



**CITY OF CLEVELAND ADOPTED BUDGET
FOR FISCAL YEAR OCTOBER 1, 2021 TO SEPTEMBER 30, 2022**

RICHARD BOYETT
MAYOR

JAMES FRANKLIN
MAYOR PRO-TEM
COUNCIL MEMBER, POSITION 3

CAROLYN MCWATERS
COUNCIL MEMBER, POSITION 1

MARILYN CLAY
COUNCIL MEMBER, POSITION 2

DELORES TERRY
COUNCIL MEMBER, POSITION 4

DANNY LEE
COUNCIL MEMBER, POSITION 5

PRESENTED BY:
ROBERT PENNINGTON
CITY MANAGER

LESLIE HERRERA
INTERIM FINANCE DIRECTOR

SAVANNAH CUNNINGHAM
MANAGEMENT ANALYST

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CITY OF CLEVELAND, TEXAS

ADOPTED BUDGET

FISCAL YEAR 2021-2022

Mayor, Richard Boyett
Mayor Pro-Tem, James Franklin
City Council
Marilyn Clay
Danny Lee
Carolyn McWaters
Deloris Terry



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Angela Smith, City Secretary

September 14, 2021,

Honorable Mayor and Members of City Council:

In accordance with Texas Statutes and the City of Cleveland Charter, the adopted budget for the fiscal year beginning October 1, 2021 through September 30, 2022 is hereby presented. This document accounts for continuing uncertainty in the economic recovery from the coronavirus (Covid-19) pandemic, with the focus on conservative growth. We understand that responsible leadership must account for the uncertainty but recognize the unprecedented development this city will encounter now and in the near future. We remain confident about our strong local economy spurred by unprecedented growth but we will safeguard our resources as we monitor the national recovery from the pandemic. The objective of this budget year is to maintain flexibility in responding to development prospects as well as addressing unknown interruptions to economic stability.

Economic Outlook:

The Covid-19 pandemic has had a devastating impact on the global economy. To tackle the outbreak, developed countries have unleashed record-high amounts of fiscal stimulus, pushing public-debt ratios to unprecedented levels. Meanwhile, long-term growth prospects are grim, raising questions about the sustainability of such high debt levels and the implications of the current situation for economies around the world.

According to Bloomberg, US economic growth will likely dim in 2022 as recovery efforts fade mainly due to the continuing spread of coronavirus. It is stated that it is unrealistic to presume virus fears to immediately disappear putting pressure on the portion of the economy that sustains mass entertainment, amusement, or office-based work.

Texas Real Estate Research Center reported Joblessness in the Lone Star State was still higher than the national average and wage numbers flattened in real terms due to supply impediments driving up inflation. Hiring in Houston was reported slowed during the second quarter, regaining only 19,600 positions compared with the nearly 33,000 added during the first quarter. Houston payrolls remained more than 5 percent below pre-pandemic levels.

Wall Street Journal reported that evidence is growing the U.S. economy is “losing momentum” as Covid-19 cases climb in recent months. Challenges in the Supply-chain and an absence of workers for lower-paying jobs are also limiting economic growth.

Major Development:

Noting that the National outlook is concerning, we do account for the growth factors in our local economy. We realize the pandemic has dampened our economic growth output, but evidence outlined below presents a more optimistic view on the local economy, and in some cases demanding our preparation for an increase in services to support the influx of development.

- Cleveland Independent School District: Cleveland ISD is a small but growing district on the Northeast side of Houston. Texas Education Agency (TEA) has labeled us as a hyper-growth district that is the fastest growing district in Texas as of October 9, 2019. The enrollment was 7,747 students for the 2019-20 PEIMS Snapshot, a growth of 1,182 students. As of September 11, 2020 that number has exceeded 8,500 students. Cleveland ISD consists of 8 campuses. Recognizing the continuous growth in the community, Cleveland ISD passed several bond elections and is heavily in the construction process for new facilities. Cleveland high school has been enlarged to nearly double its former capacity. Newly constructed Cottonwood Elementary school opened August 2020 to serve the southern area of the district. Student growth continues to be a challenge. CISD opened Pine Burr Elementary in 2021 and will open New Northside Elementary as well as a Middle School. Future needs include a second high school, third middle school, and two additional elementary schools.
- BNSF Logistic Center: BNSF Railway is one of North America’s leading freight transportation companies, with a rail network of 32,500 route miles in 28 states and Canada. BNSF recently announced plans for its newest logistics center, Logistics Center North Houston at Cleveland. Once completed, the rail-served development is designed to help businesses increase their reach and speed to the Houston market and surrounding area. BNSF stated that the proposed logistics center could save nine months or more of development time and expense by locating at North Houston / Cleveland verses building independently. BNSF’s Economic Development team strategically selects logistics center locations for the convergence of rail and road at underserved, key growing markets. Construction is underway on the 1,194-acre site. BNSF is preparing the wastewater discharge permit for the BNSF Cleveland Logistics Center issued in the name of the City of Cleveland. The plan calls for \$15M in water/ sewer utility improvements and includes a water plant as well as a wastewater plant. These improvement will be built by BNSF and dedicated to the city for perpetual operation. The facilities will be designed for expansion and will serve as regional plants for the west side of Cleveland.
- Proposed Northside Boulevard: Felix Fu and Mr. Lin have verbally agreed to a road donation plan, once the city and school can obtain all road construction surveying and pathway to connect with Washington Blvd at US59 and connecting to FM2025, north of Baldwin Park. A re-plat of the property is necessary for the Washington Blvd extension. This project objective is to relieve traffic congestion at US59 and FM2025; Improves connectivity on northwest side; and open commercial development to US59 highway frontage. CEDC has agreed to commit \$1 million to the project including the survey of the property; however, additional finding is necessary to complete the extension. Plans call for the project to be completed before the opening of the middle school. Staff is in contact with Washburn to provide survey of the 90-foot right-of-way for the Northside Boulevard through Lin-Fu Property. This will require collaboration with TNP Engineers who is representing CISD interest. Ultimately, the City will need to rezone the property for CEDC participation. Waterline stub-outs traverse the proposed boulevard in order to prepare for likely development of prime real estate north of the boulevard.
- LGI Homes /Pinewood: LGI agreed to construct the wastewater treatment plant in accordance to the request outlined by the city. This includes an automatic cleaning mechanism in conjunction with the Phase 2 expansion of the treatment plant. We have agreed to the terms of revised agreement and

currently operating the water treatment plant at Pinewood Trails. A total of 1,300 homes are slated for the development.

- Grand Oaks: Section 7 and 8 Final Plat has been completed by L Squared Engineering. McKinley development is proposing adjustments to Phase 2 that will allow for more single-family homes. Current plan call for over 1,000 homes. Plans are approved on a recreation facility and clubhouse near the recently completed golf course. The golf course will open for play as soon as the clubhouse is complete.
- QuikTrip Travel Center: QT is a chain of convenience stores based in Tulsa, Oklahoma that primarily operates in the Midwestern, Southern, and Southeastern United States as well as in Arizona. QT is expanding into the Houston region with this being the second store to break ground in the region as a large 'travel center,' a smaller version of a truck stop at FM2025. We expect that the center will boost sales tax collections. QT stated that they estimate to complete by February 2022.
- Burgerworks Retail: What-a-burger recently completed a new restaurant building and finishing additional parking that will further support retail space. A waterline to accommodate this additional retail was supported by a CEDC and agreement with Burgerworks. A rendering of the center was recently submitted to the CEDC.

Major Capital Programs:

The City has multiple capital programs currently in design or in construction phase, several are of major initiatives. Many of these projects have been proposed for some time, even prior to the Covid-19. Some projects were paused in 2020 due to economic uncertainty; however, local demands on housing construction and hyper-growth within the local school district require these projects to advance as quickly as manageable.

- Tanglewood Elevated Storage Tank: Stand Engineering is designing a new 500,000-gallon elevated storage tank for additional city capacity and will be located near Baldwin Park. The project receive priority mainly to support the new Northside CISD campus. Construction is estimated at \$2.6 million, financed via the US Treasury American Rescue Plan and 2021 Revenue Bonds. Any remaining proceeds from the bond will support other water infrastructure needs, such as the aerator at Water Plant #2 or improvements to the water/sewer system at large.
- Elevated Storage Tank No. 1 and No. 2: Brooks and Sparks is assisting with the rehabilitation of the existing 1935 and 1963 water towers. The 2021 Revenue Bonds are securing the restoration of the towers to bring them into TCEQ compliance. Project is estimated at \$1.1 million.
- Automatic Meter Read System: The Automatic Meter Read system is to have a fixed based system attaching to the elevated tower in Glen Park. The system includes a “drive-by” application that will be used until the tower is rehabbed. Aqua metrics is currently configuring our system. Project is funded from enterprise fund fiscal year 2021 cash at \$242 thousand with the focus on Grand Oaks, Pinewood, and Kirbywood neighborhoods. Additional phases are scheduled after fiscal year 2022 to ultimately replace all hand-read meters within the city.

- Police Evidence Building: Staff notified Randall Scott that Council approved the recommendation for them to design and engineer the facility. Staff is in contact with their team so that a scope of work can be formulated. Project is estimated at \$600 thousand.
- Municipal Sports Park Electrical Improvements: The contractor has begun work at the concession area and electrical platforms are installed. Project is estimate for completion by December 2021.
- Airport Runway Lights: TXDOT is requesting additional funds to complete the runway project and has underestimated the project cost by \$1M, double the original estimate. They are asking if the city can contribute an additional funding. TXDOT will see if they can find additional sources for funding our portion, but remains as unsecured. Anything more is well above our original commitment; however, we do not want to slow the progress of the project and will keep you informed as to the direction of TXDOT.
- New Fire Station: Design is complete and will be presented to Staff and Council in September. The project is on schedule and the Grand Lodge of Texas will hosting a public ceremony for the new fire station groundbreaking in the 4Q of 2021.
- Downtown Revitalization Phase II: The City and the CEDC have been awarded a TDA grant to improve the central business district as Phase 2 of the Downtown Revitalization / sidewalk improvements. Preliminary work was performed by KSA as to the locations of the sidewalks. Funding for the grant match is secured in fiscal year 2021 and will roll forward as we anticipate design to begin in early fiscal year 2022.
- Depot and Stancil Pavilion Projects: Brown Reynolds Watford Architects, Inc. (BRW) is designing both the Train Depot restoration and the Stancil Pavilion project. BRW recently reviewed the site location for both facilities and is in the early stages of design. These projects are to provide a wider range of amenities to the community, including rental income to offset the cost of improvements.

Operational Budget:

Each year the annual budget is adopted by Council. This exercise is done annually with an eye on the near-term as to maintain sustainability. The adopted budget confirms our strategy to maintain financial strength via long-range financial outlook that exceeds all fund balance requirements. You will find our primary objectives includes better compensation for our workforce and supporting the current capital programs underway. The budget includes:

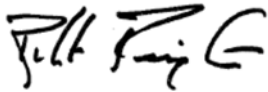
- Cost of living increase for all employees including salary adjustments on selected positions that are below organization comparables.
- Improvements for the Police Department including additional funding for evidence room, electronic ticket writing system, an additional patrol officer position, corporal officer position, a part-time to full-time CID Clerk and two police SUV vehicle replacements.
- Public Works includes additional funding for street resurfacing and conversion of four seasonal part-time to a single full-time labor position.

- Water/Sewer includes additional cost on both existing elevated storage tanks, meters replacements, mini excavator, replacement of a dump truck, replacement of light duty pickup trucks and increases to the operational budget to support Pinewood Trails. W/S includes two additional labor positions to assist in the operational demands the system is experiencing due to age and growth of the system.
- Funding supplement for completion of Stancil pavilion project.

Thankfully, our established practice of responsible budgeting improved our credit worthiness as well as limited our impact during the pandemic shutdown. The City maintains a leading position to respond to progress as the national economy cautiously returns to steady performance.

Special commendation is due to the City Hall staff, and in particular Leslie Herrera, Savanna Cunningham, Jennifer Jeude, for their outstanding work putting together the 2021-22 Budget. We encourage you to read further into the information transmitting our adopted budget.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rob Pennington". The signature is stylized and cursive.

