

CLEVELAND *Texas*

**CITY OF CLEVELAND, TEXAS
ADOPTED BUDGET
FOR FISCAL YEAR OCTOBER 1, 2020 TO SEPTEMBER 30, 2021**

**★ RICHARD BOYETT ★
MAYOR**

**CAROLYN MCWATERS
MAYOR PRO-TEM
COUNCIL MEMBER, POSITION 1**

**MARILYN CLAY
COUNCIL MEMBER, POSITION 2**

**FRED TERRELL
COUNCIL MEMBER, POSITION 3**

**JENNIFER BERGMAN
COUNCIL MEMBER, POSITION 4**

**DANNY LEE
COUNCIL MEMBER, POSITION 5**

**PRESENTED BY:
KELLY MCDONALD
CITY MANAGER**

**ROBERT PENNINGTON
ASSISTANT CITY MANAGER**

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CITY OF CLEVELAND, TEXAS
ADOPTED BUDGET

FISCAL YEAR 2020-2021

Mayor, Richard Boyett
Mayor Pro-Tem, Carolyn McWaters
City Council
Jennifer Bergman
Marilyn Clay
Danny Lee
Fred Terrell



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Cleveland, Texas 77327
Phone (281) 592-2667
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Kelly McDonald, City Manager
Bobby Pennington, Assistant City Manager
Angela Smith, City Secretary

September 15, 2020,

Honorable Mayor and Members of the City Council
City of Cleveland, Texas

I am pleased to present the Fiscal Year 2021 Adopted Budget:

This letter transmits the adopted budget in the wake of the unprecedented economic crisis caused by COVID-19, and the Adopted Budget accounts for a wide range of curtailments.

Although the financial outlook beyond the current situation is uncertain, this Budget does assume that the pandemic's impact will diminish in the coming year. We expect that State emergency orders will extend for some months to come but we agree that, though a vaccine or other sustained methods of social distancing, and strong economy will resume on the benchmark levels reached just prior to the pandemic.

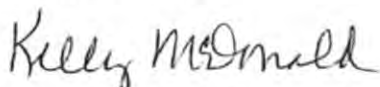
This budget marks a point in time, a snapshot, of where we are on managing a fiscally responsible budget that offers the financial flexibility for a rapidly growing community. This document is to be considered the financial guide for the coming year as clear uncertainties on the global economy continue to delay our local efforts to flourish as the up-and-coming best places to live community within the northeast Houston metropolitan region. It should be recognized that this Council is lowering the city property tax rate, has recently refinanced and paid off portions of its current debt obligations and structured a blueprint for new debt that is clearly focused on improving the quality of life for the citizens of Cleveland. This budget presents marked efforts to limit operational expenditures without reducing services. Our efforts to hold the line on expenses has allowed this Council to serve the community without significant service disruptions during unprecedented times. May this document serve as the framework to maintain our optimal level of operations as well as the opportunity to induce a level of monetary controls during this time of global uncertainty.

The adopted budget includes the following highlights:

- General Fund supplemental funding for an SUV patrol unit, body worn cameras technology upgrades, additional street patching program (outsourcing), Airport runway light improvements (TxDOT grant share), additional culvert replacement program funding, limited park improvements and police department facility improvements, and new fire department tanker truck.
- Taxed-back Debt Service proceeds for a new fire station, fire apparatus replacement, and major street paving/reconstruction.
- Additional Taxed-back Debt Service proceeds supported by Water/Sewer revenue for financing major restoration of the water system tanks.
- Water/Sewer cash funded programs include lift station repairs and upgrades, Automatic Meter Reading (AMR) for initial meter tower and software.
- Capital Equipment includes a street sweeper and pickup truck replacement.
- Economic Development proposes to fund the second phase of the Downtown Revitalization Project.

Thankfully, our Council's established practice of responsible budgeting and well maintained reserves has directly limited this community's impact during this financial crisis and places Cleveland in an ideal position to respond to near-term growth expectations as consumer confidence and sales tax collections return.

Respectfully submitted,



Kelly McDonald
City Manager

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PRINCIPAL CITY OFFICIALS

City Elected Officials

Richard Boyett	Mayor
Carolyn McWaters	Council Member, Position 1, Mayor Pro-Tem
Marilyn Clay	Council Member, Position 2
Fred Terrell	Council Member, Position 3
Jennifer Bergman	Council Member, Position 4
Danny Lee	Council Member, Position 5

Cleveland Economic Development Corporation

Fred Terrell	Corporation President
Michele Wyatt	Board Member
Marilyn Clay	Board Member
Kelly Jenkel-Axton	Board Member
Carolyn McWaters	Board Member
Andrew Bounds	Board Member
Patrick Casarez	Board Member

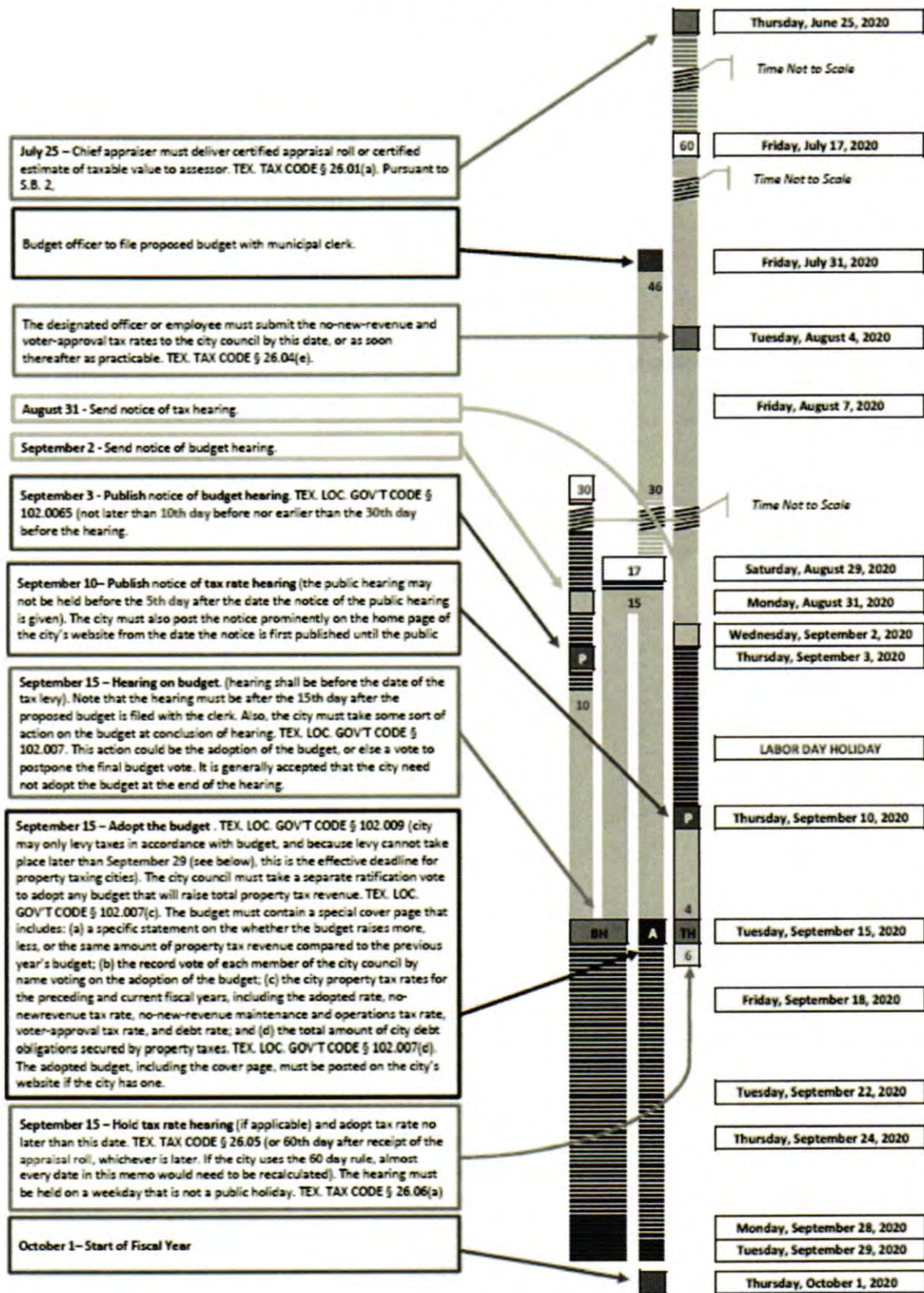
Appointed Officials

Kelly McDonald	City Manager
David Olson	City Attorney
Bob Steely	Municipal Court Judge

Primary Administrators

Angela Smith	City Secretary, Human Resources Manager
Bobby Pennington	Assistant City Manager; Finance Director
Robert Reynolds	Economic Development Director
Darrel Broussard	Police Chief
Ashleigh Broussard	Tourism & Marketing Director
<i>Open Position</i>	Development Services Director
Mary Ann Harrison	Municipal Court Clerk
Mary Cohn	Library Director
Rod Hailey	Public Works Director
Sean Anderson	Fire Chief

BUDGET CALENDAR FY 2020-2021



BUDGET INTRODUCTION

Location

Cleveland is a city in the U.S. state of Texas, within Houston – The Woodlands – Sugar Land metropolitan area. The population was 7,954 at the 2010 census. Located in Liberty County, Cleveland lies 45 miles north of Houston on U.S. Highway 59 / Interstate 69. Centered among mixed pine and hardwood forests and surrounded by the East Fork, and San Jacinto Rivers; the Cleveland area is a beautiful environment where one can find most everything they need to live a good life. The forests around Cleveland, including Sam Houston National Forest, which is located just to its north, are a resort for many inhabitants of the Houston area, who come to camp, hike, hunt, and fish.

City History

The recorded history of the Cleveland area began in 1836 when the Texas General Land Office began giving land grants in exchange for service in the Army. In 1854, a Church and convent was built by Father Peter La Cour near the town's present site. The community formed after 1878 when Charles Lander Cleveland, a local judge, deeded 63.6 acres of land to the Houston, East and West Texas Railway for only one dollar, with the request that a station bear his name.

In 1900 the Gulf, Colorado, and Santa Fe railroad appeared so Cleveland served as a junction for these major railways. Soon the echoes of saws and steam engines filled the forests around Cleveland as sawmill towns proliferated and East Texas's lumber industry grew up amidst these railroad towns. The Cleveland area was incorporated in 1939. In 1965 Liberty County was added to the Houston Standard Metropolitan Statistical Area.

Transportation

The major route traveling through Cleveland is U.S. Highway 59 / Interstate 69, traveling southwest towards Houston and northeast into East Texas. As of March 2015, a 74.9 mile section

of US-59 has been designated as I-69 through the Houston Metropolitan Area, nicknamed the NAFTA Superhighway because it would help trade with Canada and Mexico spurred by the North American Free Trade Agreement. US-59/I-69, between Houston and Livingston, is mostly a limited-access freeway with I-69 designation ending at the Montgomery-Liberty county line. Washington Avenue, known as US-59 "Business" runs north and south through the center of Cleveland. Houston Street, known as State Highway 105, travels east and west with Cleveland being halfway between Beaumont and Navasota. SH-105 runs concurrently with State Highway 321 until SH-105 splits, going eastbound to Beaumont, while SH-321 continues further south into Dayton. SH-105 has recently been improved with a loop near Pin Oak Road, along the southern side of Cleveland, crossing US-59/I-69, and terminating near New Salem Road.

Cleveland is the meeting point of two major rail lines. One is a north/south Union Pacific line that closely follows the path of Interstate 69 and the other is an east/west Burlington Northern Santa Fe line that roughly follows FM-787 to the east and SH-105 west towards Conroe. Union Tank Car Company has a tank repair/maintenance facility along the BNSF line on the outskirts of Cleveland off of FM-787.

Cleveland Municipal Airport is a general aviation airport located in Cleveland with George Bush Intercontinental Airport to the south offering commercial airline service.

Public Schools

Cleveland Independent School District is a public school district based in Cleveland, Texas. In addition to Cleveland, the district serves the cities of North Cleveland and Plum Grove as well as portions of San Jacinto and Montgomery counties. The Tarkington Independent School District, located east southeast of the city of Cleveland, also has a Cleveland zip code.

BUDGET OBJECTIVES

The budget has been prepared in an effort to clearly communicate to the citizens and staff of the City the overall policies and goals of the City Council and City Management and who we are and what we do, enabling the reader to gain valuable information about the City without detailed accounting or budgetary knowledge. The budget document includes various activities and programs of the City, and comparative performance indicators for each program or activity, where available.

BUDGET PHILOSOPHY

Budget philosophy depends upon the local needs and concerns of the citizens. Other factors also affect budget philosophy, such as the state of the local economy, the needs of the organization, the demands of the public for increased services, unfunded mandates and requirements of federal and state regulatory agencies. The budget prepared by the City takes a conservative perspective with regard to both revenues and expenditures. Although historical trends are very useful, current data will sometimes take precedence over prior year trends. This means budgeting from a "conservative" perspective in that revenues are often anticipated either at or slightly above prior levels, unless there are other known factors that will significantly affect anticipated revenues. In addition, expenditures are also estimated conservatively. As a result, over the years this method increases in actual fund reserves when compared to budgeted or projected fund reserves. The City does not use unreasonable projections, which could have an adverse impact on the City's reserves.

BASIS OF BUDGETING

GOVERNMENTAL FUNDS: The governmental fund types use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are budgeted when they are measurable and available and expenditures are budgeted in the period in which the liability is incurred, which is in accordance with

Generally Accepted Accounting Principles. "Measurable" means the amount of the transaction can be determined and "available" means the collectible period. The City considers the majority of its major revenues as available when collected. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as liabilities when due. Those revenues susceptible to accrual under the modified accrual method are property taxes and other taxes, intergovernmental revenue, and interest revenue. Licenses and permits, including fines and forfeitures revenues, are not susceptible to accrual because generally they are not measurable until received in cash. The fund balance approach of governmental funds or working capital approach can be identified as current assets less current liabilities. Governmental funds budget capital outlays as expenditures, but do not budget for non-cash expenditures such as accruals for sick and vacation liabilities and depreciation.

PROPRIETARY and INTERNAL SERVICE FUNDS:

The Water and Sewer Enterprise Fund, Solid Waste Fund, and Property Insurance Fund are budgeted using a flow of economic resources, which is similar to the accrual basis of accounting, with exceptions listed below. Available balances are determined using the cash equivalent approach.

- Revenues are budgeted in the period they are earned and measurable,
- Expenses are budgeted in the period in which the liability was incurred,
- Depreciation of assets is not budgeted,
- Capital outlay is budgeted as an expense in the year purchased,
- Principal payments are budgeted as an expense rather than a reduction to the liability,
- Proceeds from bond sales are budgeted as revenue,
- Transfer of bond proceeds to the Capital Projects Fund is budgeted as an expense.

BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental and fiduciary funds are accounted for using the modified accrual basis. Revenues are recognized in the accounting period when they are measurable and available. Revenues subject to accrual include interest income and charges for services. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable. Capital outlays are recorded as additions to fixed assets at fiscal year-end and the cost of those assets are depreciated over their estimated useful lives for the government-wide financial statements. All proprietary funds are accounted for on an accrual basis. Revenues are recognized in the period in which they are earned and become measurable, and expenses in the period in which they are incurred and measurable. Proprietary funds also record depreciation and amortization. Payment of principal is recorded as a reduction to the long-term liability.

BUDGET PROCEDURES

The budget process begins with the distribution of budget worksheets for its respective operations, personnel requirements, and capital outlay. This financial information is to be used by the department heads as a guide to complete the proposed budget. Using the budget worksheets, each department head projects the financial needs of their department. Supplemental requests for capital, annexation, growth and development or other items outside normal operating budgets are requested and justified separately. Upon completion, each department head then meets with the City Manager and Finance Director to review their budget. During this meeting, the budget is refined and adjustments made. The Finance Department prepares the revenue budget, with review by appropriate departments. Property tax revenue is budgeted using data provided in the preliminary or certified tax rolls received from the Appraisal

District. All other revenues are budgeted with the use of comparative financial information provided by the prior year's actual revenue, current year estimated revenue, and known factors that may affect receipt of revenue. The City Manager and Finance Director then submit a balanced budget of expenditures and revenues to the City Council for review. The following procedures are followed for formal adoption of the budget:

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing October 1, which must be adopted by the last scheduled Council meeting of September.
2. Public notices and hearings are conducted pursuant to state law.
3. The budget is legally enacted through passage of an ordinance.
4. The legal level of control is the total approved budget for each fund.
5. All funds are included in the budget development process and submitted to the Council for adoption each year and are monitored by department administrators during the year.
6. Operating fund appropriations lapse at year-end.

PROCEDURE TO AMENDING THE BUDGET

EMERGENCY APPROPRIATIONS: The Council may make emergency appropriations to meet a pressing need for public expenditure, to protect the public health, safety or welfare. Such appropriations shall be by ordinance adopted by the majority vote of the Council members at one special or regular meeting.

TRANSFER OF APPROPRIATIONS: The City Manager may approve an amendment to the budget that transfers part or all of any unencumbered appropriation balance among programs within a department, or division. The City Council must approve any budget amendments that increase the appropriation for any fund.

Purchasing Policy

I. PURPOSE

The City of Cleveland is committed to ensuring that all purchases are in compliance with State laws when procuring the highest quality goods and services at the best value. This document is the policy for the procurement and purchases of goods, materials, supplies, equipment, construction services, and professional and consulting services.

II. POLICY MANAGEMENT

City employees must discharge their duties impartially so as to assure fair competitive access to city procurement by responsible contractors. Moreover, City employees should conduct themselves in such a manner as to foster public confidence in the integrity of the City of Cleveland procurement organization.

1. The City Manager, or designee, is responsible for the City's compliance with the City's Purchasing Policy. The City Council delegates to the City Manager the authority to make orders and rules as the City Manager deems appropriate or necessary to provide for the procurement of goods and services for the City and for the disposition of City property.
2. The Finance Director is responsible for monitoring compliance with this policy, recommending changes in policy to the City Manager for approval, and approving procedures designed to maintain compliance with the policy.
3. The City's purchasing responsibilities are decentralized and each Department Director is the responsible Purchasing Officer for his or her Department.
4. The Purchasing Officer is responsible for procuring the best goods and services in a timely manner at the lowest possible cost to the City and to ensure that purchasing is conducted with strict adherence to applicable federal, state and local laws as well as this policy.

III. SPENDING AUTHORIZATION

A. Authorization to Expend Funds

The City Manager approves the Authorization for Expenditures (AFE) and may authorize certain employees to make and/or approve expenditures/purchases. The City Manager may specify the following authorizations to expend funds:

1. The City Manager may limit authorization by line item and/or specified project.
2. The City Manager may designate specific authorizers and dollar limits for individual budget line items and/or projects based on a financial schedule that maintains appropriate levels of cash flow during the annual budget cycle or capital program.

B. Purchase Orders (PO)

A PO is a formal, binding, legal agreement issued according to the AFE. When accepted by a vendor without qualifications within a specified time period, the PO becomes a contract. A PO grants the vendor the authority to deliver the goods or services to the City and to invoice City for the same. The City is committed to accept the goods or services and to pay for them at the agreed upon price provided that those goods or services are of the quality and scope promised. The City employee that buys goods and services for the City ("Purchaser") must document the prior authorization of the City expenditure through the use of a PO. All expenditures must be authorized by a PO unless expressly exempted by type.

A Blanket Purchase Order (BPO) is a Purchase Order that is valid for a specified period of time and authorizes multiple orders during that time period, as long as the total dollars on the BPO are not exceeded and whose prices have been established by a quote or as a result of a Request for Bids. BPOs limit the types of goods or services that can be ordered, and may also limit the order amounts. Most BPOs are issued by one department for its own use, but some BPOs cover all or multiple City facilities/departments. BPOs will be established for buying material and services on a continuous basis from specified vendors. No single purchase on a BPO shall exceed spending limit authority established herein.

C. Expenditure Types Exempt from the PO Requirements:

The following types of expenditures do not require purchase order authorization:

1. Debt services payments;
2. Purchasing card transactions (see Purchasing Card Policy);
3. Petty cash transactions;
4. Utilities;
5. Interlibrary loans;
6. Lease or rental payments;
7. Payroll liabilities;
8. Travel expenses and local expense reimbursement;
9. Postage and delivery expenses;
10. Telephone bills;
11. Insurance premiums;
12. Membership dues;
13. Periodical subscriptions;
14. Legal fees;
15. Training;
16. Package delivery services;
17. TCEQ permits;
18. Legal Notices; and
19. Pre-employment background checks.

Purchase Orders may, however, be used for any of the above expenditures if it provides for administrative efficiency. Tex.Loc.Gov't Code § 252.022.

Purchasing Policy

D. COMPETITIVE BIDDING IN RELATION TO HISTORICALLY UNDERUTILIZED BUSINESSES

The City shall, in making an expenditure more than \$3,000 but less than \$50,000, contact at least two historically underutilized businesses ("HUB") on a rotating basis, based on information provided by the Texas Comptroller pursuant to Texas Government Code Chapter 2161. If the list fails to identify a HUB for Liberty County, then the City is exempt from the section. *Tex.Loc.Gov't Code § 252.0215.*

IV. COMPETITIVE REQUIREMENTS BASED ON DOLLAR AMOUNT

A. Purchases less than \$5,000 (per transaction or annually)

No documented quotes are required; however, competitive pricing through purchasing cooperatives or other discount retailers or distributors should be checked first and documented before purchasing when time and practicality permit.

B. Purchases of \$5,000 but less than \$10,000 (per transaction or annually)

Not less than two (2) written, email, or faxed quotes must be received prior to submitting a purchase order request on the goods, materials, services or equipment that cannot be purchased through an interlocal purchasing cooperative. Pricing and contact information from all solicited vendors must be documented. The Purchaser shall include the following information when using a "No Response" as one of the three bids: company name, contact person and telephone number of the non-responding company.

C. Purchases of \$10,000 but less than \$25,000 (per transaction or annually)

Not less than three (3) written, email, or faxed quotes must be received prior to submitting a purchase order request on the goods, materials, services or equipment that cannot be purchased through a interlocal purchasing cooperative. The Purchaser shall document the pricing and contact information from all solicited vendors. The Purchaser shall include the following information when using a "No Response" as one of the three bids: company name, contact person and telephone number of the non-responding company.

D. Purchases of \$25,000 but less than \$50,000 (per transaction or annually)

Purchase requires prior approval of the City Manager. Then, not less than three (3) written, email, or faxed quotes must be received prior to submitting a purchase order request on the materials, services or equipment that cannot be purchased through a purchasing cooperative. Pricing and contact information from all solicited vendors must be documented. The Purchaser shall include the following information when using a "No Response" as one of the three bids: company name,

contact person and telephone number of the non-responding company. Without approval of City Manager, a formal bid process must be followed (written bid request and specifications, and sealed bids/responses).

E. Purchases of \$50,000 or greater (per transaction or annually)

Except where expressly exempted by law, purchases require a Request for Bids, Request for Proposals, Request for Qualifications or another formal authorized procurement method after advertisement in the newspaper. The type of request required depends on the type of good or service to be purchased and is explained further in the following section. No City employee may make any "separate, sequential, or component" purchases for any goods or services in order to avoid competitive bidding procedures.

Purchases greater than \$50,000 must be submitted to City Council for approval. This includes any purchases or contracts exempt from the bidding or notice procedures, except as described below. The Purchaser will make an award recommendation and will be responsible for all disclosure and briefing information to the City Manager and City Council. It is the responsibility of the Purchaser to present the request to Council after the approval of supporting documentation by the City Manager. The Council approval date must be noted on the PO. *Tex.Loc.Gov't Code §§ 252.021 et seq and 271.006 et seq.*

V. TYPES OF COMPETITIVE PURCHASING METHODS

A. Request for Bids (RFB)

RFB is a formal written document that requests from bidders a firm price or proposal for a specific job or goods, equipment, materials or machinery. By statute, an RFB, a Request for Competitive Sealed Proposal (RFCSP) or another competitive delivery system is always required when the anticipated level of expenditure for a construction project or goods, equipment, materials or machinery will be greater than \$50,000. It also may be used any time the City Manager feels it is justified. The requirements for an RFB for a construction/public works contract for projects include:

1. Plans and specifications for the work, approved by a licensed architect or engineer if appropriate;
2. bid bond or other bid security;
3. Retainage or other withholding (e.g., turn-key) provisions;
4. A payment bond for contracts over \$50,000 (Tex. Gov't Code Ch. 2253); and
5. a performance bond for contracts over \$100,000 (Tex. Gov't Code Ch. 2253).

B. Request for Proposals (RFP)

Purchasing Policy

RFP is formal written document requesting that potential vendors make an offer for goods or services to the City. The RFP method of procurement may be used for goods or services, including high technology, insurance, and professional services. When the RFP method is used for the selection of professional services, the City shall comply with Government Code Chapter 2254, the Professional Services Procurement Act. When the RFP method is used for the selection of any services or goods other than professional services, the notice for proposals shall include the criteria that will be used to evaluate the offers and the applicable weighed value for each criterion. The City shall not award a contract for professional services based on competitive bids, but shall make the selection and award on the basis of demonstrated competence and qualifications [Sec. 2254.002(A)].

C. Request for Qualifications (RFQ)

A RFQ is a formal written document used when soliciting providers of professional services, including architectural, engineering, land surveying services, and other services, consulting services, or other personal services for which an RFQ is permitted. For professional services and other services subject to the RFQ process, the City will first select the most highly-qualified provider of those services on the basis of demonstrated competence and qualifications. After a firm has been selected based on qualifications and experience, then the City shall negotiate a fair and reasonable fee for the proposed services. If a satisfactory contract cannot be negotiated with the most highly-qualified provider, then the City shall formally end negotiations with that firm and select the next most highly-qualified firm and begin negotiations with that provider for a fair and reasonable price.

VI. EXEMPTIONS FROM COMPETITIVE PURCHASING

The following items are exempt from competitive bidding. The City Manager is authorized to exercise the options below; however, any use of funds over \$50,000, with the exception of consulting services, must be approved by the Council.

1. Equipment, materials, or machinery purchased by the City at an auction that is open to the public;
2. Contracts for services or property for which there is only one source or for which it is otherwise impracticable to obtain competition;
3. High technology procurements as provided by Sections 252.021 (a) and 252.042, Local Government Code;
4. Land or right of way;
5. State of Texas Catalog Purchases;
6. Contracts for services or property for which there is only one source or for which it is

otherwise impracticable to obtain competition, including

- 1) Items available from a single source because of patents, or copyrights; and
- 2) Unique replacement parts or components for fleet, equipment; pumps, motors, valves, high technology, etc. Any items not listed above that are considered sole source will need to be supported by the following:
- 3) Statement on how the determination was made that the item(s) requested is/are only available from one source.
- 4) Names of those contacted in an effort to find other sources.
- 5) Approval of the City Manager before purchase is made.
- 6) Emergency Purchases - An Emergency is a situation which endangers lives, property, or the continuation of a vital process and which can be rectified only by immediate purchase (or rental) of equipment, supplies, materials, or contractual services. All emergency purchases must be approved by the City Manager.

These purchases are exempt from competitive bidding only after formal declaration by the City Manager that an emergency exists. Council approval must be obtained as soon as practical thereafter. *Tex. Loc. Gov't Code § 252/-22/*

VII. OTHER APPROVED PROCUREMENT METHODS

The following delivery or procurement methods may be used, where appropriate:

1. Interlocal Cooperative Purchasing Contracts or any other governmental agency, as provided by the Texas Government Code, Chapter 791, Texas Interlocal Cooperation Act. A local government cooperative purchasing agreement must be approved by the Council before purchases can be made.
2. Construction service contracts using a construction manager agent, construction manager at risk, design build, or job order contracts as provided by Texas Government Code Chapter 2269.
3. E-Bid Procurement Under State Executive Orders to Mitigate Spread of COVID-19 - Sealed Bids.
 - a. The non-Federal entity must maintain records sufficient to detail the history of procurement.
 - b. Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for

Purchasing Policy

procuring construction, if the conditions of this section apply.

- i. In order for sealed bidding to be feasible, the following conditions should be present:
 1. A complete, adequate, and realistic specification or purchase description is available;
 2. Two or more responsible bidders are willing and able to compete effectively for the business; and
 3. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.
- ii. If sealed bids are used, the following requirements apply:
 1. Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, the invitation for bids must be publicly advertised;
 2. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
 3. All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;
 4. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
 5. Any or all bids may be rejected if there is a sound documented reason.

VIII. VENDOR REQUIREMENTS

A. All Contracts

All vendors are required to have W-9 and Conflict of Interest Questionnaire Form (CIQ) on file (if a conflict of interest exists). Any employee requesting a purchase needs to make sure the vendor has a W-9 and CIQ on file with the Finance Department. If the vendor

does not have a W-9 or CIQ on file, it is the requestor's responsibility to obtain one from the vendor. If the vendor will be on City property a certificate of insurance may also be required, (See Insurance Requirements for Contractors and Consultants below) Vendors are required to submit all invoices for payment to the Finance Department at:

City of Cleveland
ATTN: Accounts Payable
907 E Houston
Cleveland, TX 77327

B. City Council Approved Contracts

If a contract is approved by City Council, then prior to any payments under the contract the vendor must file a Texas Form 1295. *Tex.Gov't Code § 2252.908.*

C. Insurance Requirements for Contractors and Consultants

The City may impose any reasonable insurance requirement on any contractor, vendor or consultant, depending on the nature of the contract and the work to be performed. The Insurance carrier shall be licensed to do business in the State of Texas in which the work is to be performed. Each certificate shall bear an endorsement precluding the cancellation or reduction in coverage of any policy covered by such certificate before the expiration of fifteen (15) days after the City receives notification of such cancellation or reduction by registered mail. Nothing contained herein shall be construed as limiting in any way the extent to which a vendor or his sub-contractor may be held responsible for payment of damages resulting from the vendor's or the vendor's sub-contractor's operations. All property and liability insurance, including Comprehensive General, Public, and Automotive, shall be written by an insurer licensed to conduct business in the State of Texas. The City, its officers, agents and employees shall be named as an additional Insured.

D. Indemnification

A vendor shall indemnify and defend the City, its officers, representatives, and employees, against and hold them harmless from any and all liability for damage to the extent that it is caused by or results from an act of negligence, intentional tort, intellectual property infringement, or failure to pay a subcontractor or supplier committed by the vendor or the vendor's agent, consultant under contract, or another entity over which the vendor exercises control, except to the extent that such claims arise due to the sole gross negligence or willful misconduct by the City, its employees, officers or agents. Further, a vendor shall comply with the requirements of all applicable laws, rules,

Purchasing Policy

and regulations in connection with the services of vendor and shall exonerate, indemnify, defend, and hold harmless the City, its officers, agents and all employees from any and all liability,

E. Taxes

A vendor shall assume full responsibility for payments of federal, state and local taxes or contributions imposed or required under the social security, worker's compensation, and income tax laws with respect to the vendor's employees.

