Code Enforcement	Public	Monthly	3 or less	0.97	0.34	0.25
<b>Animal Control</b>							
To promote community interaction the Animal Control Officer will make 4 public contacts per shift on average.	Customer Service	Public	Monthly	4	4.34	5.73	5.45
<b>Fire</b>							
On Average, 3 personnel will be on scene within 10 minutes of dispatch on fire related emergencies.	Fire Suppression	Public	Monthly	3 or more	3.12	3.26	3.24
Time of alarm until arrival on scene on fire calls inside the city limits.	Fire Suppression			6 minutes or Less on Average		6	06:31
Time of alarm until patient care is initiated inside the City Limits	EMS			6 minutes or Less on Average		4.73	05:14
98% of patient will arrive at the Hospital with their condition either improved or Unchanged.	EMS	Public	Monthly	98%	99%	99%	98%
<b>Municipal Court</b>							
On a scale of 1 to 4, defendants rate us at 3 or higher on being treated fairly.	Fair Treatment	Public	Monthly	3 or Higher	3.46	3.77	4.05
On a scale of 1 to 4, defendants rate us at 3 or higher on being provided prompt service.	Prompt Service	Public	Monthly	3 or higher	3.56	3.76	3.73
On a scale of 1 to 4, defendants rate us at 3 or higher on being provided courteous service.	Courteous Service	Public	Monthly	3 or higher	3.55	3.92	3.65
To meet expectations of promptness 98% of cases will be disposed of or turned over to collections in 60 Days on average	Prompt Service	Public	Monthly	98%	Measure Revised	49%	46%

# PERFORMANCE MEASURES

Performance Measure	Critical Mission	Stakeholders	Frequency	Benchmark	FY 2013 Average	FY 2014 Average	FY 2015 Average
<b>Development Services</b>							
Process permit applications in 5 business days or less on average (excluding time waiting for applicant action).	Prompt Service	Public	Monthly	5 or Less	1.58	1.35	2.61
80% of responders to a notice of public hearing will report being well informed by the notice and other information provided.	Citizen Engagement	Public	Monthly	80%		96%	97%
Council and Board members will report being well informed on the issue at hand 90% of the time.	Information	Boards	Monthly	90%	96%	100%	98%
<b>Streets</b>							
Currently Under Revision							
Number of potholes repaired during the month.							
Number of utility cut repairs during the month.							
Number of traffic signs replaced during the month.							
Tons of Asphalt used for patching	Street Maintenance	Public	Monthly	Info Only			51.74
Yards of concrete street repair.	Street Maintenance	Public	Monthly	Info Only			22.83
<b>Parks</b>							
To meet customer expectations of promptness 90% of brush work orders will be completed within 4 business days, on average, of the request.	Brush Removal	Public	Monthly	90%	90%	92%	87%
To meet customer expectations patrons will rate their satisfaction level with the maintenance of public parks at 3 or higher.	Park Maintenance	Public	Monthly	3 or higher	3.69	3.41	3.62
To meet customer expectations park patrons will rate their satisfaction level with the condition of the public parks at 3 or higher.	Public Satisfaction	Public	Monthly	3 or Higher	3.54	3.55	3.57
Citizens are engaged by volunteering X numbers of hours on average each month in the parks.	Citizen Engagement	Public	Monthly	Info Only		28.08	27.33
The number of acres mowed each month.	Park Maintenance	Management	Monthly	Info Only		153.60	129.40
Number of rentals each month	Cost Recovery	Management	Monthly	Info Only		32.92	11.42
Cumulative percentage of expenditures recovered annually.	Cost Recovery	Management	Monthly	Info Only		1.02%	0.63%
<b>Library</b>							
80% of information seekers will be satisfied with the results of their library visit.	Provide Information	Public	Monthly	80%	83%	90%	89%
80% of patron's seeking information remotely will be satisfied with the results of their inquiry.	Provide Information	Public	Monthly	80%	85%	97%	97%
To meet patron's expectations, the average wait time for a computer will be less than 10 minutes.	Public Computer Access	Public	Monthly	10 minutes or less	7.0	5.35	5.16
90% of patrons requesting computer assistance will be satisfied with the result.	Public Computer Access	Public	Monthly	90%	97%	91%	93%
90% of patrons seeking materials for entertainment will be satisfied with the results of their library visit.	Recreational Reading, listening and viewing	Public	Monthly	90%	96%	98%	98%
<b>Finance</b>							
To ensure accurate billing 98% of utility bills will be correct prior to posting.	Utility Billing	Utility Customers	Monthly	98%	97%	100%	100%
To meet Department expectations 98% of purchase requests will be processed to purchase orders within 3 business days on average.	Purchasing	Employees	Monthly	98%	100%	100%	100%
To meet vendors expectations 100% of all accurate invoices will be paid within 30 days.	Accounts Payable	Vendors	Monthly	98%	100%	100%	100%
To meet our fiduciary duty 98% of bank deposits will be accurate when they are deposited in the bank.	Cash Collections	Public	Monthly	98%	99%	100%	100%
To meet employee expectations 98% of all checks will be processed without any errors attributable to the finance department.	Payroll	Employees	Monthly	98%	100%	100%	100%
98% of Customers will rate their satisfaction with our service as three or better on a scale of 1-4.	Customer Service	Customers	Monthly	98%	100%	100%	100%
<b>Fleet Services</b>							
Complete repair orders in a maximum of five business days on average.	Customer Service	Internal Customers	Monthly	5 days		3.45	3.75
Complete all scheduled routine maintenance in a maximum of five business days on average.	Customer Service	Internal Customers	Monthly	5 days		3.05	2.82
Number of Completed routine Maintenance orders							
Complete all emergency repair orders within the same business day.	Customer Service	Internal Customers	Monthly	1 day		0.17	0.38