Robert Pennington

City Manager

FISCAL YEAR 2022 ADOPTED BUDGET

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PRINCIPAL CITY OFFICIALS

City Elected Officials

Richard Boyett	Mayor
James Franklin	Council Member, Position 3, Mayor Pro-Tem
Carolyn McWaters	Council Member, Position 1
Marilyn Clay	Council Member, Position 2
Dolores Terry	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
Robert Lacy	Board Member
Patrick Casarez	Board Member

Appointed Officials

Bobby Pennington	City Manager
David Olson	City Attorney
Ralph Fuller	Municipal Court Judge

Primary Administrators

Angela Smith	Administrative Service Director / City Secretary
Leslie Herrera	Interim Finance Director
Robert Reynolds	Economic Development Director
Darrel Broussard	Police Chief
Ashleigh Broussard	Tourism & Marketing Director
Leanne Kirby	Municipal Court Clerk
Mary Cohn	Library Director
Kevin Pippin	Interim Public Works Director
Sean Anderson	Fire Chief

May 17	Distribution of Budget Packets to Directors/Department Heads by Finance
June 1	Budget Requests Submitted To Finance Department with All Supporting Documents Preliminary Revenue Estimates Issued By Finance for Current and Next Fiscal Year
June 3 - 7	Discussion of Budget Requests With Departments Finalize Preliminary Income Statements For General Fund And Debt Service Fund. Complete and Update Final Payroll Information
June 8-15	Review with City Manager and Departments
June 16-21	Review Funding Requests, Impact on Funds
June 22-28	Review All Funds and Totals with City Manager
June 29-July 6	Final Adjustments Made and Budget Submitted To City Manager
July 7-28	Finalize Budget Document, Write Transmittal Letter, Budget Packets Prepared, Agenda and PowerPoint Prepared
July 30	City Manager's Proposed Budget Filed with City Secretary ¹
August 3	Designated officer or employee must submit the no-new-revenue and voter-approved tax rates to the city council by this date, or as soon thereafter as practicable
August 10	City Council Budget Workshop #1; Including CIP Consider Dates for Public Hearings on Tax Rate and Budget for FY 2021-2021
August 17	Monthly City Council Meeting & City Council Budget Workshop #2
August 23	<u>Send</u> Public Notice of Proposed Budget Hearing to The Vindicator set for September 14 th
August 24	City Council Budget Workshop #3; Council will set the proposed tax rate (required for publication)
August 26	<u>Publication</u> of Notice of Proposed Budget Hearing in The Vindicator
August 31	City Council Budget Workshop #4 (if necessary)
September 2	Last date available for publication of Proposed Budget Hearing in newspaper (submitting 8/30) ²
September 3 or 7	<u>Send</u> "Notice of Proposed Tax Rate Hearing" to The Vindicator set for September 14 th
September 9	<u>Publication</u> of "Notice of Proposed Tax Rate Hearing" in The Vindicator and city's website ³
September 14	Public Hearing on the Proposed Tax Rate for FY22 ^{4,5,6} Public Hearing on the Proposed Budget for FY22 Consider an Ordinance to Amend Current Year Budget Consider an Ordinance Adopting a Fee Schedule for Fiscal Year 2021-22 Consider a Tax Rate for Maintenance and Operation for Budget Year 2021-22 Consider a Tax Rate for Debt Service for Budget Year 2021-22 Consider an Ordinance Providing for the Assessment, Levy and Collection of Ad Valorem Taxes for 2022 Consider an Ordinance Adopting the Budget for the Fiscal Year 2021-22
October 1	Beginning of Fiscal Year 2021-22

- ¹ The budget officer shall file the proposed budget with the municipal clerk before the July 30th.
- ² Publish notice of budget hearing. TEX. LOC GOV'T CODE 102.0065 (no later than 10th day before nor earlier than the 30th day before the hearing.)
- ³ Publish notice of tax rate hearing (the public hearing may not be held before the 5th day after the date the notice of the public hearing is given). The city must also post the notice prominently on the home page of the city's website from the date the notice is first published until the public hearing is concluded.
- ⁴ Hearing on budget. (hearing shall be before the date of the tax levy.) Note that the hearing must be after the 15th date after the proposed budget is filed with the clerk. Also, the city must take some sort of action on the budget at conclusion of hearing. TEX. LOC GOV'T CODE 102.007. This action could be the adoption of the budget, or else a vote to postpone the final budget vote. It is generally accepted that the city need not adopt the budget at the end of the hearing.
- ⁵ Adopt the budget. TEX. LOC GOV'T CODE 102.009 (city may only levy taxes in accordance with budget, and because levy cannot take place later than September 29, this is the effective deadline for property taxing cities). The city council must take a separate ratification vote to adopt any budget that will raise total property tax revenue. TEX. LOC GOV'T CODE 102.007(c). The budget must contain a special cover page that includes: (a) a specific statement on the whether the budget raises more, less, or the same amount of property tax revenue compared to the previous year's budget; (b) the record vote of each member of the city council by name voting on the adoption of the budget; (c) the city property tax rates for the preceding and current fiscal years, including the adopted rate, no-new-revenue tax rate, no-new-revenue maintenance and operations tax rate, voter approval tax rate, and debt rate; and (d) the total amount of the city debt obligations secured by property taxes. TEX. LOC GOV'T CODE 102.007 (d). The adopted budget, including the cover page, must be posted on the city's website if the city has one.
- ⁶ Hold tax rate hearing (if applicable) and adopt tax rate no later than this date. TEX. LOC GOV'T CODE 26.05 (or 60th day after receipt of the appraisal roll, whichever is later. If the city uses the 60 day rule, almost every date in this memo would need to be recalculated). The hearing must be held on a weekday that is not a public holiday. TEX. LOC GOV'T CODE 26.06

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 INTRODUCTION

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.

BUDGET INTRODUCTION

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.

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.

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 (RFCS) 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)

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 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, 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 contact 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
Reviewed: September 14, 2021

BUDGET ORDINANCE

AN ORDINANCE APPROVING AND ADOPTING THE BUDGET OF THE CITY OF CLEVELAND, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021; MAKING APPROPRIATIONS AS REFLECTED IN SAID BUDGET; MAKING CERTAIN FINDINGS AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, on Friday, July 30th, 2021, the City Manager filed with the City Secretary a proposed budget of the City of Cleveland for the fiscal year 2021-2022, the same being from October 1, 2021, through September 30, 2022; and

WHEREAS, pursuant to notice required by law, a public hearing on the budget was held at the meeting place of the City Council at the City Hall on the 14th day of September, 2021, 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 14th day of September, 2021.

**SUMMARY OF ALL FUNDS
FISCAL YEAR 2022 ADOPTED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
GENERAL FUND				
Operating Revenues:	\$7,623,587	\$7,589,672	\$7,865,364	\$8,234,512
Non-Operating Revenues:	\$534,794	\$839,505	\$839,505	\$830,121
Total Revenues:	\$8,158,381	\$8,429,177	\$8,704,869	\$9,064,633
Operating Expenditures:	\$7,650,470	\$10,066,763	\$9,895,207	\$9,734,252
Non-Operating Expenditures:	\$415,881	\$0	\$0	\$0
Total Expenditures:	\$8,066,351	\$10,066,763	\$9,895,207	\$9,734,252
Revenues Over Expenditures:	\$92,030	(\$1,637,586)	(\$1,190,338)	(\$669,619)
Fund Balance - Beginning:		\$6,459,426	\$6,459,426	\$5,269,088
Fund Balance - Ending:	\$6,459,426	\$4,821,840	\$5,269,088	\$4,599,469
DEBT SERVICE FUND				
Total Revenues:	\$1,495,978	\$1,152,309	\$1,152,309	\$1,221,133
Total Expenditures:	\$1,489,110	\$1,152,309	\$842,096	\$1,221,133
Revenues Over Expenditures:	\$6,868	\$0	\$310,213	\$0
Fund Balance - Beginning:		\$289,042	\$289,042	\$599,255
Fund Balance - Ending:	\$289,042	\$289,042	\$599,255	\$599,255
WATER SEWER FUND				
Operating Revenues:	\$3,398,553	\$3,386,895	\$3,418,492	\$3,558,947
Non-Operating Revenues:	\$1,598,899	\$0	\$224,320	\$0
Total Revenues:	\$4,997,453	\$3,386,895	\$3,642,812	\$3,558,947
Departmental Expenses:	\$3,324,694	\$2,455,386	\$2,488,234	\$2,747,463
Non-Departmental Expenses:	\$19,558	\$931,509	\$931,509	\$811,484
Total Expenses:	\$3,344,253	\$3,386,895	\$3,419,743	\$3,558,947
Revenues Over Expenses:	\$1,653,200	\$0	\$223,068	\$0
Cash Balance - Beginning:		\$1,993,645	\$1,993,645	\$2,216,713
Cash Balance - Ending:	\$1,993,645	\$1,993,645	\$2,216,713	\$2,216,713

**SUMMARY OF ALL FUNDS
FISCAL YEAR 2022 ADOPTED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
CAPITAL EQUIPMENT FUND				
Operating Revenues:	\$207,613	\$205,200	\$205,200	\$205,200
Non-Operating Revenues:	(\$68,997)	\$0	\$0	\$0
Total Revenues:	\$138,616	\$205,200	\$205,200	\$205,200
Capital Outlay:	\$6,200	\$205,200	\$205,200	\$205,200
Financial Obligations:	\$118,770	\$0	\$0	\$0
Total Expenses:	\$124,970	\$205,200	\$205,200	\$205,200
Revenues Over Expenses:	\$13,646	\$0	\$0	\$0
Fund Balance - Beginning:		\$184,677	\$184,677	\$184,677
Fund Balance - Ending:	\$184,677	\$184,677	\$184,677	\$184,677

HOTEL/MOTEL FUND				
Total Revenues:	\$222,351	\$510,371	\$524,883	\$253,288
Non-Departmental Expenditures:	\$24,563	\$40,500	\$40,672	\$50,000
Departmental Expenditures:	\$169,401	\$780,881	\$771,321	\$203,288
Total Expenditures:	\$193,963	\$821,381	\$811,993	\$253,288
Revenues Over Expenditures:	\$28,387	(\$311,010)	(\$287,110)	\$0
Fund Balance - Beginning:		\$465,347	\$465,347	\$178,237
Fund Balance - Ending:	\$465,347	\$154,337	\$178,237	\$178,237

POLICE SEIZURES				
Total Revenues:	\$7,005	\$2,050	\$2,223	\$2,050
Total Expenditures:	\$0	\$2,050	\$2,223	\$2,050
Revenues Over Expenditures:	\$7,005	\$0	\$0	\$0
Fund Balance - Beginning:		\$105,186	\$105,186	\$105,186
Fund Balance - Ending:	\$105,186	\$105,186	\$105,186	\$105,186

**SUMMARY OF ALL FUNDS
FISCAL YEAR 2022 ADOPTED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
COURT TECHNOLOGY				
Total Revenues:	\$5,360	\$6,500	\$6,500	\$6,500
Total Expenditures:	\$16,115	\$6,500	\$6,500	\$6,500
Revenues Over Expenditures:	(\$10,755)	\$0	\$0	\$0
Fund Balance - Beginning:		(\$5,445)	(\$5,445)	\$0
Fund Balance - Ending:	(\$5,445)	(\$5,445)	(\$5,445)	\$0
COURT SECURITY				
Total Revenues:	\$4,997	\$5,000	\$5,000	\$5,000
Total Expenditures:	\$1,379	\$5,000	\$5,000	\$5,000
Revenues Over Expenditures:	\$3,618	\$0	\$0	\$0
Fund Balance - Beginning:		\$28,813	\$28,813	\$28,813
Fund Balance - Ending:	\$28,813	\$28,813	\$28,813	\$28,813
UNITY DONATION FUND				
Total Revenues:	\$2,395	\$19,975	\$14,700	\$19,975
Total Expenditures:	\$1,489	\$19,975	\$16,293	\$19,975
Revenues Over Expenditures:	\$906	\$0	(\$1,593)	\$0
Fund Balance - Beginning:		\$10,896	\$10,896	\$9,303
Fund Balance - Ending:	\$10,896	\$10,896	\$9,303	\$9,303
EDC FUND				
Operating Revenues:	\$675,513	\$718,033	\$741,633	\$768,425
Non-Operating Revenues:	\$0	\$0	\$0	\$0
Total Revenues:	\$675,513	\$718,033	\$741,633	\$768,425
Operating Expenses:	\$324,564	\$565,033	\$541,744	\$380,960
Financing Programs:	\$286,647	\$153,000	\$294,002	\$387,465
Total Expenses	\$611,211	\$718,033	\$835,746	\$768,425
Revenues Over Expenses:	\$64,302	\$0	(\$94,113)	\$0
Cash Balance - Beginning:		\$1,637,793	\$1,637,793	\$1,543,680
Cash Balance - Ending:	\$1,637,793	\$1,637,793	\$1,543,680	\$1,543,680

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 account 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 2022 ADOPTED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
REVENUES:				
Operating Revenues:	7,623,587	7,589,672	7,865,364	8,234,512
Non-Operating Revenues:	534,793	839,505	839,505	830,121
Total Revenues:	\$8,158,381	\$8,429,177	\$8,704,869	\$9,064,633
EXPENDITURES:				
Operating Expenditures:	7,650,470	10,066,763	9,895,207	9,734,252
Non-Operating Expenditures:	415,881	0	0	0
Total Expenditures:	\$8,066,351	\$10,066,763	\$9,895,207	\$9,734,252
<i>Revenues Over Expenditures</i>	92,030	(1,637,586)	(1,190,338)	(669,619)
Fund Balance - Beginning		6,459,426	6,459,426	5,269,088
Fund Balance - Ending	\$6,459,426	\$4,821,840	\$5,269,088	\$4,599,468
Reserve Requirement (25%)		2,516,691	2,516,691	2,433,563
Excess/(Deficit)		2,305,149	2,752,397	2,165,905

**See detailed income statement on following pages*

Fiscal Year 2020-2021:

For fiscal year, 2021 revenues are projecting to be \$8,704,869, \$275,692 greater than the amended budget mainly due to a \$286,523 growth in the licenses and building permit division. A total of \$109,449 collected for the correctional center PILOT program that was not budget for in this fiscal year. Property taxes and sales taxes expected to meet budget expectations; however, these trends vary widely from year to year. Total service and use fees revenues expected to come in lower by \$60,562, because of civic center room cancellations caused by COVID-19, and damages that occurred to the facility during the winter storm in February of this year. Court revenues are projected \$275,362, lower than the amended budget by 17%. Other revenue is \$376,274 or 1% more than amended budget. Total interest revenue increased by 32% due to improvements in available cash. Fire and emergency services revenues expected to be \$14,535 lower than budgeted due to a decrease in billing and collection services. Non-operating revenues include \$35,000 in scheduled transfers that remain unchanged, and include the fourth and final reimbursement of \$171K from EDC related to the Earth Energy TDA grant.