IX. CHANGE ORDERS

If changes in plans or specifications are necessary after the performance of a contract is begun, or if it is necessary to decrease or increase the quantity of the work to be performed or of the materials, equipment, or supplies to be furnished, the City has authorized the City Manager to approve a change order that involves an increase or decrease of \$50,000 or less; provided, further, the aggregate of the change orders may not increase the original contract price by more than 10 percent. Additional change orders may be issued only as a result of unanticipated conditions encountered during construction, repair, or renovation or changes in regulatory criteria or to facilitate project coordination with other political entities. *Tex. Loc. Gov't Code §§ 252.048.*

X. PERSONAL INTEREST IN CITY CONTRACT

- A. No officer or employee of the City shall have a financial interest, direct or indirect, in any contract with the City, or shall be financially interested, directly or indirectly, in the sale to the City of any land, materials, supplies or service, except on behalf of the City as an officer or employee.
- B. No officer or employee of the City shall accept, directly or indirectly, from any person to which any purchase order or contract is or might be awarded, any rebate, gift, money or anything of value whatsoever, except when given to the City for the use and benefit of the City. Any such rebate, gift, money or thing of value shall be reported in writing to the City Manager within five working days of its receipt. *Cleveland City Charter § 8.01.*

XI. RECYCLED PRODUCTS

The City shall encourage the use of products made of recycled materials as required by Section 361.426 of the Texas Health and Safety Code. *Tex. Loc. Gov't Code § 252.003.*

XII. SALE OR DISPOSITION OF CITY PERSONAL PROPERTY

All sales of surplus personal property of the City which has become obsolete or unusable shall, be

disposed of by 1) competitive bids to the highest bidder after notice, or 2) public auction; provided, however, the City Council may approve of the sale or disposition of such property under such terms and conditions and the City Council determines appropriate.

XIII. ELECTRONIC BIDS.

If a bid or proposal is required to be sealed for a particular request for goods or services, then the City will not accept any electronic bids or proposals for that request. Unless authorized under exemptions from competitive purchasing provided in this policy. *Tex. Loc. Gov't Code § 252.0415.*

XIV. LOCAL PREFERENCE PROGRAM

The City Council is authorized to give local preference pursuant to Local Government Code §§ 271.905 - 271.9051 and may consider doing so on a case-by-case basis. In relevant situations, staff will use the following criteria in determining whether to recommend a higher bid from a local vendor:

- 1) the employment of residents of the City created through the award of the bid to the local vendor; and
- 2) any increase in tax revenue created through the award of the bid to the local vendor.

XV. PROMPT PAYMENT ACT

The City shall pay all payments owed for goods and services that it purchases in accordance with Texas Government Code Chapter 2251, the Texas Prompt Payment Act.

XVI. CONTRACT WITH PERSON INDEBTED TO CITY

The City Council may, upon prior written notice to an apparent low bidder or qualified proposer, refuse to award a contract or enter into a transaction with a bidder or proposer that is indebted to the City. *Tex. Loc. Gov't Code § 252.0436.*

XVII. PURCHASING POLICY ADOPTION

The Purchasing Policy shall be reviewed by the City Council annually.

Adopted: January 16, 2018

Revised: May 19, 2020 (*Covid-19*)

BUDGET ORDINANCE

AN ORDINANCE APPROVING AND ADOPTING THE BUDGET OF THE CITY OF CLEVELAND, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020; MAKING APPROPRIATIONS AS REFLECTED IN SAID BUDGET; MAKING CERTAIN FINDINGS AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, on Friday, July 31, 2020, the City Manager filed with the City Secretary a proposed budget of the City of Cleveland for the fiscal year 2020-2021, the same being from October 1, 2020, through September 30, 2021; and

WHEREAS, pursuant to notice required by law, a public hearing on the budget was held at the regular meeting place of the City Council at the City Hall on the 15th day of September, 2020, at which hearing all citizens and taxpayers of the City had the right to be heard and those who requested to be were heard; and

WHEREAS, the City Council has considered the proposed budget and has made such changes therein as in the City Council's judgment were warranted by law and were in the best interests of the citizens and taxpayers of the City; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CLEVELAND, TEXAS:

Section 1. The facts and recitals set forth in the preamble of this Ordinance are hereby found to be true and correct.

Section 2. In accordance with the statutes of the State of Texas and the Charter of the City of Cleveland, the City Council hereby approves and adopts the budget described above, a copy of which is attached hereto and incorporated herein. The City Secretary is hereby directed to keep such budget on file in her office as a public record.

Section 3. In support of said budget and by virtue of the adoption thereof, there are hereby appropriated out of available cash funds and out of the general and special revenues of the City the amounts set forth in said budget for the various purposes stated therein.

Section 4. The City Manager is authorized to transfer unencumbered balances, or portions thereof, from one budget account to another budget account within the same office, department, division, or agency.

PASSED, APPROVED, AND ADOPTED this 15th day of September, 2020.

**SUMMARY OF ALL FUNDS
FISCAL YEAR 2021 ADOPTED BUDGET**

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
GENERAL FUND				
Operating Revenues:	\$8,102,140	\$7,841,287	\$7,369,449	\$7,580,772
Non-Operating Revenues:	\$232,888	\$207,015	\$343,015	\$218,505
Total Revenues:	\$8,335,028	\$8,048,302	\$7,712,464	\$7,799,277
Operating Expenditures:	\$7,032,872	\$9,241,424	\$8,679,809	\$8,632,551
Non-Operating Expenditures:	\$0	\$0	\$0	\$0
Total Expenditures:	\$7,032,872	\$9,241,424	\$8,679,809	\$8,632,551
Revenues Over Expenditures:	\$1,302,156	(\$1,193,122)	(\$967,344)	(\$833,274)
Fund Balance - Beginning:		\$6,362,501	\$6,362,501	\$5,395,157
Fund Balance - Ending:	\$6,362,501	\$5,169,379	\$5,395,157	\$4,561,883
DEBT SERVICE FUND				
Total Revenues:	\$1,518,932	\$992,367	\$1,015,880	\$1,152,309
Total Expenditures:	\$1,831,823	\$992,367	\$992,367	\$1,152,309
Revenues Over Expenditures:	(\$312,891)	\$0	\$23,513	\$0
Fund Balance - Beginning:		\$282,175	\$282,175	\$305,688
Fund Balance - Ending:	\$282,175	\$282,175	\$305,688	\$305,688
WATER SEWER FUND				
Operating Revenues:	\$3,399,596	\$3,410,882	\$3,399,766	\$3,379,546
Non-Operating Revenues:	\$386,486	\$0	\$352,481	\$0
Total Revenues:	\$3,786,082	\$3,410,882	\$3,752,247	\$3,379,546
Departmental Expenses:	\$3,135,658	\$2,679,125	\$2,529,648	\$2,448,037
Non-Departmental Expenses:	\$492,348	\$731,757	\$1,084,238	\$931,509
Total Expenses:	\$3,628,006	\$3,410,882	\$3,613,886	\$3,379,546
Revenues Over Expenses:	\$158,076	\$0	\$138,362	\$0
Cash Balance - Beginning:		\$952,933	\$952,933	\$1,091,295
Cash Balance - Ending:	\$952,933	\$952,933	\$1,091,295	\$1,091,295

**SUMMARY OF ALL FUNDS
FISCAL YEAR 2021 ADOPTED BUDGET**

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
CAPITAL EQUIPMENT FUND				
Operating Revenues:	\$84,829	\$204,770	\$215,669	\$205,200
Non-Operating Revenues:	\$0	\$0	\$0	\$0
Total Revenues:	\$84,829	\$204,770	\$215,669	\$205,200
Capital Outlay:	\$78,093	\$95,787	\$95,787	\$205,200
Financial Obligations:	\$79	\$118,770	\$118,770	\$0
Total Expenses:	\$78,172	\$214,557	\$214,557	\$205,200
Revenues Over Expenses:	\$6,658	(\$9,787)	\$1,112	\$0
Fund Balance - Beginning:		\$171,031	\$171,031	\$172,143
Fund Balance - Ending:	\$171,031	\$161,244	\$172,143	\$172,143
HOTEL/MOTEL FUND				
Total Revenues:	\$260,997	\$242,328	\$170,532	\$238,340
Non-Departmental Expenditures:	\$30,300	\$44,800	\$39,500	\$40,500
Departmental Expenditures:	\$317,635	\$376,664	\$197,330	\$508,850
Total Expenditures:	\$347,935	\$421,464	\$236,830	\$549,350
Revenues Over Expenditures:	(\$86,939)	(\$179,136)	(\$66,298)	(\$311,010)
Fund Balance - Beginning:		\$436,959	\$436,959	\$370,661
Fund Balance - Ending:	\$436,959	\$257,823	\$370,661	\$59,651
POLICE SEIZURES				
Total Revenues:	\$4,438	\$2,100	\$2,100	\$2,050
Total Expenditures:	\$65,157	\$2,000	\$2,000	\$2,050
Revenues Over Expenditures:	(\$60,719)	\$100	\$100	\$0
Fund Balance - Beginning:		\$98,181	\$98,181	\$98,281
Fund Balance - Ending:	\$98,181	\$98,281	\$98,281	\$98,281

**SUMMARY OF ALL FUNDS
FISCAL YEAR 2021 ADOPTED BUDGET**

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
COURT TECHNOLOGY				
Total Revenues:	\$7,406	\$6,525	\$6,500	\$6,500
Total Expenditures:	\$4,896	\$6,500	\$6,500	\$6,500
Revenues Over Expenditures:	\$2,510	\$25	\$0	\$0
Fund Balance - Beginning:	\$2,800	\$5,310	\$5,310	\$5,310
Fund Balance - Ending:	\$5,310	\$5,335	\$5,310	\$5,310
COURT SECURITY				
Total Revenues:	\$5,557	\$5,025	\$5,000	\$5,000
Total Expenditures:	\$1,801	\$5,000	\$5,000	\$5,000
Revenues Over Expenditures:	\$3,756	\$25	\$0	\$0
Fund Balance - Beginning:		\$25,195	\$25,195	\$25,195
Fund Balance - Ending:	\$25,195	\$25,220	\$25,195	\$25,195
UNITY DONATION FUND				
Total Revenues:	\$25,682	\$20,000	\$5,900	\$19,975
Total Expenditures:	\$19,846	\$20,000	\$3,900	\$19,975
Revenues Over Expenditures:	\$5,836	\$0	\$2,000	\$0
Fund Balance - Beginning:		\$9,991	\$9,991	\$11,991
Fund Balance - Ending:	\$9,991	\$9,991	\$11,991	\$11,991
EDC FUND				
Operating Revenues:	\$807,719	\$732,833	\$662,189	\$718,033
Non-Operating Revenues:	\$535,906	\$0	\$0	\$0
Total Revenues:	\$1,343,625	\$732,833	\$662,189	\$718,033
Operating Expenses:	\$354,125	\$586,201	\$508,238	\$565,033
Financing Programs:	\$177,634	\$947,687	\$912,687	\$153,000
Total Expenses	\$531,759	\$1,533,888	\$1,420,925	\$718,033
Revenues Over Expenses:	\$811,866	(\$801,055)	(\$758,736)	\$0
Cash Balance - Beginning:		\$1,884,048	\$1,884,048	\$1,125,312
Cash Balance - Ending:	\$1,884,048	\$1,082,993	\$1,125,312	\$1,125,312

GENERAL FUND

The General Fund, also known as Fund 100, provides the financing for all of the City of Cleveland's basic services except water and sewer, which is accounted for through a separate fund. The principal sources of revenue include property taxes, sales, franchise & other taxes, licenses & permits, use fees from service charges, and court revenue from fines & forfeitures. Expenditures are comprised of several divisions which include City Council, Administration, Civic/Community, Municipal Court, Technology, Police, Animal Control, Development Services, Streets, Airport, Garage, Library, Cemetery/Parks, Sports Facility, Fire Department, and Emergency Management. Fire, Police, and Emergency Management provide all public safety services to the citizens of Cleveland and accounts for the majority of total expenditures.

FISCAL YEAR 2021 ADOPTED BUDGET*

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
REVENUES:				
Operating Revenues:	8,102,140	7,841,287	7,369,449	7,580,772
Non-Operating Revenues:	232,888	207,015	343,015	218,505
Total Revenues:	\$8,335,028	\$8,048,302	\$7,712,464	\$7,799,277
EXPENDITURES:				
Operating Expenditures:	7,032,872	9,241,424	8,679,809	8,632,551
Non-Operating Expenditures:	0	0	0	0
Total Expenditures:	\$7,032,872	\$9,241,424	8,679,809	8,632,551
<i>Revenues Over Expenditures</i>	<i>1,302,156</i>	<i>(1,193,122)</i>	<i>(967,344)</i>	<i>(833,274)</i>
Fund Balance - Beginning		6,362,501	6,362,501	5,395,157
Fund Balance - Ending	\$6,362,501	\$5,169,379	5,395,157	4,561,883
Reserve Requirement (25%)		2,310,356	2,310,356	2,158,138
Excess/(Deficit)		2,859,023	3,084,801	2,403,745

*See detailed income statement on following pages

Fiscal Year 2019-2020:

For fiscal year 2020 revenues are projected to be \$7,712,464, \$335,838 less than the amended budget mainly as a result of Covid-19 economic factors that include a substantial loss of \$351,383 due to the contraction of expected sales tax collection and an extensive loss of \$144,334 in projected Court Revenue. Additionally, Property tax is lower than the amended by \$21,000, or 1% due to the reduction in delinquent collections. The delinquent, penalty, and attorney fees vary widely from year to year, so can be challenging to trend and is to be reviewed before adoption. Total sales tax is projected to end 9.7% lower than the original budget at \$3,256,030 Total licenses and permits are \$208,800, within \$300 of original budget. Total use fee revenues are \$106,282, lower than the amended by \$48,968 as a result of the civic center room rental cancellations during the pandemic. Court revenue is projected at \$193,216, lower than the amended budget by 43%. Police revenue is \$1,440 lower than original budget due to donation activity. Other revenue is \$500,347 or 37% higher than the amended based on proceeds from insurance reimbursements. Total Interest is projected at \$76,248 and is \$42,302 less than original budget due to the Fed Rate change near 0% to prop up the economy during the ongoing pandemic. Fire and emergency services revenues are projected at \$125,248 and on target with the original budget. Non-operating revenues include \$35,000 in scheduled transfers that remain unchanged, and include reimbursement from EDC for \$155,000 as the third annual reimbursement related to the Earth Energy TDA grant.

Projected fiscal year 2020 expenditures total \$8,679,809, a savings of nearly 6.1% of the amended budget. The amended budget includes carryovers and amendments to the original budget. Operating expenditures are projected at the same. Amendments or other adjustments include the following:

- An amendment of \$50,200 was approved to account for the Fixed Base Operator (FBO) expenses This is a

carry through as the city now directly collects all hangar lease revenue; therefore, this amendment increases airport revenue by the same.

- Amend the budget to include an allocation to purchase land adjacent to the Civic Center. Allocation. Increase the FY20 budgeted allocation of \$110,000 in Civic Center Capital Outlay. Also, this amendment decreased unassigned salary expenses by \$10,000, as salary savings from an open director position. This is an additional \$100,000 allocation of fund balance.
- Carryover the remaining \$13,730 from FY19 to increase the FY20 budgeted allocation of \$15,000 to a total of \$28,730. This includes allocation for maintenance on a 90/10 grant to improve existing runway lighting and capping of the old airport water well. However, we now know that grant funding from CARES Act will cover the engineering for runway lighting. Due to the current lighting issue, the airport the airport issued a NOTAM, a written notification issued to pilots before a flight, advising them of circumstances relating to the state of flying.
- A carryover for street resurfacing which will use the remaining \$20,000 from FY19 to increase the original allocation of \$170,000 to a total of \$190,000. This includes general paving and reconstruction of city streets.
- Carryover \$31,332 for the restroom facility under construction at the time of Tropical Storm Imelda that received significant damage; the remaining carryover is needed to complete the project including reinforcement around the foundation to prevent erosion of the structure's base.
- Carryover \$6,019 for demolition implementation of substandard structures that are classified as such under Housing/ Dangerous Building Codes. In addition to the \$15,000 originally budgeted, the allocation will assist in the demolition of these substandard structures currently identified.

The city will end with revenues under expenditures by \$967,344, superior than amended by \$225,778 since the fund intended a use \$1,193,122 of fund balance; still final numbers will likely show even more favorable standing due to overlapping capital projects and remaining contingency by year-end. The financial objective since March 2020 has been to hold expenses down as the economy struggles with the effects of emergency orders and health concerns during the pandemic. Fund balance at 9/30/2019 is anticipated to be \$5,395,156. The general fund is projected to end with \$3,084,801 in excess cash over the \$2,310,356 held as the original budget reserve requirement.

Fiscal Year 2020-2021:

Fiscal year 2021 revenues total \$7,799,277, which is \$335,838 lower than the amended and \$86,813 higher than the 2020 projected due to tax collection growth once the pandemic is subjugated. Property tax is adjusted over the amended with a 1 cent reduction in the total rate approved at 0.7600 per \$100 valuation for the adopted budget. Council approved an (\$0.0553) reduction in the Maintenance & Operating (M&O) bringing the rate down to \$0.5028 but only impacting the projected levy collection by \$33,274 or by 1.4% less that last year due to improvements in new construction. Total sales taxes collected after transfers to EDC are \$3,613,954, a gain of \$357,924 or 11.0% from fiscal year 2020 projection. The expected gain is contingent on the progress of combating Covid, as heavy construction and point-of-sale expansion cannot be sustained without lifting additional restrictions. Licenses & Permits proposes a total of \$215,090, a 3% increase from the current projected as we anticipate continued development growth for FY21 and the increase in fees are showing strong signs of improvement at the time of adoption.

Non-operating revenues of \$218,505 take account of limited transfers from Water/Sewer so the proprietary fund can support W/S related capital programs. This year includes a final transfer from EDC for \$171,105 and it completes the reimbursement obligation related to the Earth Energy TDA grant. Included in non-operating is \$12,400 designated as grant entitlements, mainly TxDOT Airport RAMP funding.

Total expenditures are \$8,632,551 a \$47,258 decrease from the 2020 projected. It should be noted that the proposed budget was submitted as balanced. The final budget presented for adoption includes a use retained cash \$833,274 within target of the \$825,800 considered non-recurring. The final budget does present a reduction of \$33,274 in revenue due to the final calculation and reduction in the M&O levy. The reduction in the M&O will support debt on the new fire station. Fiscal Year 2022 will rely on new taxable value increase from new construction in Grand Oaks and Pinewood that is expected to support an acceptable extension in General Fund Services.

The budget is maintained with fund balance ending at \$4,561,883, of which \$2,403,745 is considered excess cash over the reserve requirement with the current non-recurring of \$825,800 secured under the reserve calculation.

The \$825,800 in non-recurring, the extraordinary or one-time expenses the city does not expect to continue over time, are adopted as the following:

- Airport Runway Identifier End Lights Runaway lights - This \$90,000 capital project share will include conduit for new installation. The total design and construction project costs currently estimated to be \$1,285,000 and our sponsor share including construction and design estimated to be \$118,500. A separate grant, CARES for engineering design covers 100% of estimated engineering design. Any additional costs over the \$100,000 will be at 90/10 share. Sponsor share of construction costs estimated to be \$118,500 of the estimated \$1,185,000. The city is to carry forward at least \$10,000 already earmarked for the design cost in FY20, possibly additional savings are available in airport operations to cover any gap in funding. A second portion CARES grant will cover \$30,000 of our share on construction cost.
- Street Resurfacing \$50,000. Outsource additional street patching as the cost of doing this program in-house with additional personnel is cost prohibitive.
- The police department is to replace 1 high mileage vehicle with 1 SUV unit at \$42,500. The police department usually receives 2 units per year, however with the current constraints and revenue uncertainties the city proposes at least 1 unit. The benefits of a police SUV over traditional unit cars give additional space for transporting and temporarily detaining suspects as well as better placement of police radio, laptop and/or equipment Also the SUV is a more visible vehicle, assisting with safety and crime deterrence.
- Police Equipment – A total of \$31,000 for Body Worn Cameras. The allocation is for 15 units. These cameras are essential for criminal prosecution.
- Final changes to the budget included Police Facility Improvements at \$100,000; Public Works Facility Rehab at \$100,000; Culvert Replacement Program (a program increase) at an additional \$35,000; Park improvements at \$50,000; Airport signage at \$27,300 and a Fire Tanker replacement at \$300,000.

Recurring Items are limited to employee salary and benefits and they are detailed as the following:

- Health Insurance increase of (7.67%). Employees are to share the cost associated with the increase in health Insurance. The city has received several rate passes in the prior years; however, this year employees are provided a buy-up option in order for employees and dependents to receive the same level of coverage.
- Salary adjustment equivalent to 45 cents per hour to all employees. This increase to mainly offset the cost of living (CPI averaging 2.5% annually over the last 5 years) as well as improve living standards of lower paid employees.
- Other adjustments are to provide sufficient pay to Public Works Supervisors and Fire Captains that is comparable to the duties and responsibilities of these positions.

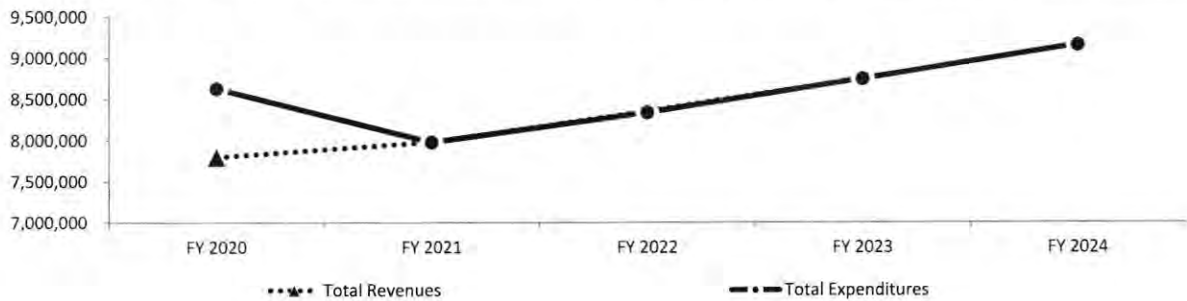
The following is the adopted supplemental items, the additions to regular or continuing appropriations already provided in the prior year or years that are allocated in the general fund:

	Recurring	Non-recurring	Total
Tahoe Patrol (1)		\$42,500	\$42,500
Police Body Worn Cameras (15)		\$31,000	\$31,000
Street Patching (outsourced)		\$50,000	\$50,000
Runway Lights (TxDOT grant share)		\$90,000	\$90,000
Health Insurance (BC-PPO-034 7.67%)	\$42,400		\$42,400
Salary Adjustment [(\$0.45) ~ 1.7%]	\$87,000		\$87,000
Seasonal P/T (4) (\$13 @ 720 MH)	\$42,700		\$42,700
Salary Adjustment [PW / Fire]	\$15,600		\$15,600
Public Works Facility Rehab		\$100,000	\$100,000
Culvert Replacement Program		\$35,000	\$35,000
Parks Improvements		\$50,000	\$50,000
Police Facility Improvements		\$100,000	\$100,000
Airport Signage		\$27,300	\$27,300
Fire Tanker		\$300,000	\$300,000
Total General Fund <u>Adopted</u> Supplemental:	\$187,700	\$825,800	\$1,013,500

MULTI-YEAR PLAN

A five-year plan is programmed for forecasting purposes only. It is projected that Fund 100 will maintain a balanced budget for fiscal years ending 2022 through 2025; however, fiscal year 2022 may require cuts if sales tax does not materialize as expected. The current plan consists of maintaining our current levels of services that are funded by the General Fund. The budget is adopted by the Council annually; therefore, the projection detailed below does not restrain future councils to this plan:

	FY 2021 ADOPTED	FY 2022 PROJECTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED
Operating Revenues:	7,580,772	\$7,937,312	\$8,311,008	\$8,702,697	\$9,113,259
Non-Operating Revenues:	218,505	44,105	44,105	44,105	44,105
Total Revenues:	7,799,277	\$7,981,417	\$8,355,113	\$8,746,802	\$9,157,364
Operating Expenditures:	8,632,551	\$7,978,926	\$8,138,024	\$8,300,299	\$8,465,814
Total Non-Operating:	0	0	200,000	445,000	690,000
Total Expenditures	8,632,551	\$7,978,926	\$8,338,024	\$8,745,299	\$9,155,814
<i>Revenues Over Expenditures:</i>	<i>(833,274)</i>	<i>2,491</i>	<i>17,089</i>	<i>1,504</i>	<i>1,549</i>
Fund Balance - Beginning	5,395,157	4,561,883	4,564,374	4,581,463	4,582,967
Fund Balance - Ending:	4,561,883	\$4,564,374	\$4,581,463	\$4,582,967	\$4,584,516



GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
REVENUES:				
Property Taxes	2,163,172	2,320,161	2,299,161	2,265,887
Sales Taxes	3,978,922	3,607,413	3,256,030	3,613,954
Franchise Taxes	475,051	489,600	488,880	489,114
Other Taxes	112,806	112,805	113,077	4,300
Licenses & Permits	210,489	208,500	208,800	215,090
Use Fees	188,658	155,250	106,282	145,495
Court Revenue	320,202	337,550	193,216	330,457
Police Revenue	2,160	3,600	2,160	2,160
Other Revenue	407,678	363,858	500,347	365,230
Interest	108,526	118,550	76,248	19,550
Emergency Services Revenue	134,476	124,000	125,248	129,535
Operating Revenues:	8,102,140	7,841,287	7,369,449	7,580,772
Grants / Other Sources	162,888	11,400	142,400	12,400
Non-Operating Transfers	70,000	195,615	200,615	206,105
Non-Operating Revenues:	232,888	207,015	343,015	218,505
Total Revenues:	\$8,335,028	\$8,048,302	7,712,464	7,799,277
EXPENDITURES:				
City Council	30,255	36,950	31,468	47,600
Administration	981,273	1,136,217	1,101,879	1,080,906
Civic/Community	245,617	354,595	332,150	370,634
Municipal Court	266,883	307,925	254,250	273,840
Technology	385,887	476,571	476,571	396,300
Police	2,354,806	2,739,411	2,493,957	2,869,170
Animal Control	53,444	69,020	42,116	59,350
Development Services	239,841	384,157	328,539	350,595
Street Department	428,568	778,086	750,096	556,080
Airport Department	46,148	115,130	91,958	213,854
Garage Department	139,674	11,900	9,516	112,200
Library Department	384,506	639,704	602,781	418,735
Cemetery/Parks	486,788	637,031	589,436	563,480
Sports Park	170,634	107,982	109,208	25,850
Fire Department	805,368	1,416,678	1,435,460	1,258,230
Emergency Management	13,181	30,067	30,425	35,727
Operating Expenditures:	7,032,872	9,241,424	8,679,809	8,632,551
Non-Departmental	0	0	0	0
Grants / Other Sources	0	0	0	0
Non-Operating Expenditures:	0	0	0	0
Total Expenditures:	\$7,032,872	\$9,241,424	8,679,809	8,632,551
<i>Revenues Over Expenditures</i>	<i>1,302,156</i>	<i>(1,193,122)</i>	<i>(967,344)</i>	<i>(833,274)</i>
Fund Balance - Beginning		6,362,501	6,362,501	5,395,157
Fund Balance - Ending	\$6,362,501	5,169,379	5,395,157	4,561,883
Reserve Requirement (25%)		2,310,356	2,310,356	2,158,138
Excess/(Deficit)		2,859,023	3,084,801	2,403,745

GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Revenues					
<u>Property Taxes</u>					
100-4000-01-0801	Current Taxes	2,028,069	2,159,161	2,159,161	2,125,887
100-4000-01-0802	Delinquent Taxes	70,936	96,000	75,000	75,000
100-4000-01-0803	P & I / Attorney Fees	64,167	65,000	65,000	65,000
	Total Property Taxes	2,163,172	2,320,161	2,299,161	2,265,887
<u>Sales Taxes</u>					
100-4000-02-0807	Sales Tax	4,735,973	4,295,000	3,865,500	4,295,000
100-4000-02-0808	EDC Transfers	(789,329)	(715,833)	(644,250)	(715,833)
100-4000-02-0809	Mixed Beverage Tax	32,278	28,246	34,780	34,787
	Total Sales Taxes	3,978,922	3,607,413	3,256,030	3,613,954
<u>Franchise Taxes</u>					
100-4000-03-0811	Entergy	324,815	320,000	324,000	324,000
100-4000-03-0812	Telephone	14,598	17,000	14,600	14,600
100-4000-03-0813	Cable Franchise (New Wave)	14,050	15,000	11,962	12,000
100-4000-03-0814	CenterPoint Entex	32,632	30,000	32,752	32,752
100-4000-03-0815	Waste Mgmt. Franchise Fee	12,814	32,000	28,662	28,662
100-4000-03-8016	Street Fee For Paving	76,143	75,600	76,905	77,100
	Total Franchise Taxes	475,051	489,600	488,880	489,114
<u>PILOT</u>					
100-4000-04-0815	Correctional Center PILOT	108,638	108,638	108,777	0
100-4000-04-0816	Housing Authority PILOT	4,167	4,167	4,300	4,300
	Total PILOT	112,806	112,805	113,077	4,300
<u>Licenses & Permits</u>					
100-4000-05-0822	Occupational License	18,750	1,000	1,000	2,000
100-4000-05-0823	Elect. Permits/Inspections	11,704	10,000	10,000	10,000
100-4000-05-0824	Building Permits	165,682	185,000	185,000	190,000
100-4000-05-0825	Plumbing/Gas Permits	13,874	12,000	12,000	12,500
100-4000-05-0826	Zoning/BA Fees	300	300	700	400
100-4000-05-0865	Library Cards	190	200	100	190
100-4000-05-0895	Over / (Short)	(11)	0	0	0
	Total Licenses & Permits	210,489	208,500	208,800	215,090
<u>Service & Use Fees</u>					
100-4000-06-0857	Civic Center Vending	503	500	0	0
100-4000-06-0860	Civic Center-Room Rental	99,174	80,000	50,000	69,000
100-4000-06-0860	Civic Center Ticket Sales	0	0	0	0
100-4000-06-0861	Forfeited Deposits-Civic Center	2,038	2,100	500	1,600
100-4000-06-0862	Cemetery Income	23,266	27,000	33,003	31,000
100-4000-06-0863	Campbell Park(Pool)	0	0	0	0
100-4000-06-0864	Library Services/Fees	7,635	8,700	3,976	8,700
100-4000-06-0865	Stancil Park	18,025	25,000	10,797	22,400
100-4000-06-0866	EDC - Reimburse Sports Park	26,004	0	0	0
100-4000-06-0890	Lost/Damaged Charges	305	450	201	280
100-4000-06-0891	Library Copies	11,709	11,500	7,805	12,515
	Total Service & Use Fees	188,658	155,250	106,282	145,495
<u>Court Revenue</u>					
100-4000-07-0881	Traffic/Criminal Fees	271,485	275,000	158,855	275,000
100-4000-07-0882	Warrant Officer Income	46,310	60,000	33,051	50,753
100-4000-07-0883	Court Short/Over	19	0	0	0
100-4000-07-0884	Court Serv. Fees-State	1,888	1,800	944	4,129
100-4000-07-0885	Court Revenue - Tech/Sec. Fee	0	0	0	0
100-4000-07-0886	Court Revenue - Time Eff. Fee	0	0	0	0
100-4000-07-0887	Juvenile Failure To Attend	500	750	366	575
	Total Court Revenue	320,202	337,550	193,216	330,457

GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
<u>Police Revenue</u>					
100-4000-08-0887	Police Misc. Income	2,120	1,900	2,120	2,120
100-4000-08-0887	Animal Control Fees	40	200	40	40
100-4000-08-0887	Police Donations	0	1,500	0	0
	Total Police Revenue	2,160	3,600	2,160	2,160
<u>Other Revenue</u>					
100-4000-09-0816	Fire Dept. Grant Expenses	0	500	100	100
100-4000-09-0822	Drilling-New Century Exp.	0	394	394	394
100-4000-09-0850	Proceeds From Insurance	11,112	35,000	158,612	35,000
100-4000-09-0861	Airport	149,134	282,064	282,064	282,064
100-4000-09-0864	Children's Programs	0	900	0	0
100-4000-09-0866	Library Memorial Donations	191	500	1,733	516
100-4000-09-0867	Library Misc. Donation	380	300	300	300
100-4000-09-0872	Reimb For Civic Ctr Exp (Hot\$)	30,000	30,000	30,000	30,000
100-4000-09-0887	Demolition/Cleanup Reimburse.	8,641	1,200	4,512	1,856
100-4000-09-0889	FEMA Reimbursement	189,493	0	0	0
100-4000-09-0890	Legal Reimbursement	10,000	0	0	0
100-4000-09-0895	Miscellaneous	3,728	10,000	15,558	10,000
100-4000-09-0899	Sale of Assets	5,000	3,000	7,073	5,000
	Total Other Revenue	407,678	363,858	500,347	365,230
<u>Interest</u>					
100-4000-10-0894	Interest	100,479	110,000	67,698	11,000
100-4000-10-0900	Credit Card Fees - Court	6,132	6,100	6,100	6,100
100-4000-10-0900	Credit Card Fees - Dev Serv.	885	1,500	1,500	1,500
100-4000-10-0900	Credit Card Fees - Civic Ctr.	438	450	450	450
100-4000-10-0900	Credit Card Fees - Lib.	592	500	500	500
	Total Interest	108,526	118,550	76,248	19,550
<u>Grants</u>					
100-4000-13-0892	Airport Grant & R.A.M.P.	50,000	10,000	10,000	10,000
100-4000-13-0901	Library Grants	17,854	1,400	2,400	2,400
100-4000-13-0904	Fire - Texas Forestry Service	10,684	0	0	0
100-4000-13-0909	CDBG Sidewalk 082	84,350	0	130,000	0
	Total Grants	162,888	11,400	142,400	12,400
<u>Emergency Services</u>					
100-4000-14-0880	Liberty County Fire Runs	90,000	89,000	89,000	89,000
100-4000-14-0895	Billing & Collection Fee	44,476	35,000	36,248	40,535
	Total Emergency Services	134,476	124,000	125,248	129,535
<u>Non-Operating</u>					
100-4000-99-0900	Transfers In	30,000	30,000	35,000	35,000
100-4000-99-0907	Other Financing Sources	40,000	165,615	165,615	171,105
	Total Non-Operating	70,000	195,615	200,615	206,105
	TOTAL REVENUES:	8,335,028	8,048,302	7,712,464	7,799,277

**GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
City Council					
<u>Salaries & Benefits</u>					
100-5110-01-1010	Salaries	2,114	2,100	2,100	2,100
	Total Salaries & Benefits	2,114	2,100	2,100	2,100
<u>Professional Services</u>					
100-5110-02-2090	Other Professional Services	0	5,500	7,500	7,500
	Total Professional Services	0	5,500	7,500	7,500
<u>Other Services</u>					
100-5110-04-2720	Advertising	7,226	5,000	6,006	7,000
100-5110-04-2750	Dues & Membership	372	850	791	500
100-5110-04-2830	Seminars & Schools	13,066	12,000	11,573	14,000
	Total Other Services	20,664	17,850	18,369	21,500
<u>Supplies</u>					
100-5110-05-3030	Meeting Expenses	860	2,000	1,213	2,500
100-5110-05-3100	Other Operating Supplies	3,064	3,000	2,000	3,000
	Total Supplies	3,925	5,000	3,213	5,500
<u>Other Expenditures</u>					
100-5110-06-5060	Election Expenses	2,830	6,500	286	11,000
100-5110-06-5070	Council Equipment	722	0	0	0
	Total Other Expenditures	3,552	6,500	286	11,000
	Total City Council:	30,255	36,950	31,468	47,600

**GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Administration					
<u>Salaries & Benefits</u>					
100-5112-01-1010	Salaries	366,811	453,421	406,218	459,840
100-5112-01-1011	Overtime	550	1,500	2,406	1,500
100-5112-01-1015	Car Allowance	5,000	5,000	5,000	5,000
100-5112-01-1020	Group Insurance	38,789	50,049	39,512	48,780
100-5112-01-1030	Social Security Contribution	27,891	35,039	31,388	35,670
100-5112-01-1040	Retirement Contribution	40,138	48,440	47,512	50,410
100-5112-01-1050	Unemployment Compensation	135	1,616	1,616	1,620
100-5112-01-1060	Worker's Compensation	923	2,061	2,061	2,070
100-5112-01-1080	Medical Exams	277	0	283	0
	Total Salaries & Benefits	480,514	597,126	535,997	604,890
<u>Professional Services</u>					
100-5112-02-2010	Legal/General	136,489	75,000	88,245	90,000
100-5112-02-2040	Accounting/Audit	63,000	50,000	63,000	55,000
100-5112-02-2060	Grant Administrator	800	1,200	0	0
100-5112-02-2070	Health Dept. Retainer	900	900	900	900
100-5112-02-2075	ADP Processing Fees	30,483	32,000	32,000	32,000
100-5112-02-2089	Ambulance Contract	50,000	50,000	45,000	45,000
100-5112-02-2090	Other Professional Services	7,893	117,863	117,863	25,000
	Total Professional Services	289,565	326,963	347,008	247,900
<u>Property Services</u>					
100-5112-03-2220	Electricity	15,893	15,000	15,000	16,000
100-5112-03-2430	Facilities Maintenance	36,730	25,000	25,000	27,000
	Total Property Services	52,623	40,000	40,000	43,000
<u>Other Services</u>					
100-5112-04-2115	Senior Citizens Gas/Repair	4,354	5,000	5,000	5,000
100-5112-04-2130	Brazos Transit	14,710	14,710	14,710	15,500
100-5112-04-2700	Property Insurance	9,492	9,000	10,441	12,000
100-5112-04-2720	Advertising	1,000	1,000	1,107	1,200
100-5112-04-2730	Printing & Binding	751	500	464	500
100-5112-04-2750	Dues & Membership	4,153	4,500	5,108	5,200
100-5112-04-2770	Liberty Tax Assessor	1,668	1,800	1,702	1,736
100-5112-04-2780	Liberty CAD	80,938	79,018	83,506	85,180
100-5112-04-2830	Seminars & Schools	15,979	15,000	15,214	17,200
	Total Other Services	133,045	130,528	137,252	143,516
<u>Supplies</u>					
100-5112-05-3010	Office	5,436	6,000	5,389	5,500
100-5112-05-3020	Books & Periodicals	137	300	218	300
100-5112-05-3030	Employee Relations	1,306	2,000	2,307	2,400
100-5112-05-3100	Other Operating Supplies	2,692	4,000	4,000	3,500
100-5112-05-3110	Copier Expense	11,125	7,500	8,710	9,500
100-5112-05-3115	Janitorial Supplies	1,469	1,800	2,204	1,700
100-5112-05-3130	Postage	2,248	4,000	2,741	2,700
	Total Supplies	24,412	25,600	25,570	25,600
<u>Other Expenditures</u>					
100-5112-06-5060	Furniture/Fixtures	1,116	1,000	1,053	1,000
100-5112-06-5095	Contingency	0	15,000	15,000	15,000
	Total Other Expenditures	1,116	16,000	16,053	16,000
	Total Administration:	981,273	1,136,217	1,101,879	1,080,906

**GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
<u>Civic / Community</u>					
<u>Salaries & Benefits</u>					
100-5113-01-1010	Salaries	107,259	111,876	90,241	117,050
100-5113-01-1011	Overtime	2,576	1,800	2,885	1,080
100-5113-01-1015	Auto Allowance	0	0	0	0
100-5113-01-1020	Group Insurance	19,009	17,309	15,533	26,890
100-5113-01-1030	Social Security Contribution	8,147	9,461	7,345	9,120
100-5113-01-1040	Retirement Contribution	12,223	13,629	11,288	12,480
100-5113-01-1050	Unemployment Contribution	29	621	560	620
100-5113-01-1060	Worker's Compensation	1,233	2,199	2,706	2,120
100-5113-01-1080	Medical Exams	0	0	0	0
	Total Salaries & Benefits	150,474	156,895	130,558	169,360
<u>Property Services</u>					
100-5113-03-2220	Electricity	34,853	37,000	36,000	36,000
100-5113-03-2430	Facilities Maintenance	21,979	14,000	22,851	20,000
	Total Property Services	56,832	51,000	58,851	56,000
<u>Other Services</u>					
100-5113-04-2110	Marketing/Promotion	1,775	5,000	2,500	2,500
100-5113-04-2700	Property Insurance	11,634	10,000	11,751	11,760
100-5113-04-2750	Dues & Membership	71	0	75	0
100-5113-04-2830	Seminars & Schools	1,657	1,000	0	1,500
100-5113-04-9900	Credit Card Fees	1,609	1,500	1,549	1,704
	Total Other Services	16,747	17,500	15,875	17,464
<u>Supplies</u>					
100-5113-05-3010	Office Supplies	1,678	1,500	1,000	1,600
100-5113-05-3030	Employee Relations	250	400	250	400
100-5113-05-3100	Other Operating Supplies	1,396	1,500	1,500	1,200
100-5113-05-3105	Vending Supplies	790	0	0	0
100-5113-05-3110	Copier Expense	6,594	7,000	5,315	5,610
100-5113-05-3115	Janitorial Supplies	3,588	3,500	3,900	3,500
100-5113-05-3120	Uniform Expense	933	1,500	1,100	1,500
100-5113-05-3130	Postage	983	800	800	1,000
	Total Supplies	16,212	16,200	13,865	14,810
<u>Other Expenditures</u>					
100-5113-06-5060	Furniture/Fixtures	2,600	0	0	0
100-5113-06-5090	Events	2,752	3,000	3,000	3,000
	Total Other Expenditures	5,352	3,000	3,000	3,000
<u>Capital Outlay</u>					
100-5113-17-5090	Other Capital Outlay	0	110,000	110,000	110,000
	Total Capital Outlay	0	110,000	110,000	110,000
	Total Civic/Community:	245,617	354,595	332,150	370,634

**GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Municipal Court					
<u>Salaries & Benefits</u>					
100-5114-01-1010	Salaries	160,646	186,243	148,141	150,710
100-5114-01-1011	Overtime	2,704	5,000	4,182	5,000
100-5114-01-1020	Group Insurance	22,913	20,262	15,937	21,720
100-5114-01-1030	Social Security Contribution	12,414	14,630	11,653	11,910
100-5114-01-1040	Retirement Contribution	12,871	16,868	13,816	16,530
100-5114-01-1050	Unemployment Compensation	60	886	801	890
100-5114-01-1060	Worker's Compensation	268	2,793	1,359	2,530
	Total Salaries & Benefits	211,875	246,682	195,888	209,290
<u>Professional Services</u>					
100-5114-02-2120	Legal - Court Services	3,805	5,500	4,140	5,500
100-5114-02-2180	Inmate Expenses	32,158	30,000	30,000	32,000
	Total Professional Services	35,963	35,500	34,140	37,500
<u>Property Services</u>					
100-5114-03-2430	Facilities Maintenance	(184)	750	971	1,200
	Total Property Services	(184)	750	971	1,200
<u>Other Services</u>					
100-5114-04-2700	Property Insurance	3,314	3,743	4,000	4,200
100-5114-04-2730	Printing & Binding	1,130	1,300	1,300	1,500
100-5114-04-2750	Dues & Membership	115	2,000	977	2,000
100-5114-04-2800	Jury Costs	0	150	150	150
100-5114-04-2830	Seminars & Schools	2,848	3,500	3,232	3,500
100-5114-04-9900	Credit Card Fees	3,903	4,200	4,175	4,400
	Total Other Services	11,310	14,893	13,834	15,750
<u>Supplies</u>					
100-5114-05-3010	Office	900	1,200	1,200	1,200
100-5114-05-3020	Books & Periodicals	62	200	200	200
100-5114-05-3030	Employee Relations	400	400	300	400
100-5114-05-3100	Other Operating Supplies	742	1,100	516	1,100
100-5114-05-3110	Copier Expense	2,841	3,200	3,200	3,200
100-5114-05-3130	Postage	1,617	2,500	2,500	2,500
	Total Supplies	6,563	8,600	7,916	8,600
<u>Other Expenditures</u>					
100-5114-06-5060	Furniture/Fixtures	855	0	0	0
100-5114-06-5070	Office Equipment	502	1,500	1,500	1,500
	Total Other Expenditures	1,357	1,500	1,500	1,500
	Total Municipal Court:	266,883	307,925	254,250	273,840

GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Information Technology					
<u>Professional Services</u>					
100-5115-02-2090	NSD - Contract Services	95,674	88,130	88,130	90,000
100-5115-02-2112	Software Licenses Admin	51,533	57,000	57,000	55,000
100-5115-02-2113	Software Licenses Civic Center	0	1,000	1,000	0
100-5115-02-2114	Software Licenses Court	2,003	20,800	20,800	2,500
100-5115-02-2120	Software Licenses Police	33,160	45,000	45,000	40,000
100-5115-02-2123	Development Services Dev. Serv.	2,186	2,200	2,200	2,500
100-5115-02-2130	Software Licenses Street	0	700	700	0
100-5115-02-2160	Software Licenses Library	28,984	26,411	26,411	30,000
100-5115-02-2170	Software Licenses Fire	600	2,300	2,300	2,500
100-5115-02-2310	Software Licenses Water Admin	23,188	7,000	7,000	12,000
	Total Professional Services	237,327	250,541	250,541	234,500
<u>Other Services</u>					
100-5115-04-2310	Telephone/Internet Water Adm	6,871	6,500	6,500	6,900
100-5115-04-2330	Telephone/Internet Water Prod.	22,786	15,000	15,000	23,000
100-5115-04-2350	Telephone/Internet Sewer	3,216	3,200	3,200	3,300
100-5115-04-2710	Telephone/Internet-Council	2,166	2,400	2,400	2,900
100-5115-04-2712	Telephone/Internet Admin	10,771	11,000	11,000	11,000
100-5115-04-2713	Telephone/Internet Civic	4,520	3,800	3,800	4,600
100-5115-04-2714	Telephone/Internet Court	2,719	2,100	2,100	3,000
100-5115-04-2720	Telephone/Internet Police	31,307	33,000	33,000	33,000
100-5115-04-2722	Telephone/Internet Animal	451	650	650	500
100-5115-04-2723	Telephone/Internet Develop	4,500	3,750	3,750	4,600
100-5115-04-2730	Telephone/Internet Street	5,012	4,800	4,800	5,100
100-5115-04-2740	Telephone/Internet Garage	398	400	400	400
100-5115-04-2760	Telephone/Internet Library	13,193	15,000	15,000	15,000
100-5115-04-2761	Telephone/Internet Parks	1,920	2,200	2,200	2,000
100-5115-04-2770	Telephone/Internet EDC	5,946	5,800	5,800	6,000
	Total Other Services	115,775	109,600	109,600	121,300
<u>Supplies</u>					
100-5115-05-3100	Other Operating Supplies	167	0	0	0
	Total Supplies	167	0	0	0
<u>Other Expenditures</u>					
100-5115-06-5065	Computer Equipment/Software	19,033	77,000	77,000	18,000
100-5115-06-5123	Supplies Dev. Service	0	8,220	8,220	2,000
100-5115-06-5160	Supplies Water Adm.	2,119	2,600	2,600	2,000
100-5115-06-5212	Supplies Tech	1,489	3,610	3,610	2,500
100-5115-06-5214	Computer Supplies Court	2,100	1,500	1,500	2,000
100-5115-06-5215	Supplies Security	284	1,500	1,500	2,000
100-5115-06-5220	Supplies Library	5,258	12,950	12,950	6,000
100-5115-06-5230	Supplies Admin	835	1,500	1,500	2,000
100-5115-06-5270	Computer Supplies Fire	0	6,050	6,050	2,000
100-5115-06-5310	Supplies Tech	1,500	1,500	1,500	2,000
	Total Other Expenditures	32,617	116,430	116,430	40,500
	Total Information Technology:	385,887	476,571	476,571	396,300

GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Police Department					
<u>Salaries & Benefits</u>					
100-5120-01-1010	Salaries	1,355,965	1,623,625	1,466,497	1,675,430
100-5120-01-1011	Overtime	87,987	75,000	80,148	75,000
100-5120-01-1020	Group Insurance	287,150	327,503	276,010	294,270
100-5120-01-1030	Social Security Contribution	106,309	129,944	116,688	133,900
100-5120-01-1040	Retirement Contribution	155,154	185,373	179,024	187,410
100-5120-01-1050	Unemployment Compensation	428	7,245	7,588	7,250
100-5120-01-1060	Worker's Compensation	23,211	57,471	44,283	58,310
100-5120-01-1080	Medical Exams	1,481	0	1,619	0
	Total Salaries & Benefits	2,017,685	2,406,161	2,171,858	2,431,570
<u>Professional Services</u>					
100-5120-02-2090	Other Professional Services	6,851	7,000	5,330	7,000
100-5120-02-2100	Mobile Data Service	18,426	20,000	17,490	20,000
100-5120-02-2180	Inmate Expenses	5,766	6,000	6,000	6,000
	Total Professional Services	31,044	33,000	28,820	33,000
<u>Property Services</u>					
100-5120-03-2210	Natural Gas	1,205	1,200	1,200	1,200
100-5120-03-2220	Electricity	16,638	19,000	16,193	19,000
100-5120-03-2410	Motor Vehicle Repair	37,957	32,300	42,500	42,500
100-5120-03-2420	Equipment Repair	355	1,000	1,000	1,000
100-5120-03-2430	Facilities Maintenance	20,507	25,000	25,000	22,000
	Total Property Services	76,662	78,500	85,893	85,700
<u>Other Services</u>					
100-5120-04-2700	Property Insurance	26,558	30,000	30,000	30,000
100-5120-04-2720	Advertising	273	500	500	500
100-5120-04-2750	Dues & Membership	240	500	400	500
100-5120-04-2830	Seminars & Schools	8,274	12,000	6,408	12,000
	Total Other Services	35,345	43,000	37,308	43,000
<u>Supplies</u>					
100-5120-05-3010	Office	6,204	7,000	7,000	7,000
100-5120-05-3020	Books & Periodicals	0	500	500	500
100-5120-05-3030	Employee Relations	2,900	4,200	3,100	4,200
100-5120-05-3040	Gasoline/Diesel	46,477	55,000	43,917	55,000
100-5120-05-3050	Oil/Lube	2,984	4,000	3,012	4,000
100-5120-05-3080	Uniform Expense	7,598	7,000	10,128	10,000
100-5120-05-3100	Other Operating Supplies	5,113	6,250	6,250	6,500
100-5120-05-3101	Donation Disbursement	2,404	0	0	0
100-5120-05-3110	Copier Expense	9,813	8,500	9,500	8,500
100-5120-05-3130	Postage	861	1,300	1,671	1,700
	Total Supplies	84,354	93,750	85,078	97,400
<u>Detective</u>					
100-5120-16-2190	Undercover	997	1,000	1,000	1,000
100-5120-16-3160	Fingerprint/Invest. Supplies	1,542	1,500	1,500	1,500
100-5120-16-3170	Range Supplies	1,997	2,500	2,500	2,500
	Total Detective	4,535	5,000	5,000	5,000
<u>Other Expenditures</u>					
100-5120-06-5050	Vehicle	472	80,000	80,000	42,500
	Total Other Expenditures	472	80,000	80,000	42,500
<u>Capital Outlay</u>					
100-5120-17-5090	Other Capital Outlay	104,710	0	0	131,000
	Total Capital Outlay	104,710	0	0	131,000
	Total Police:	2,354,806	2,739,411	2,493,957	2,869,170

GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Animal Control					
<u>Salaries & Benefits</u>					
100-5122-01-1010	Salaries	26,508	30,853	18,451	30,060
100-5122-01-1011	Overtime	1,748	2,500	1,262	2,500
100-5122-01-1020	Group Insurance	7,629	6,948	4,142	190
100-5122-01-1030	Social Security Contribution	2,137	2,551	1,478	2,490
100-5122-01-1040	Retirement Contribution	3,082	3,676	2,404	3,520
100-5122-01-1050	Unemployment Compensation	9	207	106	210
100-5122-01-1060	Worker's Compensation	1,083	2,085	1,770	1,980
100-5122-01-1080	Medical Exams	0	0	146	0
	Total Salaries & Benefits	42,195	48,820	29,759	40,950
<u>Professional Services</u>					
100-5122-02-2140	Visitor Services	350	2,200	915	2,200
	Total Professional Services	350	2,200	915	2,200
<u>Property Services</u>					
100-5122-03-2220	Electricity	5,198	5,000	3,874	4,200
100-5122-03-2410	Motor Vehicle Repair	640	2,000	1,082	2,000
100-5122-03-2420	Equipment Repair	0	100	42	100
100-5122-03-2430	Facilities Maintenance	2,154	3,500	2,621	2,500
	Total Property Services	7,992	10,600	7,619	8,800
<u>Other Services</u>					
100-5122-04-2700	Property Insurance	195	650	433	650
100-5122-04-2830	Seminars & Schools	0	300	125	300
	Total Other Services	195	950	558	950
<u>Supplies</u>					
100-5122-05-3010	Office	11	250	104	250
100-5122-05-3030	Employee Relations	100	100	42	100
100-5122-05-3040	Gasoline/Diesel	1,321	2,500	1,364	2,500
100-5122-05-3050	Oil/Lube	103	300	125	300
100-5122-05-3080	Uniform Expense	0	300	193	300
100-5122-05-3100	Other Operating Supplies	1,176	3,000	1,438	3,000
	Total Supplies	2,712	6,450	3,265	6,450
	Total Animal Control:	53,444	69,020	42,116	59,350

GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
<u>Development Services</u>					
<u>Salaries & Benefits</u>					
100-5123-01-1010	Salaries	140,705	197,577	159,288	202,440
100-5123-01-1011	Overtime	4,810	300	3,120	1,000
100-5123-01-1020	Group Insurance	31,122	46,121	31,285	35,290
100-5123-01-1030	Social Security Contribution	10,514	15,137	12,346	15,570
100-5123-01-1040	Retirement Contribution	15,786	21,772	19,048	21,990
100-5123-01-1050	Unemployment Compensation	27	828	776	830
100-5123-01-1060	Worker's Compensation	657	1,788	2,042	1,810
	Total Salaries & Benefits	203,620	283,523	227,905	278,930
<u>Professional Services</u>					
100-5123-02-2050	Junk Vehicles	256	600	600	600
100-5123-02-2055	Filing Fees	0	2,500	2,500	2,500
100-5123-02-2090	Other Professional Services	6,325	20,000	20,000	15,000
100-5123-02-2100	Demolition/Cleanup	8,981	21,019	21,019	25,000
	Total Professional Services	15,562	44,119	44,119	43,100
<u>Property Services</u>					
100-5123-03-2410	Motor Vehicle Repair	1,636	2,000	2,000	2,000
	Total Property Services	1,636	2,000	2,000	2,000
<u>Other Services</u>					
100-5123-04-2700	Property Insurance	1,391	815	815	815
100-5123-04-2720	Advertising	58	750	750	750
100-5123-04-2730	Printing & Binding	236	0	0	0
100-5123-04-2750	Dues & Membership	55	500	500	500
100-5123-04-2751	Certification / License	303	700	700	700
100-5123-04-2830	Seminars & Schools	2,533	5,000	5,000	5,000
100-5123-04-9900	Credit Card Fees	2,842	2,200	2,200	3,000
	Total Other Services	7,418	9,965	9,965	10,765
<u>Supplies</u>					
100-5123-05-3010	Office	2,568	2,000	2,000	2,000
100-5123-05-3020	Books & Periodicals	1,111	2,500	2,500	2,500
100-5123-05-3030	Employee Relations	300	300	300	300
100-5123-05-3040	Gasoline/Diesel	2,997	6,100	6,100	5,000
100-5123-05-3050	Oil/Lube	287	250	250	250
100-5123-05-3080	Uniform Expense	0	400	400	250
100-5123-05-3100	Other Operating Supplies	1,116	1,200	1,200	1,200
100-5123-05-3110	Copier Expense	2,005	2,300	2,300	2,300
100-5123-05-3130	Postage	925	2,500	2,500	2,000
	Total Supplies	11,310	17,550	17,550	15,800
<u>Other Expenditures</u>					
100-5123-06-5050	Vehicles	0	27,000	27,000	0
100-5123-06-5070	Office Equipment	295	0	0	0
	Total Other Expenditures	295	27,000	27,000	0
	Total Development Services:	239,841	384,157	328,539	350,595

GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Public Works - Street					
<u>Salaries & Benefits</u>					
100-5130-01-1010	Salaries	90,176	122,067	104,388	123,670
100-5130-01-1011	Overtime	2,356	1,600	4,484	1,600
100-5130-01-1020	Group Insurance	33,492	38,369	32,531	41,780
100-5130-01-1030	Social Security Contribution	6,468	9,461	8,041	9,580
100-5130-01-1040	Retirement Contribution	10,092	13,628	12,695	13,540
100-5130-01-1050	Unemployment Compensation	23	1,242	924	1,240
100-5130-01-1060	Worker's Compensation	5,221	11,080	9,390	10,970
100-5130-01-1080	Medical Exams	105	0	0	0
	Total Salaries & Benefits	147,932	197,447	172,453	202,380
<u>Professional Services</u>					
100-5130-02-2089	Street Resurfacing	0	190,000	190,000	50,000
100-5130-02-2090	Other Professional Services	41,431	25,000	33,089	33,000
	Total Professional Services	41,431	215,000	223,089	83,000
<u>Property Services</u>					
100-5130-03-2210	Natural Gas	1,242	1,100	1,005	1,100
100-5130-03-2220	Electricity	3,581	3,000	3,000	3,000
100-5130-03-2410	Motor Vehicle Repair	7,414	7,500	7,500	7,500
100-5130-03-2420	Equipment Repair	11,091	9,500	8,479	9,500
100-5130-03-2430	Facilities Maintenance	16,457	12,000	9,414	12,000
100-5130-03-2440	Street/Drainage Maintenance	32,271	35,000	35,000	57,000
	Total Property Services	72,056	68,100	64,398	90,100
<u>Other Services</u>					
100-5130-04-2700	Property Insurance	13,426	14,000	14,000	14,000
100-5130-04-2720	Advertising	0	1,000	1,000	1,000
100-5130-04-2830	Seminars & Schools	0	1,200	800	1,200
100-5130-04-2840	Fees/Licenses	15	200	83	200
	Total Other Services	13,441	16,400	15,883	16,400
<u>Supplies</u>					
100-5130-05-3010	Office	750	750	750	750
100-5130-05-3030	Employee Relations	500	500	500	500
100-5130-05-3040	Gasoline/Diesel	22,486	23,000	16,776	23,000
100-5130-05-3050	Oil/Lube	548	800	461	800
100-5130-05-3060	Tools And Equipment	3,921	3,000	2,697	3,500
100-5130-05-3070	Traffic Signs/Paint	730	3,000	3,000	3,000
100-5130-05-3080	Uniform Expense	1,904	1,400	1,400	1,500
100-5130-05-3090	Street Lights	91,757	93,239	93,239	100,700
100-5130-05-3100	Other Operating Supplies	3,657	4,200	4,200	4,200
100-5130-05-3110	Street Materials	26,152	25,000	25,000	25,000
100-5130-05-3120	Consumables	998	1,000	1,000	1,000
100-5130-05-3125	Safety	305	250	250	250
	Total Supplies	153,708	156,139	149,273	164,200
<u>Other Expenditures</u>					
100-5130-06-5040	Machinery	0	125,000	125,000	0
	Total Other Expenditures	0	125,000	125,000	0
<u>Capital Outlay</u>					
100-5130-17-5090	Other Capital Outlay	0	0	0	0
	Total Capital Outlay	0	0	0	0
	Total Public Works - Street:	428,568	778,086	750,096	556,080

GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
<u>Public Works - Airport</u>					
<u>Property Services</u>					
100-5131-03-2220	Electricity	9,970	16,000	13,652	16,000
100-5131-03-2420	Routine Airport Maintenance	8,270	28,730	17,222	8,730
100-5131-03-2425	AWOS Maintenance Contract	8,386	6,000	2,496	6,000
100-5131-03-2430	Facilities Maintenance	11,192	5,000	9,680	5,000
100-5131-03-2435	Services -FBO Manager	0	50,200	39,067	50,200
	Total Property Services	37,818	105,930	82,118	85,930
<u>Other Services</u>					
100-5131-04-2700	Property Insurance	7,127	7,200	7,840	8,624
100-5131-04-2710	Telephone	782	800	800	800
100-5131-04-2840	Licenses/Permits	200	200	200	200
	Total Other Services	8,109	8,200	8,840	9,624
<u>Supplies</u>					
100-5131-05-3100	Other Operating Supplies	221	1,000	1,000	1,000
	Total Supplies	221	1,000	1,000	1,000
<u>Capital Outlay</u>					
100-5131-17-5090	Other Capital Outlay	0	0	0	117,300
	Total Capital Outlay	0	0	0	117,300
	Total Public Works - Airport:	46,148	115,130	91,958	213,854
<u>Public Works - Garage</u>					
<u>Property Services</u>					
100-5140-03-2210	Natural Gas	2,538	2,600	2,460	2,600
100-5140-03-2220	Electricity	1,633	1,650	1,450	1,650
100-5140-03-2410	Motor Vehicle Repair	86	1,000	416	1,000
100-5140-03-2420	Equipment Repair	224	600	250	600
100-5140-03-2430	Facilities Maintenance	554	1,000	793	1,000
	Total Property Services	5,034	6,850	5,368	6,850
<u>Other Services</u>					
100-5140-04-2700	Property Insurance	1,497	1,700	1,951	2,000
	Total Other Services	1,497	1,700	1,951	2,000
<u>Supplies</u>					
100-5140-05-3040	Gasoline/Diesel	354	500	351	500
100-5140-05-3060	Tools And Equipment	546	800	421	800
100-5140-05-3080	Uniform Expense	413	300	348	300
100-5140-05-3100	Other Operating Supplies	770	1,500	973	1,500
100-5140-05-3120	Consumables	200	200	83	200
100-5140-05-3125	Safety	0	50	21	50
	Total Supplies	2,282	3,350	2,197	3,350
<u>Capital Outlay</u>					
100-5140-17-5090	Other Capital Outlay	130,860	0	0	100,000
	Total Capital Outlay	130,860	0	0	100,000
	Total Public Works - Garage:	139,674	11,900	9,516	112,200

**GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Library					
<u>Salaries & Benefits</u>					
100-5160-01-1010	Salaries	169,224	207,004	180,497	213,220
100-5160-01-1011	Overtime	2,078	1,500	2,591	1,500
100-5160-01-1020	Group Insurance	43,461	39,747	36,511	29,800
100-5160-01-1030	Social Security Contribution	12,578	15,951	13,814	16,420
100-5160-01-1040	Retirement Contribution	16,141	19,222	19,525	19,330
100-5160-01-1050	Unemployment Compensation	125	1,656	1,492	1,660
100-5160-01-1060	Worker's Compensation	859	1,146	1,799	1,150
100-5160-01-1080	Medical Exams	580	0	0	0
	Total Salaries & Benefits	245,045	286,226	256,228	283,080
<u>Professional Services</u>					
100-5160-02-2090	Collection Services	1,207	2,000	1,489	2,000
	Total Professional Services	1,207	2,000	1,489	2,000
<u>Property Services</u>					
100-5160-03-2220	Electricity	13,166	19,000	12,595	13,855
100-5160-03-2420	Equipment Repair	2,304	1,000	1,000	1,000
100-5160-03-2430	Facilities Maintenance	5,872	7,500	9,970	7,500
	Total Property Services	21,342	27,500	23,565	22,355
<u>Other Services</u>					
100-5160-04-2700	Property Insurance	15,176	15,178	15,178	15,200
100-5160-04-2720	Craft Supplies	923	1,000	1,000	1,000
100-5160-04-2750	Dues & Membership	451	700	700	700
100-5160-04-2830	Seminars & Schools	5,861	4,000	2,584	4,000
100-5160-04-2900	Memorial Expenditures	32	1,000	1,800	1,000
100-5160-04-2910	Programming	7,772	8,000	8,000	8,000
100-5160-04-9900	Credit Card Fees	335	750	519	750
	Total Other Services	30,550	30,628	29,781	30,650
<u>Supplies</u>					
100-5160-05-3010	Office	3,310	3,400	3,075	3,400
100-5160-05-3020	Books & Periodicals	55,392	50,000	50,000	50,000
100-5160-05-3021	Book Replacements	(459)	(500)	(500)	0
100-5160-05-3030	Employee Relations	600	650	600	650
100-5160-05-3080	Cleaning Supplies	3,562	4,000	3,281	4,000
100-5160-05-3100	Other Operating Supplies	7,062	8,300	8,300	8,300
100-5160-05-3110	Copier Expense	7,369	6,500	5,960	6,500
100-5160-05-3130	Postage	6,489	6,000	6,000	6,800
	Total Supplies	83,325	78,350	76,717	79,650
<u>Other Expenditures</u>					
100-5160-06-5060	Furniture/Fixtures	210	12,000	12,000	1,000
100-5160-06-5070	Office Equipment	52	0	0	0
	Total Other Expenditures	262	12,000	12,000	1,000
<u>Capital Outlay</u>					
100-5160-17-5090	Other Capital Outlay	2,776	203,000	203,000	0
	Total Capital Outlay	2,776	203,000	203,000	0
	Total Library:	384,506	639,704	602,781	418,735

GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
<u>Cemetery / Parks</u>					
<u>Salaries & Benefits</u>					
100-5161-01-1010	Salaries	179,713	212,453	189,991	266,690
100-5161-01-1011	Overtime	7,113	9,000	9,000	9,000
100-5161-01-1020	Group Insurance	50,777	46,805	39,486	51,230
100-5161-01-1030	Social Security Contribution	13,579	16,941	14,674	21,120
100-5161-01-1040	Retirement Contribution	20,251	23,432	22,482	24,770
100-5161-01-1050	Unemployment Compensation	117	1,242	1,218	2,090
100-5161-01-1060	Worker's Compensation	5,514	8,858	9,267	10,750
	Total Salaries & Benefits	277,063	318,731	286,119	385,650
<u>Professional Services</u>					
100-5161-02-2090	Other Professional Services	21,433	34,000	34,000	45,180
	Total Professional Services	21,433	34,000	34,000	45,180
<u>Property Services</u>					
100-5161-03-2210	Natural Gas	1,017	900	780	1,000
100-5161-03-2220	Electricity	10,511	10,000	8,395	10,000
100-5161-03-2410	Motor Vehicle Repair	3,271	3,500	2,314	3,500
100-5161-03-2420	Equipment Repair	4,719	6,000	4,719	6,000
100-5161-03-2430	Facilities Maintenance	16,729	15,000	9,681	20,000
	Total Property Services	36,247	35,400	25,890	40,500
<u>Other Services</u>					
100-5161-04-2700	Property Insurance	6,429	5,700	7,018	7,150
100-5161-04-2720	Advertising	270	0	0	0
100-5161-04-2840	Fees/Licenses	250	0	0	0
	Total Other Services	6,949	5,700	7,018	7,150
<u>Supplies</u>					
100-5161-05-3030	Employee Relations	500	500	500	500
100-5161-05-3040	Gasoline/Diesel	12,179	14,000	9,680	13,000
100-5161-05-3050	Oil/Lube	964	300	300	300
100-5161-05-3060	Tools And Equipment	4,507	5,000	2,213	5,000
100-5161-05-3080	Uniform Expense	2,621	1,800	2,310	2,600
100-5161-05-3100	Other Operating Supplies	4,833	5,000	5,000	6,000
100-5161-05-3110	Materials	1,216	2,500	1,289	2,500
100-5161-05-3120	Consumables	3,875	3,500	4,519	4,500
100-5161-05-3125	Safety	342	600	600	600
	Total Supplies	31,036	33,200	26,410	35,000
<u>Capital Outlay</u>					
100-5161-17-5090	Other Capital Outlay	114,059	210,000	210,000	50,000
	Total Capital Outlay	114,059	210,000	210,000	50,000
	Total Cemetery/Parks:	486,788	637,031	589,436	563,480

**GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Sports Park					
<u>Professional Services</u>					
100-5162-02-2090	Professional Services	3,370	52,500	52,500	2,000
	Total Professional Services	3,370	52,500	52,500	2,000
<u>Capital Outlay</u>					
100-5162-17-5090	Other Capital Outlay	148,668	31,332	31,332	0
	Total Capital Outlay	148,668	31,332	31,332	0
<u>Facility Maintenance</u>					
100-5162-18-2405	Paint / Graffiti Remover	60	0	0	0
100-5162-18-2406	Equipment Maintenance	1,958	700	293	700
100-5162-18-2407	Fuel	12	250	104	250
100-5162-18-2410	Utilities	7,072	10,000	5,873	7,700
100-5162-18-2414	Vehicle Maintenance	862	1,200	499	1,200
100-5162-18-2415	Facilities Maintenance	4,854	6,000	10,582	8,000
100-5162-18-2416	Field Play / Maintenance	3,126	5,000	5,503	5,000
100-5162-18-2499	Operating Supplies	652	1,000	2,521	1,000
	Total Facility Maintenance	18,596	24,150	25,376	23,850
	Total Sports Park:	170,634	107,982	109,208	25,850

GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Fire Department					
<u>Salaries & Benefits</u>					
100-5170-01-1010	Salaries	416,741	483,604	483,604	487,830
100-5170-01-1011	Overtime	1,003	2,000	2,000	10,000
100-5170-01-1020	Group Insurance	19,404	17,580	23,297	35,860
100-5170-01-1030	Social Security Contribution	31,896	37,012	37,012	37,400
100-5170-01-1040	Retirement Contribution	18,510	25,821	25,821	26,780
100-5170-01-1050	Unemployment Compensation	305	3,312	3,312	2,900
100-5170-01-1060	Worker's Compensation	12,170	31,329	31,329	30,480
100-5170-01-1080	Medical Exams	142	0	0	0
	Total Salaries & Benefits	500,171	600,658	606,375	631,250
<u>Property Services</u>					
100-5170-03-2210	Natural Gas	3,441	3,000	3,000	3,000
100-5170-03-2220	Electricity	14,365	16,000	16,000	15,000
100-5170-03-2411	Fire Truck Repair	55,214	47,500	55,000	55,000
100-5170-03-2420	Equipment Repair	1,296	2,500	1,139	3,000
100-5170-03-2421	Fire Equipment Repair	15,188	17,000	18,581	20,000
100-5170-03-2430	Facilities Maintenance	9,524	9,000	12,437	11,000
	Total Property Services	99,027	95,000	106,156	107,000
<u>Other Services</u>					
100-5170-04-2700	Property Insurance	33,965	36,000	36,343	38,160
100-5170-04-2720	Advertising	147	0	0	0
100-5170-04-2750	Dues & Membership	1,294	2,000	2,000	2,000
100-5170-04-2830	Seminars & Schools	3,953	6,000	6,000	6,000
100-5170-04-2840	Fees & Permits	3,121	2,400	3,200	3,200
100-5170-04-2860	Volunteer Firefighter Pay	46,195	52,920	52,920	52,920
100-5170-04-5000	Emergency Management	599	0	0	0
	Total Other Services	89,274	99,320	100,463	102,280
<u>Supplies</u>					
100-5170-05-3010	Office	1,189	1,500	1,500	1,500
100-5170-05-3020	Books & Periodicals	597	500	500	500
100-5170-05-3030	Employee Relations	1,050	1,100	1,100	1,100
100-5170-05-3040	Gasoline/Diesel	14,914	20,000	15,958	20,000
100-5170-05-3050	Oil/Lube	216	500	250	500
100-5170-05-3080	Uniform Expense	3,196	5,000	3,419	5,000
100-5170-05-3082	Bunker Gear And Cleaning	19,836	15,000	21,225	20,000
100-5170-05-3100	Medical Expenses	6,239	6,000	6,000	6,000
100-5170-05-3101	Donation Disbursement	1,500	0	0	0
100-5170-05-3102	Other Fire Supplies	27,424	35,000	35,000	25,000
100-5170-05-3130	Postage	947	600	1,013	1,100
	Total Supplies	77,108	85,200	85,965	80,700
<u>Other Expenditures</u>					
100-5170-06-5060	Furniture/Fixtures	0	500	500	1,000
100-5170-06-5070	Other Emergency Equipment	6,141	36,000	36,000	36,000
	Total Other Expenditures	6,141	36,500	36,500	37,000
<u>Capital Outlay</u>					
100-5170-17-5090	Other Capital Outlay	33,648	500,000	500,000	300,000
	Total Capital Outlay	33,648	500,000	500,000	300,000
	Total Fire:	805,368	1,416,678	1,435,460	1,258,230

**GENERAL FUND - 100
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
<u>Emergency Management</u>					
<u>Salaries & Benefits</u>					
100-5177-01-1010	Salaries	9,681	10,000	10,358	13,860
100-5177-01-1030	Social Security Contribution	0	765	765	765
100-5177-01-1040	Retirement Contribution	0	1,102	1,102	1,102
	Total Salaries & Benefits	9,681	11,867	12,225	15,727
<u>Other Services</u>					
100-5177-04-5000	Emergency Mgmt. Services	3,500	18,200	18,200	20,000
	Total Other Services	3,500	18,200	18,200	20,000
	Total Emergency Management:	13,181	30,067	30,425	35,727
<u>Non-Operational</u>					
<u>Grants</u>					
100-5190-06-5080	Airport Grant/RAMP Exp.	17,988	0	0	0
100-5190-06-5088	Legal Settlements	28,159	0	0	0
100-5190-06-5110	CDBG SIDEWALK 082	51,230	0	0	0
	Total Grants	97,377	0	0	0
	Total Non-Operating:	894,413	0	0	0
	TOTAL EXPENDITURES:	7,927,285	9,241,424	8,679,809	8,632,551

DEBT SERVICE FUND

The Debt Service Fund, also known as the interest and sinking fund, is established by ordinance and accounts for the issuance of debt and provides for the payment of debt, including principal, and interest as payments become due. In the Debt Service Fund, an ad valorem (property) tax rate and tax levy are required to be computed and levied, which will be sufficient to produce the money to satisfy annual debt service requirements. The City of Cleveland has no general obligation legal debt limit other than a ceiling on the tax rate specified by the State of Texas. Under the rules of the Texas Attorney General, the City may issue general obligation debt in an amount no greater than that which can be serviced by a debt service tax rate of \$1.50 per \$100 assessed valuation, based on a 90% collection rate.

FISCAL YEAR 2021 ADOPTED BUDGET

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
REVENUES:				
Property Taxes	896,166	868,397	891,113	1,150,810
Interest	5,614	5,200	5,997	1,499
Transfers and Contributions	617,151	118,770	118,770	0
Total Revenues:	\$1,518,932	\$992,367	\$1,015,880	\$1,152,309
EXPENDITURES:				
Debt Service	1,831,823	992,367	992,367	1,152,309
Total Expenses:	\$1,831,823	\$992,367	\$992,367	\$1,152,309
Revenue Over/(Under) Expenditures	(312,891)	0	23,513	0
Fund Balance - Beginning		282,175	282,175	305,688
Fund Balance - Ending	\$282,175	\$282,175	\$305,688	\$305,688
Reserve Requirement (25%)		248,092	248,092	288,077
Excess/(Deficit)		34,083	57,596	17,611

Based on the approved values, the budget carries a debt service (I&S) tax rate of 25.72 cents (\$0.2572) per \$100 assessed valuation. This is a 4.53 cents (\$0.0453) increase from fiscal year 2020 adopted rate (tax year 2019) of \$0.2119 per \$100 assessed valuation, due to the calculated levy required to secure the annual obligation backed by taxes. The following is the detail on the adopted tax rate:

Fiscal Year 2021 Adopted Tax Rate / Tax Year 2020

Debt Service (I&S) Rate	\$0.257200
Maintenance & Operating (M&O) Rate	\$0.502800
Total Adopted Tax Rate	\$0.760000

Proposed Change in Tax Rate from Prior Year

Debt Service (I&S) Rate	\$0.045300
Maintenance & Operating (M&O) Rate	(\$0.055300)
Total Adopted Tax Rate	(\$0.010000)

The Adopted allows for additional tax obligations for future years, with the adjusted rate, debt service has the capacity to support annual scheduled payments of additional tax backed obligations to support the following:

- **Fire Station** - to assist in the construction and/or equipping of an auxiliary fire station as additional sources would be necessary for the city to build an adequate fire station along with the cash raised in the prior year.
- **Street Repaving** - Asphalt overlay consists of installing a new layer of asphalt on top of the existing street surface at a thickness of one to three inches. Streets are ground down (milled) before resurfacing so asphalt will not build up at the edge of the ditch line / gutter. This is to be reserved for streets that have failed to a calculated percentage that cannot efficiently be maintained via pothole repair methods.

The budget process considered other needs; however, the funding and timing is to be considered later, mainly after the fire station facility is completed. These following apparatus may need debt funding and are considered essential within the near term:

- **Ladder Truck Replacement (Fire)** - is required to replace the existing ladder in order to Maintain our ISO rating. A new ladder, as well as maintaining the existing ladder as a reserve, will assist in coordinating adequate service with the continued growth of rooftops and projected increase in service calls. The ladder is obviously necessary in allowing firefighters to reach higher locations; provides better vantage point for spraying water and creating ventilation; and an access route for firefighting and rescuing.
- **Pumper-Rescue Truck (Fire)** - The most valuable rig in the fire service today is the pumper-rescue. Its popularity has steadily increased during the past few decades as fire apparatus manufacturers have embraced the concept with innovative designs for versatility in emergency response. Aging Pumpers would remain in the fleet to assist in coordinating adequate service with the continued growth of rooftops and projected increase in service calls.

The rate of development in Grand Oaks will be if significant factor in determining if the (I&S) tax rate of \$0.2572 would be sufficient in closing an estimate any annual gap to support the need of tax notes or certificates to support the above needs within the next two to three fiscal years.

A tax rate of \$0.76000 per \$100 valuation adopted by the governing body of the City of Cleveland is higher than the No-New-Revenue Rate (NNR) of \$0.73032 a rate formally known as the "effective rate" on the certified rolls. Legislation has been widely overhauled limiting the methods in which local governments can raise proceeds for capital needs. Final calculations as to the amount of proceeds available is dependent on the final valuation of property certified at the time of filing the proposed budget document; however, a portion of values do remain contested. Still, staff and council agree that debt capacity is available to accomplish the fire station and street paving by adjusting the Debt Service (I&S) Rate and Maintenance & Operating (M&O) Rate. Staff and council agree that an overall lower total tax rate at (\$0.7600) can also be accomplished. The total rate is (\$0.00805) lower than the Voter-Approval-Rate (VAR) of 76.195 cents.

Fiscal Year 2019-2020:

In fiscal year 2020, the adopted tax levy is estimated to be greater than \$2,984,163 at a 95.09% collection rate. The debt service tax rate provides \$828,397 in current property taxes at the current collection rate and total tax revenues projected at \$891,113. Additional revenue from other sources and interest increase the projected total to \$1,015,880. Total 2020 debt supported by the fund is \$992,367 Debt service includes a final transfer-in of \$118,770 from the capital equipment fund 701 supporting a portion of the debt on Series 2015 Tax Notes.

Fiscal Year 2020-2021:

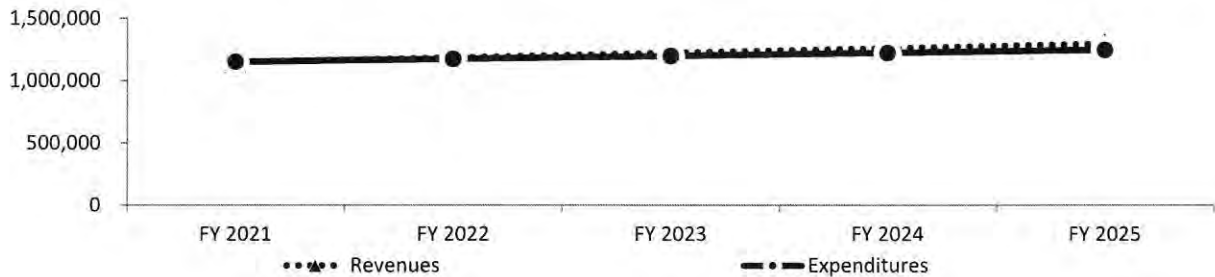
For fiscal year 2021, the proposed debt service (I&S) is estimated to collect \$1,087,466 at a 95.1% for the year, the Debt Service (I&S) Rate increased from the prior allows the additional debt capacity as the fund has some existing capacity, \$98,499, at the prior rate. With interest and sinking at \$1,087,466 in current property tax with total debt service property tax, current and other at \$1,150,810. Debt service revenues includes limited in interest income at \$1,499 and no proposed transfers or contributions for total revenues at \$893,240. For fiscal years 2021 through 2025, it is forecasted that the funds are sustainable under following status:

- The proposed exceeds reserve policy guidelines.
- The multi-year projected is stated with no tax rate increases
- planned for those years without the need to increase the interest and sinking tax rate.
- Future bond capacity expands/improves over time.
- The structure and length of future debt obligations.

MULTI-YEAR PLAN

It is projected that Fund 500 will maintain a balanced or positive reserve budget for fiscal years ending 2021 through 2025 with additional debt capacity. The plan consists of maintaining annual debt payment on outstanding obligations as well as the use of improved capacity detailed below. The following five-year plan and chart is provided for planning purposes only, as the budget is adopted by the Council annually, therefore the projection detailed below does not restrain future councils to this plan:

	FY 2021 ADOPTED	FY 2022 PROJECTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED
Property Taxes	1,150,810	1,185,334	1,220,894	1,257,521	1,295,246
Interest	1,499	1,529	1,560	1,591	1,623
Non-Operating / Transfers	0	0	0	0	0
Total Revenues	\$1,152,309	\$1,186,863	\$1,222,454	\$1,259,112	\$1,296,869
2013 Refunding	577,031	576,656	583,456	582,213	585,013
2017 Airport	202,657	202,502	202,159	201,612	200,833
Future Bond Capacity	357,568	380,843	397,586	423,041	445,157
Fiscal Agent Fees	15,053	15,354	15,661	15,974	16,293
Total Expenditures	\$1,152,309	\$1,175,355	\$1,198,862	\$1,222,839	\$1,247,296



**DEBT SERVICE FUND - 500
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Revenues					
<u>Property Taxes</u>					
500-4000-01-0801	Current Taxes	836,905	828,397	828,397	1,087,466
500-4000-01-0802	Delinquent Taxes	32,672	25,000	36,811	37,179
500-4000-01-0803	P & I / Attorney Fees	26,589	15,000	25,905	26,164
	Total Property Taxes	896,166	868,397	891,113	1,150,810
<u>Interest</u>					
500-4000-10-894	Interest Income	5,614	5,200	5,997	1,499
	Total Interest	5,614	5,200	5,997	1,499
<u>Non-Operating</u>					
500-4000-99-9900	Transfer In	617,151	118,770	118,770	0
	Total Non-Operating	617,151	118,770	118,770	0
	TOTAL REVENUES:	1,518,932	992,367	1,015,880	1,152,309

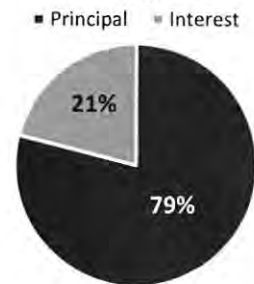
Expenditures

<u>Financial Obligations</u>					
500-5510-11-4011	Tax Bond Retirement	1,180,000	850,000	850,000	670,000
500-5510-11-4051	Tax Bond Interest	303,269	132,367	132,367	109,688
500-5510-11-4060	Bond Issuance Cost	0	0	0	357,568
500-5510-11-4071	Fiscal Agent Fees	12,855	10,000	10,000	15,053
500-5510-99-8701	Transfer Out - Bond Proceeds	335,699	0	0	0
	Total Financial Obligations	1,831,823	992,367	992,367	1,152,309
	TOTAL EXPENDITURES:	1,831,823	992,367	992,367	1,152,309

FY2021 ANNUAL DEBT REQUIREMENTS

Municipal Bonds	Principal	Interest	Total
Debt Service			
GO Refunding Bonds, Series 2013	505,000	72,031	577,031
Series 2017 Airport Hangers	165,000	37,657	202,657
	670,000	109,688	779,688
Economic Development			
Series 2019 Sports Park	100,000	27,109	127,109
Series 2019 Water Well	50,000	13,555	63,555
	150,000	40,664	190,664
Water / Sewer			
Certificates of Obligation, Series 2012A	115,000	47,700	162,700
Series 2017 Water Projects	115,000	60,530	175,530
	230,000	108,230	338,230
Total Tax-Backed:	1,050,000	258,582	1,308,582

Total Obligations



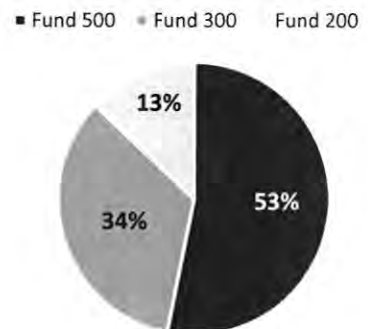
Revenue Bonds	Principal	Interest	Total
Water / Sewer			
2011 Water & Sewer Revenue Bonds	110,000	49,729	159,729
Total Revenue Bond:	110,000	49,729	159,729

Bond Type



Bond Type	Principal	Interest	Total
Total Tax-Backed	1,050,000	258,582	1,308,582
Total Revenue Bond	110,000	49,729	159,729
Grand Total Obligations:	\$1,160,000	\$308,311	\$1,468,311

Designated Fund

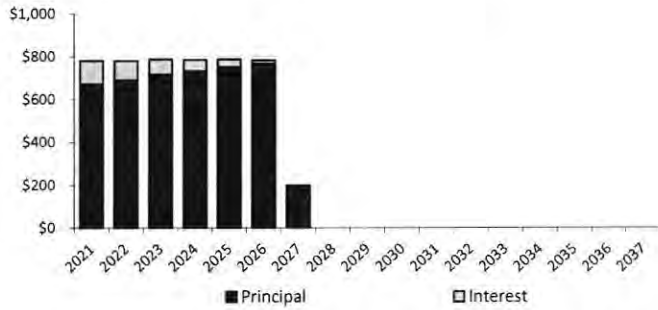


Designated Fund	Principal	Interest	Total
Debt Service Fund	670,000	109,688	779,688
Water / Sewer Fund	340,000	157,959	497,959
EDC Fund	150,000	40,664	190,664
Total Obligations:	1,160,000	308,311	1,468,311
Total Tax-Backed from Other Resources:	380,000	148,894	528,894

GENERAL LONG-TERM DEBT
GOVERNMENTAL DEBT MATURITY SCHEDULE

Fiscal Year	Principal	Interest	Total
FY2021	670,000	109,688	779,688
FY2022	690,000	89,158	779,158
FY2023	715,000	70,615	785,615
FY2024	730,000	53,824	783,824
FY2025	750,000	35,846	785,846
FY2026	765,000	16,592	781,592
FY2027	195,000	3,323	198,323
FY2028			
FY2029			
FY2030			
FY2031			
FY2032			
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
Total	4,515,000	379,046	4,894,046

Series Name	Principal Amount
Series 2013 General Obligation Refunding Bonds	3,255,000
Series 2017 Airport Hangers	1,260,000
Total	4,515,000



DATE	DESCRIPTION	AMOUNT ISSUED	AMOUNT OUTSTANDING AS OF 9/30/20		PAYMENT TOTAL	AMOUNT OUTSTANDING AS OF 9/30/21
			PRINCIPAL	INTEREST		
3/1/2021	Series 2013 General Obligation	6,285,000	505,000	39,803	544,803	
9/1/2021	Refunding Bonds (GF Portion)			32,228	32,228	
	Fiscal Year Total		3,255,000	72,031	577,031	2,750,000
3/1/2021	Series 2017 Certificates	1,720,000	165,000	20,095	185,095	
9/1/2021	of Obligation (GF Portion)			17,562	17,562	
	Fiscal Year Total		1,260,000	37,657	202,657	1,095,000
	TOTAL	8,005,000	4,515,000	109,688	779,688	3,845,000

GENERAL LONG-TERM DEBT
GOVERNMENTAL DEBT MATURITY SCHEDULE

SERIES 2013 GENERAL OBLIGATION REFUNDING BONDS

Fiscal Year	Principal	Interest	Total
FY2021	505,000	72,031	577,031
FY2022	520,000	56,656	576,656
FY2023	540,000	43,456	583,456
FY2024	550,000	32,213	582,213
FY2025	565,000	20,013	585,013
FY2026	575,000	6,828	581,828
FY2027			
FY2028			
FY2029			
FY2030			
FY2031			
FY2032			
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
Total	3,255,000	231,197	3,486,197

SERIES 2017 CO AIRPORT HANGERS

Fiscal Year	Principal	Interest	Total
FY2021	165,000	37,657	202,657
FY2022	170,000	32,502	202,502
FY2023	175,000	27,159	202,159
FY2024	180,000	21,612	201,612
FY2025	185,000	15,833	200,833
FY2026	190,000	9,764	199,764
FY2027	195,000	3,323	198,323
FY2028			
FY2029			
FY2030			
FY2031			
FY2032			
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
Total	1,260,000	147,849	1,407,849

TAX INCREMENT RE-INVESTMENT ZONE NO. 1

A tax increment reinvestment zone (TIRZ) is a political subdivision of a municipality or county in the state of Texas created to implement tax increment financing. They may be initiated by the city or county or by petition of owners whose total holdings in the zone consist of a majority of the appraised property value. The County and City Council approved an ordinance creating Tax Increment Reinvestment Zone (TIRZ) No. 1 under Chapter 311 of the Texas Tax Code, as a designated a geographic area known as Reinvestment Zone Number One, by Ordinance No. 1135 on June 20, 2017.

The aggregate of all reimbursements paid to McKinley shall not exceed the lower of the Project Costs Limitation set at \$54,300,213 including an inflation factor of 3% commencing in year five and a total contingency over the term of this Agreement of 5%, or the total Project Costs actually incurred by McKinley during the term of this Agreement in development of the Project. Project Costs exceeding the Project Costs Limitation as adjusted for inflation may be reimbursed only when the City Council and the Zone Board approve a specific dollar amount over the limitation.

Public Improvements in each project phase shall not exceed the following:

- Phase 1 total at \$24.6 Million and complete the construction by December 31, 2023;
- Phase 2 total at \$12.7 Million;
- Phase 3 total at \$11.5 Million.
- The Developer is solely responsible for all costs associated with the development of the project after December 31, 2042.

Tax Increment Reinvestment Zone (TIRZ) No. 1 is known as Grand Oaks Reserve. Grand Oaks Reserve is Cleveland's premiere 600-acre master-planned community that is planned to feature: 972 single family homes; 256 condominiums; Golf course and golf pro shop; Community center with grand ballroom, conference room, open concept bistro-style restaurant; plus, shopping, dining and lifestyle services.

FISCAL YEAR 2021 ADOPTED BUDGET

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Revenues					
<u>Property Taxes</u>					
501-4000-01-0801	Property Taxes	0	46,485	46,485	46,485
	Total Property Taxes	0	46,485	46,485	46,485
<u>Interest</u>					
500-4000-10-0894	Interest Income	0	465	0	235
	Total Interest	0	465	0	235
	TOTAL REVENUES:	0	46,950	46,485	46,720
Expenditures					
<u>Financial Obligations</u>					
501-5510-11-4072	Other Services	0	46,950	46,485	46,720
	Total Financial Obligations	0	46,950	46,485	46,720
	TOTAL EXPENDITURES:	0	46,950	46,485	46,720
	<i>Revenue Over/(Under) Expenditures</i>	0	0	0	0

WATER & SEWER FUND

The Water & Sewer Fund, also known as Fund 300, is an enterprise fund that includes the water and sewer system operations. The fund is operated in a manner similar to private business enterprises, where costs of providing the services to the public are financed primarily through user charges. The City provides water and sewer service to residential and commercial customers. As such, the City continually monitors and evaluates the need to adjust water and sewer rates to ensure that the fund is self-supporting, that infrastructure rehabilitation is adequate, and that the fund maintains a planned reserve.

FISCAL YEAR 2021 ADOPTED BUDGET

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Operating Revenue:	\$3,399,596	\$3,410,882	\$3,399,766	\$3,379,546
Non-Operating Revenue:	\$386,486	\$0	\$352,481	\$0
Total Revenues:	\$3,786,082	\$3,410,882	\$3,752,247	\$3,379,546
Operating Expenses:	\$3,135,658	\$2,679,125	\$2,529,648	\$2,404,587
Non-Operating Expenses:	\$492,348	\$731,757	\$1,084,238	\$974,959
Total Expenses:	\$3,628,006	\$3,410,882	\$3,613,886	\$3,379,546
<i>Revenues Over Expenditures</i>	<i>158,076</i>	<i>0</i>	<i>138,362</i>	<i>0</i>
Fund Balance - Beginning		13,642,726	13,642,726	13,534,176
Cash Balance - Beginning		952,933	952,933	1,091,295
Fund Balance - Ending	\$13,642,726	\$13,642,726	\$13,781,088	\$13,534,176
Cash Balance - Ending	952,933	\$952,933	\$1,091,295	\$1,091,295
Reserve Requirement (25%)		852,721	852,721	844,887
Excess/(Deficit)		100,213	238,574	246,409

Fiscal Year 2019-2020:

Water & Sewer revenue is \$3,752,247, \$33,835 lower than last year's total revenue \$3,399,596 due to a projected lower non-operating income. Operating revenue at \$3,399,766 is nearly equal, \$170 higher, to last year's operating total of \$3,399,596. Total projected revenues are 10% higher than budget due to the timing on CDBG reimbursement. Changes from the amended to the projected budget highlighted below:

- Sewer projected is \$23,976 over the amended budget based on trend and a full year increase in the sewer rate.
- Union Tank Car (UTLX) wastewater flow volume is less than previous year to date and projected at \$22,619 less than the amended budget.
- Other revenue is higher by \$19,561 largely due to insurance proceeds.
- Interest revenue is \$30,296 less than the amended budget primarily from the change in the federal reserve rates in response to Covid economic concerns.
- Sanitation service revenue is \$6,963 greater which is 2.6% greater than target.