# PERFORMANCE MEASURES

Performance Measure	Critical Mission	Stakeholders	Frequency	Benchmark	FY 2013 Average	FY 2014 Average	FY 2015 Average
<b>Water/ Waste Water Line Maintenance</b>							
To meet customer expectations of prompt service, water leaks will be responded to within sixty minutes or less on average.	Water line maintenance	Public	Monthly	60 minutes or less		11.43	0:12:55
To meet customer expectations of prompt service, minor sewer blockages will be corrected within sixty minutes or less on average.	Waste Water Collection	Public	Monthly	60 minutes or less	50.4	1:16	1:22
New water meters will be set within two working days of generated work order on average.	New Service	Public	Monthly	2 Days		1.43	1.00
Number of water main breaks per month				Info Only	2.4	2.82	2.50
Number of re-reads per month				Info Only		732.00	823.50
Number of new services installed per month				Info Only		3.75	8.33
Monthly Water Consumption				Info Only		23,516,208	22,029,612
<b>Waste Water Treatment</b>							
Average Daily Gallons Treated per Month				Info Only		581,910	634,310
Sewer Line Repairs				Info Only		1.18	1.25
Daily Peaks over 700,000 gallons				Info Only		1.17	5.25
Reduce odor and eliminate unwanted discharge by processing an average of 10 cubic yards of sludge on average each month.	Waste Water Treatment	Public	Monthly	10 or more	18.33	15.88	10.83
<b>Electric</b>							
To meet customer expectations, response time to outages will be less than 90 minutes on average.	Dependable Service	Customer	Monthly	90 minutes or less	64.18	76.95	76.23
90% of customers who call with a service problem will be satisfied with the service provided.	Customer Satisfaction	Customer	Monthly	90%	100%	100%	100%

# DEBT SERVICE SCHEDULES

## Total Debt

Fiscal Year	General Fund			Enterprise Fund			4A			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017	688,157	209,125	897,282	893,347	450,071	1,343,418	43,949	17,318	61,267	1,625,453	676,514	2,301,967
2018	701,108	188,603	889,711	856,525	427,863	1,284,388	46,014	15,253	61,267	1,603,647	631,719	2,235,366
2019	731,548	163,149	894,697	876,188	400,500	1,276,688	48,176	13,091	61,267	1,655,912	576,740	2,232,652
2020	703,516	136,562	840,078	900,200	371,217	1,271,417	50,439	10,828	61,267	1,654,155	518,607	2,172,762
2021	699,979	111,337	811,316	1,000,200	341,238	1,341,438	52,809	8,458	61,267	1,752,988	461,033	2,214,021
2022	320,190	84,765	404,955	521,500	308,791	830,291	55,290	5,977	61,267	896,980	399,533	1,296,513
2023	334,652	71,541	406,193	538,600	292,064	830,664	57,887	3,380	61,267	931,139	366,985	1,298,124
2024	346,867	57,435	404,302	553,000	274,853	827,853	41,887	4,063	45,950	941,754	336,351	1,278,105
2025	309,300	42,687	351,987	570,700	256,343	827,043				880,000	299,030	1,179,030
2026	323,900	28,193	352,093	596,100	235,189	831,289				920,000	263,382	1,183,382
2027	71,800	13,023	84,823	618,200	212,435	830,635				690,000	225,458	915,458
2028	28,800	9,768	38,568	551,200	187,694	738,894				580,000	197,462	777,462
2029	30,600	8,400	39,000	579,400	165,497	744,897				610,000	173,897	783,897
2030	31,800	6,870	38,670	603,200	141,177	744,377				635,000	148,047	783,047
2031	33,600	5,280	38,880	626,400	115,689	742,089				660,000	120,969	780,969
2032	35,400	3,600	39,000	654,600	89,072	743,672				690,000	92,672	782,672
2033	36,600	1,830	38,430	678,400	61,279	739,679				715,000	63,109	778,109
2034				425,000	32,484	457,484				425,000	32,484	457,484
2035				445,000	20,672	465,672				445,000	20,672	465,672
<b>Total</b>	<b>5,427,817</b>	<b>1,142,168</b>	<b>6,569,985</b>	<b>12,487,760</b>	<b>4,384,128</b>	<b>16,871,888</b>	<b>396,451</b>	<b>78,368</b>	<b>474,819</b>	<b>18,312,028</b>	<b>5,604,664</b>	<b>23,916,692</b>