Projected fiscal year 2021 expenditures total \$9,895,207, a savings of nearly \$447,248 of the amended budget. The amended budget includes carryovers and amendments to the original budget. Amendments or other adjustments include the following:

- A budget carryover of \$425,000 to assist in the engineering and design phase of a new fire station that will be located in front of the Grand Oaks subdivision. The construction phase of this facility will be funded from bond series 2021. The city will duplicate the design of the facility for the proposed fire station #3, ideally located near Fostoria and SH 105.
- Carryover of \$175,000 to increase capital outlay in the cemetery / parks division to support the costs of the new splash pad being constructed at Campbell Park. This project was originally put on hold due to the effects of COVID-19 in FY 20.
- A carryover of the remaining \$136,080 from FY 20 to increase the FY21 budgeted \$50,000 to total \$186,080. This was to cover the expenses for street resurfacing from FM 787 to Vine, Vine / Junction – from the railroad to N. San Jacinto.
- Carryover for library renovations, which will use the remaining \$20,237 from FY20 to complete the project.
- An amendment of \$621,000 was approved to support the salaries of the nine new full-time firefighter positions under the SAFER Grant awarded to the City. The SAFER Grant regulations allow paid-on-call, part-time, and to convert volunteer support to full-time.
- Amend the budget to include an allocation for electrical engineering services at the Sports Park related to electrical repairs caused by Hurricane Harvey in 2017. Increase the FY 21 budgeted allocation of \$88,000 in Sports Park professional services, and decrease Civic Center capital outlay by the same.
- Amendment of \$47,995 allocated to the emergency repairs needed to the north ramp at the airport.

The city will end with revenues under expenditures by \$1,190,338, greater than amended by \$447,248 since the fund intended a use \$1,637,586 of fund balance. However, final numbers will be more favorable substantially due to overlapping capital projects and remaining contingency by year-end. Fund balance at 9/30/2021 anticipated to be \$5,269,088. The general fund projected to end with \$2,752,397 in excess cash over the \$2,516,691 held as the reserve requirement.

Fiscal Year 2021-2022:

Fiscal year 2022 revenues total \$9,064,633 which is \$635,456 higher than the amended and \$359,764 higher than the 2021 projected due to tax collection growth once the pandemic is subjugate. Property tax is adjusted over the amended with a (0.005) reduction in the total rate approved at 0.7550 per \$100 valuation for the adopted budget. Council approved an (0.0001) increase in the Maintenance & Operating (M&O) bringing the rate to \$0.5029 from fiscal year 2021 adopted rate of \$.5028. Total sales taxes collected after transfers to EDC are \$3,793,125, a gain of \$178,958 or 5% from fiscal year 2021 projections. Improvements of collections include changes to the law on online orders by shipping/delivery location, or the location at which the customer takes possession of the item. In addition, the Quick Trip travel center will be opening bringing additional collections from highway convenience. Licenses & Permits at a total of \$501,613, due to the new development occurring throughout the City. Uses of fees proposes a total of \$166,215, a 95.7% increase from last year due to Civic Center operations. Civic Center experience unexpected renovations due to the winter storm in February. Court revenue at \$321,050, a 16.6% increase from FY 2021 due to COVID-19 restrictions lifted.

Non-operating revenues of \$830,121 take account of limited transfers from Water/Sewer so the proprietary fund can support W/S related capital programs. This year includes a \$35,000 transfer in for information technology services. Included in non-operating is \$12,400 designated as grant entitlements, mainly TXDOT Airport Ramp funding and \$782,721 pertain to the Staffing for Adequate Fire and Emergency (SAFER) Grant funding awarded in 2020. The purpose of the SAFER Grant program is to provide funding directly to fire departments and volunteer firefighter interest organizations to assist in increasing the number of firefighters to help communities meet minimum standards and attain 24-hour staffing to provide adequate protection.

Total expenditures are \$9,734,252 a \$160,955 decrease from the 2021 projected. It should be noted that the proposed budget was submitted as balanced. The final budget presented for adoption included a use in retained cash of \$669,619 to fund numerous items from the supplemental list. 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 \$4,599,469, of which \$2,165,906 is considered excess cash over the reserve requirement with the current non-recurring of \$1,103,779 secured under the reserve calculation.

The \$1,103,779 in non-recurring, the extraordinary or one-time expenses the city does not expect to continue over time are adopted as the following:

- A new ticket writing system eases compliance for court and police, at a onetime cost of \$23,044. As of now, ticket writing is process by hand, with the new system the process will be done electronically and more efficiently.
- The police department is to replace the high mileage vehicles with two SUV units for transportation during patrols and to enable police to respond to incidents. Typical uses of a police care include transporting officers so they can reach the scene of an incident quickly, transporting and temporarily detaining suspects in the back seats, as a location to use their police radio or laptop or to patrol an area, all while providing a visible deterrent of crime.
- An allocation of additional funds of \$500,000 for a large police evidence room of approximately 3,000 square feet to help secure areas used to store seized property, stolen property, and evidence to be used in court. A carryover for capital outlay which will use the remaining \$100,000 from FY 21 to fund total project of \$600,000.
- A new generator for the police department approved in the amount of \$150,000 to replace the original generator installed at the facility. In order to respond to any emergencies called in during grid failure, police stations must be equipped with a reliable industrial generator to power utilities and maintain communication for the continuance of operations. The new generator will supply power for the entire facility needs.
- An allocation of \$15,870 to upgrade fire department software due to the current used software being obsolete. The upgrade is moving the software from old server to a cloud based server to allow the fire department to be able to do reports at the scene of an accident. The update comes with new modules that are included to maintain current with the fire department reporting standards.
- Additional funding for Street Resurfacing of \$88,865 to keep the streets in good condition for all users to ensure smoother and longer lasting streets to support the city's transportation. Street surfaces must be routinely maintained, renewed and resurfaced to extend the life of the pavement by applying a proper treatment type at different stages of the pavement life.
- Final changes to the budget included \$100,000 for Campbell Park rehab and \$60,000 for park equipment. Christmas Decorations at \$20,000. Apron Hangar – Stephens's agreement at \$56,000.

The adopted recurring items are expansions of the normal, ongoing expenses required for operating the city and delivering additional services over the long-term include the following:

- A 5% merit increase to all employees across the board and salary adjustment to different positions to bring their pay to standards with the increase of cost of living.
- Health insurance increase of (5.5%). However, employees will not share the cost associated with the increase in health insurance. Council approved for the city to use funds from fund balance for the insurance increase.
- The ticket writing system as mentioned above will have an annual software and equipment cost of \$13,500.
- The police department typically has expanded the force by an additional officer each year; this did not happen last fiscal year due to the unknown effects of COVID-19. This year includes two positions starting at the first of the fiscal year and additional funds to convert current part-time CID Clerk to full-time employee.
- Fire department additional \$7,000 for medical exams, as the state is requiring additional exams for firefighters to do annually.
- Additional allocation of \$7,000 for citywide events. Tyler Technologies AMR recurring cost for program at \$2,800. Contract mowing services for the Cleveland Airport at \$10,600.

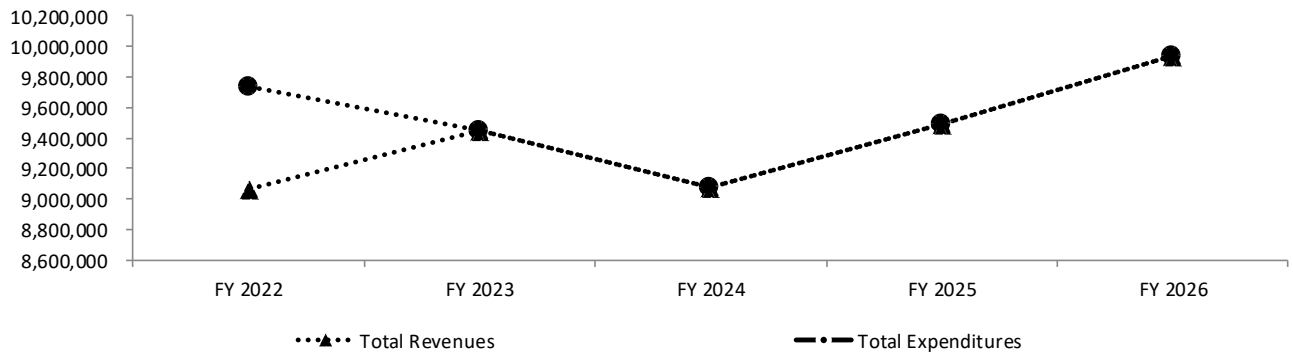
The following is the adopted supplemental items, the additions to regular or continuing appropriations already provided in the prior year or years that are allocated in the general fund:

	Recurring	Non-recurring	Total
Salary (COLA 5%)	\$215,150		\$215,150
Salary Adjustment	\$90,020		\$90,020
Health Insurance (~ 5.5%)	\$36,340		\$36,340
Ticket Writing System	\$13,500	\$23,044	\$36,544
Additional Positions:			
Patrol Officer	\$71,232		\$71,232
Corporal Officer	\$84,152		\$84,152
CID Clerk (P/T to F/T - Mid Year)	\$25,249		\$25,249
SUV Patrol Vehicle (1)		\$45,000	\$45,000
SUV Patrol Vehicle (2)		\$45,000	\$45,000
Large Police Evidence Building		\$500,000	\$500,000
Generator Police Facility		\$150,000	\$150,000
Street Resurfacing		\$88,865	\$88,865
Medical Services	\$7,000		\$7,000
Campbell Park Rehab		\$100,000	\$100,000
Park Equipment		\$60,000	\$60,000
Christmas Decoration		\$20,000	\$20,000
Fire Department Software		\$15,870	\$15,870
Contract Mowing Services - Airport	\$10,600		\$10,600
Tyler Technology - AMR Project	\$2,800		\$2,800
Events (Additional)	\$7,000		\$7,000
Apron Hangar - Stephens Agreement		\$56,000	\$56,000
Total General Fund <u>Adopted</u> Supplemental	\$563,043	\$1,103,779	\$1,666,822

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 2023 through 2026. Projecting property taxes, sales tax, license and permits to increase by 5% each year. Fiscal year 2024 indicates a reduction due to the SAFER Grant program funds exhausting at the end of fiscal year 2023. 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 2022 ADOPTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED
Operating Revenues:	8,234,512	\$8,619,124	\$9,022,244	\$9,444,777	\$9,887,673
Non-Operating Revenues:	830,121	832,721	50,000	50,000	50,000
Total Revenues:	9,064,633	\$9,451,845	\$9,072,244	\$9,494,777	\$9,937,673
Operating Expenditures:	9,734,252	\$8,824,742	\$8,600,124	\$8,771,702	\$8,946,707
Total Non-Operating:	0	627,103	472,120	723,075	990,966
Total Expenditures	9,734,252	\$9,451,845	\$9,072,244	\$9,494,777	\$9,937,673
<i>Revenues Over Expenditures:</i>	<i>(669,619)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Fund Balance - Beginning	5,269,088	4,599,468	4,599,468	4,599,468	4,599,469
Fund Balance - Ending:	4,599,468	\$4,599,468	\$4,599,468	\$4,599,469	\$4,599,468



GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
REVENUES:				
Property Taxes	2,265,544	2,265,887	2,265,887	2,321,758
Sales Taxes	3,294,717	3,613,954	3,614,167	3,793,125
Franchise Taxes	484,803	489,114	490,056	491,629
Other Taxes	113,077	4,300	113,938	113,938
Licenses & Permits	286,405	215,090	501,613	501,613
Use Fees	80,704	145,495	84,933	166,215
Court Revenue	250,925	330,457	275,362	321,050
Police Revenue	2,671	2,160	2,360	2,360
Other Revenue	646,039	374,130	376,274	376,274
Interest	83,475	19,550	25,774	28,550
Emergency Services Revenue	115,228	129,535	115,000	118,000
Operating Revenues:	7,623,587	7,589,672	7,865,364	8,234,512
Grants / Other Sources	344,793	633,400	633,400	795,121
Non-Operating Transfers	190,000	206,105	206,105	35,000
Non-Operating Revenues:	534,793	839,505	839,505	830,121
Total Revenues:	\$8,158,381	\$8,429,177	\$8,704,869	\$9,064,633
EXPENDITURES:				
City Council	25,891	47,600	29,667	41,600
Administration	1,045,839	1,080,906	1,095,824	1,115,080
Civic/Community	296,591	282,634	258,277	270,135
Municipal Court	216,040	273,840	262,268	291,064
Technology	376,719	396,300	402,231	406,501
Police	2,576,066	2,869,170	2,834,620	3,793,950
Animal Control	42,156	59,350	55,900	69,108
Development Services	293,774	350,595	317,444	330,927
Street Department	604,973	692,160	683,160	716,462
Airport Department	100,649	261,849	283,591	169,300
Garage Department	8,983	112,200	111,600	11,850
Library Department	579,664	438,972	461,398	444,322
Cemetery/Parks	419,698	747,380	744,780	665,602
Sports Park	122,489	113,850	28,650	29,150
Fire Department	907,154	2,304,230	2,290,070	1,347,371
Emergency Management	33,783	35,727	35,727	31,830
Operating Expenditures:	7,650,470	10,066,763	9,895,207	9,734,252
Grants / Other Sources	415,881	0	0	0
Non-Operating Expenditures:	415,881	0	0	0
Total Expenditures:	\$8,066,351	\$10,066,763	\$9,895,207	\$9,734,252
<i>Revenues Over Expenditures</i>	92,030	(1,637,586)	(1,190,338)	(669,619)
Fund Balance - Beginning	6,362,501	6,459,426	6,459,426	5,269,088
Fund Balance - Ending	\$6,459,426	4,821,840	5,269,088	4,599,468
Reserve Requirement (25%)		2,516,691	2,516,691	2,433,563
Excess/(Deficit)		2,305,149	2,752,397	2,165,905

GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
Revenues					
<u>Property Taxes</u>					
100-4000-01-0801	Current Taxes	2,155,677	2,125,887	2,125,887	2,181,758
100-4000-01-0802	Delinquent Taxes	52,038	75,000	75,000	75,000
100-4000-01-0803	P & I / Attorney Fees	57,829	65,000	65,000	65,000
	Total Property Taxes	2,265,544	2,265,887	2,265,887	2,321,758
<u>Sales Taxes</u>					
100-4000-02-0807	Sales Tax	3,912,544	4,295,000	4,295,000	4,509,750
100-4000-02-0808	EDC Transfers	(652,091)	(715,833)	(715,833)	(751,625)
100-4000-02-0809	Mixed Beverage Tax	34,264	34,787	35,000	35,000
	Total Sales Taxes	3,294,717	3,613,954	3,614,167	3,793,125
<u>Franchise Taxes</u>					
100-4000-03-0811	Entergy	319,776	324,000	324,000	324,000
100-4000-03-0812	Telephone	14,336	14,600	14,000	14,000
100-4000-03-0813	Cable Franchise (New Wave)	11,513	12,000	12,000	12,000
100-4000-03-0814	CenterPoint Entex	32,752	32,752	32,752	32,752
100-4000-03-0815	Waste Mgmt. Franchise Fee	28,960	28,662	28,662	28,662
100-4000-03-8016	Street Fee For Paving	77,466	77,100	78,642	80,215
	Total Franchise Taxes	484,803	489,114	490,056	491,629
<u>PILOT</u>					
100-4000-04-0815	Correctional Center PILOT	108,777	0	109,449	109,449
100-4000-04-0816	Housing Authority PILOT	4,300	4,300	4,489	4,489
	Total PILOT	113,077	4,300	113,938	113,938
<u>Licenses & Permits</u>					
100-4000-05-0822	Occupational License	540	2,000	2,000	2,000
100-4000-05-0823	Elect. Permits/Inspections	13,793	10,000	23,503	23,503
100-4000-05-0824	Building Permits	252,317	190,000	440,000	440,000
100-4000-05-0825	Plumbing/Gas Permits	18,475	12,500	33,960	33,960
100-4000-05-0826	Zoning/BA Fees	1,000	400	2,000	2,000
100-4000-05-0830	Plat Review Fees	150	0	50	50
100-4000-05-0865	Library Cards	50	190	100	100
100-4000-05-0895.	Over / (Short)	81	0	0	0
	Total Licenses & Permits	286,405	215,090	501,613	501,613
<u>Service & Use Fees</u>					
100-4000-06-0860	Civic Center-Room Rental	27,374	69,000	13,333	80,000
100-4000-06-0861	Forfeited Deposits-Civic Center	135	1,600	200	16,000
100-4000-06-0862	Cemetery Income	32,134	31,000	40,000	28,000
100-4000-06-0864	Library Services/Fees	3,324	8,700	3,300	7,600
100-4000-06-0865	Stancil Park	11,313	22,400	20,000	22,000
100-4000-06-0890	Lost/Damaged Charges	161	280	100	100
100-4000-06-0891	Library Copies	6,264	12,515	8,000	12,515
	Total Service & Use Fees	80,704	145,495	84,933	166,215
<u>Court Revenue</u>					
100-4000-07-0881	Traffic/Criminal Fees	208,968	275,000	233,312	275,000
100-4000-07-0882	Warrant Officer Income	40,388	50,753	40,000	44,000
100-4000-07-0883	Court Short/Over	50	0	0	0
100-4000-07-0884	Court Serv. Fees-State	1,161	4,129	1,800	1,800
100-4000-07-0887	Juvenile Failure To Attend	360	575	250	250
	Total Court Revenue	250,925	330,457	275,362	321,050

**GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Police Revenue</u>					
100-4000-08-0887	Police Misc. Income	2,291	2,120	2,120	2,120
100-4000-08-0887.	Animal Control Fees	380	40	40	40
100-4000-08-0887.	Police Donations	0	0	200	200
	Total Police Revenue	2,671	2,160	2,360	2,360
<u>Other Revenue</u>					
100-4000-09-0816	Fire Dept. Grant Expenses	40	100	100	100
100-4000-09-0822	Drilling-New Century Exp.	0	394	394	394
100-4000-09-0850	Proceeds From Insurance	196,865	43,900	43,900	43,900
100-4000-09-0861	Airport	289,370	282,064	282,064	282,064
100-4000-09-0866	Library Memorial Donations	1,575	516	516	516
100-4000-09-0867	Library Misc. Donation	269	300	300	300
100-4000-09-0872	Reimb For Civic Ctr Exp (Hot\$)	15,000	30,000	30,000	30,000
100-4000-09-0887	Demolition/Cleanup Reimburse.	9,280	1,856	4,000	4,000
100-4000-09-0889	FEMA Reimbursement	66,391	0	0	0
100-4000-09-0890	Legal Reimbursement	40,000	0	0	0
100-4000-09-0895	Miscellaneous	15,161	10,000	10,000	10,000
100-4000-09-0899	Sale of Assets	9,025	5,000	5,000	5,000
	Total Other Revenue	646,039	374,130	376,274	376,274
<u>Interest</u>					
100-4000-10-0894	Interest	77,013	11,000	17,424	20,000
100-4000-10-0900	Credit Card Fees - Court	4,868	6,100	6,100	6,100
100-4000-10-0900	Credit Card Fees - Dev Serv.	1,053	1,500	1,500	1,500
100-4000-10-0900	Credit Card Fees - Civic Ctr.	256	450	250	450
100-4000-10-0900	Credit Card Fees – Lib.	285	500	500	500
	Total Interest	83,475	19,550	25,774	28,550
<u>Grants</u>					
100-4000-13-0892	Airport Grant & R.A.M.P.	10,187	10,000	10,000	10,000
100-4000-13-0901	Library Grants	1,818	2,400	2,400	2,400
100-4000-13-0909	CDBG Sidewalk 082	208,851	0	0	0
100-4000-13-0910	GLO-Harvey Gen/Drainage	29,117	0	0	0
100-4000-13-0911	CARES Act	94,820	0	0	0
100-4000-13-0912	SAFER Grant	0	621,000	621,000	782,721
	Total Grants	344,793	633,400	633,400	795,121
<u>Emergency Services</u>					
100-4000-14-0880	Liberty County Fire Runs	91,000	89,000	89,000	89,000
100-4000-14-0895	Billing & Collection Fee	24,228	40,535	26,000	29,000
	Total Emergency Services	115,228	129,535	115,000	118,000
<u>Non-Operating</u>					
100-4000-99-0900	Transfers In	35,000	35,000	35,000	35,000
100-4000-99-0907	Other Financing Sources	155,000	171,105	171,105	0
	Total Non-Operating	190,000	206,105	206,105	35,000
	TOTAL REVENUES:	8,158,381	8,429,177	8,704,869	9,064,633

**GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>City Council</u>					
<u>Salaries & Benefits</u>					
100-5110-01-1010	Salaries	2,050	2,100	2,100	2,100
	Total Salaries & Benefits	2,050	2,100	2,100	2,100
<u>Professional Services</u>					
100-5110-02-2090	Other Professional Services	3,706	7,500	3,000	5,000
	Total Professional Services	3,706	7,500	3,000	5,000
<u>Other Services</u>					
100-5110-04-2720	Advertising	5,459	7,000	7,000	7,000
100-5110-04-2750	Dues & Membership	437	500	437	500
100-5110-04-2830	Seminars & Schools	7,812	14,000	7,000	14,000
	Total Other Services	13,708	21,500	14,437	21,500
<u>Supplies</u>					
100-5110-05-3030	Meeting Expenses	920	2,500	1,500	2,000
100-5110-05-3100	Other Operating Supplies	5,481	3,000	4,500	4,500
	Total Supplies	6,401	5,500	6,000	6,500
<u>Other Expenditures</u>					
100-5110-06-5060	Election Expenses	25	11,000	4,130	6,500
	Total Other Expenditures	25	11,000	4,130	6,500
	Total City Council:	25,891	47,600	29,667	41,600

GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
Administration					
<u>Salaries & Benefits</u>					
100-5112-01-1010	Salaries	446,372	459,840	459,840	461,250
100-5112-01-1011	Overtime	3,904	1,500	10,000	5,000
100-5112-01-1015	Car Allowance	5,192	5,000	5,000	5,000
100-5112-01-1020	Group Insurance	41,696	48,780	48,780	48,710
100-5112-01-1030	Social Security Contribution	30,334	35,670	35,670	36,050
100-5112-01-1040	Retirement Contribution	47,366	50,410	50,410	49,820
100-5112-01-1050	Unemployment Compensation	1,102	1,620	1,620	1,620
100-5112-01-1060	Worker's Compensation	1,147	2,070	2,070	1,990
100-5112-01-1080	Medical Exams	283	0	0	0
	Total Salaries & Benefits	577,396	604,890	613,390	609,440
<u>Professional Services</u>					
100-5112-02-2010	Legal/General	88,259	90,000	124,401	125,000
100-5112-02-2040	Accounting/Audit	45,000	55,000	30,000	30,000
100-5112-02-2070	Health Dept. Retainer	900	900	900	900
100-5112-02-2075	ADP Processing Fees	29,438	32,000	32,600	35,300
100-5112-02-2089	Ambulance Contract	45,000	45,000	45,000	45,000
100-5112-02-2090	Other Professional Services	68,212	25,000	30,000	25,000
	Total Professional Services	276,809	247,900	262,901	261,200
<u>Property Services</u>					
100-5112-03-2220	Electricity	14,607	16,000	16,000	16,000
100-5112-03-2430	Facilities Maintenance	22,982	27,000	36,000	36,000
	Total Property Services	37,588	43,000	52,000	52,000
<u>Other Services</u>					
100-5112-04-2115	Senior Citizens Gas/Repair	3,552	5,000	5,000	5,000
100-5112-04-2130	Brazos Transit	14,776	15,500	15,501	15,501
100-5112-04-2700	Property Insurance	10,447	12,000	10,500	11,000
100-5112-04-2720	Advertising	3,205	1,200	3,000	3,000
100-5112-04-2730	Printing & Binding	795	500	714	750
100-5112-04-2750	Dues & Membership	5,331	5,200	6,280	5,430
100-5112-04-2770	Liberty Tax Assessor	1,702	1,736	1,758	1,800
100-5112-04-2780	Liberty CAD	79,844	85,180	85,180	90,459
100-5112-04-2830	Seminars & Schools	9,810	17,200	3,000	17,200
	Total Other Services	129,462	143,516	130,933	150,140
<u>Supplies</u>					
100-5112-05-3010	Office	4,684	5,500	3,500	5,500
100-5112-05-3020	Books & Periodicals	125	300	100	100
100-5112-05-3030	Employee Relations	2,307	2,400	1,300	3,000
100-5112-05-3100	Other Operating Supplies	4,002	3,500	4,000	4,000
100-5112-05-3110	Copier Expense	8,298	9,500	7,000	7,000
100-5112-05-3115	Janitorial Supplies	1,881	1,700	1,200	1,200
100-5112-05-3130	Postage	2,667	2,700	4,000	4,000
	Total Supplies	23,964	25,600	21,100	24,800
<u>Other Expenditures</u>					
100-5112-06-5060	Furniture/Fixtures	620	1,000	500	2,500
100-5112-06-5095	Contingency	0	15,000	15,000	15,000
	Total Other Expenditures	620	16,000	15,500	17,500
	Total Administration:	1,045,839	1,080,906	1,095,824	1,115,080

GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Civic / Community</u>					
<u>Salaries & Benefits</u>					
100-5113-01-1010	Salaries	83,795	117,050	117,050	117,930
100-5113-01-1011	Overtime	2,439	1,080	1,080	1,080
100-5113-01-1020	Group Insurance	16,705	26,890	26,890	26,935
100-5113-01-1030	Social Security Contribution	5,675	9,120	9,120	9,090
100-5113-01-1040	Retirement Contribution	9,486	12,480	12,480	12,580
100-5113-01-1050	Unemployment Contribution	358	620	620	620
100-5113-01-1060	Worker's Compensation	2,238	2,120	2,120	2,140
	Total Salaries & Benefits	120,694	169,360	169,360	170,375
<u>Professional Services</u>					
100-5113-02-2090	Other Professional Services	753	0	753	0
	Total Professional Services	753	0	753	0
<u>Property Services</u>					
100-5113-03-2220	Electricity	28,357	36,000	36,000	36,000
100-5113-03-2430	Facilities Maintenance	19,723	20,000	5,000	20,000
	Total Property Services	48,080	56,000	41,000	56,000
<u>Other Services</u>					
100-5113-04-2110	Marketing/Promotion	965	2,500	500	2,500
100-5113-04-2700	Property Insurance	12,841	11,760	13,000	13,250
100-5113-04-2720	Advertising	150	0	0	0
100-5113-04-2730	Printing & Binding	0	0	714	750
100-5113-04-2750	Dues & Membership	14	0	0	0
100-5113-04-2830	Seminars & Schools	0	1,500	0	1,500
100-5113-04-9900	Credit Card Fees	1,245	1,704	1,200	2,000
	Total Other Services	15,214	17,464	15,414	20,000
<u>Supplies</u>					
100-5113-05-3010	Office Supplies	565	1,600	500	1,700
100-5113-05-3030	Employee Relations	250	400	250	250
100-5113-05-3100	Other Operating Supplies	1,392	1,200	500	1,200
100-5113-05-3110	Copier Expense	3,382	5,610	2,500	5,610
100-5113-05-3115	Janitorial Supplies	2,456	3,500	1,500	3,500
100-5113-05-3120	Uniform Expense	0	1,500	500	500
100-5113-05-3130	Postage	1,000	1,000	1,000	1,000
	Total Supplies	9,045	14,810	6,750	13,760
<u>Other Expenditures</u>					
100-5113-06-5090	Events	1,798	3,000	3,000	10,000
	Total Other Expenditures	1,798	3,000	3,000	10,000
<u>Capital Outlay</u>					
100-5113-17-5090	Other Capital Outlay	101,006	22,000	22,000	0
	Total Capital Outlay	101,006	22,000	22,000	0
	Total Civic/Community:	296,591	282,634	258,277	270,135

GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Municipal Court</u>					
<u>Salaries & Benefits</u>					
100-5114-01-1010	Salaries	138,869	150,710	150,710	142,940
100-5114-01-1011	Overtime	2,650	5,000	5,000	5,000
100-5114-01-1020	Group Insurance	14,987	21,720	21,720	38,699
100-5114-01-1030	Social Security Contribution	9,408	11,910	11,910	11,310
100-5114-01-1040	Retirement Contribution	11,096	16,530	16,530	15,330
100-5114-01-1050	Unemployment Compensation	447	890	890	890
100-5114-01-1060	Worker's Compensation	263	2,530	2,530	2,500
100-5114-01-1080	Medical Exams	300	0	0	0
	Total Salaries & Benefits	178,019	209,290	209,290	216,669
<u>Professional Services</u>					
100-5114-02-2120	Legal - Court Services	3,125	5,500	4,000	4,000
100-5114-02-2180	Inmate Expenses	16,815	32,000	20,000	20,000
	Total Professional Services	19,940	37,500	24,000	24,000
<u>Property Services</u>					
100-5114-03-2430	Facilities Maintenance	828	1,200	1,400	3,000
	Total Property Services	828	1,200	1,400	3,000
<u>Other Services</u>					
100-5114-04-2700	Property Insurance	3,661	4,200	3,628	3,701
100-5114-04-2730	Printing & Binding	270	1,500	1,500	1,500
100-5114-04-2750	Dues & Membership	(105)	2,000	2,000	2,000
100-5114-04-2800	Jury Costs	0	150	150	150
100-5114-04-2830	Seminars & Schools	1,851	3,500	2,500	3,000
100-5114-04-9900	Credit Card Fees	3,690	4,400	4,000	4,400
	Total Other Services	9,367	15,750	13,778	14,751
<u>Supplies</u>					
100-5114-05-3010	Office	1,112	1,200	1,200	1,200
100-5114-05-3020	Books & Periodicals	158	200	200	200
100-5114-05-3030	Employee Relations	300	400	300	400
100-5114-05-3100	Other Operating Supplies	1,036	1,100	1,100	1,100
100-5114-05-3110	Copier Expense	2,179	3,200	2,500	2,500
100-5114-05-3130	Postage	2,122	2,500	2,500	2,700
	Total Supplies	6,907	8,600	7,800	8,100
<u>Other Expenditures</u>					
100-5114-06-5060	Furniture/Fixtures	0	0	4,500	0
100-5114-06-5070	Office Equipment	979	1,500	1,500	1,500
	Total Other Expenditures	979	1,500	6,000	1,500
<u>Capital Outlay</u>					
100-5114-17-5090	Other Capital Outlay	0	0	0	23,044
	Total Capital Outlay	0	0	0	23,044
	Total Municipal Court:	216,040	273,840	262,268	291,064

GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Information Technology</u>					
<u>Professional Services</u>					
100-5115-02-2090	NSD - Contract Services	63,552	90,000	90,000	58,500
100-5115-02-2112	Software Licenses Admin	60,821	55,000	55,000	58,100
100-5115-02-2114	Software Licenses Court	5,983	2,500	6,300	6,300
100-5115-02-2120	Software Licenses Police	25,033	40,000	45,000	58,500
100-5115-02-2123	Development Services Dev. Serv.	3,557	2,500	2,531	2,531
100-5115-02-2160	Software Licenses Library	33,459	30,000	31,100	31,100
100-5115-02-2170	Software Licenses Fire	600	2,500	2,500	16,870
100-5115-02-2310	Software Licenses Water Admin	25,018	12,000	8,000	12,800
	Total Professional Services	218,023	234,500	240,431	244,701
<u>Other Services</u>					
100-5115-04-2310	Telephone/Internet Water Adm	7,307	6,900	6,900	6,900
100-5115-04-2330	Telephone/Internet Water Prod.	33,467	23,000	23,000	23,000
100-5115-04-2350	Telephone/Internet Sewer	5,607	3,300	3,300	3,300
100-5115-04-2710	Telephone/Internet-Council	2,888	2,900	2,900	2,900
100-5115-04-2712	Telephone/Internet Admin	11,362	11,000	11,000	11,000
100-5115-04-2713	Telephone/Internet Civic	4,869	4,600	4,600	4,600
100-5115-04-2714	Telephone/Internet Court	2,734	3,000	3,000	3,000
100-5115-04-2720	Telephone/Internet Police	38,640	33,000	33,000	33,000
100-5115-04-2722	Telephone/Internet Animal	479	500	500	500
100-5115-04-2723	Telephone/Internet Develop	4,416	4,600	4,600	4,600
100-5115-04-2730	Telephone/Internet Street	5,495	5,100	5,100	5,100
100-5115-04-2740	Telephone/Internet Garage	408	400	400	400
100-5115-04-2760	Telephone/Internet Library	10,789	15,000	15,000	15,000
100-5115-04-2761	Telephone/Internet Parks	2,077	2,000	2,000	2,000
100-5115-04-2770	Telephone/Internet EDC	6,123	6,000	6,000	6,000
	Total Other Services	136,660	121,300	121,300	121,300
<u>Supplies</u>					
100-5115-05-3100	Other Operating Supplies	1,520	0	0	0
	Total Supplies	1,520	0	0	0
<u>Other Expenditures</u>					
100-5115-06-5065	Computer Equipment/Software	4,121	18,000	18,000	18,000
100-5115-06-5123	Supplies Dev. Service	1,935	2,000	2,000	2,000
100-5115-06-5160	Supplies - Library	2,600	2,000	2,000	2,000
100-5115-06-5212	Supplies/Admin	2,634	2,500	2,500	2,500
100-5115-06-5214	Computer Supplies Court	73	2,000	2,000	2,000
100-5115-06-5215	Supplies Security	0	2,000	2,000	2,000
100-5115-06-5220	Supplies Police	6,404	6,000	6,000	6,000
100-5115-06-5230	Supplies Street	0	2,000	2,000	2,000
100-5115-06-5270	Computer Supplies Fire	2,462	2,000	2,000	2,000
100-5115-06-5310	Supplies Water Admin	286	2,000	2,000	2,000
	Total Other Expenditures	20,516	40,500	40,500	40,500
	Total Information Technology:	376,719	396,300	402,231	406,501

GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Police Department</u>					
<u>Salaries & Benefits</u>					
100-5120-01-1010	Salaries	1,578,535	1,675,430	1,675,430	1,910,544
100-5120-01-1011	Overtime	83,803	75,000	75,000	75,000
100-5120-01-1020	Group Insurance	276,544	294,270	294,270	376,837
100-5120-01-1030	Social Security Contribution	108,714	133,900	133,900	152,819
100-5120-01-1040	Retirement Contribution	174,577	187,410	187,410	209,636
100-5120-01-1050	Unemployment Compensation	5,075	7,250	7,250	7,664
100-5120-01-1060	Worker's Compensation	27,444	58,310	58,310	63,550
100-5120-01-1080	Medical Exams	2,057	0	0	0
	Total Salaries & Benefits	2,256,748	2,431,570	2,431,570	2,796,050
<u>Professional Services</u>					
100-5120-02-2090	Other Professional Services	6,905	7,000	7,000	7,000
100-5120-02-2100	Mobile Data Service	17,840	20,000	18,000	20,000
100-5120-02-2180	Inmate Expenses	4,444	6,000	6,000	6,000
	Total Professional Services	29,189	33,000	31,000	33,000
<u>Property Services</u>					
100-5120-03-2210	Natural Gas	708	1,200	1,200	1,200
100-5120-03-2220	Electricity	15,779	19,000	17,000	19,000
100-5120-03-2410	Motor Vehicle Repair	32,889	42,500	25,000	40,000
100-5120-03-2420	Equipment Repair	532	1,000	1,000	1,000
100-5120-03-2430	Facilities Maintenance	18,328	22,000	22,000	22,000
	Total Property Services	68,236	85,700	66,200	83,200
<u>Other Services</u>					
100-5120-04-2700	Property Insurance	29,078	30,000	28,000	30,000
100-5120-04-2720	Advertising	239	500	500	500
100-5120-04-2750	Dues & Membership	240	500	700	500
100-5120-04-2830	Seminars & Schools	9,902	12,000	12,000	12,000
	Total Other Services	39,458	43,000	41,200	43,000
<u>Supplies</u>					
100-5120-05-3010	Office	5,971	7,000	5,750	7,000
100-5120-05-3020	Books & Periodicals	0	500	500	500
100-5120-05-3030	Employee Relations	3,100	4,200	3,100	4,400
100-5120-05-3040	Gasoline/Diesel	37,110	55,000	50,000	55,000
100-5120-05-3050	Oil/Lube	2,684	4,000	3,000	3,000
100-5120-05-3080	Uniform Expense	9,610	10,000	10,000	10,000
100-5120-05-3100	Other Operating Supplies	4,687	6,500	6,500	6,500
100-5120-05-3110	Copier Expense	8,864	8,500	5,500	5,500
100-5120-05-3130	Postage	1,871	1,700	1,800	1,800
	Total Supplies	73,897	97,400	86,150	93,700
<u>Detective</u>					
100-5120-16-2190	Undercover	767	1,000	1,000	1,000
100-5120-16-3160	Fingerprint/Invest. Supplies	837	1,500	1,500	1,500
100-5120-16-3170	Range Supplies	1,198	2,500	2,500	2,500
	Total Detective	2,802	5,000	5,000	5,000
<u>Other Expenditures</u>					
100-5120-06-5050	Vehicle	105,736	42,500	42,500	90,000
	Total Other Expenditures	105,736	42,500	42,500	90,000
<u>Capital Outlay</u>					
100-5120-17-5090	Other Capital Outlay	0	131,000	131,000	650,000
	Total Capital Outlay	0	131,000	131,000	650,000
	Total Police:	2,576,066	2,869,170	2,834,620	3,793,950

GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Animal Control</u>					
<u>Salaries & Benefits</u>					
100-5122-01-1010	Salaries	20,638	30,060	30,060	33,220
100-5122-01-1011	Overtime	768	2,500	2,500	2,500
100-5122-01-1020	Group Insurance	5,248	190	190	7,828
100-5122-01-1030	Social Security Contribution	1,417	2,490	2,490	2,730
100-5122-01-1040	Retirement Contribution	2,283	3,520	3,520	3,780
100-5122-01-1050	Unemployment Compensation	144	210	210	210
100-5122-01-1060	Worker's Compensation	1,142	1,980	1,980	2,040
100-5122-01-1080	Medical Exams	146	0	0	0
	Total Salaries & Benefits	31,785	40,950	40,950	52,308
<u>Professional Services</u>					
100-5122-02-2140	Veterinarian Expenses	0	2,200	1,000	2,200
	Total Professional Services	0	2,200	1,000	2,200
<u>Property Services</u>					
100-5122-03-2220	Electricity	3,500	4,200	3,500	3,500
100-5122-03-2410	Motor Vehicle Repair	992	2,000	1,000	2,000
100-5122-03-2420	Equipment Repair	0	100	100	100
100-5122-03-2430	Facilities Maintenance	2,313	2,500	3,000	2,500
	Total Property Services	6,806	8,800	7,600	8,100
<u>Other Services</u>					
100-5122-04-2700	Property Insurance	217	650	200	250
100-5122-04-2830	Seminars & Schools	0	300	300	300
	Total Other Services	217	950	500	550
<u>Supplies</u>					
100-5122-05-3010	Office	0	250	250	250
100-5122-05-3030	Employee Relations	0	100	100	100
100-5122-05-3040	Gasoline/Diesel	967	2,500	2,000	2,100
100-5122-05-3050	Oil/Lube	36	300	200	200
100-5122-05-3080	Uniform Expense	112	300	300	300
100-5122-05-3100	Other Operating Supplies	2,233	3,000	3,000	3,000
	Total Supplies	3,349	6,450	5,850	5,950
	Total Animal Control:	42,156	59,350	55,900	69,108

GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Development Services</u>					
<u>Salaries & Benefits</u>					
100-5123-01-1010	Salaries	134,716	202,440	202,440	103,300
100-5123-01-1011	Overtime	5,715	1,000	1,000	1,000
100-5123-01-1020	Group Insurance	20,777	35,290	35,290	24,835
100-5123-01-1030	Social Security Contribution	9,409	15,570	15,570	7,955
100-5123-01-1040	Retirement Contribution	15,595	21,990	21,990	11,017
100-5123-01-1050	Unemployment Compensation	432	830	830	620
100-5123-01-1060	Worker's Compensation	1,527	1,810	1,810	1,130
	Total Salaries & Benefits	188,313	278,930	278,930	149,857
<u>Professional Services</u>					
100-5123-02-2050	Junk Vehicles	234	600	600	600
100-5123-02-2055	Filing Fees	130	2,500	500	1,000
100-5123-02-2090	Other Professional Services	65,500	15,000	15,000	123,170
100-5123-02-2100	Demolition/Cleanup	27,380	25,000	3,000	30,000
	Total Professional Services	93,244	43,100	19,100	154,770
<u>Property Services</u>					
100-5123-03-2410	Motor Vehicle Repair	1,282	2,000	1,600	1,600
	Total Property Services	1,282	2,000	1,600	1,600
<u>Other Services</u>					
100-5123-04-2700	Property Insurance	436	815	1,500	1,500
100-5123-04-2720	Advertising	185	750	1,000	1,000
100-5123-04-2730	Printing & Binding	170	0	714	750
100-5123-04-2750	Dues & Membership	0	500	0	500
100-5123-04-2751	Certification / License	346	700	0	700
100-5123-04-2830	Seminars & Schools	69	5,000	1,500	5,000
100-5123-04-9900	Credit Card Fees	3,087	3,000	5,000	5,000
	Total Other Services	4,292	10,765	9,714	14,450
<u>Supplies</u>					
100-5123-05-3010	Office	1,592	2,000	2,000	2,000
100-5123-05-3020	Books & Periodicals	49	2,500	0	0
100-5123-05-3030	Employee Relations	340	300	250	250
100-5123-05-3040	Gasoline/Diesel	1,947	5,000	550	3,000
100-5123-05-3050	Oil/Lube	186	250	250	250
100-5123-05-3080	Uniform Expense	134	250	250	250
100-5123-05-3100	Other Operating Supplies	119	1,200	500	1,200
100-5123-05-3110	Copier Expense	1,479	2,300	1,300	1,300
100-5123-05-3130	Postage	796	2,000	1,000	1,000
	Total Supplies	6,642	15,800	6,100	9,250
<u>Other Expenditures</u>					
100-5123-06-5060	Furniture/Fixtures	0	0	2,000	1,000
	Total Other Expenditures	0	0	2,000	1,000
	Total Development Services:	293,774	350,595	317,444	330,927

GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Public Works - Street</u>					
<u>Salaries & Benefits</u>					
100-5130-01-1010	Salaries	106,997	123,670	123,670	148,880
100-5130-01-1011	Overtime	5,847	1,600	1,600	1,600
100-5130-01-1020	Group Insurance	33,017	41,780	41,780	52,288
100-5130-01-1030	Social Security Contribution	7,052	9,580	9,580	11,510
100-5130-01-1040	Retirement Contribution	11,823	13,540	13,540	15,910
100-5130-01-1050	Unemployment Compensation	437	1,240	1,240	1,240
100-5130-01-1060	Worker's Compensation	6,374	10,970	10,970	12,940
100-5130-01-1080	Medical Exams	181	0	0	0
	Total Salaries & Benefits	171,729	202,380	202,380	244,368
<u>Professional Services</u>					
100-5130-02-2089	Street Resurfacing	48,348	186,080	186,080	169,080
100-5130-02-2090	Other Professional Services	34,566	33,000	34,000	35,000
	Total Professional Services	82,914	219,080	220,080	204,080
<u>Property Services</u>					
100-5130-03-2210	Natural Gas	820	1,100	1,100	1,100
100-5130-03-2220	Electricity	3,048	3,000	3,000	3,500
100-5130-03-2410	Motor Vehicle Repair	7,830	7,500	7,500	7,500
100-5130-03-2420	Equipment Repair	18,051	9,500	12,000	11,500
100-5130-03-2430	Facilities Maintenance	10,354	12,000	14,000	14,000
100-5130-03-2440	Street/Drainage Maintenance	37,923	57,000	50,000	50,000
	Total Property Services	78,025	90,100	87,600	87,600
<u>Other Services</u>					
100-5130-04-2700	Property Insurance	13,827	14,000	14,000	14,000
100-5130-04-2720	Advertising	171	1,000	0	0
100-5130-04-2830	Seminars & Schools	150	1,200	500	1,200
100-5130-04-2840	Fees/Licenses	0	200	200	200
	Total Other Services	14,147	16,400	14,700	15,400
<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	15,579	23,000	14,000	18,000
100-5130-05-3050	Oil/Lube	672	800	800	800
100-5130-05-3060	Tools And Equipment	6,705	3,500	3,500	4,000
100-5130-05-3070	Traffic Signs/Paint	1,364	3,000	5,000	5,000
100-5130-05-3080	Uniform Expense	2,366	1,500	2,700	2,700
100-5130-05-3090	Street Lights	85,113	100,700	100,700	102,714
100-5130-05-3100	Other Operating Supplies	4,761	4,200	4,200	4,200
100-5130-05-3110	Street Materials	21,102	25,000	25,000	25,000
100-5130-05-3120	Consumables	1,210	1,000	1,000	1,000
100-5130-05-3125	Safety	371	250	250	350
	Total Supplies	140,492	164,200	158,400	165,014
<u>Other Expenditures</u>					
100-5130-06-5040	Machinery	117,374	0	0	0
	Total Other Expenditures	117,374	0	0	0
<u>Capital Outlay</u>					
100-5130-17-5090	Other Capital Outlay	292	0	0	0
	Total Capital Outlay	292	0	0	0
	Total Public Works - Street:	604,973	692,160	683,160	716,462

GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Public Works - Airport</u>					
<u>Professional Services</u>					
100-5131-02-2090	Other Professional Services	7,430	0	4,796	12,600
	Total Professional Services	7,430	0	4,796	12,600
<u>Property Services</u>					
100-5131-03-2220	Electricity	13,445	16,000	16,000	16,156
100-5131-03-2420	Routine Airport Maintenance	8,270	8,730	26,000	12,000
100-5131-03-2425	AWOS Maintenance Contract	0	6,000	5,966	6,000
100-5131-03-2430	Facilities Maintenance	22,150	5,000	5,000	5,000
100-5131-03-2435	Services -FBO Manager	40,385	50,200	50,200	50,200
	Total Property Services	84,250	85,930	103,166	89,356
<u>Other Services</u>					
100-5131-04-2700	Property Insurance	7,965	8,624	8,624	8,624
100-5131-04-2710	Telephone	792	800	500	1,500
100-5131-04-2840	Licenses/Permits	200	200	210	220
	Total Other Services	8,956	9,624	9,334	10,344
<u>Supplies</u>					
100-5131-05-3100	Other Operating Supplies	12	1,000	1,000	1,000
	Total Supplies	12	1,000	1,000	1,000
<u>Capital Outlay</u>					
100-5131-17-5090	Other Capital Outlay	0	165,295	165,295	56,000
	Total Capital Outlay	0	165,295	165,295	56,000
	Total Public Works - Airport:	100,649	261,849	283,591	169,300

Public Works - Garage

<u>Property Services</u>					
100-5140-03-2210	Natural Gas	1,872	2,600	2,600	2,600
100-5140-03-2220	Electricity	1,670	1,650	1,650	1,650
100-5140-03-2410	Motor Vehicle Repair	60	1,000	1,000	1,000
100-5140-03-2420	Equipment Repair	0	600	600	600
100-5140-03-2430	Facilities Maintenance	939	1,000	1,000	1,000
	Total Property Services	4,540	6,850	6,850	6,850
<u>Other Services</u>					
100-5140-04-2700	Property Insurance	1,658	2,000	1,600	1,650
	Total Other Services	1,658	2,000	1,600	1,650
<u>Supplies</u>					
100-5140-05-3040	Gasoline/Diesel	227	500	500	500
100-5140-05-3060	Tools And Equipment	200	800	800	800
100-5140-05-3080	Uniform Expense	559	300	600	600
100-5140-05-3100	Other Operating Supplies	1,499	1,500	1,000	1,200
100-5140-05-3120	Consumables	300	200	200	200
100-5140-05-3125	Safety	0	50	50	50
	Total Supplies	2,786	3,350	3,150	3,350
<u>Capital Outlay</u>					
100-5140-17-5090	Other Capital Outlay	0	100,000	100,000	0
	Total Capital Outlay	0	100,000	100,000	0
	Total Public Works - Garage:	8,983	112,200	111,600	11,850

GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
Library					
<u>Salaries & Benefits</u>					
100-5160-01-1010	Salaries	192,976	213,220	213,220	227,890
100-5160-01-1011	Overtime	2,178	1,500	1,500	1,500
100-5160-01-1020	Group Insurance	37,419	29,800	29,800	31,407
100-5160-01-1030	Social Security Contribution	12,655	16,420	16,420	17,550
100-5160-01-1040	Retirement Contribution	20,446	19,330	19,330	24,240
100-5160-01-1050	Unemployment Compensation	1,104	1,660	1,660	1,660
100-5160-01-1060	Worker's Compensation	1,604	1,150	1,150	1,190
	Total Salaries & Benefits	268,381	283,080	283,080	305,437
<u>Professional Services</u>					
100-5160-02-2090	Collection Services	657	2,000	1,500	2,000
100-5160-02-2091	Other Professional Services	2,036	0	12,576	0
	Total Professional Services	2,693	2,000	14,076	2,000
<u>Property Services</u>					
100-5160-03-2210	Natural Gas	127	0	0	0
100-5160-03-2220	Electricity	11,445	13,855	13,855	13,855
100-5160-03-2420	Equipment Repair	0	1,000	1,100	1,500
100-5160-03-2430	Facilities Maintenance	8,110	7,500	15,000	8,500
	Total Property Services	19,683	22,355	29,955	23,855
<u>Other Services</u>					
100-5160-04-2700	Property Insurance	16,750	15,200	16,942	17,280
100-5160-04-2720	Craft Supplies	988	1,000	1,000	1,200
100-5160-04-2750	Dues & Membership	495	700	346	700
100-5160-04-2830	Seminars & Schools	1,157	4,000	0	4,000
100-5160-04-2900	Memorial Expenditures	0	1,000	7,092	1,000
100-5160-04-2910	Programming	7,059	8,000	8,000	8,000
100-5160-04-9900	Credit Card Fees	268	750	500	500
	Total Other Services	26,717	30,650	33,880	32,680
<u>Supplies</u>					
100-5160-05-3010	Office	3,533	3,400	3,400	3,400
100-5160-05-3020	Books & Periodicals	52,317	50,000	50,000	50,000
100-5160-05-3021	Book Replacements	(462)	0	0	0
100-5160-05-3030	Employee Relations	600	650	600	650
100-5160-05-3080	Cleaning Supplies	4,346	4,000	4,000	4,000
100-5160-05-3100	Other Operating Supplies	8,557	8,300	8,300	8,500
100-5160-05-3110	Copier Expense	5,151	6,500	4,500	5,000
100-5160-05-3130	Postage	5,386	6,800	5,000	6,800
	Total Supplies	79,428	79,650	75,800	78,350
<u>Other Expenditures</u>					
100-5160-06-5060	Furniture/Fixtures	0	1,000	1,000	2,000
	Total Other Expenditures	0	1,000	1,000	2,000
<u>Capital Outlay</u>					
100-5160-17-5090	Other Capital Outlay	182,763	20,237	23,607	0
	Total Capital Outlay	182,763	20,237	23,607	0
	Total Library:	579,664	438,972	461,398	444,322

GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Cemetery / Parks</u>					
<u>Salaries & Benefits</u>					
100-5161-01-1010	Salaries	207,473	266,690	266,690	231,510
100-5161-01-1011	Overtime	7,366	9,000	9,000	9,000
100-5161-01-1020	Group Insurance	40,591	51,230	51,230	66,982
100-5161-01-1030	Social Security Contribution	13,723	21,120	21,120	18,400
100-5161-01-1040	Retirement Contribution	22,522	24,770	24,770	21,050
100-5161-01-1050	Unemployment Compensation	720	2,090	2,090	2,070
100-5161-01-1060	Worker's Compensation	7,412	10,750	10,750	9,110
	Total Salaries & Benefits	299,807	385,650	385,650	358,122
<u>Professional Services</u>					
100-5161-02-2090	Other Professional Services	22,693	45,180	45,180	45,180
	Total Professional Services	22,693	45,180	45,180	45,180
<u>Property Services</u>					
100-5161-03-2210	Natural Gas	638	1,000	1,000	1,000
100-5161-03-2220	Electricity	8,182	10,000	10,000	10,000
100-5161-03-2410	Motor Vehicle Repair	1,540	3,500	4,000	4,000
100-5161-03-2420	Equipment Repair	7,574	6,000	7,000	7,000
100-5161-03-2430	Facilities Maintenance	11,908	28,900	28,900	20,000
	Total Property Services	29,841	49,400	50,900	42,000
<u>Other Services</u>					
100-5161-04-2700	Property Insurance	6,194	7,150	6,100	6,200
100-5161-04-2720	Advertising	236	0	0	0
100-5161-04-2840	Fees/Licenses	256	0	0	0
	Total Other Services	6,761	7,150	6,100	6,200
<u>Supplies</u>					
100-5161-05-3030	Employee Relations	500	500	500	500
100-5161-05-3040	Gasoline/Diesel	7,184	13,000	13,000	13,000
100-5161-05-3050	Oil/Lube	302	300	500	500
100-5161-05-3060	Tools And Equipment	2,040	5,000	3,500	5,000
100-5161-05-3080	Uniform Expense	3,332	2,600	2,600	2,600
100-5161-05-3100	Other Operating Supplies	4,848	6,000	5,000	5,000
100-5161-05-3110	Materials	316	2,500	2,500	2,500
100-5161-05-3120	Consumables	3,498	4,500	4,000	4,500
100-5161-05-3125	Safety	425	600	350	500
100-5161-05-3130	Christmas Decorations	0	0	0	20,000
	Total Supplies	22,445	35,000	31,950	54,100
<u>Capital Outlay</u>					
100-5161-17-5090	Other Capital Outlay	38,151	225,000	225,000	160,000
	Total Capital Outlay	38,151	225,000	225,000	160,000
	Total Cemetery/Parks:	419,698	747,380	744,780	665,602

GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Sports Park</u>					
<u>Professional Services</u>					
100-5162-02-2090	Professional Services	43,008	90,000	4,500	3,000
	Total Professional Services	43,008	90,000	4,500	3,000
<u>Capital Outlay</u>					
100-5162-17-5090	Other Capital Outlay	63,875	0	0	0
	Total Capital Outlay	63,875	0	0	0
<u>Facility Maintenance</u>					
100-5162-18-2406	Equipment Maintenance	25	700	700	700
100-5162-18-2407	Fuel	0	250	250	250
100-5162-18-2410	Utilities	2,908	7,700	12,000	12,000
100-5162-18-2414	Vehicle Maintenance	0	1,200	1,700	1,200
100-5162-18-2415	Facilities Maintenance	7,065	8,000	5,000	7,000
100-5162-18-2416	Field Play / Maintenance	3,489	5,000	3,500	4,000
100-5162-18-2499	Operating Supplies	2,120	1,000	1,000	1,000
	Total Facility Maintenance	15,606	23,850	24,150	26,150
	Total Sports Park:	122,489	113,850	28,650	29,150

GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Fire Department</u>					
<u>Salaries & Benefits</u>					
100-5170-01-1010	Salaries	501,535	1,108,830	1,108,830	711,980
100-5170-01-1011	Overtime	8,993	10,000	10,000	10,000
100-5170-01-1020	Group Insurance	31,510	35,860	35,860	137,819
100-5170-01-1030	Social Security Contribution	34,681	37,400	37,400	55,230
100-5170-01-1040	Retirement Contribution	27,409	26,780	26,780	63,330
100-5170-01-1050	Unemployment Compensation	2,376	2,900	2,900	2,900
100-5170-01-1060	Worker's Compensation	14,948	30,480	30,480	40,450
100-5170-01-1080	Medical Exams	142	0	0	0
	Total Salaries & Benefits	621,593	1,252,250	1,252,250	1,021,709
<u>Property Services</u>					
100-5170-03-2210	Natural Gas	1,868	3,000	3,000	3,000
100-5170-03-2220	Electricity	13,042	15,000	15,000	15,000
100-5170-03-2411	Fire Truck Repair	48,194	55,000	55,000	55,000
100-5170-03-2420	Equipment Repair	4,475	3,000	3,000	3,000
100-5170-03-2421	Fire Equipment Repair	22,641	20,000	20,000	20,000
100-5170-03-2430	Facilities Maintenance	14,077	11,000	7,000	11,000
	Total Property Services	104,296	107,000	103,000	107,000
<u>Other Services</u>					
100-5170-04-2700	Property Insurance	36,623	38,160	32,100	32,742
100-5170-04-2750	Dues & Membership	3,225	2,000	3,500	3,500
100-5170-04-2760	Medical Services	0	0	0	7,000
100-5170-04-2830	Seminars & Schools	4,966	6,000	6,000	8,000
100-5170-04-2840	Fees & Permits	3,270	3,200	3,200	3,200
100-5170-04-2860	Volunteer Firefighter Pay	40,440	52,920	52,920	52,920
100-5170-04-5000	Emergency Management	398	0	0	0
	Total Other Services	88,922	102,280	97,720	107,362
<u>Supplies</u>					
100-5170-05-3010	Office	479	1,500	500	1,500
100-5170-05-3020	Books & Periodicals	162	500	500	500
100-5170-05-3030	Employee Relations	1,100	1,100	1,500	1,700
100-5170-05-3040	Gasoline/Diesel	11,441	20,000	15,000	20,000
100-5170-05-3050	Oil/Lube	272	500	500	500
100-5170-05-3080	Uniform Expense	2,396	5,000	5,000	5,000
100-5170-05-3082	Bunker Gear And Cleaning	12,024	20,000	20,000	20,000
100-5170-05-3100	Medical Supplies	4,145	6,000	6,000	6,000
100-5170-05-3102	Other Fire Supplies	25,250	25,000	25,000	25,000
100-5170-05-3130	Postage	644	1,100	1,100	1,100
	Total Supplies	57,913	80,700	75,100	81,300
<u>Other Expenditures</u>					
100-5170-06-5060	Furniture/Fixtures	130	1,000	1,000	1,000
100-5170-06-5070	Other Emergency Equipment	34,300	36,000	36,000	29,000
	Total Other Expenditures	34,430	37,000	37,000	30,000
<u>Capital Outlay</u>					
100-5170-17-5090	Other Capital Outlay	0	725,000	725,000	0
	Total Capital Outlay	0	725,000	725,000	0
	Total Fire:	907,154	2,304,230	2,290,070	1,347,371

**GENERAL FUND - 100
FISCAL YEAR 2022 ADOPTED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Emergency Management</u>					
<u>Salaries & Benefits</u>					
100-5177-01-1010	Salaries	14,167	13,860	13,860	10,000
100-5177-01-1030	Social Security Contribution	0	765	765	770
100-5177-01-1040	Retirement Contribution	0	1,102	1,102	1,060
	Total Salaries & Benefits	14,167	15,727	15,727	11,830
<u>Other Services</u>					
100-5177-04-5000	Emergency Mgmt. Services	19,616	20,000	20,000	20,000
	Total Other Services	19,616	20,000	20,000	20,000
	Total Emergency Management:	33,783	35,727	35,727	31,830
<u>Non-Operational</u>					
<u>Grants</u>					
100-5190-06-5110	CDBG SIDEWALK 082	343,887	0	0	0
100-5190-06-5115	COMP PLAN (CDBG 9004)	18,875	0	0	0
100-5190-17-5780	GLO-HARVEY GEN/DRAINAGE	53,118	0	0	0
	Total Grants	415,881	0	0	0
	Total Non-Operating:	415,881	0	0	0
	TOTAL EXPENDITURES:	8,066,351	10,066,763	9,895,207	9,734,252

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 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 2022 ADOPTED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
REVENUES:				
Property Taxes	872,686	1,150,810	1,150,810	1,219,633
Interest	6,212	1,499	1,499	1,500
Transfers and Contributions	617,079	0	0	0
Total Revenues:	\$1,495,978	\$1,152,309	\$1,152,309	\$1,221,133
EXPENDITURES:				
Debt Service	1,489,110	1,152,309	842,096	1,221,133
Total Expenses:	\$1,489,110	\$1,152,309	\$842,096	\$1,221,133
Revenue Over/(Under) Expenditures	6,868	0	310,213	0
Fund Balance - Beginning		289,042	289,042	599,255
Fund Balance - Ending	\$289,042	\$289,042	\$599,255	\$599,255
Reserve Requirement (25%)		288,077	288,077	305,283
Excess/(Deficit)		965	311,178	293,972

Based on the approved values, the budget carries a debt service (I&S) tax rate of 25.21 cents (\$0.2521) per \$100 assessed valuation. This is 0.51 cents (\$0.0051) decrease from fiscal year 2021 adopted rate (tax year 2020) of \$0.2572 per \$100 assessed valuation, due to the calculated levy required to secure the annual obligation backed by taxes. The reduction in debt service tax rate allows the budget to basically hold the maintenance and operating (M&O) tax rate while lowering the overall combined rate. The budget adopts a maintenance and operations (M&O) tax rate of \$0.5029 per \$100 assessed valuation, a \$0.00010 increased from fiscal year 2021 adopted rate (tax year 2020) of \$0.5028. The city will continue to look for ways to reducing taxes annually without reducing services. Staff and council are committed to reducing tax-payer burden as new development will assist in improving this opportunities. The following is the detail on the adopted tax rate:

Fiscal Year 2022 Adopted Tax Rate / Tax Year 2021

Debt Service (I&S) Rate	\$0.252100
Maintenance & Operating (M&O) Rate	\$0.502900
Total Proposed Tax Rate	\$0.755000

Proposed Change in Tax Rate from Prior Year

Debt Service (I&S) Rate	(\$0.00510)
Maintenance & Operating (M&O) Rate	\$0.000100
Total Proposed Tax Rate	(\$0.00500)

Fiscal Year 2021-2022:

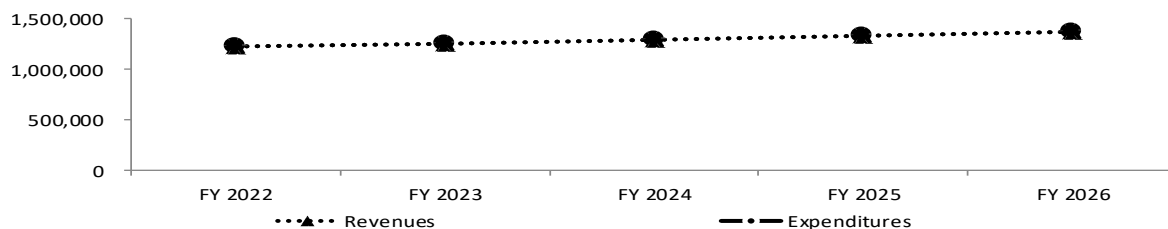
For fiscal year 2022, the adopted debt service (I&S) is estimate to collect \$1,156,290 at a 95.1% for the year. The interest and sinking at \$63,343 in current property tax with total debt service property tax, current and other at \$1,219,633. Debt service revenues includes limited in interest income at \$1,500 and no proposed transfers or contributions for total revenues at \$1,221,133. For fiscal years 2022 through 2026, forecast that the funds are sustainable under following status:

- The proposed exceeds reserve policy guidelines.
- The multi-year projection is stating no tax rate increase and plan for those years without the need to increase the interest and sinking tax rate.
- Future bond capacity expands/improves over time.