Fiscal year 2020 expenses totaling \$3,613,886 are projected to be \$203,004 or 6.0% higher than original budget due to non-operating expenses, the specifically the CDBG SSI-7218080 project; Otherwise, Operational revenues are below total allocation by \$149,477 or 5.6%. This fiscal year includes a salary adjustment increase of \$2.25 per hour to all employees. This is essential to advance employees compensation with higher percentage increases to benefit the lowest hourly compensated workers. The city has been challenged to improve employee compensation that is equivalent or comparable to similar municipalities as well as meeting community wage equivalents, especially due to the increase in area job opportunities. The other objective for the increase is to prepare the city for

the eventual increase in federal minimum wage standards.

- Water Administration with projected \$58,058 in savings due to reductions in estimated office remodel and salary savings. The city allocated a portion of the funding for upgrades to the land-line phone system out of this fund with a majority of the project expense from the general fund; however, this project is on hold due to Covid financial impacts.
- The customer service office re-design is for increased efficiency; however, the cost to redesign is less than originally anticipated but its objective remains unchanged: providing consumers the high level of service, greater presence at the front lobby, higher security, and full service delivery that includes permitting and utilities in a single sourced venue.
- Water Production Division at \$883,724 or 5.2% under amended budget as result of salary savings and lower electricity cost due to Well #2 construction not meeting original expectation for completion and operational as a major component of the water system. The 2020 budget included the increase in water production overtime due to trend and projected activity. The Division includes funding to perform both interior and exterior TCEQ tank inspections to assure that the physical integrity, water quality, and security are in compliance. The inspection includes a professional report containing a reporting of sediment levels, corrosion estimates and recommendations for any repairs needed. This information is needed to determine the level of maintenance and financing needed to secure our existing system's compliance.
- The Wastewater Division projected at \$903,171 is under the amended by 4.5% due to salary savings. Other operational expenses are on target with the original budget expectation.
- The Sanitation Division at \$235,200 is on target with the amended, although the fuel surcharge dropped off in June 2020 based on the CPI cost of fuel, per contract, therefore it is likely that year-end actual will have some savings.
- The budget includes several substantial infrastructure or equipment replacements in order to maintain our overall system this includes the allocation for the following:
 - Replacement for 15 HP sewer pump at the West WWTP main wet well. The existing pump is over 20 years old and has failed. Wet wells are the holding sump for gravity-flow sewer systems. As sewage enters the wet well and the water level rises, pumps are engaged to pump out the sewage to a forced main, or the sewage is lifted to a higher grade to continue the gravity flow to the outlet point.
 - Additional funding replacement of one lift station pump for possible lift station pump failure as system pumps have reached their full operational lifespan. Lift stations are used for pumping wastewater or sewage from a lower to higher elevation, particularly where the elevation of the source is not sufficient for gravity flow and/or when the use of gravity conveyance will result in excessive excavation and higher construction costs.
 - Head-works Bar Screen at one WWTP; additional funding is scheduled for the second WWTP in fiscal year 2021. The bar screen is a mechanical filter used to remove large objects, such as rags and plastics, from wastewater. It is part of the primary filtration flow and typically is the first, or preliminary, level of filtration, being installed at the influent to a wastewater treatment plant.
 - Drying Bed at East and West WWTP. The project consists of Sludge De-Watering Blocks to cover the drying beds at the both wastewater treatment plants. Approximate 1134 square feet at the West Plant and 1323 square feet at the East Plant. The existing drying bed tiles are approximately 20 years old and are allowing solids to pass thru them and they are consequently returned to the head works of the plant for processing again. The immediate benefit will allow the operator to control the wasting of the solids at the plant and not have to handle them twice. This expense meets the departmental goal of compliance with TCEQ rules and regulations.
 - Capital programs and extensions to the existing water and/or wastewater system. It is important that the city maintain adequate utility lines to support existing customers as well as assisting in new development. Most importantly, maintaining adequate water flow tests for the purposes of fire protection.

Revenues are projected over expenses by \$138,362 by year-end, which is greater than the balanced amended budget. Retained cash is projected to end the fiscal year greater than \$1 Million; however, a majority is to be held as reserve. Note that the actual year-end is likely to account for additional savings on capital programs, mainly the remodel. It is intended that such programs will carry forward to the following fiscal year as part of the annual scheduled carryover.

Fiscal Year 2020-2021:

Water & Sewer revenue is \$3,379,546, \$372,701 lower than last year's projected revenue mainly due non-operating revenue from CDBG grant funded program. A \$20,220 reduction in Operating revenues on account of \$21,749 in

insurance proceeds. Also noted is a reduction in interest income of \$10,039, offset mainly by modest increases service charges. Although the City remains poised for residential growth, Covid is likely to temper the market in the near-term, therefore no significant change in user growth is anticipated.

Total expenses are \$3,379,546, with operational expenses at \$2,404,587. Non-operating expenses include current financial Obligations \$497,959, plus new debt financing for major restoration of the water system tanks for an additional 126,589 for fiscal year 2021 then annually over the remaining 10 years at approximately \$155,000. Capital Program funded by cash are adopted at \$306,961.

Debt financing for major restoration of the water system tanks include:

GST/Tank (A) - 203 East Booth	\$146,000
EST/Tank (B) - 203 East Booth	\$194,000
EST/Tank (C) - 907 Denison	\$273,000
GST/Tank (D) - 907 Denison	\$177,000
GST/Tank (E) - 26508 Hwy 321 B	\$103,000
GST/Tank (F) - 26508 Hwy 321 B	\$187,000
GST/Tank (G) - North Blair at Hwy 59	\$0
Re-inspection/Engineering/Contingency	\$216,000
	<hr/>
	\$1,296,000*

**Project funding will likely be limited to \$1,000,000, and will be based on priority of needs.*

Cash funded programs include:

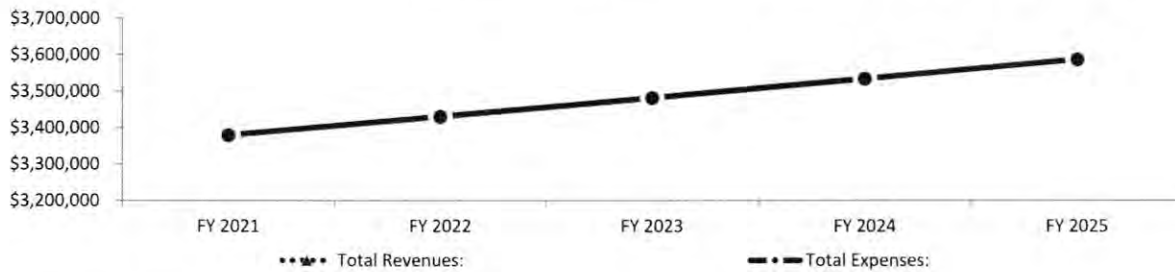
Lift station repairs and upgrades	\$64,461
AMR Meter Tower and Software	\$242,500
	<hr/>
	\$306,961

Available cash ending balance at 9/30/2021 remains at \$1,091,295 with unreserved cash at \$246,409 above policy requirement. Note the calculation of cash reserves includes all in non-recurring capital. Maintaining an excess allows the fund to support unknown emergency needs via Council resolution and amendment to the adopted budget without risking the reserve requirement adopted at \$844,887.

MULTI-YEAR PLAN

A five-year plan is programmed for forecasting purposes only. It is projected that Fund 300 will maintain a balanced budget for fiscal years ending 2021 through 2025; however, it provides Additional debt financing at \$155,000 annually and approximately \$300,000 for new and expanded programs without changes to current rate and limited number of new customers and/or volume of consumption. The plan consists of maintaining our current levels of services that are funded by the Water & Sewer Fund. The budget is adopted by the Council annually; therefore, the projection detailed below does not restrain future councils to this plan:

	FY 2021 ADOPTED	FY 2022 PROJECTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED
Total Revenues:	\$3,379,546	\$3,430,240	\$3,481,693	\$3,533,919	\$3,586,927
Water Administration	444,710	451,381	458,151	465,024	471,999
Water Production	951,922	966,201	980,694	995,404	1,010,335
Sewer Department	816,205	828,448	840,875	853,488	866,290
Sanitation Department	235,200	238,728	242,309	245,944	249,633
Operating Expenses:	\$2,448,037	\$2,484,758	\$2,522,029	\$2,559,859	\$2,598,257
Financial Obligations	624,548	648,960	649,537	639,589	639,152
Non-Departmental / Transfers	0	0	0	0	0
Capital Projects	306,961	296,522	310,127	334,470	349,518
Non-Operating Expenses:	\$931,509	\$945,482	\$959,664	\$974,059	\$988,670
Total Expenses:	\$3,379,546	\$3,430,240	\$3,481,693	\$3,533,919	\$3,586,927
<i>Revenues Over Expenditures</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Cash Balance - Beginning	1,091,295	1,091,295	1,091,295	1,091,295	1,091,295
Cash Balance - Ending	\$1,091,295	\$1,091,295	\$1,091,295	\$1,091,295	\$1,091,295
Reserve Requirement (25%)	844,887	857,560	870,423	883,480	896,732
Excess/(Deficit)	246,409	233,735	220,872	207,815	194,563



As projected, the fund would allow for >\$300,000 in new or expanded programs for future budget years (FY23-25). Unless recurring expenditures increase, such as personnel over the calculated 1.5% annual expectation. The calculation accounts for the \$307K in non-recurring items adopted in fiscal year 2020, plus bond financing rehabilitation of our system tanks.

WATER & SEWER FUND - 300
FISCAL YEAR 2021 ADOPTED BUDGET

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Charges For Service	2,794,118	2,850,000	2,842,698	2,850,000
Other Service Charges	109,852	87,300	106,861	87,600
Interest	31,572	43,682	13,386	3,346
Water Fees	200,012	161,200	161,159	162,600
Sanitation	264,043	268,700	275,663	276,000
Operating Revenue:	\$3,399,596	\$3,410,882	\$3,399,766	\$3,379,546
Non-Operating Revenue:	\$386,486	\$0	\$352,481	\$0
Total Revenues:	\$3,786,082	\$3,410,882	\$3,752,247	\$3,379,546
Water Administration	649,899	565,611	507,553	444,710
Water Production	1,405,972	932,448	883,724	951,922
Wastewater Treatment	815,152	945,866	903,171	816,205
Sanitation Department	264,635	235,200	235,200	235,200
Operating Expenses:	\$3,135,658	\$2,679,125	\$2,529,648	\$2,448,037
Financial Obligations	117,348	656,757	656,757	624,548
Non-Departmental / Transfers	375,000	75,000	75,000	0
Capital Programs	0	0	352,481	306,961
Non-Operating Expenses:	\$492,348	\$731,757	\$1,084,238	\$931,509
Total Expenses:	\$3,628,006	\$3,410,882	\$3,613,886	\$3,379,546
<i>Revenues Over Expenditures</i>	<i>158,076</i>	<i>0</i>	<i>138,362</i>	<i>0</i>
Fund Balance - Beginning		13,642,726	13,642,726	13,534,176
Cash Balance - Beginning		952,933	952,933	1,091,295
Fund Balance - Ending	\$13,642,726	\$13,642,726	\$13,781,088	\$13,534,176
Cash Balance - Ending	952,933	952,933	1,091,295	1,091,295
Reserve Requirement (25%)		852,721	852,721	844,887
Excess/(Deficit)		100,213	238,574	246,409

**WATER & SEWER FUND - 300
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
REVENUES					
<u>Service Charges</u>					
300-4000-09-0866	Water Charges	1,449,941	1,495,000	1,486,341	1,490,000
300-4000-09-0866	Sewer Charges	1,188,570	1,185,000	1,208,976	1,210,000
300-4000-09-0866	Waste Water Revenue - UTLX	155,607	170,000	147,381	150,000
	Total Service Charges	2,794,118	2,850,000	2,842,698	2,850,000
<u>Other Service Charges</u>					
300-4000-09-0850	Insurance Proceeds	23,796	0	21,749	0
300-4000-09-0866	Direct Water Sales	1,958	1,500	1,811	1,800
300-4000-09-0895	Reconnect Fees	12,225	13,000	11,383	13,000
300-4000-09-0895	Over / (Short)	(50)	0	(21)	0
300-4000-09-0895	Returned Check Fees	593	600	688	600
300-4000-09-0895	Late Charges Billed	58,526	60,000	57,413	60,000
300-4000-09-0895	Misc. W&S Billings	500	100	242	100
300-4000-09-0895	Transfer Fees	25	0	175	0
300-4000-09-0895	Other Income	102	100	109	100
300-4000-09-0895	Credit Charge Fees	12,176	12,000	13,313	12,000
	Total Other Service Charges	109,852	87,300	106,861	87,600
<u>Interest</u>					
300-4000-10-0894	Interest Income	31,572	43,682	13,386	3,346
	Total Interest	31,572	43,682	13,386	3,346
<u>Water Fees</u>					
300-4000-11-0867	Meter Installation	0	0	18,444	18,500
300-4000-11-0867	Meter Service	9,600	8,000	9,603	10,000
300-4000-11-0867	Water Taps	73,887	50,000	35,277	35,500
300-4000-11-0867	Sewer Taps	27,395	20,000	12,564	13,000
300-4000-11-0867	Street Cuts	10,200	5,000	6,380	6,500
300-4000-11-0867	Payment Plan	122	200	83	100
300-4000-11-0868	WM Mgmt. Fees (Revenue)	78,808	78,000	78,808	79,000
	Total Water Fees	200,012	161,200	161,159	162,600
<u>Garbage</u>					
300-4000-12-0873	Garbage Bag Income	236,763	242,000	245,760	246,000
300-4000-12-0873	Garbage Tag Income	2,480	3,200	2,619	2,600
300-4000-12-0874	Additional Garbage Cart	441	500	400	500
300-4000-12-0880	Street Fee	24,360	23,000	26,884	26,900
	Total Garbage	264,043	268,700	275,663	276,000
<u>Non-Operating</u>					
300-4000-99-1000	CDBG SSI-7218080	32,707	0	10,146	0
300-4000-99-1000	Contr. Capital-Cap. Projects	0	0	342,335	0
300-4000-99-1004	FEMA Reimbursement	11,175	0	0	0
300-4000-99-9800	Transfers In	342,604	0	0	0
	Total Non-Operating	386,486	0	352,481	0
	TOTAL REVENUES:	3,786,082	3,410,882	3,752,247	3,379,546

**WATER & SEWER FUND - 300
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
<u>Water Administration</u>					
<u>Salaries & Benefits</u>					
300-5310-01-1010	Salaries	179,609	215,613	192,851	222,190
300-5310-01-1011	Overtime	1,627	1,500	2,222	2,500
300-5310-01-1020	Group Insurance	42,359	38,609	36,025	35,080
300-5310-01-1030	Social Security Contribution	13,249	16,609	14,688	17,280
300-5310-01-1040	Retirement Contribution	19,640	23,926	22,872	24,295
300-5310-01-1050	Unemployment Compensation	53	1,035	1,076	1,040
300-5310-01-1060	Worker's Compensation	2,484	979	2,667	980
300-5310-01-1080	Medical Exams	0	0	142	0
300-5310-01-1090	ADM - Pension Expense	5,252	0	0	0
300-5310-01-1091	OPEB Expense	353	0	0	0
	Total Salaries & Benefits	264,626	298,271	272,542	303,365
<u>Professional Services</u>					
300-5310-02-2040	Accounting/Audit	0	10,000	10,000	15,000
300-5310-02-2090	Other Professional Services	39,026	55,000	55,000	55,000
	Total Professional Services	39,026	65,000	65,000	70,000
<u>Property Services</u>					
300-5310-03-2220	Electricity	2,522	2,800	2,431	2,800
300-5310-03-2430	Facilities Maintenance	487	0	0	0
	Total Property Services	3,009	2,800	2,431	2,800
<u>Other Services</u>					
300-5310-04-2730	Printing & Binding	2,765	3,000	3,038	3,200
300-5310-04-2750	Dues & Membership	220	300	300	300
300-5310-04-2830	Seminars & Schools	4,536	2,000	2,000	2,000
300-5310-04-9900	Credit Card Fees	10,308	10,000	11,403	12,000
	Total Other Services	17,830	15,300	16,740	17,500
<u>Supplies</u>					
300-5310-05-3010	Office	3,721	4,000	3,700	3,800
300-5310-05-3030	Employee Relations	400	500	400	500
300-5310-05-3100	Other Operating Supplies	380	740	740	745
300-5310-05-3115	Janitorial Supplies	165	1,000	1,000	1,000
300-5310-05-3130	Postage	11,908	15,000	15,000	15,000
	Total Supplies	16,574	21,240	20,840	21,045
<u>Other Expenditures</u>					
300-5310-06-5095	Contingency	0	15,000	15,000	15,000
	Total Other Expenditures	0	15,000	15,000	15,000
<u>Capital Outlay</u>					
300-5310-17-5090	Other Capital Outlay	0	133,000	100,000	0
	Total Capital Outlay	0	133,000	100,000	0
<u>Financial Obligations</u>					
300-5310-99-8001	Transfer Out to Technology	15,000	15,000	15,000	15,000
300-5310-99-8002	Transfer Out - Debt Service	293,834	0	0	0
	Total Financial Obligations	308,834	15,000	15,000	15,000
	Total Water Administration:	649,899	565,611	507,553	444,710

WATER & SEWER FUND - 300
FISCAL YEAR 2021 ADOPTED BUDGET

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
<u>Water Production</u>					
<u>Salaries & Benefits</u>					
300-5330-01-1010	Salaries	335,978	382,988	342,651	398,900
300-5330-01-1011	Overtime	29,869	14,600	28,840	14,600
300-5330-01-1020	Group Insurance	99,371	86,749	86,151	82,240
300-5330-01-1030	Social Security Contribution	26,627	30,798	27,961	31,670
300-5330-01-1040	Retirement Contribution	39,485	44,365	43,983	44,720
300-5330-01-1050	Unemployment Compensation	150	1,656	1,932	1,660
300-5330-01-1060	Worker's Compensation	11,065	16,110	15,868	15,250
300-5330-01-1080	Medical Exams	142	0	283	0
300-5330-01-1090	Water - Pension Expense	10,504	0	0	0
300-5330-01-1091	OPEB Expense	705	0	0	0
	Total Salaries & Benefits	553,896	577,266	547,670	589,040
<u>Professional Services</u>					
300-5330-02-2090	Other Professional Services	10,017	13,000	13,000	13,000
	Total Professional Services	10,017	13,000	13,000	13,000
<u>Property Services</u>					
300-5330-03-2210	Natural Gas	695	650	650	650
300-5330-03-2220	Electricity	60,335	73,122	60,571	73,122
300-5330-03-2410	Motor Vehicle Repair	5,838	10,000	10,000	10,000
300-5330-03-2420	Equipment Repair	14,832	15,000	24,018	15,000
300-5330-03-2430	Facility Maintenance	28,545	18,000	18,000	18,000
300-5330-03-2520	Equipment Rental	3,597	3,000	3,000	3,000
	Total Property Services	113,841	119,772	116,238	119,772
<u>Other Services</u>					
300-5330-04-2700	Property/Liability Insurance	27,287	30,000	30,016	30,000
300-5330-04-2720	Advertising	679	700	700	700
300-5330-04-2740	Meeting Expenses	464	500	500	500
300-5330-04-2750	Dues & Membership	210	210	210	210
300-5330-04-2830	Seminars & Schools	1,496	2,000	1,000	2,000
300-5330-04-6030	License Expense	5,891	6,500	6,500	6,500
	Total Other Services	36,027	39,910	38,926	39,910
<u>Supplies</u>					
300-5330-05-3030	Employee Relations	800	800	700	800
300-5330-05-3040	Gasoline/Diesel	16,460	13,000	13,388	15,000
300-5330-05-3050	Oil/Lube	512	500	500	500
300-5330-05-3060	Small Tools	4,302	3,800	5,077	5,000
300-5330-05-3080	Uniform Expense	2,289	2,000	2,000	2,500
300-5330-05-3100	Other Operating Supplies	6,469	6,500	3,719	6,500
300-5330-05-3105	Lab Fees/Chemicals	14,799	12,500	12,500	14,500
300-5330-05-3110	Materials	51,837	50,000	36,605	50,000
300-5330-05-3115	Meter Expense	67,594	57,000	57,000	59,000
300-5330-05-3120	Consumables	900	900	900	900
300-5330-05-3125	Safety	178	500	500	500
	Total Supplies	166,141	147,500	132,890	155,200
<u>Other Expenditures</u>					
300-5330-06-2435	Street Repairs	21,161	25,000	25,000	25,000
300-5330-06-5040	Machinery	(80,693)	0	0	0
	Total Other Expenditures	(59,532)	25,000	25,000	25,000

**WATER & SEWER FUND - 300
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
<u>Depreciation</u>					
300-5330-08-6010	Depreciation	575,582	0	0	0
	Total Depreciation	575,582	0	0	0
<u>Financial Obligations</u>					
300-5330-99-8000	Transfer Out to Technology	10,000	10,000	10,000	10,000
	Total Financial Obligations	10,000	10,000	10,000	10,000
	Total Water Production:	1,405,972	932,448	883,724	951,922

**WATER & SEWER FUND - 300
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
<u>Wastewater Treatment</u>					
<u>Salaries & Benefits</u>					
300-5350-01-1010	Salaries	234,851	256,111	224,792	251,240
300-5350-01-1011	Overtime	35,160	25,500	25,500	25,500
300-5350-01-1020	Group Insurance	71,265	66,093	55,732	52,250
300-5350-01-1030	Social Security Contribution	19,253	21,543	18,228	21,300
300-5350-01-1040	Retirement Contribution	29,596	31,034	28,822	29,945
300-5350-01-1050	Unemployment Compensation	49	1,035	1,103	1,240
300-5350-01-1060	Worker's Compensation	6,825	13,360	12,132	13,790
300-5350-01-1080	Medical Exams	486	0	0	0
300-5350-01-1090	Sewer - Pension Expense	6,565	0	0	0
300-5350-01-1091	OPEB Expense	441	0	0	0
	Total Salaries & Benefits	404,490	414,676	366,310	395,265
<u>Professional Services</u>					
300-5350-02-2030	Engineering/Survey	0	0	0	0
300-5350-02-2090	Other Professional Services	5,881	10,000	10,000	10,000
	Total Professional Services	5,881	10,000	10,000	10,000
<u>Property Services</u>					
300-5350-03-2220	Electricity	96,333	96,000	96,000	96,000
300-5350-03-2410	Motor Vehicle Repair	6,127	8,500	8,500	8,500
300-5350-03-2420	Equipment Repair	37,357	39,000	39,000	39,000
300-5350-03-2430	Facility Maintenance	43,967	45,000	45,000	45,000
300-5350-03-2440	Sludge Removal	51,373	35,000	35,000	35,000
300-5350-03-2520	Rental Equipment	0	4,000	4,000	4,000
	Total Property Services	235,157	227,500	227,500	227,500
<u>Other Services</u>					
300-5350-04-2700	Property Insurance	63,565	64,000	69,921	64,000
300-5350-04-2720	Advertising	756	1,000	1,000	1,000
300-5350-04-2730	Printing & Binding	0	0	0	0
300-5350-04-2740	Meeting Expenses	464	500	500	500
300-5350-04-2750	Dues & Membership	140	140	140	140
300-5350-04-2830	Seminars & Schools	1,737	2,500	2,500	2,500
300-5350-04-6030	License Expense	10,089	10,500	10,500	10,500
300-5350-04-6035	Penalties And Fines	0	0	0	0
	Total Other Services	76,752	78,640	84,561	78,640
<u>Supplies</u>					
300-5350-05-3020	Books & Periodicals	0	0	0	0
300-5350-05-3030	Employee Relations	500	550	550	550
300-5350-05-3040	Gasoline/Diesel	14,835	12,000	12,000	13,000
300-5350-05-3050	Oil/Lube	410	1,000	750	750
300-5350-05-3060	Small Tools	2,254	2,500	2,500	2,500
300-5350-05-3080	Uniform Expense	2,169	1,500	1,500	1,500
300-5350-05-3100	Other Operating Supplies	4,104	4,500	4,500	4,500
300-5350-05-3105	Lab Fees/Chemicals	52,802	60,000	60,000	60,000
300-5350-05-3110	Materials	8,761	10,500	10,500	10,500
300-5350-05-3120	Consumables	1,000	1,000	1,000	1,000
300-5350-05-3125	Safety	1,035	500	500	500
300-5350-05-3130	Postage	0	0	0	0
	Total Supplies	87,872	94,050	93,800	94,800

**WATER & SEWER FUND - 300
FISCAL YEAR 2021 ADOPTED BUDGET**

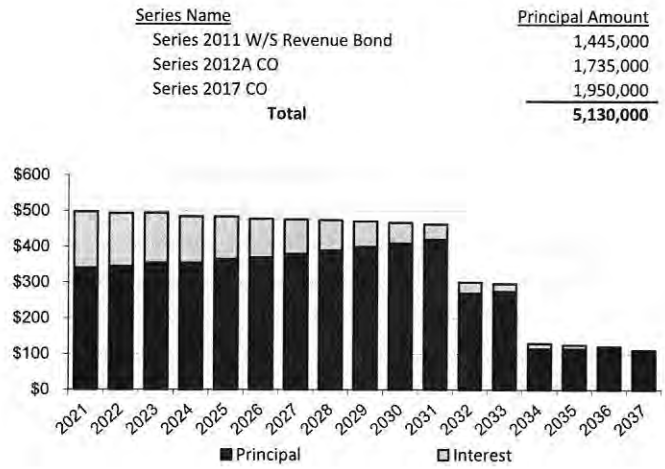
		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
<u>Capital Outlay</u>					
300-5350-17-5090	Other Capital Outlay	0	111,000	111,000	0
	Total Capital Outlay	0	111,000	111,000	0
<u>Financial Obligations</u>					
300-5350-99-8000	Transfer Out to Technology	5,000	10,000	10,000	10,000
	Total Financial Obligations	5,000	10,000	10,000	10,000
	Total Wastewater Treatment:	815,152	945,866	903,171	816,205

**WATER & SEWER FUND - 300
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
<u>Sanitation Department</u>					
<u>Garbage</u>					
300-5370-07-2811	Garbage Pickup-Residential	261,466	232,000	232,000	232,000
300-5370-07-2813	Garbage Pickup-Sludge	0	0	0	0
300-5370-07-3120	Garbage Bags	3,169	3,200	3,200	3,200
	Total Garbage	264,635	235,200	235,200	235,200
	Total Sanitation:	264,635	235,200	235,200	235,200
<u>Non-Operational</u>					
<u>Financial Obligations</u>					
300-5380-99-9900	Bond Principal Payment	0	475,000	475,000	445,000
300-5380-99-9901	Interest on Bond Payments	120,193	180,357	180,357	179,548
300-5380-99-9915	Fiscal Agent Fees	2,000	1,400	1,400	0
300-5380-99-9920	2012A Bond Issue Costs	(4,845)	0	0	0
300-5380-99-9922	Transfers To CIP	375,000	75,000	75,000	0
300-5380-99-9923	CDBG SSI-7218080	0	0	352,481	0
300-5380-99-9925	Capital Programs	0	0	0	306,961
	Total Financial Obligations	492,348	731,757	1,084,238	931,509
	Total Non-Operating:	492,348	731,757	1,084,238	931,509
	TOTAL EXPENSES:	3,628,006	3,410,882	3,613,886	3,379,546

WATER & SEWER LONG-TERM DEBT
WATER & SEWER DEBT MATURITY SCHEDULE

Fiscal Year	Principal	Interest	Total
FY2021	340,000	157,959	497,959
FY2022	345,000	148,960	493,960
FY2023	355,000	139,537	494,537
FY2024	355,000	129,589	484,589
FY2025	365,000	119,152	484,152
FY2026	370,000	108,139	478,139
FY2027	380,000	96,609	476,609
FY2028	390,000	84,418	474,418
FY2029	400,000	71,319	471,319
FY2030	410,000	57,483	467,483
FY2031	420,000	43,042	463,042
FY2032	270,000	31,182	301,182
FY2033	275,000	22,038	297,038
FY2034	115,000	15,413	130,413
FY2035	115,000	11,100	126,100
FY2036	115,000	6,600	121,600
FY2037	110,000	2,200	112,200
Total	5,130,000	1,244,740	6,374,740



DATE	DESCRIPTION	AMOUNT ISSUED	AMOUNT OUTSTANDING AS OF 9/30/20		PAYMENT TOTAL	AMOUNT OUTSTANDING AS OF 9/30/21
			PRINCIPAL	INTEREST		
3/1/2021	Series 2011 Water & Sewer	2,360,000	110,000	25,648	135,648	
9/1/2021	Revenue Bond		0	24,081	24,081	
	Fiscal Year Total		1,445,000	49,729	159,729	1,335,000
3/1/2021	Series 2012A Certificates	2,470,000	115,000	24,425	139,425	
9/1/2021	of Obligation			23,275	23,275	
	Fiscal Year Total		1,735,000	47,700	162,700	1,620,000
3/1/2021	Series 2017 Certificates	2,200,000	115,000	31,099	146,099	
9/1/2021	of Obligation (W/S Portion)			29,431	29,431	
	Fiscal Year Total		1,950,000	60,530	175,530	1,835,000
	TOTAL	7,030,000	5,130,000	157,959	497,959	4,790,000

WATER & SEWER LONG-TERM DEBT
WATER & SEWER DEBT MATURITY SCHEDULE

SERIES 2011 WATER & SEWER REVENUE BOND

Fiscal Year	Principal	Interest	Total
FY2021	110,000	49,729	159,729
FY2022	115,000	46,349	161,349
FY2023	120,000	42,558	162,558
FY2024	120,000	38,538	158,538
FY2025	125,000	34,310	159,310
FY2026	130,000	29,815	159,815
FY2027	135,000	25,044	160,044
FY2028	140,000	19,955	159,955
FY2029	145,000	14,575	159,575
FY2030	150,000	8,933	158,933
FY2031	155,000	3,023	158,023
FY2032			
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
Total	1,445,000	312,829	1,757,829

SERIES 2012A CERTIFICATES OF OBLIGATION

Fiscal Year	Principal	Interest	Total
FY2021	115,000	47,700	162,700
FY2022	115,000	45,400	160,400
FY2023	120,000	43,050	163,050
FY2024	120,000	40,350	160,350
FY2025	125,000	37,288	162,288
FY2026	125,000	33,850	158,850
FY2027	130,000	30,025	160,025
FY2028	135,000	26,050	161,050
FY2029	140,000	21,925	161,925
FY2030	145,000	17,469	162,469
FY2031	150,000	12,675	162,675
FY2032	155,000	7,719	162,719
FY2033	160,000	2,600	162,600
FY2034			
FY2035			
FY2036			
FY2037			
Total	1,735,000	366,101	2,101,101

SERIES 2017 CO WATER PROJECTS

Fiscal Year	Principal	Interest	Total
FY2021	115,000	60,530	175,530
FY2022	115,000	57,211	172,211
FY2023	115,000	53,929	168,929
FY2024	115,000	50,701	165,701
FY2025	115,000	47,554	162,554
FY2026	115,000	44,474	159,474
FY2027	115,000	41,540	156,540
FY2028	115,000	38,413	153,413
FY2029	115,000	34,819	149,819
FY2030	115,000	31,081	146,081
FY2031	115,000	27,344	142,344
FY2032	115,000	23,463	138,463
FY2033	115,000	19,438	134,438
FY2034	115,000	15,413	130,413
FY2035	115,000	11,100	126,100
FY2036	115,000	6,600	121,600
FY2037	110,000	2,200	112,200
Total	1,950,000	565,810	2,515,810

CAPITAL EQUIPMENT FUND

The Capital Equipment Fund, also known as Fund 701, was created to set aside resources for capital equipment relating to the water and sewer utility system, also known as the city's Enterprise Fund or Fund 300. The fund was established in fiscal year 2014. The fund is supported by charges for service to the utility customers and is set by the adoption of Council, currently part of the city's fee ordinance. Under the current fee structure, commercial consumers are charged \$7 for water and \$7 for sewer; likewise, residential consumers are charged \$1 for water and \$1 for sewer and are billed in conjunction with the main utility service fees on a monthly basis. The purpose of this fund is to provide the scheduled purchase and replacement of capital equipment and vehicles that support the city's Water and Sewer Enterprise Fund operation. The scheduled purchase and replacement is adopted annually as part of the budget process.