# DEBT SERVICE SCHEDULES

**Certificates of Obligation, Series 2007**

Fiscal Year	General Fund 34%			Enterprise Fund: 66%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017	28,900	17,204	46,104	56,100	33,396	89,496	85,000	50,600	135,600
2018	28,900	15,932	44,832	56,100	30,928	87,028	85,000	46,860	131,860
2019	30,600	14,660	45,260	59,400	28,460	87,860	90,000	43,120	133,120
2020	32,300	13,314	45,614	62,700	25,846	88,546	95,000	39,160	134,160
2021	34,000	11,894	45,894	66,000	23,086	89,086	100,000	34,980	134,980
2022	35,700	10,398	46,098	69,300	20,182	89,482	105,000	30,580	135,580
2023	37,400	8,826	46,226	72,600	17,134	89,734	110,000	25,960	135,960
2024	37,400	7,180	44,580	72,600	13,940	86,540	110,000	21,120	131,120
2025	39,100	5,536	44,636	75,900	10,744	86,644	115,000	16,280	131,280
2026	42,500	3,814	46,314	82,500	7,406	89,906	125,000	11,220	136,220
2027	44,200	1,944	46,144	85,800	3,776	89,576	130,000	5,720	135,720
<b>Total</b>	<b>391,000</b>	<b>110,702</b>	<b>501,702</b>	<b>759,000</b>	<b>214,898</b>	<b>973,898</b>	<b>1,150,000</b>	<b>325,600</b>	<b>1,475,600</b>

**Certificates of Obligation, Series 2009**

Fiscal Year	General Fund 100%		
	Principal	Interest	Total
2017	175,000	92,425	267,425
2018	180,000	85,425	265,425
2019	190,000	78,225	268,225
2020	195,000	70,625	265,625
2021	205,000	62,825	267,825
2022	215,000	53,856	268,856
2023	225,000	44,450	269,450
2024	235,000	34,325	269,325
2025	245,000	23,750	268,750
2026	255,000	12,112	267,112
<b>Total</b>	<b>2,120,000</b>	<b>558,018</b>	<b>2,678,018</b>

**General Obligation Refunding Bonds, Series 2012**

Fiscal Year	General Fund 44%			Enterprise Fund: 56%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017	154,000	22,418	176,418	196,000	28,532	224,532	350,000	50,950	400,950
2018	156,200	17,798	173,998	198,800	22,652	221,452	355,000	40,450	395,450
2019	162,800	13,112	175,912	207,200	16,688	223,888	370,000	29,800	399,800
2020	169,400	8,228	177,628	215,600	10,472	226,072	385,000	18,700	403,700
2021	145,200	3,993	149,193	184,800	5,082	189,882	330,000	9,075	339,075
<b>Total</b>	<b>787,600</b>	<b>65,549</b>	<b>853,149</b>	<b>1,002,400</b>	<b>83,426</b>	<b>1,085,826</b>	<b>1,790,000</b>	<b>148,975</b>	<b>1,938,975</b>

# DEBT SERVICE SCHEDULES

**Certificates of Obligation, Series 2013**

Fiscal Year	General Fund 12%			Enterprise Fund: 88%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017	20,400	18,438	38,838	149,600	135,212	284,812	170,000	153,650	323,650
2018	21,000	18,030	39,030	154,000	132,220	286,220	175,000	150,250	325,250
2019	21,000	17,505	38,505	154,000	128,370	282,370	175,000	145,875	320,875
2020	21,600	16,980	38,580	158,400	124,520	282,920	180,000	141,500	321,500
2021	22,200	16,332	38,532	162,800	119,768	282,568	185,000	136,100	321,100
2022	22,800	15,666	38,466	167,200	114,884	282,084	190,000	130,550	320,550
2023	24,000	14,982	38,982	176,000	109,868	285,868	200,000	124,850	324,850
2024	24,600	14,262	38,862	180,400	104,588	284,988	205,000	118,850	323,850
2025	25,200	13,401	38,601	184,800	98,274	283,074	210,000	111,675	321,675
2026	26,400	12,267	38,667	193,600	89,958	283,558	220,000	102,225	322,225
2027	27,600	11,079	38,679	202,400	81,246	283,646	230,000	92,325	322,325
2028	28,800	9,768	38,568	211,200	71,632	282,832	240,000	81,400	321,400
2029	30,600	8,400	39,000	224,400	61,600	286,000	255,000	70,000	325,000
2030	31,800	6,870	38,670	233,200	50,380	283,580	265,000	57,250	322,250
2031	33,600	5,280	38,880	246,400	38,720	285,120	280,000	44,000	324,000
2032	35,400	3,600	39,000	259,600	26,400	286,000	295,000	30,000	325,000
2033	36,600	1,830	38,430	268,400	13,420	281,820	305,000	15,250	320,250
<b>Total</b>	<b>453,600</b>	<b>204,690</b>	<b>658,290</b>	<b>3,326,400</b>	<b>1,501,060</b>	<b>4,827,460</b>	<b>3,780,000</b>	<b>1,705,750</b>	<b>5,485,750</b>