FISCAL YEAR 2021 ADOPTED BUDGET

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Charges for Service	201,024	202,750	203,500	204,000
Other Revenue	0	0	0	0
Interest	1,522	2,020	1,800	1,200
Non-Operating Income	(117,717)	0	10,369	0
Total Revenues	\$84,829	\$204,770	\$215,669	\$205,200
Capital Outlay	78,093	95,787	95,787	205,200
Financial Obligations	79	118,770	118,770	0
Total Expenses	\$78,172	\$214,557	\$214,557	\$205,200
<i>Revenues Over Expenses</i>	<i>6,658</i>	<i>(9,787)</i>	<i>1,112</i>	<i>0</i>
Cash Balance - Beginning		171,031	171,031	172,143
Cash Balance - Ending		\$171,031	\$172,143	\$172,143
Reserve Requirement (25%)		53,639	53,639	51,300
Excess/(Deficit)*		107,605	118,504	120,843

Fiscal Year 2019-2020:

Revenues for the Capital Equipment Fund are projected at \$215,669 for September 30. The city is averaging \$16,958 per month in the base water and sewer rates. Additionally, remaining proceeds from Tax Note 2015 was used to purchase a grappler as an attachment to the excavator (Gradall) at \$10,369. The city is projecting limited resources of interest earnings bringing total operating revenues above target of the amended budget at \$215,669.

Expenses for the Capital Equipment Fund are projected to total \$214,557. Expenses include the following:

- Purchase of a dump trailer at \$12,000. Utility crew needs to haul spoil for repair sites and does not always need a full size dump truck. The purchase will free up a dump truck for other needs, including ditch cleaning operations.
- Purchase of an auto crane at \$20,000. The Auto Crane includes additional springs out rigger as a complete install. The purchase will allow staff to pull lift station pumps without having to hire an outside vendor.
- Purchase of a zero-turn mower at \$10,000. A super Z 54 inch / 27 HP mower will replace an existing mower that has a faulty engine. Staff currently uses zero-turn mowers to maintain the lawn at our plant facilities as required by TCEQ.
- Purchase a utility bed for crew truck at \$8,000. The crew truck needs the additional storage capacity for repairs allowing for efficiency of crew operations in the field.
- Purchase of a scheduled replacement of pickup truck at \$30,000. The intent of this allocation is to replace an existing fleet vehicle before major repairs likely will occur and when its repair costs exceed a threshold amount to replace it. This is the third scheduled pickup truck replacement the fund has supported since 2014.
- Purchase of TBD equipment at \$8,000. The intent of this allocation is to allow some flexibility in purchasing equipment that in is unknown at the time of adoption, such as a loss in critical equipment that needs to be replaced immediately and could cover any gap in insurance proceeds for financing the replacement.
- A Gradall and vacuum truck are being finance through a five-year tax note (FY20 = final obligation year). Debt Service of \$118,770 is required before year-end to finance both the Gradall and vacuum truck.

Fiscal Year 2020-2021:

Revenues are estimated at \$205,200; of which \$204,000 are charges for service and \$1,200 is interest revenue. Revenues are estimated to remain consistent with last year, with only a slight increase related to new customer growth.

Total expenses are balanced at \$205,200, with the total available for additional capital outlay as the city has met the annual financial obligations on Tax Note 2015. The adopted capital outlay includes the following:

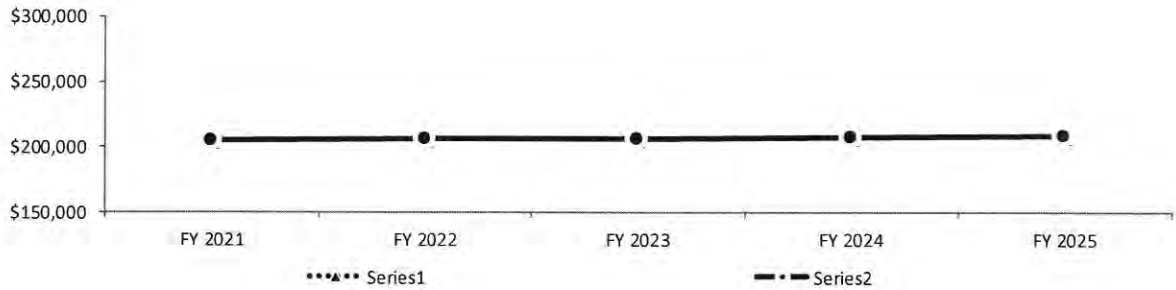
- Street Sweeper.
- Pickup Truck Replacement

Anticipated revenues balance expenses, maintaining an estimated cash ending balance of \$172,143 with an excess of \$120,843 over the reserve.

MULTI-YEAR PLAN

It is projected that Fund 701 will maintain a balanced budget for fiscal years ending 2021 through 2025. The plan consists of major capital equipment purchases that are detailed on the Equipment Purchase and Replacement Schedule (to be included in the final budget document). The following five-year plan and chart is provided for planning purposes only, as the budget is adopted by the Council annually, therefore the projection detailed below does not restrain future councils to this plan:

	FY 2021 ADOPTED	FY 2022 PROJECTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED
Charges for Service	204,000	203,694	204,623	205,557	206,496
Interest	1,200	2,100	2,200	2,300	2,400
Total Revenues	205,200	205,794	206,823	207,857	208,896
Capital Outlay	205,200	205,794	206,823	207,857	208,896
Total Expenses	205,200	205,794	206,823	207,857	208,896
Revenues Over Expenditures	0	0	0	0	0
Fund Balance - Beginning	172,143	172,143	172,143	172,143	172,143
Fund Balance - Ending	\$ 172,143	\$ 172,143	\$ 172,143	\$ 172,143	\$ 172,143



**CAPITAL EQUIPMENT FUND - 701
FISCAL YEAR 2021 ADOPTED BUDGET**

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
<u>REVENUES</u>				
<u>Property Taxes</u>				
701-4000-01-0101 Base Water Rate	103,825	104,500	104,500	105,000
701-4000-01-0102 Sewer Base Rate	97,199	98,250	99,000	99,000
Total Property Taxes	201,024	202,750	203,500	204,000
<u>Interest</u>				
701-4000-10-0894 Interest	1,522	2,020	1,800	1,200
Total Interest	1,522	2,020	1,800	1,200
<u>Non-Operating</u>				
701-4000-99-0900 Transfer In	0	0	10,369	0
Total Non-Operating	(117,717)	0	10,369	0
Total Revenues:	\$84,829	\$204,770	\$215,669	\$205,200
<u>EXPENSES</u>				
<u>Capital Outlay</u>				
701-5730-17-2090 Equipment Purchases	18,552	95,787	95,787	172,700
701-5730-17-2095 Vehicle Purchases	59,541	0	0	32,500
Total Capital Outlay	78,093	95,787	95,787	205,200
<u>Financial Obligations</u>				
701-5180-99-9900 Principal - Equipment Note	(0)	116,854	116,854	0
701-5180-99-9901 Interest - Equipment Note	79	1,916	1,916	0
Total Financial Obligations	79	118,770	118,770	0
Total Expenses:	\$78,172	\$214,557	\$214,557	\$205,200

HOTEL / MOTEL OCCUPANCY TAX FUND

The Hotel/Motel Occupancy Tax Fund is used to account for revenues realized from hotel occupancy taxes. Local hotel occupancy tax revenues may only be spent to establish or enhance a convention center, cover the administrative expenses for registering convention delegates, pay for tourism-related advertising and promotions, fund programs that enhance the arts or pay for historic preservation or restoration projects, and pay for sports related expenses pursuant to state law that will enhance tourism. By law, cities must spend at least 1% of hotel tax receipts on advertising, no more than 15% on art programs and a maximum of 50% on historic preservation. Cleveland is home to several hotels and motels: Super 8, Motel 6, Budget Inn, Deluxe Inn, Best Western, Holiday Inn, and La Quinta.

FISCAL YEAR 2021 ADOPTED BUDGET

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
REVENUES				
Occupancy Tax	257,224	237,840	167,625	237,840
Interest	3,772	4,488	2,907	500
Total Revenues	\$260,997	\$242,328	\$170,532	\$238,340
EXPENDITURES				
Hotel/Motel	30,300	44,800	39,500	40,500
Convention & Visitors' Bureau	317,635	376,664	197,330	508,850
Total Expenditures	\$347,935	\$421,464	\$236,830	\$549,350
Revenues Over Expenses	(86,939)	(179,136)	(66,298)	(311,010)
Fund Balance - Beginning		436,959	436,959	370,661
Fund Balance - Ending	\$436,959	\$257,823	\$370,661	\$59,651
Reserve Requirement (25%)		\$105,366	\$105,366	\$56,088
Excess/(Deficit)		\$152,457	\$265,295	\$3,563

Fiscal Year 2019-2020:

Projected revenues are \$170,532, or \$71,796 less than the amended budget with hotel occupancy tax collection at \$167,625. It was expected that total occupancy tax collection would perform at normal expectations based on the collection activity from prior year's, extracting variables such as Hurricane Harvey; however, Covid-19 has hard-hit industries, including hotels that has devastated occupancy tax collections. The budget projects personnel cost at \$86,240, a savings of \$25,024. Professional services (IT services) at \$25,000 and annual advertising at \$32,240. The budget includes \$195,000 in supplemental items while using \$50,000 of the allocation as a cost-savings measure to offset the Covid-19 shutdown. The FY20 does include the E-sign project as the remaining supplemental on improvements to Stancil Park remain shelved until occupancy tax is restored to normal expectations. The original budget allocation provided \$220,706 in supplemental items while using \$179,136 in retained cash. This includes recurring supplemental totaling \$15,706 to support a salary, increased advertising, and operational furnishing replacements (tables and chairs). Non-recurring expenditures of \$205,000 consists of parking Stancil Park improvements, that is now postponed as well as outsourced advertising designated to Chamber of Commerce Events.

Fiscal Year 2020-2021:

Collections for fiscal year 2020 occupancy tax are \$237,840, unchanged from the prior adopted, with total fund revenue of \$238,340, with the expectation of less interest income due to the depository's limited performance to provide higher interest rates. The adopted budget supports personnel cost at \$115,560 with limited changes from the proposed document as cost are shared across the General Fund. Health benefit increase and salary adjustments (total increase \$6,010) has limited impact on the final budget. Professional services (IT services) at \$27,000 and annual advertising at \$30,000 are the key operation costs other than personnel. This proposed budget comprises \$341,000 in supplemental items while using \$311,010 in retained cash. This budget includes the use of retained cash to support a New Multi-Purpose Arena at Stancil Park improvements that, in-turn, will expand services and generate additional revenue through user fees.

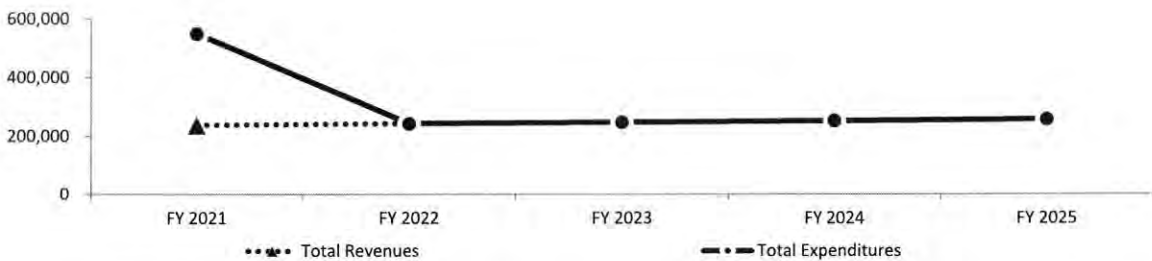
Fund balance for 9/30/21 is projected at \$59,651. In order to maintain a healthy reserve, \$56,088 is required to remain as unallocated, the reserve does not include coverage of the Stancil Park improvements as it is a non-recurring capital program. The estimated in excess reserve \$3,563 is held for any continued emergency measures or continued downturn in occupancy collection without exposing any reserve requirement.

	Recurring	Non-recurring	Total
Chamber Event Advertising #1		\$5,000	\$5,000
Chamber Event Advertising #2		\$5,000	\$5,000
New Stancil Facility		\$325,000	\$325,000
Health Insurance (BC-PPO-034 7.67%)	\$1,260		\$1,260
Salary Adjustment [(\$0.45) ~ 1.7%]	\$4,750		\$4,750
	\$6,010	\$335,000	\$341,010

MULTI-YEAR PLAN

It is projected that Fund 600 will maintain a balanced budget for fiscal years ending 2021 through 2025. The plan consists of maintaining to improving our current levels of services that are funded by the hotel occupancy tax collections. The following five-year plan and chart is provided for planning purposes only, as the budget is adopted by the Council annually, therefore the projection detailed below does not restrain future councils to this plan:

	FY 2021 ADOPTED	FY 2022 PROJECTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED
Total Revenues	\$238,340	\$243,107	\$247,969	\$252,928	\$257,987
Hotel/Motel	40,500	40,500	40,500	40,500	40,500
CVB Base Budget	173,850	177,327	180,874	184,389	188,092
Co-Sponsored Events	10,000	10,000	10,000	10,000	10,000
Future Capital Programs	325,000	15,280	16,595	18,039	19,395
Total Expenditures	\$549,350	\$243,107	\$247,969	\$252,928	\$257,987



As projected, the fund would allow for greater than \$15,000 in new or expanded programs for future budget years (FY22-25). Unless recurring expenditures increase, such as personnel over the calculated 2% annual expectation. The calculation accounts for a \$325,000 (Multi-Purpose Arena) of the non-recurring items adopted in fiscal year 2021.

**HOTEL / MOTEL OCCUPANCY TAX FUND - 600
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
REVENUES					
<u>Interest</u>					
600-4000-10-0891	Interest Income	3,772	4,488	2,907	500
	Total Interest	3,772	4,488	2,907	500
<u>Hotel/Motel Revenue</u>					
600-4000-15-0801	Super 8	18,586	18,000	13,500	18,000
600-4000-15-0802	Motel 6	41,936	35,600	24,000	35,600
600-4000-15-0803	Budget Inn	2,933	2,740	1,875	2,740
600-4000-15-0804	M & M Hotel/Delux Inn	3,329	4,400	2,625	4,400
600-4000-15-0805	Best Western	51,179	51,500	37,500	51,500
600-4000-15-0810	Holiday Inn	72,229	65,400	43,125	65,400
600-4000-15-0815	La Quinta	67,032	60,200	45,000	60,200
	Total Hotel/Motel Revenue	257,224	237,840	167,625	237,840
	TOTAL REVENUES:	\$260,997	\$242,328	\$170,532	\$238,340

**HOTEL / MOTEL OCCUPANCY TAX FUND - 600
FISCAL YEAR 2021 ADOPTED BUDGET**

		FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Hotel/Motel					
<u>Professional Services</u>					
600-5610-02-6050	Credit Card Fees-Hotel/Motel	300	300	350	500
600-5610-02-6070	Civic Center-Reimbursement	30,000	30,000	30,000	30,000
600-5610-02-6080	Advertising/Billboards	0	14,500	9,150	10,000
	Total Professional Services	30,300	44,800	39,500	40,500
	Total Hotel/Motel Revenue	\$30,300	\$44,800	\$39,500	\$40,500
CVB					
<u>Salaries & Benefits</u>					
600-5620-01-1010	Salaries	69,959	81,250	60,700	80,670
600-5620-01-1011	Overtime	1,717	1,200	1,923	720
600-5620-01-1015	Auto Allowance	0	0	0	0
600-5620-01-1020	Group Insurance	12,677	11,540	10,540	17,790
600-5620-01-1030	FICA/Medicare	5,360	6,308	4,732	6,040
600-5620-01-1040	Retirement	8,060	9,086	7,256	8,520
600-5620-01-1050	State Unemployment Tax	17	414	358	410
600-5620-01-1060	Workers' Compensation	135	1,466	730	1,410
	Total Salaries & Benefits	97,925	111,264	86,240	115,560
<u>Professional Services</u>					
600-5620-02-2090	NSD - Contract Services	0	25,000	25,000	27,000
	Total Professional Services	0	25,000	25,000	27,000
<u>Other Services</u>					
600-5620-04-2710	Telephone	747	1,000	721	850
600-5620-04-2720	Advertising	44,759	32,000	32,043	30,000
600-5620-04-2730	Promotional Merchandise	1,735	2,000	912	2,000
600-5620-04-2750	Dues/Subscriptions/Memberships	675	1,200	1,714	3,200
600-5620-04-2760	Tourism/Trade Shows	405	0	0	0
600-5620-04-2830	Seminars/Training	107	1,500	0	0
600-5620-04-3130	Postage	0	1,500	0	0
	Total Other Services	48,428	39,200	35,390	36,050
<u>Supplies</u>					
600-5620-05-3010	Office Supplies	469	200	200	240
600-5620-05-3030	Employee Relations	200	0	0	0
600-5620-05-3100	Other Operating Supplies	830	1,000	500	1,000
	Total Supplies	1,499	1,200	700	1,240
<u>Other Expenditures</u>					
600-5620-06-5060	Office Equipment	545	5,000	0	4,000
600-5620-06-5066	Software	84	0	0	0
	Total Other Expenditures	629	5,000	0	4,000
<u>Capital Outlay</u>					
600-5620-17-5090	Other Capital Outlay >5,000	169,154	195,000	50,000	325,000
	Total Capital Outlay	169,154	195,000	50,000	325,000
	Total CVB	\$317,635	\$376,664	\$197,330	\$508,850
	TOTAL EXPENDITURES:	\$347,935	\$421,464	\$236,830	\$549,350

SPECIAL REVENUE FUND

Fiscal Year 2020-2021

In fiscal year 2021, the fund is estimated to have limited revenue of \$2,050, similar to the prior, interest income and LEOSE training entitlements are the only likely revenue sources. The budget is designated to draw funds down for non-recurring purchases such as police equipment and police vehicles. Available unrestricted cash balance for 9/30/21 is projected at \$90,540.

FISCAL YEAR 2021 ADOPTED BUDGET

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Interest	237	300	100	50
Seizures	2,148	0	0	0
Intergovernmental	2,053	1,800	2,000	2,000
Total Revenues	\$4,438	\$2,100	\$2,100	\$2,050
Money Seizures	31,501	2,000	2,000	2,050
Red Light Camera	33,656	0	0	0
Total Expenditures	\$65,157	\$2,000	\$2,000	\$2,050
Revenues Over Expenses	(60,719)	100	100	0
Beginning Balance - Money Seizures		98,181	98,181	98,281
Beginning Balance - RLC		0	0	0
Total Fund Balance - Beginning		98,181	98,181	98,281
Ending Balance - Money Seizures	98,181	98,281	98,281	98,281
Ending Balance - RLC	0			
Fund Balance - Ending	98,181	98,281	98,281	\$98,281
<i>Restricted - Money Seizures</i>		7,741	7,741	7,741
<i>Restricted - RLC</i>				
<i>Unrestricted Cash - Money Seizures</i>		\$90,540	\$90,540	\$90,540
<i>Unrestricted Cash - RLC</i>		\$0	\$0	\$0
Cash Balance - Ending		\$90,540	\$90,540	\$90,540

**SPECIAL REVENUE FUND - 915
COURT TECHNOLOGY
FISCAL YEAR 2021 ADOPTED BUDGET**

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Court Special Revenue	7,406	6,500	6,500	6,500
Interest	0	25	0	0
Total Revenues	\$7,406	\$6,525	\$6,500	\$6,500
Court Special Expenditures	4,896	6,500	6,500	6,500
Total Expenditures	\$4,896	\$6,500	\$6,500	\$6,500
Revenues Over Expenses	2,510	25	0	0
Fund Balance - Beginning	2,800	5,310	5,310	5,310
Fund Balance - Ending	\$5,310	\$5,335	\$5,310	\$5,310

**SPECIAL REVENUE FUND - 916
COURT SECURITY
FISCAL YEAR 2021 ADOPTED BUDGET**

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Court Special Revenue	5,557	5,000	5,000	5,000
Interest	0	25	0	0
Total Revenues	\$5,557	\$5,025	\$5,000	\$5,000
Court Special Expenditures	1,801	5,000	5,000	5,000
Total Expenditures	\$1,801	\$5,000	\$5,000	\$5,000
Revenues Over Expenses	3,756	25	0	0
Fund Balance - Beginning	21,439	25,195	25,195	25,195
Fund Balance - Ending	\$25,195	\$25,220	\$25,195	\$25,195

UNITY DONATION FUND

The Unity Committee Donation Fund is a fiduciary fund used to account for assets held in trust by the City of Cleveland for the benefit of community organizations or other local entities. The accounts for all donations related to Unity Committee sponsored events such as July Fireworks and Bunny Blast. Charitable donations from the community represent the primary source of funding.

Expenditures in fiscal year 2020 total \$3,900, lower than past years due to the pandemic. The fund did receive limited donations, including for Fourth of July Fireworks that are to support the 2021 event. Expenditures in fiscal year 2021 balance with revenues to a total of \$19,975 and the estimated cash available on 9/30/2021 is \$11,991.

FISCAL YEAR 2021 ADOPTED BUDGET

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
REVENUES:				
<u>Interest</u>				
102-4000-10-0894 Interest	62	100	100	75
Total Interest	62	100	100	75
<u>Community Events</u>				
102-4000-30-0100 Donations - Cleanup Cleveland	600	300	0	300
102-4000-30-0110 Donations - Treat Street	0	300	300	300
102-4000-30-0115 Donations - Bunny Blast	250	300	300	300
102-4000-30-0120 Donations - July Fireworks	20,294	15,000	2,000	15,000
102-4000-30-1030 Donations - Hometown Christmas	4,477	3,700	3,200	3,700
102-4000-30-1040 I Love Cleveland Campaign	0	300	0	300
Total Community Events	25,621	19,900	5,800	19,900
Total Revenues:	\$25,682	\$20,000	\$5,900	\$19,975
 EXPENDITURES:				
<u>Community Events</u>				
102-5100-30-1010 Cleanup Cleveland Expenses	1,779	300	0	300
102-5100-30-1020 Treat Street Expenses	0	300	300	300
102-5100-30-1030 Bunny Blast Expenses	250	300	300	300
102-5100-30-1040 July Fireworks Expenses	15,064	15,000	0	15,000
102-5100-30-1050 Hometown Christmas Expenses	2,754	3,700	3,200	3,700
102-5100-30-1060 I Love Cleveland Campaign	0	300	0	300
102-5100-30-3130 Postage	0	100	100	75
Total Community Events	19,846	20,000	3,900	19,975
Total Expenditures:	\$19,846	\$20,000	\$3,900	\$19,975
 Revenue Over/(Under) Expenditures	 5,836	 0	 2,000	 0
Fund Balance - Beginning		9,991	9,991	11,991
Fund Balance - Ending		\$9,991	\$11,991	\$11,991

CLEVELAND ECONOMIC DEVELOPMENT CORPORATION

Economic Development Corporations (EDCs) are the legal entities with the statutory authority to spend economic development sales tax dollars. The corporations are city-chartered and governed by a city-appointed board of directors. The economic development sales tax was first created in 1989 to give smaller Texas communities the financial resources to attract primary jobs and create wealth. Today, the tax is the undisputed workhorse of local economic development efforts, serving as the backbone of economic development programs in more than 500 communities across the state. During the 2007 Legislative Session, legislation passed which moved the law governing the use of the economic development sales tax from 5190.6 of Vernon's Civil Statutes into chapters 501-505 of the Local Government Code. Although there continues to be two types of economic development corporations (and two types of economic development sales taxes), they are now generally referred to as "Type A" and "Type B" corporations (instead of "4A" and "4B" corporations or the "4A" or "4B" tax). The Cleveland Economic Development Corporation (EDC) is a Type B corporation and supports industrial development projects such as business infrastructure, manufacturing and research and development. The Cleveland EDC component unit of the City of Cleveland and is accounted for under Fund 200.

The Type B sales tax may be used for any project eligible under Type A rules. The Type A sales tax is primarily intended for manufacturing and industrial development. EDCs may use Type A revenue to fund land, buildings, equipment, facilities expenditures, targeted infrastructure and improvements for projects including manufacturing and industrial facilities, recycling facilities, distribution centers, and small warehouse facilities; research and development facilities, regional or national corporate headquarters facilities, primary job training facilities operated by higher education institutions, job training classes, telephone call centers and career centers not located within a junior college taxing district; certain infrastructure improvements that promote or develop new or expanded business enterprises; aviation facilities; commuter rail, light rail or commuter bus operations; port-related facilities, rail ports, rail switching facilities, marine ports, inland ports; and maintenance and operating costs associated with projects. Type B, such as the Cleveland Corporation may pay for land, buildings, equipment, facilities, targeted infrastructure and improvements for professional and amateur sports and athletic facilities, tourism and entertainment facilities, convention facilities and public parks; related store, restaurant, concession, parking and transportation facilities; related street, water and sewer facilities; and affordable housing. Type B EDCs also may seek voter approval to spend Type B sales tax funds for a water supply, water conservation program or cleanup of contaminated property. The sales tax revenues are administered by the corporations and the corporations determine which projects to fund, with city council retaining approval authority over all expenditures of the corporation. The economic development sales tax is the state's largest and most effective local revenue source for economic development.

FISCAL YEAR 2021 ADOPTED BUDGET

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
REVENUES:				
Operating Revenues	\$807,719	\$732,833	\$662,189	\$718,033
Non-Operating Revenues	\$535,906	\$0	\$0	\$0
Total Revenues	\$1,343,625	\$732,833	\$662,189	\$718,033
EXPENSES:				
Operating Expenses	\$354,125	\$586,201	\$508,238	\$565,033
Financing Programs	\$177,634	\$947,687	\$912,687	\$153,000
Total Expenses	\$531,759	\$1,533,888	\$1,420,925	\$718,033
<i>Revenues Over Expenses (Total)</i>	811,866	(801,055)	(758,736)	0

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
Fund Balance - Ending	\$2,599,854	\$1,798,799	\$1,841,118	\$1,841,118
<i>Cash Balance - Ending</i>	<i>\$1,884,048</i>	<i>\$1,082,993</i>	<i>\$1,125,312</i>	<i>\$1,125,312</i>
Reserve Requirement (25%)		383,472	355,231	179,508
Annual Debt Coverage		216,061	215,561	190,664
Excess/(Deficit)		483,460	554,519	755,140

Fiscal Year 2019-2020 Budget:

Total revenues are projected at \$662,189, of which \$644,250, or 99.7% is from sales tax remittances. Total revenues are \$70,644 less than budgeted due to the tremendous strain the pandemic and its related closures have placed on local businesses. Staff is currently trending a 10% reduction by year-end, but that trend could likely drop lower to worst case of 20% as such losses are not uncommon in a deep recession. A 10% loss in collections is equal to \$72K loss at year end for EDC and a worst case (20%) loss of \$143K. Staff will adjust estimate before final adoption as current trending depends on several factors related to the pandemic response, and over that time we should have a more accurate assessment of what consumer confidence and sales opportunity will look like by year-end. The only other source of revenue is Interest income. We do know with some certainty that the depository and other vehicles of investment have limited returns as the Federal Reserve officials signaled plans to keep interest rates near zero for years and said they were studying how to provide more support to a U.S. economy tattered by the coronavirus. Projected expenses are \$912,687 and \$112,963 less than amended by holding expenses down as the economy struggles with the effects of the pandemic. Fiscal year 2020 is projected with the following highlights:

- Capital outlay at \$790,687, which is likely to be reallocated in fiscal year 2021 as carryover. A portion of this funding is being rolled over each year with the possibility of using this resource toward a grant match that would support drainage improvements to the Airport Industrial project. This possibility remains open as funding opportunity could come available through GLO-Harvey funds. Other uses include infrastructure improvements to prospective job-creation projects as they materialize.
- Expansion of the airport fuel farm and Manthey Street is included in capital outlay.
- Business Incentives include the \$100,000 coronavirus stimulus to local businesses secured as credit on the local business water accounts.
- Demolition of substandard commercial structures remains at \$12,000.

Ending cash balance is projected at \$1,125,312 with cash over operating requirement at 9/30/20 projected at \$554,519.

Fiscal Year 2020-2021 Budget:

Total revenues are adopted at \$718,033, of which \$715,833 or 99.7% is from sales tax remittances. Total revenues are \$55,844 or 8.4% more than projected fiscal year 2020 considering recovery from the pandemic in 2021. Sales tax is projected with a 11.1% increase to be level with 2020 original expectation and allocation. Total projected expenses are \$718,033, as a balanced budget. The Adopted may include a use of reserves and likely to be amended to include unspent project allocations rolled over as annual carryover. Fiscal year 2021 is with the following highlights:

- A full year under the leadership of a full-time EDC Director.
- Capital outlay of \$90,000, is which is likely to be additionally supported with reallocated funds from as 2020 carryover. Expected use of funds is for a contribution of a regional detention within the Airport Industrial Park. Regional detention is best management practice that provides general flood protection from storm water. The basin is proposed on the southern tip of the airport industrial park.
- Increase in professional services, mainly legal and auditing services.

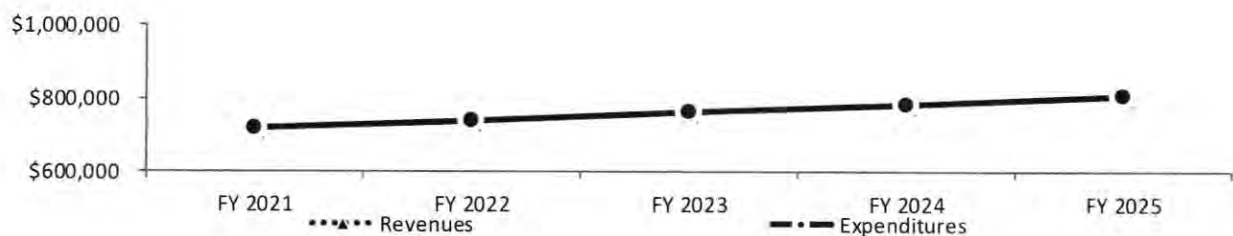
- Phase II participation in Central Business District sidewalk project. Grant funding is pursued to begin a second phase of improvements to downtown.
- Increase demolition of substandard commercial structures by \$6,000. This is an ongoing effort to clean up the city by razing substandard structures as they are identified and all legal requirements are met.

Ending cash balance is projected at \$1,125,312 with cash over operating requirement and annual debt coverage at 9/30/21 projected at \$ 755,140.

MULTI-YEAR PLAN

It is projected that Fund 200 will maintain a balanced budget for fiscal years ending 2022 through 2025. The plan consists of maintaining to improving our current levels of services that are funded by the EDC Fund. The following five-year plan and chart is provided for planning purposes only, as the budget is adopted by the Board annually, therefore the projection detailed below does not restrain the future Board to this plan:

	FY 2021 ADOPTED	FY 2022 PROJECTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED
Total Revenues	\$718,033	\$739,584	\$761,891	\$785,547	\$810,359
Salaries & Benefits	\$108,730	\$111,992	\$115,352	\$118,812	\$122,377
Professional Services	\$60,200	\$62,006	\$63,866	\$65,782	\$67,756
Other Services	\$30,334	\$31,244	\$32,181	\$33,147	\$34,141
Supplies	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502
TDA Grant Reimbursement	\$171,105	\$0	\$0	\$0	\$0
Financial Obligations	\$190,664	187,544	194,320	190,992	187,664
Operating Expenses	\$565,033	\$396,906	\$409,963	\$413,104	\$416,439
Affordable Housing and Demolition	\$18,000	\$12,000	\$12,000	\$12,000	\$12,000
Capital / Supplemental	\$90,000	\$280,678	\$289,928	\$310,443	\$331,919
Business Incentives	\$45,000	\$50,000	\$50,000	\$50,000	\$50,000
Financing Programs	\$153,000	\$342,678	\$351,928	\$372,443	\$393,919
Revenues Over Expenses	\$0	\$0	\$0	\$0	\$0
Fund Balance - Cash Ending	1,125,312	1,125,312	1,125,312	1,125,312	1,125,312



Capital and supplemental programs are projected to have additional cash to support the annual programs requested, beginning with \$280,678 in fiscal year 2022 and maxing out to \$331,919 by 2025. It is estimated that nearly \$1.2M can be raised to support sustainable capital and incentive programming from 2022 – 2025 while meeting other obligations and operational cost.

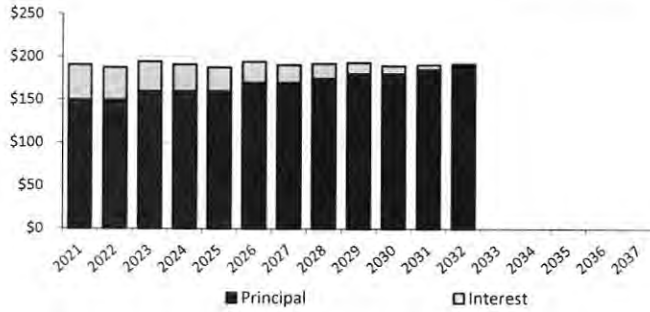
**ECONOMIC DEVELOPMENT CORPORATION FUND
FISCAL YEAR 2021 ADOPTED BUDGET**

	FY 2019 YEAR END ACTUAL	FY 2020 AMENDED BUDGET	FY 2020 YEAR END PROJECTED	FY 2021 ADOPTED BUDGET
REVENUES:				
Sales Taxes	789,329	715,833	644,250	715,833
Interest Revenue	17,660	17,000	17,939	2,200
Operating Revenues	\$807,719	\$732,833	\$662,189	\$718,033
Sale of Assets	535,906	0	0	0
Non-Operating Revenues	\$535,906	\$0	\$0	\$0
Total Revenues	\$1,343,625	\$732,833	\$662,189	\$718,033
EXPENSES:				
Salaries & Benefits	0	124,640	60,586	108,730
Professional Services	115,690	55,200	45,477	60,200
Other Services	30,704	30,500	29,500	30,334
Supplies	274	4,800	2,115	4,000
Contributions	0	155,000	155,000	171,105
Financial Obligations	207,457	216,061	215,561	190,664
Operating Expenses	\$354,125	\$586,201	\$508,238	\$565,033
Property Services	74,124	0	0	0
Affordable Housing and Demolition	0	12,000	12,000	18,000
Capital Outlay	85,622	890,687	790,687	90,000
Business Incentives	17,887	45,000	110,000	45,000
Financing Programs	\$177,634	\$947,687	\$912,687	\$153,000
Total Expenses	\$531,759	\$1,533,888	\$1,420,925	\$718,033
<i>Revenues Over Expenses (Total)</i>	<i>811,866</i>	<i>(801,055)</i>	<i>(758,736)</i>	<i>0</i>
Fund Balance - Beginning		2,599,854	2,599,854	1,841,118
Cash Balance - Beginning		1,884,048	1,884,048	1,125,312
Fund Balance - Ending	\$2,599,854	\$1,798,799	\$1,841,118	\$1,841,118
Cash Balance - Ending	\$1,884,048	\$1,082,993	\$1,125,312	\$1,125,312
Reserve Requirement (25%)		383,472	355,231	179,508
Annual Debt Coverage		216,061	215,561	190,664
Excess/(Deficit)*		483,460	554,519	755,140

CORPORATION LONG-TERM DEBT
CORPORATION DEBT MATURITY SCHEDULE

Fiscal Year	Principal	Interest	Total
FY2021	150,000	40,664	190,664
FY2022	150,000	37,544	187,544
FY2023	160,000	34,320	194,320
FY2024	160,000	30,992	190,992
FY2025	160,000	27,664	187,664
FY2026	170,000	24,232	194,232
FY2027	170,000	20,696	190,696
FY2028	175,000	17,108	192,108
FY2029	180,000	13,416	193,416
FY2030	180,000	9,672	189,672
FY2031	185,000	5,876	190,876
FY2032	190,000	1,976	191,976
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
Total	2,030,000	264,160	2,294,160

Series Name	Principal Amount
Series 2019 Refunding (Sports Park Portion)	451,111
Series 2019 Refunding Water Well (Portion)	902,222
Total	1,353,333



DATE	DESCRIPTION	AMOUNT ISSUED	AMOUNT OUTSTANDING AS OF 9/30/20		PAYMENT TOTAL	AMOUNT OUTSTANDING AS OF 9/30/21
			PRINCIPAL	INTEREST		
3/1/2021	Series 2019 Refunding	2,030,000	150,000	21,112	171,112	
9/1/2021				19,552	19,552	
	Fiscal Year Total		2,030,000	40,664	190,664	1,880,000
	TOTAL	2,030,000	2,030,000	40,664	190,664	1,880,000

CORPORATION LONG-TERM DEBT
CORPORATION DEBT MATURITY SCHEDULE

SERIES 2019 REF SPORTS PARK PORTION

Fiscal Year	Principal	Interest	Total
FY2021	100,000	27,109	127,109
FY2022	100,000	25,029	125,029
FY2023	106,667	22,880	129,547
FY2024	106,667	20,661	127,328
FY2025	106,667	18,443	131,776
FY2026	113,333	16,155	129,488
FY2027	113,333	13,797	130,464
FY2028	116,667	11,405	128,072
FY2029	120,000	8,944	128,944
FY2030	120,000	6,448	126,448
FY2031	123,333	3,917	127,251
FY2032	126,667	1,317	127,984
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
Total	1,353,333	176,107	1,539,440

SERIES 2019 REF WATER WELL PORTION

Fiscal Year	Principal	Interest	Total
FY2021	50,000	13,555	63,555
FY2022	50,000	12,515	62,515
FY2023	53,333	11,440	64,773
FY2024	53,333	10,331	63,664
FY2025	53,333	9,221	62,555
FY2026	56,667	8,077	64,744
FY2027	56,667	6,899	63,565
FY2028	58,333	5,703	64,036
FY2029	60,000	4,472	64,472
FY2030	60,000	3,224	63,224
FY2031	61,667	1,959	63,625
FY2032	63,333	659	63,992
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
Total	676,667	88,053	764,720

APPENDIX



CITY OF CLEVELAND, TEXAS

ADOPTED BUDGET

FISCAL YEAR 2020-2021



CITY OF CLEVELAND, TEXAS
ADOPTED BUDGET

FISCAL YEAR 2020-2021

**GENERAL FUND
LIST OF ADOPTED CHANGES TO THE PROPOSED**

	<u>FY2019-20 PROJECTED</u>	<u>FY2020-21 ADOPTED</u>	<u>DATE OF CHANGE</u>
Preliminary Revenues:	\$7,712,464	\$7,832,551	
<u>Changes to Preliminary Revenues:</u>			
1 Adjust Property Tax (0.7700 to 0.7600)		(\$33,274)	08/12/20
Total Revenue Changes:	\$0	(\$33,274)	
Total Revenue with Changes:	\$7,712,464	\$7,799,277	
Preliminary Expenditures:	\$8,679,809	\$7,832,551	
<u>Changes to Preliminary Expenditures:</u>			
1 Health Insurance (BC-PPO-034 7.67%)		\$42,400	08/04/20
2 Salary Adjustment [(\$0.45) ~ 1.7%]		\$87,000	08/04/20
3 Seasonal P/T (4) (\$13 @ 720 MH)		\$42,700	08/04/20
4 Salary Adjustment [PW Supervisor/Fire Captain]		\$15,600	08/04/20
5 Public Works Facility Rehab (1102 Nevell)		\$100,000	08/04/20
6 Culvert Replacement Program		\$35,000	08/04/20
7 Parks Improvements		\$50,000	08/04/20
8 Police Department Facility Improvements		\$100,000	08/04/20
9 Airport Signage		\$27,300	08/04/20
10 Fire Tanker Truck		\$300,000	08/12/20
Total Change in Expenditures:		\$800,000	
Total Expenditures with Changes:	\$8,679,809	\$8,632,551	
Net Revenues Over/(Under) Expenses	(\$967,344)	(\$833,274)	
Beginning Fund Balance	\$6,362,501	\$5,395,157	
Ending Fund Balance	\$5,395,157	\$4,561,883	

**DEBT SERVICE FUND
LIST OF ADOPTED CHANGES TO THE PROPOSED**

	<u>FY2019-20 PROJECTED</u>	<u>FY2020-21 ADOPTED</u>	<u>DATE OF CHANGE</u>
Preliminary Revenues:	\$1,015,880	\$893,240	
<u>Changes to Preliminary Revenues:</u>			
1 Change I&S Rate (From \$0.2119 to \$0.2572)		\$259,069	09/01/20
Total Revenue Changes:	\$0	\$259,069	
Total Revenue with Changes:	\$1,015,880	\$1,152,309	
Preliminary Expenditures:	\$992,367	\$893,240	
<u>Changes to Preliminary Expenditures:</u>			
1 Additional Bond Capacity CIP Funding Fire Station and Street		\$259,069	09/01/20
Total Change in Expenditures:	\$0	\$259,069	
Total Expenditures with Changes:	\$992,367	\$1,152,309	
Net Revenues Over/(Under) Expenses	\$23,513	\$0	
Beginning Fund Balance	282,175	305,688	
Ending Fund Balance	\$305,688	\$305,688	

**WATER / SEWER FUND
LIST OF ADOPTED CHANGES TO THE PROPOSED**

	<u>FY2019-20 PROJECTED</u>	<u>FY2020-21 ADOPTED</u>	<u>DATE OF CHANGE</u>
Preliminary Revenues:	\$3,752,247	\$3,379,546	
<u>Changes to Preliminary Revenues:</u>			
Total Revenue Changes:	\$0	\$0	
Total Revenue with Changes:	\$3,752,247	\$3,379,546	
Preliminary Expenditures:	\$3,613,886	\$3,379,546	
<u>Changes to Preliminary Expenditures:</u>			
1 Health Insurance (BC-PPO-034 7.67%)		\$14,700	08/04/20
2 Salary Adjustment [(\$0.45) ~ 1.7%]		\$23,700	08/04/20
3 Salary Adjustment [W/S Portion PW Supervisor]		\$5,050	08/04/20
4 Debt Capacity		(\$23,411)	08/04/20
5 Short Water Line Upgrades		(\$42,250)	08/04/20
6 Lift Station Repairs - Additional Supplemental		\$22,211	08/04/20
Total Change in Expenditures:		\$0	
Total Expenditures with Changes:	\$3,613,886	\$3,379,546	
Net Revenues Over/(Under) Expenses	\$138,362	\$0	
Beginning Cash Balance	952,933	1,091,295	
Ending Cash Balance	\$1,091,295	\$1,091,295	

**HOTEL / MOTEL OCCUPANCY TAX FUND
LIST OF ADOPTED CHANGES TO THE PROPOSED**

	<u>FY2018-19 PROJECTED</u>	<u>FY2019-20 ADOPTED</u>	<u>DATE OF CHANGE</u>
Preliminary Revenues:	\$170,532	\$238,340	
<u>Changes to Preliminary Revenues:</u>			
Total Revenue Changes:	<u>\$0</u>	<u>\$0</u>	
Total Revenue with Changes:	<u>\$170,532</u>	<u>\$238,340</u>	
Preliminary Expenditures:	\$236,830	\$238,340	
<u>Changes to Preliminary Expenditures:</u>			
1 Health Insurance (BC-PPO-034 7.67%)		\$1,260	08/04/20
2 Salary Adjustment [(\$0.45) ~ 1.7%]		\$4,750	08/04/20
3 Preliminary Engineering - New		(\$20,000)	08/04/20
4 Stancil Park Improvements		\$325,000	08/04/20
Total Change in Expenditures:	<u>\$0</u>	<u>\$311,010</u>	
Total Expenditures with Changes:	<u>\$236,830</u>	<u>\$549,350</u>	
Net Revenues Over/(Under) Expenses	(\$66,298)	(\$311,010)	
Beginning Fund Balance	<u>436,959</u>	<u>\$370,661</u>	
Ending Fund Balance	<u>\$370,661</u>	<u>\$59,651</u>	
* Reserve Requirement (25%)	\$105,366	\$56,088	
Excess/(Deficit)	\$265,295	\$3,563	

* Reserve Requirement does not include Stancil Capital

SUPPLEMENTAL REQUESTS GENERAL FUND

FUNDED PROGRAMS FOR GENERAL FUND:

PROPOSED AS FUNDED	Recurring	Non-recurring	Total
Tahoe Patrol (1)		\$42,500	\$42,500
Police Body Worn Cameras (15)		\$31,000	\$31,000
Street Patching Program (outsourcing)		\$50,000	\$50,000
Runway Lights (TxDOT grant share)		\$90,000	\$90,000
	\$0	\$213,500	\$213,500

Tahoe Patrol Units

Funding: \$42,500; Requested \$85,000.

The 2021 Chevrolet Tahoe is the latest in a line of Tahoe's dating back to 1997 ready for police duty. The Tahoe is all new for 2021 and rides on a new platform that rides better and has more cargo room thanks to a new independent rear suspension. The PPV model is rated for pursuit duty, while the SSV is geared more toward off-road use. Both variants get lots of upgrades inside and out, including improved cooling and braking systems and an electrical system capable of handling all the police equipment. Police officers also run a lot of electrical equipment in their cars—a radio, computer, lights, and sirens—so the 2021 Tahoe PPV and SSV get a dual battery system and emergency equipment isolation. To ease the up-fitting process, Chevy included 31 wire circuits to the cockpit, 56 to the cargo area, and 25 shared circuits through the vehicle to connect aftermarket add-ons. PPV and SSV vehicles also get a beefy 760-amp auxiliary battery and a new high-output alternator that's 47 percent more powerful than in the 2020 model. The department usually receives 2 vehicles and this proposed budget currently funds 1 of the requested 2 patrol units.

Police Body Worn Cameras (15)

Funding: \$31,000; Requested \$31,000

In the wake of high-profile incidents, law enforcement agencies across the country have rapidly adopted body-worn cameras for their officers. One of the main selling points for these cameras is their potential to provide transparency into some police interactions, and to help protect civil rights. This request is to fund 15 additional cameras that are more reliable than our current technology.

Street Patching Program (outsourcing)

Funding: \$50,000; Requested \$100,000

This is an alternative to paving that is cost efficient over a second option requiring in-house crew and equipment. The purpose spot patching is to temporarily repair City streets until the entire street is resurfaced or reconstructed. Spot patching was done 100% with city crew and material; however, the patch compounds available and lack of adequate machinery has handicapped the City's ability to properly maintain the pavement. By outsourcing, Asphalt patching can be correctly addressed through an outside source without sidelining other public works urgencies. This process successfully began in FY20 and is a continuation of that method.

Runway Lights (TxDOT grant share)

Total Project Funding \$1,200,000; Grant Sources \$30,000 (CARES) Local Share (90/10) \$90,000.

This project will include conduit for new installation of Airport Runway Lights. The local match for this project is estimated at \$121,000. Fortunately, the City can use CARES grant funding as a portion of the match bringing our cash portion to \$90,000.

UNFUNDED PROGRAMS FOR GENERAL FUND:

<i>PROPOSED AS UNFUNDED</i>	<i>Recurring</i>	<i>Non-recurring</i>	<i>Total</i>
<i>Council Chamber Video System</i>		\$10,000	\$10,000
<i>Council Chairs</i>		\$5,000	\$5,000
<i>Tahoe Patrol (2)</i>		\$42,500	\$42,500
<i>Street Patching Program (outsourcing)</i>		\$50,000	\$50,000
<i>CID Clerk (P/T to F/T - Mid Year)</i>	\$20,000		\$20,000
<i>Police Evidence Storage Container</i>		\$3,000	\$3,000
<i>Police Parking Lot Lighting</i>		\$5,000	\$5,000
<i>Police Facility Improvements</i>		\$15,000	\$15,000
<i>Police Facility Wash Bay</i>		\$5,000	\$5,000
<i>1102 Nevell Facility Rehab Phase 1</i>			\$0
<i>Security Fence</i>		\$57,000	\$57,000
<i>Security Lights and Interior Demolition</i>		\$43,000	\$43,000
<i>Street Patching (outsourced - unfunded portion)</i>		\$50,000	\$50,000
<i>Street Patching "In-House" (Option B)</i>			\$0
<i>Equipment</i>		\$100,000	\$100,000
<i>Personnel (3) (RE)</i>	\$165,000		\$165,000
<i>Seasonal P/T (4) (\$12 X 720 MH)</i>	\$40,000		\$40,000
<i>Sports Park Maintenance - Likely Storm Damage</i>		\$60,000	\$60,000
<i>Culvert Replacement Program</i>		\$35,000	\$35,000
<i>Library FY20 Unfunded FF&E</i>		\$47,000	\$47,000
<i>Library Reading Pod</i>		\$5,000	\$5,000
<i>Library Overtime</i>	\$1,000		\$1,000
<i>Library CARES Grant</i>		\$2,405	\$2,405
<i>Self-Check Unit</i>			\$0
<i>Plexiglas</i>			\$0
<i>Ladder Truck</i>		\$900,000	\$900,000
<i>Fire Certification Pay Increase</i>	\$4,600		\$4,600
<i>Fire P/T Longevity Pay</i>	\$4,848		\$4,848
<i>Fire Salary Adjustments</i>	\$30,000		\$30,000
			\$0
	\$265,448	\$1,434,905	\$1,700,353

Council Chamber Video System

Project Funding: \$0; Requested \$10,000.

Council chambers A/V replacement. According to the city, the current equipment, which is original to the building, is outdated technology and is causing performance issues. This only funds basic replacement components, new camera and basic audio and would not fund a complete overhaul similar to the recent upgrades to the Civic Center.

Council Chairs

Project Funding: \$0; Requested \$5,000.

New chairs to be purchase from Texas Correctional Industries: Wood, swivel, tilt, and diamond tufted simulated leather upholstery seat and back. Brass nail trim, hardwood frame, mechanical height adjustment, five-star base with dual wheel casters. Comes standard with State Seal. Customer shall specify stain: Mahogany (dark w/ red tint), Walnut (dark), Fruitwood (medium), & Natural Oak (light). Customer shall specify fabric or vinyl color.

CID Clerk (P/T to F/T - Mid Year)

Project Funding: \$0; Requested \$20,000; Recurring Cost @ \$20,000.

A records management specialist is responsible for a mix of clerical and administrative work and implementing document management systems and procedures that are confidential due to criminal investigation. This position is requested to bring the Part-time position to full-time at mid-year to handle the case load within the department. Funding could also support a second option of Part-time position at the start of the fiscal year.

Police Evidence Storage Container

Project Funding: \$0; Requested \$3,000.

Property rooms, or evidence rooms, are secure areas used to store seized property, stolen property, and evidence to be used in court. The police station's current Evidence Room is short of space. A storage container or shipping container is the recommended stop-gap until a proper facility can be built.

Police Parking Lot Lighting

Project Funding: \$0; Requested \$5,000.

Improvements to police parking lot lighting.

Police Facility Improvements

Project Funding: \$0; Requested \$15,000.

Improvements to police station as the facility is aged and undersized. The facility has had chronic roof leaking.

Police Facility Wash Bay

Project Funding: \$0; Requested \$5,000.

A wash bay is a cleaning station, located on or near the police station premises.

1102 Nevell Facility Rehab Phase 1

Project Funding: \$0; Requested \$100,000.

This includes fencing at \$57,000, as well as \$43,000 for security lighting and interior demolition of an existing building. This Re-habilitation is for recently purchased land with derelict infrastructure adjacent to the current operating Public Works facility. The goal is to bring the recently purchased

land up to operational standards as part of an enlarged campus that includes secure laydown and additional parking for our adjacent facility. The campus is in critical need to improve security as we have had recent criminal activity and loss of property.

Street Patching "In-House" (Option B)

Project Funding: \$0; Requested \$265,000; Recurring Cost @ \$165,000.

The current City street network has several miles of streets to serve the residents, commercial, and industrial segments within the City's incorporated limits. Prior to 2020, City construction crews perform all street improvements working with less employees as many positions were defunded over the critical and lean years. The city is at a point where it needs to pay serious attention to the street infrastructure and the ways to accomplish this has change as outsourcing has been the most efficient way to address infrastructure, especially new construction that demands higher quality under safer regulations. Over the last decade the city has addressed mainly pothole repair using a one-man pothole patch truck. Larger potholes, up to 25 square feet, require a three-person crew using an asphalt patch truck and small compactor that has been cost prohibitive. This is an option, currently unfunded, that would allow the city to be more aggressive in maintaining City Streets. A three-person crew will cost the city at least \$165,000 annually to support a 3-man crew, plus \$100,000 in equipment. Depending on activity, the City would need to fund the aggregate material for road improvements. This option currently is less attractive than outsourcing the complexity of road construction maintenance. Outsourcing is the best and most cost effective method to manage larger pothole problems as well as more complex projects that include Street Sealing with a thin asphalt surface treatment and the resurfacing of a street that requires additional crew positions for milling (or grinding) off the old asphalt surface and placing the new asphalt surface. The process normally takes several days per street.

Sports Park Maintenance - Likely Storm Damage

Project Funding: \$0; Requested \$60,000.

This is a contingency plan for the sports park as the park has had several significant flooding events that has forced the city to delay or defund other priorities in order to repair the amenity for community use. Hurricane Harvey wreaked havoc on the park, but other rain events also have contributed significant damage. It is only a matter of time before another event causes damage beyond our allocated means. Long term the city needs options to mitigate flooding through a Federal or State program that can assist in funding an overhaul of the original design, making the park sustainable to periodic flooding.

Culvert Replacement Program

Project Funding: \$0; Requested \$35,000.

Additional funding for replacing an undersized, perched, and/or degraded culverts located in areas where drainage is impeded.

Library FY20 Unfunded FF&E

Project Funding: \$0; Requested \$47,000.

This is the remaining portion of library renovation funding that was requested in fiscal year 2020. It is to accomplish additional furniture, fixtures and equipment uncaptured last year. This includes

directional signage, tables, chairs and custom accessories that improve the library's function and aesthetics.

Library Reading Pod

Project Funding: \$0; Requested \$5,000.

This is a fixture that is mainly used as a study carrel for students that provide comfortable accommodations for a pair who need a sanctuary-like workspace and can be easily moved around the facility on an as (or at) needed bases.

Library Overtime

Project Funding: \$0; Requested \$1,000.

FLSA establishes a standard work week hours for certain kinds of workers, and mandates payment for overtime hours to those workers of a higher calculated rate of pay for any time worked above standard set hours. The request is to provide additional funding for such flexibility of library staff hours.

Library CARES Grant

Project Funding: \$0; Requested \$2,405.

The goal of CARES Act Grants for Libraries is to support the role of libraries in responding to the coronavirus pandemic. The library is requesting a self-check unit and Plexiglas barriers. If the Library receives CARES grant funding as the department has applied, an additional \$2,405 is needed to fund the software licensing not covered under the request. It is possible that this funding request could be fulfilled within the base budget if the grant is awarded within the division or through information technology.

Fire Ladder Truck

Project Funding: \$0; Requested \$900,000

is required to replace the existing ladder in order to Maintain our ISO rating. A new ladder, as well as maintaining the existing ladder as a reserve, will assist in coordinating adequate service with the continued growth of rooftops and projected increase in service calls. The ladder is obviously necessary in allowing firefighters to reach higher locations; provides better vantage point for spraying water and creating ventilation; and an access route for firefighting and rescuing. This equipment is to be purchased after construction of the new fire station has commenced. This will be debt financed via a tax note.

Fire Certification Pay/Adjustment/Longevity

Project Funding: \$0; Requested \$39,448

Adjustments to satisfy increases in certification Pay, provide appropriate increases for rank & responsibility, and provide longevity pay to maintain and retain firefighters. A salary survey is currently in the works.

**SUPPLEMENTAL REQUESTS
WATER/SEWER FUND**

FUNDED PROGRAMS FOR WATER/SEWER FUND:

<u>PROPOSED AS FUNDED</u>	<u>Recurring</u>	<u>Non-recurring</u>	<u>Total</u>
Short Water Line Upgrades (portion)		\$42,250	\$42,250
Lift station Repairs and Upgrades (portion)		\$42,250	\$42,250
Water Tank Maintenance Program	\$150,000		\$150,000
AMR Meters		\$242,500	\$242,500
	\$150,000	\$327,000	\$477,000

Water Tank Maintenance Program

Project Funding: \$1,296,000 (Debt Financed); Requested \$1,296,000

Storage tanks and water towers require periodic inspections, cleanings, and maintenance to maintain proper water quality as well as longevity of the equipment. During a TCEQ inspection 2019 they noted that the tanks had external rust showing. As part of the alleged violation notices these repairs were noted. TCEQ requested we immediately start the repairs. A compliance plan was submitted to TCEQ which outlined the process of repair. Storage tank maintenance or water tower maintenance are essential services that extend the service life of a tank or water tower. During storage tank maintenance and water tower maintenance, areas in need of repair are identified. Repair solutions are implemented to improve tank or tower performance, eliminate further damage, and extend equipment service life. Painting regularly ensures the continued reliability of water tanks and helps to prevent the spreading of bacteria and other contaminants along with rusting and deterioration on the interior. The painted surfaces of tanks can crack and peel due to degradation from ultraviolet rays and harsh weather conditions on the exterior. Painting has an aesthetic value as well. New paint allows you to synchronize the look of the water tank with that of existing equipment or architecture in surrounding locations, and apply a logo, slogan, or other company branding on the tank. The City would anticipate the TCEQ to levy fines until repairs are made. Debt financing will support this expense over a 10-year note not to exceed \$150,000 annually.

Water Tank Maintenance Program

<i>GST/Tank (A) - 203 East Booth</i>	\$146,000
<i>EST/Tank (B) - 203 East Booth</i>	\$194,000
<i>EST/Tank (C) - 907 Denison</i>	\$273,000
<i>GST/Tank (D) - 907 Denison</i>	\$177,000
<i>GST/Tank (E) - 26508 Hwy 321 B</i>	\$103,000
<i>GST/Tank (F) - 26508 Hwy 321 B</i>	\$187,000
<i>GST/Tank (G) - North Blair at Hwy 59</i>	\$0
<i>Re-inspection/Engineering/Contingency</i>	\$216,000
	\$1,296,000

Automatic Meter Reading (AMR)

Project Funding: \$242,500 (Phased); Requested \$730,000.

AMR is the technology of automatically collecting consumption, diagnostic, and status data from water meter or energy metering devices (gas, electric) and transferring that data to a central database for billing, troubleshooting, and analyzing. This technology mainly saves utility providers the expense of periodic trips to each physical location to read a meter. Another advantage is that billing can be based on near real-time consumption rather than on estimates based on past or predicted consumption. This timely information coupled with analysis can help both utility providers and customers better control the use and production of electric energy, gas usage, or water consumption. The City has already begun the process of replacing old meters with this new technology. Original thought was that TIRZ 1 would be farther along with development and could support the conversion. However, the City is at a point it must improve its efficiency and invest in the infrastructure and software to support AMR technology. This system will be compatible with the meters already installed over the last 24 months. This still remains a phased plan; however once installed the manpower that is committed to the actual reading of the meters will be drastically reduced. Financially the overall accuracy of the meter reading system should be significantly improved and lower overhead expenses in the long-term. and we will not have to hire two new employees for the utility crews. This will improve the overall efficiency of the billing department.

Short Water Line Upgrades

Project Funding: \$42,500; Requested \$75,000.

The City's water distribution network includes a vast network of waterlines, generally in tree-like structure, that distribute bulk water to the service points where water is metered for individual consumption. Although the system is owned and operated by the City, it requires developers buy-in by building or extending the system in order for new development to participate. As with any system, continued maintenance, upsizing and looping is necessary for efficiency. The proposed funding will provide limited but necessary modifications. It is estimated that 3,500 linear feet can be replaced (for pipe at \$8 per foot and other supply/contingency at \$4 per foot) without disrupting streets and landscape, using in-house labor and equipment. The department requested \$75,000 is funding however only half of this request can be fulfilled in FY21. A map of proposed replacements is provided.

Lift station repairs and upgrades

Project Funding: \$42,500; Requested \$75,000.

Wastewater lift stations are used for pumping wastewater or sewage from a lower to higher elevation, particularly where the elevation of the source is not sufficient for gravity flow and/or when the use of gravity conveyance will result in excessive excavation and higher construction costs. The city has 18 number of active stations, many needing attention due to exceeding the lifespan of the existing pumps and equipment. Cost for replacing a lift station pump is \$5,000 to \$20,000 depending on the size and demand of the station. The department requested \$75,000 is funding however only half of this request can be fulfilled in FY21.