**Certificates of Obligation, Series 2015**

Fiscal Year	Enterprise Fund: 100%		
	Principal	Interest	Total
2017	115,000	195,725	310,725
2018	115,000	193,500	308,500
2019	110,000	190,950	300,950
2020	180,000	187,375	367,375
2021	295,000	181,638	476,638
2022	285,000	173,725	458,725
2023	290,000	165,062	455,062
2024	300,000	156,325	456,325
2025	310,000	147,325	457,325
2026	320,000	137,825	457,825
2027	330,000	127,413	457,413
2028	340,000	116,062	456,062
2029	355,000	103,897	458,897
2030	370,000	90,797	460,797
2031	380,000	76,969	456,969
2032	395,000	62,672	457,672
2033	410,000	47,859	457,859
2034	425,000	32,484	457,484
2035	445,000	20,672	465,672
<b>Total</b>	<b>5,770,000</b>	<b>2,408,275</b>	<b>8,178,275</b>

**General Obligation Refunding Bonds, Series 2016**

Fiscal Year	General Fund 46%			Enterprise Fund: 54%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017	218,500	41,998	260,498	256,500	49,302	305,802	475,000	91,300	566,300
2018	220,800	37,628	258,428	259,200	44,172	303,372	480,000	81,800	561,800
2019	230,000	28,796	258,796	270,000	33,804	303,804	500,000	62,600	562,600
2020	241,500	19,596	261,096	283,500	23,004	306,504	525,000	42,600	567,600
2021	248,400	9,936	258,336	291,600	11,664	303,264	540,000	21,600	561,600
<b>Total</b>	<b>1,159,200</b>	<b>137,954</b>	<b>1,297,154</b>	<b>1,360,800</b>	<b>161,946</b>	<b>1,522,746</b>	<b>2,520,000</b>	<b>299,900</b>	<b>2,819,900</b>

# DEBT SERVICE SCHEDULES

## Warehouse Purchase Note

Fiscal Year	4A 100%		
	Principal	Interest	Total
2017	43,949	17,318	61,267
2018	46,014	15,253	61,267
2019	48,176	13,091	61,267
2020	50,439	10,828	61,267
2021	52,809	8,458	61,267
2022	55,290	5,977	61,267
2023	57,887	3,380	61,267
2024	41,887	4,063	45,950
<b>Total</b>	<b>396,451</b>	<b>78,368</b>	<b>474,819</b>

## Auger Purchase Note

Fiscal Year	Enterprise Fund: 100%		
	Principal	Interest	Total
2017	48,824	1,411	50,235
<b>Total</b>	<b>48,824</b>	<b>1,411</b>	<b>50,235</b>

## Street Equipment Purchase Note

Fiscal Year	General Fund: 100%		
	Principal	Interest	Total
2017	39,606	11,930	51,536
2018	40,931	10,604	51,535
2019	42,301	9,235	51,536
2020	43,716	7,819	51,535
2021	45,179	6,357	51,536
2022	46,690	4,845	51,535
2023	48,252	3,283	51,535
2024	49,867	1,668	51,535
<b>Total</b>	<b>356,542</b>	<b>55,741</b>	<b>412,283</b>

## Fire Equipment & Electric Equipment Note

Fiscal Year	General Fund 42%			Enterprise Fund: 58%			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017	51,751	4,712	56,463	71,323	6,493	77,816	123,074	11,205	134,279
2018	53,277	3,186	56,463	73,425	4,391	77,816	126,702	7,577	134,279
2019	54,847	1,616	56,463	75,588	2,228	77,816	130,435	3,844	134,279
<b>Total</b>	<b>159,875</b>	<b>9,514</b>	<b>169,389</b>	<b>220,336</b>	<b>13,112</b>	<b>233,448</b>	<b>380,211</b>	<b>22,626</b>	<b>402,837</b>