UNFUNDED PROGRAMS FOR WATER/SEWER FUND:

<i>PROPOSED AS UNFUNDED</i>	<i>Recurring</i>	<i>Non-recurring</i>	<i>Total</i>
<i>Grit and Grease Removal Unit Program</i>			\$0
<i>Grit and Grease Unit - West WWTP</i>		\$233,415	\$233,415
<i>Grit and Grease Unit - East WWTP</i>		\$233,415	\$233,415
<i>Installation/ Contingency</i>		\$50,000	\$50,000
<i>Tube Mount Screw Pump - West WWTP</i>		\$78,750	\$78,750
<i>Short Water Line Upgrades (\$ remaining)</i>		\$42,250	\$42,250
<i>Short Sewer Line Upgrades (\$ remaining)</i>		\$75,000	\$75,000
<i>Lift station Repairs and Upgrades</i>		\$42,250	\$42,250
<i>Sludge Tiles - East WWTP</i>		\$46,000	\$46,000
<i>AMR Meters (\$ remaining)</i>		\$487,500	\$487,500
	\$0	\$1,288,580	\$1,288,580

Short Sewer Line Upgrades

Project Funding: \$0; Requested \$75,000.

Like the City's water distribution vast network of waterlines, the city also maintains sewer lines for the gravity fed collection at service points to transport waste to the treatment plant. The system also requires developers to meet obligations for expanding the system for new development to connect. The requested \$75,000 in funding is needed; however, the city has benefited from recent CDBG sewer infrastructure programs and the fiscal year focus is to be on lift station repairs, water line upgrades, water tank maintenance and AMR technology.

Grit and Grease Removal

Project Funding: \$0; Requested \$516,830.

Grit and grease removal wastewater treatment system removes both grit and grease in a common structure. Two parallel rectangular concrete channels combine to separate and collect grit and grease: one to settle grit particles for removal, and the other to collect grease by air-skimming. The system is to meet specific flow requirements at each facility and handle large fluctuations in flow. The typical detention time at the design peak flow is five minutes. The original system installed in 1988 is no longer operational. With the grit system broken the grit material is being pushed thru the plant and is deposited in the main aeration basin and as the grit builds up capacity is reduced.

Grit and Grease Removal Unit Program

<i>Grit and Grease Unit - West WWTP</i>	\$233,415
<i>Grit and Grease Unit - East WWTP</i>	\$233,415
<i>Installation/ Contingency</i>	\$50,000
	\$516,830

Tube Mounted Screw Pump

Project Funding: \$0; Requested \$78,750.

The Tube Mounted Screw Pump, with its simplified design, transports liquid inside a stationary tube, eliminating the need to build a superstructure and pay for grouting. This pump offers both fixed and variable angle operation, with the lower end supported by a hoist to vary the pump angle. This allows users to change the pumping rate, while providing easier access for maintenance. The West Wastewater Treatment Plant is in need of a 28-foot Screw Pump with a 3 HP drive as a positive-displacement pump to move fluids or solids along the screw axis. The existing pump cannot be repaired and this is part of the wasting system at the wastewater treatment plant. The impact and benefit of this item is to improve the efficiency of the waster cycle at the plant, currently we pump more liquid than necessary with temporary pump. This replacement will allow the operator to thicken the waste material and reduce the water content.

The current inefficient operation will continue limiting long-term savings on the overall cost of the operation.

Sludge Tiles - East WWTP

Project Funding: \$0; Requested \$46,000.

The project consists of replacement of the Sludge De-watering blocks in the drying beds. Using Polyurethane Media Tiles. The system functions by force of gravity with little supervision. The tiles allow dewatering a portion the sludge of its liquid content for final disposal.

**SUPPLEMENTAL REQUESTS
CAPITAL EQUIPMENT FUND**

FUNDED PROGRAMS FOR CEF FUND:

PROPOSED AS FUNDED	Recurring	Non-recurring	Total
Street Sweeper		\$172,700	\$172,700
Pickup Truck Replacement		\$32,500	\$32,500
	\$0	\$205,200	\$205,200

Street Sweeper

Total Project Funding \$172,700; Requested \$172,700.

Providing the public with routine street sweeping services will undoubtedly achieve aesthetic and safety goals by keep city streets clean and clear of leaves, trash and other debris that could become a safety hazard to local automobile, bicycle and pedestrian traffic. This item was originally programed for FY22; however, this equipment has been moved forward for FY21. This is a replacement of an existing Street Sweeper from the 1980s.

Pickup Truck Replacement

Total Project Funding \$32,500; Requested \$32,500.

Light-duty trucks having an enclosed cab and an open cargo is the essential vehicle for Public Works. The standard rule of thumb is for fleets to replace light-duty vehicles every four years or 100,000 miles and heavy-duty trucks and vans every eight to ten years. More realistically, however, vehicles are replaced after longer periods.

UNFUNDED PROGRAMS FOR CEF FUND:

PROPOSED AS UNFUNDED	Recurring	Non-recurring	Total
<i>Mini-excavator</i>		\$49,000	\$49,000
<i>Z-Mower Replacement</i>		\$10,000	\$10,000
<i>Dump Truck</i>		\$91,000	\$91,000
	\$0	\$150,000	\$150,000

Mini-excavator

Total Project Funding \$0; Requested \$49,000

Mini-excavator, with a compact radius allows access to work more efficiently in tight areas. The Mini-excavator would assist in breaking concrete, excavating, grading, trenching, picking and placing or compacting. Multiple tail swing options provide plenty of maneuverability to do trenching and digging in tight-fitting jobsites. An angle blade enables quick backfilling when digging utility trenches.

Zero-Turn Mower

Total Project Funding \$0; Requested \$10,000

zero-turn riding lawn mower is a standard riding lawn mower with a turning radius that is effectively zero. Different brands and models achieve this in different ways, but hydraulic speed control of each drive wheel is the most common method. Both commercial duty and homeowner models exist, with varying engine power options, size of cutting decks, fuel type (gasoline or diesel), and prices. A z-turn mower typically drives faster and costs more than a similarly sized conventional riding mower that has steerable front wheels. This is a scheduled replacement of an existing fleet mower.

Dump Truck

Total Project Funding \$0; Requested \$91,000

The City currently has 2 Dump Truck equipped with the typical open-box bed and hydraulic rams. This is a replacement of the older model having +10 years of service.

SUPPLEMENTAL REQUESTS HOT FUND

FUNDED PROGRAMS FOR HOT FUND:

PROPOSED AS FUNDED	Recurring	Non-recurring	Total
Chamber Event Advertising #1		\$5,000	\$5,000
Chamber Event Advertising #2		\$5,000	\$5,000
Preliminary Engineering - New Stancil Facility		\$20,000	\$20,000
	\$0	\$30,000	\$30,000

Chamber Event Advertising

Total Project Funding \$10,000; Requested \$10,000.

The laws governing hotel tax expenditures permit the city to delegate expenditure of hotel tax money to another entity, typically a chamber or convention and visitor bureau. As long as the chamber spends the money on projects/events that attract overnight tourists to the city's hotels and motels, thus promoting the city's hotel industry. The past events that Chamber advertising has been allocated are the Expo Event and Cleveland Rock-N-Ride Event. Funding is proposed for two events at \$5,000 that meet the HOT fund criteria.

Preliminary Engineering - New Stancil Facility

Total Project Funding \$20,000; Requested \$20,000.

Stancil Park has served the community for generations and now need the attention it warrants. It has been proposed to build a needs a multi-purpose event center within the current grounds of the park. This facility is to be rented out for public or private events. As yet, no conceptual drawings of a proposed facility and engineering is required for any construction greater than \$50,000.

UNFUNDED PROGRAMS FOR HOT FUND:

PROPOSED AS UNFUNDED	Recurring	Non-recurring	Total
<i>Stancil Facility</i>			
<i>125' x 150' Metal Build</i>		\$348,702	\$348,702
	\$0	\$348,702	\$348,702

New Stancil Facility

Total Project Funding \$0; Requested \$348,702.

Construction of a multi-purpose event center within the current grounds of the park. Funding for this project would use a substantial portion of the funds retained cash. However, this project is envisioned as sustainable through facility rentals and minimal construction costs on a utilitarian structure.

**SUPPLEMENTAL REQUESTS
EDC FUND**

FUNDED PROGRAMS FOR EDC FUND:

<u>PROPOSED AS FUNDED</u>	<u>RECURRING</u>	<u>RECURRING</u>	<u>TOTAL</u>
Downtown Revitalization (Phase 2)		\$90,000	\$90,000
	\$0	\$90,000	\$90,000

Downtown Revitalization Phase 2

Total Project Funding \$500,000; Local Share \$50,000; Project Additions \$40,000.

TxCDBG monies are only available for public infrastructure improvements or activities explicitly needed to eliminate slum and blight conditions in the downtown or main street area. For all proposed uses, requested funds may not exceed the minimum necessary to meet the needs of the area. Excess/speculative improvements, extra connections or excessive looping will not be funded. All proposed infrastructure improvements to be funded by the TxCDBG Program must be located on public property within the designated Main Street area. The program can fund only the actual, allowable, and reasonable costs of the proposed project, and may not exceed these amounts. All projects awarded under the TxCDBG program are subject to final agreement between TDA and the applicant regarding the final award amount, but at no time will the award exceed the amount originally requested in the application. Funds are proposed for sidewalks and lighting as well as eliminate architectural barriers for the disabled. Project is to include road construction/renovation that comprise curb and gutter related drainage. Total Project Funding under CDBG is \$500,000 with our share at \$50,000; however, it is anticipated that the project will require additional funding or item that are ineligible under CDBG. Additional funding known unknowns is proposed at \$40,000. Total project allocation for the EDC Fund is \$90,000.

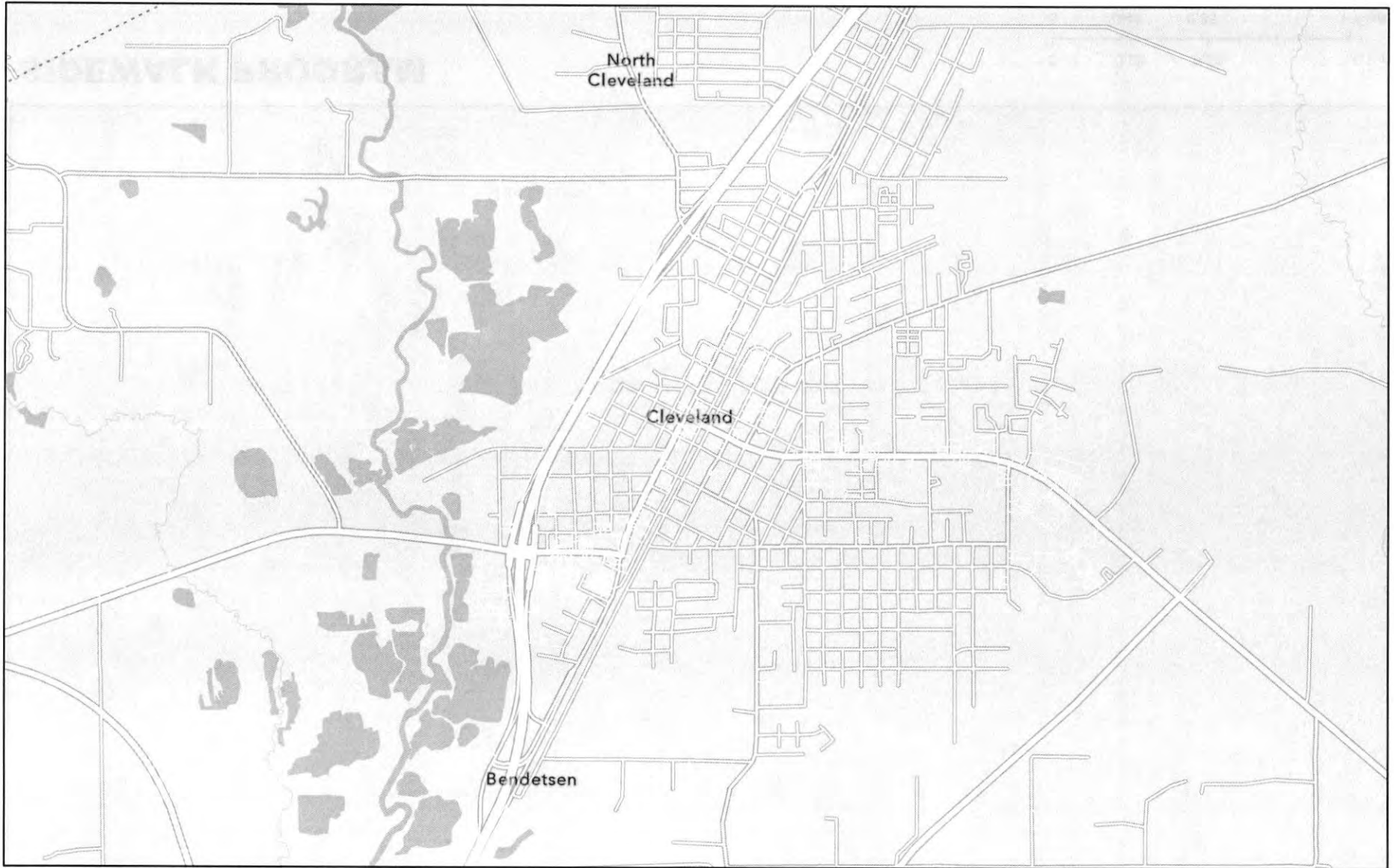
MAPS



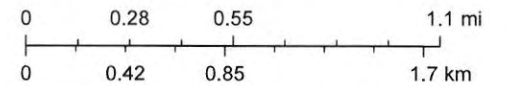
CITY OF CLEVELAND, TEXAS

ADOPTED BUDGET

FISCAL YEAR 2020-2021



STREET OVERLAY PROGRAMS



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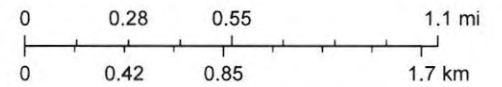
ADOPTED BUDGET 2020 - 2021

Liberty County Appraisal District, BIS Consulting - www.bisconsulting.com

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SIDEWALK PROGRAM

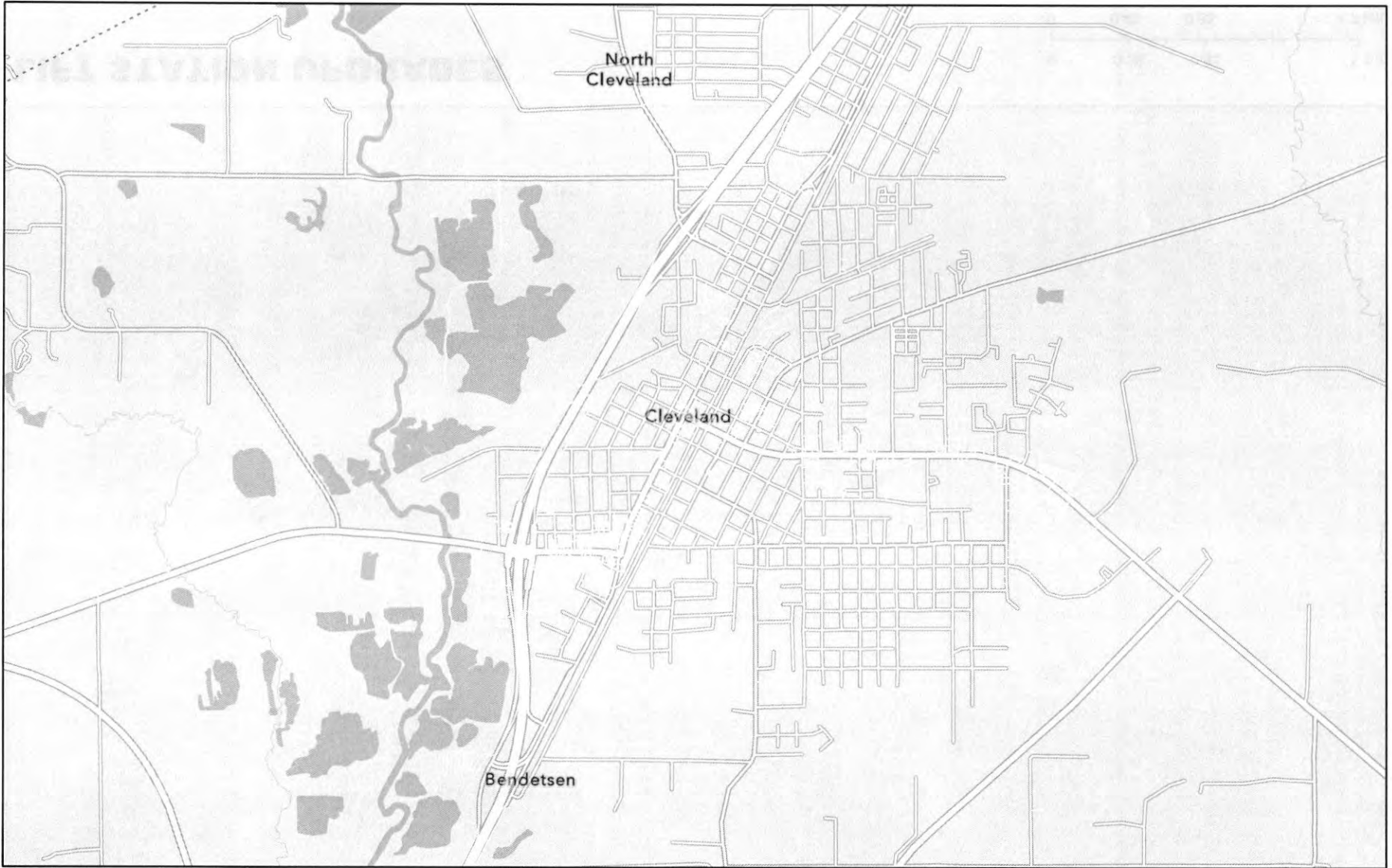


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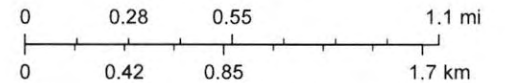
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WATERLINE IMPROVEMENT PROGRAM



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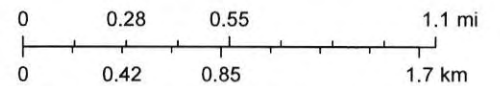
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LIFT STATION UPGRADES



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Home Rule Charter

ARTICLE VI: MUNICIPAL FINANCE

SECTION 6.01 FISCAL YEAR:

The fiscal year of the City of Cleveland shall be determined by the City Council. Such fiscal year shall also constitute the budget and accounting year.

SECTION 6.02 PREPARATION AND SUBMISSION OF BUDGET:

The City Manager, between sixty and ninety days prior to the beginning of each fiscal year shall submit to the Council a proposed budget, which budget shall provide a complete financial plan for the fiscal year, and shall contain the following:

- (a) A budget message, explanatory of the budget, which message shall contain an outline of the proposed financial policies of the City for the fiscal year, shall set forth the reasons for salient changes from the previous fiscal year in expenditure and revenue items, and shall explain any major changes in financial policy.
- (b) A consolidated statement of anticipated receipts and proposed expenditures for all funds.
- (c) An analysis of property valuations.
- (d) An analysis of tax rate.
- (e) Tax levies and tax collections by years for at least the five years immediately preceding.
- (f) General fund resources in detail.
- (g) Special fund resources in detail.
- (h) Summary of proposed expenditures by function, department, and activity.
- (i) Detailed estimates of expenditures shown separately for each activity to support the summaries.
- (j) A description of all bond issues outstanding, showing rate of interest, date of issue, maturity date, amount authorized, amount issued and amount outstanding.
- (k) A schedule of requirements for the principal and interest of each issue of bonds.
- (1) The Appropriation ordinance.
- (m) The tax levying ordinance.

- (n) Anticipated revenues and proposed expenditures compared with other years. The City Manager in the preparation of the budget shall show in parallel columns opposite the various properly classified items of revenues and expenditures, the actual amount of such items for the last completed fiscal year, the estimated amount for the current fiscal year and the proposed amount for the ensuing fiscal year.

SECTION 6.03 EMERGENCY APPROPRIATIONS:

The City budget may be amended and appropriations altered in accordance therewith in cases of public necessity, the actual fact of which shall have been declared by the City Council.

SECTION 6.04 TAXES: WHEN DUE AND PAYABLE:

All taxes due the City of Cleveland shall be payable at the office of the City Assessor-Collector and may be paid at any time after the tax rolls for the year have been completed and approved, which shall be not later than October 1. Taxes shall be paid on or before February 1st of the year following assessment, and all such taxes not paid prior to such date shall be deemed delinquent and shall be subject to such penalty and interest as the City Council may provide by ordinance. The City Council may provide further by ordinance that all taxes, either current or delinquent, due the City of Cleveland may be paid in installments; however, the City Council shall be prohibited from waiving penalties or interest, or allowing discounts. Failure to levy and assess taxes through omission in preparation of the approved tax rolls shall not relieve the person, firm, or corporation so omitted from obligation to pay such current or past due taxes as shown to be payable by recheck of the rolls and receipts for the years in question.

GLOSSARY

ACCOUNT – A term used to identify an individual asset, liability, expenditure control, revenue control, encumbrance control, or fund balance.

ACCOUNTS PAYABLE – A short-term liability account reflecting amounts owed to private persons or organizations for goods and services received by a government.

ACCOUNT RECEIVABLE – An asset account reflecting amounts due from private persons or organizations for goods and services furnished by a government.

ACCOUNTING SYSTEM – The total set of records and procedures, which are used to record, classify, and report information on the financial status and operations of an entity.

ACCRUAL ACCOUNTING – A basis of accounting in which revenues are recognized in the period in which they are earned and become measurable, and expenses are recognized in the period incurred instead of when cash is actually received or spent.

ACCRUED INTEREST – Interest that has been earned and recorded, but has not been received.

AD VALOREM TAX – A tax based on value of land and improvements (property tax).

AGENDA – A formal listing of items to be discussed during a public meeting. Agendas for public meetings are posted 72 hours in advance, in compliance with the open meetings act.

APPROPRIATION – An authorization granted by City Council to make expenditures and to incur obligations for a specific purpose. Usually limited in amount and as to the time when it may be expended.

ASSESSED VALUATION – A valuation set upon real estate or other property by government as a basis for levying taxes.

ASSETS – Property owned by a government, which has economic value, especially which could be converted to cash.

BALANCE SHEET – A statement purporting to present the financial position of an entity by disclosing the value of its assets, liabilities, and equities as of a specified date.

BALANCED BUDGET – Total recurring expenditures for any fiscal year shall not exceed total recurring revenues for that same fiscal year.

BOND – A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

BOND REFERENDUM – A bond referendum is an opportunity for voters to decide if the city will be authorized to borrow funds to address specific capital project needs for which ad valorem taxes are pledged for repayment.

BUDGET – A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. The term is also sometimes used to denote the officially approved expenditure ceiling under which a government and its departments operate.

BUDGET CALENDAR – The schedule of key dates or milestones, which a government follows in the preparation and adoption of the budget.

BUDGET DOCUMENT – The instrument used by the budget making authority to present a comprehensive financial program to the appropriating governing body.

BUDGETARY CONTROL – The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within limitations of available appropriation and available revenues.

CAPITAL ASSETS – Long-term assets, such as buildings, equipment, and infrastructure, intended to be held or used in operations.

CAPITAL PROJECTS – Acquisition or construction of major capital facilities.

CAPITAL IMPROVEMENT PROGRAM – A plan for capital expenditures to be incurred each year over a fixed period of several future years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended in each year, and the method of financing those expenditures.

CAPITAL OUTLAY – Expenditures for the acquisition of capital assets.

GLOSSARY

CAPITAL PROJECT FUNDS – Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds, special assessment funds and trust funds).

CASH BASIS – A method of accounting in which revenues and expenses are recognized and recorded when received, not necessarily when earned.

CERTIFICATE OF DEPOSIT – A negotiable or non-negotiable receipt for monies deposited in a bank or other financial institution for a specified period for a specified rate of interest.

CERTIFICATE OF OBLIGATION – A debt instrument that is issued by the City and has the same legal status as a general obligation bond. Proceeds from the issuance of the certificates may be used for the construction of public works or payment of contractual obligations for professional services. These certificates do not require voter approval.

CHARTER – Written instrument setting forth principles and laws of government within boundaries of the City.

CHART OF ACCOUNTS – The classification system used by the City to organize the accounting for various funds.

CHECK – A bill of exchange drawn on a bank and payable on demand.

COMPONENT UNIT – A component unit is defined as a legally separate organization for which elected officials of the primary government (the City) are financially accountable.

CONTINGENCY – Funds set aside in a reserve account for major expenditures or for emergencies.

CURRENT ASSETS – Cash and other assets expected to be converted to cash, sold, or consumed either in a year or in the operating cycle.

CURRENT LIABILITIES – Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded within one year.

DEBT SERVICE FUND – A fund used to account for the accumulation of resources for, and the payment of, general long-term debt principal interest, and related costs. Also called a Sinking Fund

DEFICIT – The excess of expenditures over revenues during an accounting period; or in the case of Enterprise and Intra-governmental Service Funds, the excess of expense over income during an accounting period.

DEPARTMENT – A distinct, usually specialized division of a large organization.

DELINQUENT TAXES – Taxes remaining unpaid on and after the date to which a penalty for nonpayment is attached.

DEPRECIATION – A non-cash expense that reduces the value of an asset as a result of wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

EFFECTIVE TAX RATE – The tax rate required to generate the same amount of revenue as in the preceding year on the same properties.

ENTERPRISE FUND – A fund used to account for the acquisition, operation and maintenance of governmental facilities and services which are entirely or predominantly self-supporting by user charges. The significant characteristic of Enterprise Funds is that the accounting system must make it possible to show whether the activity is operated at a profit or loss, similar to comparable private enterprises. Thus, the reports of enterprise funds self-contained and creditors, legislators or the general public can evaluate the performance of the municipal enterprise on the same basis as they can the performance of investor-owner enterprises in the same industry.

EXPENDITURES – Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

FISCAL YEAR – A twelve-month period of time to which the annual budget applies, and at the end of which, the City determines its financial position and results of operations.

FIXED ASSETS – Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include buildings, equipment, and improvements other than buildings and land.

FRANCHISE – A special privilege granted by a government, permitting the continued use of public

GLOSSARY

property, such as City streets, and usually involving the elements of monopoly and regulation.

FUND – An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities, which are segregated for the purpose of carrying on specific activities or attaining certain objective.

FUND BALANCE – The excess of an entity's assets over its liabilities.

GENERAL FIXED ASSETS – Capital assets that are not assets of any particular fund, but of the government unit as a whole. Most often these assets arise from the expenditure of the financial resources of governmental (as opposed to proprietary or fiduciary) funds.

GENERAL FUND – The General Fund is the general operating fund of the City. It is used to account for the resources devoted to finance the services traditionally associated with local government, except those activities that are required to be accounted for in another fund. Transactions are recorded on the modified accrual basis.

GENERAL OBLIGATION BONDS – When a government pledges its full faith and credit to the payment of the bonds it issues, that those bonds are general obligation bonds.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) – Uniform minimum standards and guidelines for financial accounting and reporting.

GOVERNMENTAL FUNDS – Funds generally used to account for tax-supported activities. The acquisition, use and financial resources and the related current liabilities are accounted for through governmental funds (General, Special Revenue, Capital Projects and Debt Service).

GRANTS – A contribution by one government unit to another. The contribution is usually made to aid in the support of a specific function, purpose, activity or facility.

INCOME – A term used in proprietary fund-type accounting to represent (1) revenues or (2) the excess of revenues over expenses.

INFRASTRUCTURE - Fixed assets that are immovable and have value only to the governmental unit. Common examples of infrastructure include roads, sidewalks, bridges and streetlights.

ISO RATING – The Insurance Service Office (ISO) performs surveys to assist insurance organizations with setting up the insurance ratings for the communities. The ISO will perform a survey to assign a public protection grade to each fire department, which is used in the development of insurance rates for all properties within the protected area. Grading starts at 1, which is the best possible score and ends at 10, which is considered unacceptable.

LEASE/PURCHASE – A financing tool utilized to fund large capital outlays where the city may not have cash immediately available for purchase. This arrangement allows the city to use the item while payments are being made.

LEVY - To impose taxes or special assessments. The total of taxes or special assessments imposed by a governmental unit.

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

LONG-TERM DEBT – Debt with a maturity of more than one year after date of issuance.

MODIFIED ACCRUAL BASIS – The basis of accounting under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received in cash, except for material and/or available revenues, which should be accrued to reflect properly the taxes levied and revenue earned.

NOTE PAYABLE – An unconditional written promise signed by the maker, to pay a certain sum in money on demand or at a fixed or determinable future time, either to the bearer or to the order of a person designated.

OPERATING BUDGET – Plans of current expenditures and the proposed means of financing them.

ORDINANCE – A formal legislative enactment by the governing body of a municipality.

PROJECTION – A forecast of future trends in the operation of financial activities done through the remainder of the fiscal year to gain a better picture of the City's finances. The projections are adopted as the revised budget during the budget adoption process.

GLOSSARY

PROPERTY TAX – An annual or semi-annual tax paid to one or more governmental jurisdictions based on the real and personal property's assessed valuation and the tax rate, done in compliance with the State Property Tax Code.

RATINGS – Designations used by credit rating agencies to give relative indications of credit quality. Municipal bonds rated Baa or BBB and above are considered to be investment-grade.

REFUNDING BONDS – Bonds issued to retire bonds already outstanding.

RESERVE – An account used to indicate that a portion of fund equity is legally restricted for a specific purpose or not available for appropriation and subsequent spending.

RETAINED EARNINGS – The accumulated earnings of an enterprise or internal service fund which have been retained in the fund and which are not reserved for any specific purpose.

REVENUES – The term designates an increase to a fund's assets. An item of income.

REVENUE BONDS – Bond whose principal and interest are payable exclusively from earnings of an enterprise fund.

ROLLBACK RATE – If a unit adopts a tax rate that is higher than the rollback rate, voters in the unit can circulate a petition calling for an election to limit the size of the tax increase.

SALES TAX – A state tax of 6.25% is imposed on all retail sales, leases and rentals of most goods, as well as taxable services. Texas cities and counties have the option of imposing additional local sales taxes for a combined total of state and local taxes of 8.25%.

SHORT-TERM DEBT – Debt with a maturity of one year or less after the date of issuance.

SPECIAL REVENUE FUNDS - Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditure for specified purposes.

TAX LEVY – The total amount to be raised by general property taxes for intentions specified in the Tax Levy Ordinance.

TAX LEVY ORDINANCE – An ordinance through which taxes are levied.

TAX RATE – The rate at which a municipality may levy a tax. Tax levied for each \$100 of assessed valuation. The amount of tax stated in terms of a unit of the tax base.

TAX ROLL – The official list showing the amount of taxes levied against each taxpayer or property.

TAXES – Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit.



CITY OF CLEVELAND, TEXAS
ADOPTED BUDGET

The City of Cleveland; 907 E. Houston; Cleveland, Texas 77327
www.clevelandtexas.com