MULTI-YEAR PLAN

It is projected that Fund 500 will maintain a balanced or positive reserve budget for fiscal years ending 2022 through 2026. 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 2022 ADOPTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED
Property Taxes	1,219,633	1,256,222	1,293,909	1,332,726	1,372,708
Interest	1,500	1,530	1,561	1,592	1,624
Total Revenues	\$1,221,133	\$1,257,752	\$1,295,469	\$1,334,318	\$1,374,331
2013 Refunding	576,656	583,456	582,213	585,013	581,828
2017 Airport	200,607	200,409	200,053	199,536	198,850
2021 C/O Bond	428,870	432,445	431,283	433,589	431,864
Future Bond Capacity	0	26,141	66,315	100,262	145,553
Fiscal Agent Fees	15,000	15,300	15,606	15,918	16,236
Total Expenditures	\$1,221,133	\$1,257,752	\$1,295,469	\$1,334,318	\$1,374,332



DEBT SERVICE FUND - 500
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
Revenues					
<u>Property Taxes</u>					
500-4000-01-0801	Current Taxes	834,161	1,087,467	1,087,467	1,156,290
500-4000-01-0802	Delinquent Taxes	17,485	37,179	37,179	37,179
500-4000-01-0803	P & I / Attorney Fees	21,040	26,164	26,164	26,164
	Total Property Taxes	872,686	1,150,810	1,150,810	1,219,633
<u>Interest</u>					
500-4000-10-894	Interest Income	6,212	1,499	1,499	1,500
	Total Interest	6,212	1,499	1,499	1,500
<u>Non-Operating</u>					
500-4000-99-1000	Contributions	206,775	0	0	0
500-4000-99-9900	Transfer In	410,304	0	0	0
	Total Non-Operating	617,079	0	0	0
	TOTAL REVENUES:	1,495,978	1,152,309	1,152,309	1,221,133

Expenditures

Financial Obligations

500-5510-11-4011	Tax Bond Retirement	1,210,000	670,000	670,000	930,000
500-5510-11-4051	Tax Bond Interest	269,755	109,688	109,688	276,133
500-5510-11-4060	Bond Issuance Cost	0	357,568	47,355	0
500-5510-11-4071	Fiscal Agent Fees	9,355	15,053	15,053	15,000
500-5510-11-4075	Debt Issuance Costs	64,009	0	0	0
500-5510-11-5500	Proceeds of Debt Issuance	(2,030,000)	0	0	0
500-5510-11-6500	PMT Refund'g Bond Escrow Agent	1,965,991	0	0	0
	Total Financial Obligations	1,489,110	1,152,309	842,096	1,221,133
	TOTAL EXPENDITURES:	1,489,110	1,152,309	842,096	1,221,133

FY2022 ANNUAL DEBT REQUIREMENTS

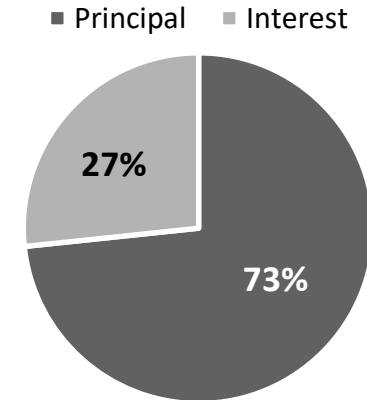
Municipal Bonds	Principal	Interest	Total
Debt Service			
GO Refunding Bond, Series 2013	520,000	56,656	576,656
Series 2017 Airport Hangers	170,000	30,607	200,607
C/O Series 2021	240,000	188,870	428,870
	930,000	276,133	1,206,133
Economic Development			
GO Refunding Bond, Series 2019	150,000	37,544	187,544
	150,000	37,544	187,544
Water / Sewer			
GO Refunding Bond, Series 2021	195,000	104,017	299,017
Series 2017 Water Projects	115,000	53,868	168,868
	310,000	157,885	467,885
Total Tax-Backed:	1,390,000	471,562	1,861,562

Revenue Bonds	Principal	Interest	Total
Water / Sewer			
2021 Water & Sewer Revenue Bonds	80,000	62,957	142,957
Total Revenue Bond:	80,000	62,957	142,957

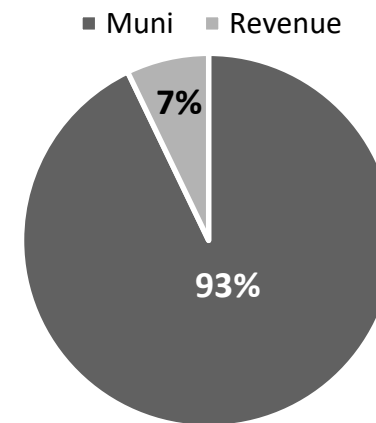
Bond Type	Principal	Interest	Total
Total Tax-Backed	1,390,000	471,562	1,861,562
Total Revenue Bond	80,000	62,957	142,957
Grand Total Obligations:	\$1,470,000	\$534,519	\$2,004,519

Designated Fund	Principal	Interest	Total
Debt Service Fund	930,000	276,133	1,206,133
Water / Sewer Fund	390,000	220,842	610,842
EDC Fund	150,000	37,544	187,544
Total Obligations:	1,470,000	534,519	2,004,519
Total Tax-Backed from Other Resources:	460,000	195,429	655,429

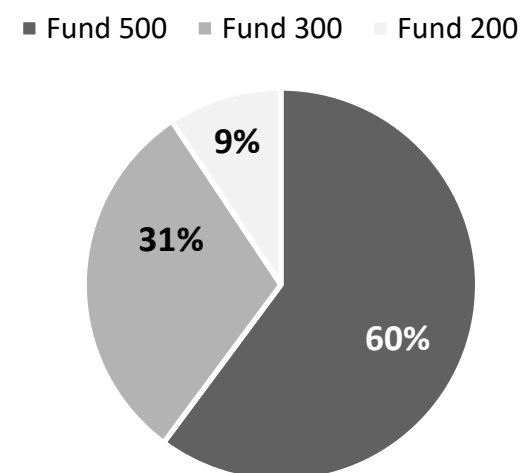
Total Obligations



Bond Type



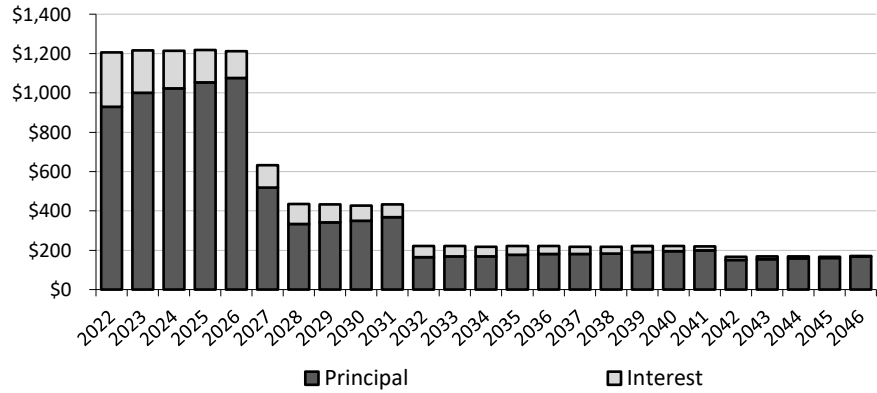
Designated Fund



GENERAL LONG-TERM DEBT
GOVERNMENTAL DEBT MATURITY SCHEDULE

Fiscal Year	Principal	Interest	Total
FY2022	930,000	276,133	1,206,133
FY2023	1,000,000	216,310	1,216,310
FY2024	1,022,500	191,049	1,213,549
FY2025	1,053,750	164,388	1,218,138
FY2026	1,076,250	136,292	1,212,542
FY2027	517,500	114,090	631,590
FY2028	333,750	101,264	435,014
FY2029	341,250	91,139	432,389
FY2030	348,750	79,045	427,795
FY2031	367,500	64,720	432,220
FY2032	165,000	55,514	220,514
FY2033	168,750	51,759	220,509
FY2034	168,750	48,174	216,924
FY2035	176,250	44,724	220,974
FY2036	180,000	41,161	221,161
FY2037	180,000	37,561	217,561
FY2038	183,750	33,924	217,674
FY2039	191,250	30,174	221,424
FY2040	195,000	26,067	221,067
FY2041	198,750	21,638	220,388
FY2042	150,000	17,620	167,620
FY2043	153,750	14,013	167,763
FY2044	157,500	10,219	167,719
FY2045	161,250	6,234	167,484
FY2046	168,750	2,109	170,859
Total	9,590,000	1,875,321	11,465,321

Series Name	Principal Amount
Series 2013 General Obligation Refunding Bonds	2,750,000
Series 2017 Airport Hangers	1,095,000
Series 2021 Combination Tax & Revenue	5,745,000
Total	9,590,000



DATE	DESCRIPTION	AMOUNT ISSUED	AMOUNT OUTSTANDING	PRINCIPAL	INTEREST	PAYMENT TOTAL	AMOUNT OUTSTANDING AS OF 9/30/22
03/01/2022	Series 2013 General Obligation	6,285,000		520,000	32,228	552,228	
09/01/2022	Refunding Bonds (GF Portion)				24,428	24,428	
	Fiscal Year Total		2,750,000	520,000	56,656	576,656	2,230,000
03/01/2022	Series 2017 Certificates	1,720,000		170,000	16,583	186,583	
09/01/2022	of Obligation (GF Portion)				14,024	14,024	
	Fiscal Year Total		1,095,000	170,000	30,607	200,607	925,000
03/01/2022	Series 2021 Combination Tax & Revenue	5,745,000		240,000	113,010	353,010	
09/01/2022	(GF Portion)				75,860	75,860	
	Fiscal Year Total		5,745,000	240,000	188,870	428,870	5,505,000
	TOTAL	13,750,000	9,590,000	930,000	276,133	1,206,133	8,660,000

GENERAL LONG-TERM DEBT
GOVERNMENTAL DEBT MATURITY SCHEDULE

SERIES 2013 GENERAL OBLIGATION REFUNDING BONDS

Fiscal Year	Principal	Interest	Total
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			
FY2038			
FY2039			
FY2040			
FY2041			
FY2042			
FY2043			
FY2044			
FY2045			
FY2046			
Total	2,750,000	159,166	2,909,166

SERIES 2017 CO AIRPORT HANGERS

Fiscal Year	Principal	Interest	Total
FY2022	170,000	30,607	200,607
FY2023	175,000	25,409	200,409
FY2024	180,000	20,053	200,053
FY2025	185,000	14,536	199,536
FY2026	190,000	8,850	198,850
FY2027	195,000	2,982	197,982
FY2028			
FY2029			
FY2030			
FY2031			
FY2032			
FY2033			
FY2034			
FY2035			
FY2036			
FY2037			
FY2038			
FY2039			
FY2040			
FY2041			
FY2042			
FY2043			
FY2044			
FY2045			
FY2046			
Total	1,095,000	102,437	1,197,437

SERIES 2021 COMBINATION TAX & REVENUE

Fiscal Year	Principal	Interest	Total
FY2022	240,000	188,870	428,870
FY2023	285,000	147,445	432,445
FY2024	292,500	138,783	431,283
FY2025	303,750	129,839	433,589
FY2026	311,250	120,614	431,864
FY2027	322,500	111,108	433,608
FY2028	333,750	101,264	435,014
FY2029	341,250	91,139	432,389
FY2030	348,750	79,045	427,795
FY2031	367,500	64,720	432,220
FY2032	165,000	55,514	220,514
FY2033	168,750	51,759	220,509
FY2034	168,750	48,174	216,924
FY2035	176,250	44,724	220,974
FY2036	180,000	41,161	221,161
FY2037	180,000	37,561	217,561
FY2038	183,750	33,924	217,674
FY2039	191,250	30,174	221,424
FY2040	195,000	26,067	221,067
FY2041	198,750	21,638	220,388
FY2042	150,000	17,620	167,620
FY2043	153,750	14,013	167,763
FY2044	157,500	10,219	167,719
FY2045	161,250	6,234	167,484
FY2046	168,750	2,109	170,859
Total	5,745,000	1,613,718	7,358,718

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 2022 ADOPTED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
Revenues				
<u>Property Taxes</u>				
501-4000-01-0801	Property Taxes -City	50,564	46,485	43,036
501-4000-01-0801	Property Taxes -County	0	0	31,388
	Total Property Taxes	50,564	46,485	74,425
<u>Interest</u>				
500-4000-10-0894	Interest Income	0	235	0
	Total Interest	0	235	0
	TOTAL REVENUES:	50,564	46,720	74,425
Expenditures				
<u>Financial Obligations</u>				
501-5510-11-4072	Other Services	50,564	46,720	74,425
	Total Financial Obligations	50,564	46,720	74,425
	TOTAL EXPENDITURES:	50,564	46,720	218,254
	<i>Revenue Over/(Under) Expenditures</i>	<i>0</i>	<i>0</i>	<i>0</i>

CAPITAL IMPROVEMENT PROJECTS

Major Projects and City Wide Initiatives

This report summarizes the activities and milestones planned for the City of Cleveland Capital Improvement Projects (CIP) during Fiscal Year 2022 through Fiscal Year 2026. Highlighting significant projects, other key programs and equipment.

Capital Improvement Projects are very important for planning and managing a city's growth and development, as well as maintaining existing infrastructure. It implements some of the community's goals and objectives and encourages discussion of the City's long-term vision. Executing the Capital Improvement Projects, which includes rehabilitating existing structures and constructing new facilities, is complex due to the volume and variety of funding sources, asset types, and project delivery methods.

The following are projects that the City has undertaken or plan to in the following fiscal years by division:

Public Safety

Project		Secured Funds	Unsecured Funds	Estimated Thru FY21	Fiscal Year Planned Appropriations					Beyond 5-Year	Project Total
					FY 2022	FY 2023	FY 2024	FY 2025	FY 2026		
Fire Station #2 (Grand Oaks)	Cash, Bond	4,701,250		425,000	3,000,000	1,276,250				-	4,701,250
Fire Station #3 (Fostoria)	Bond	-	4,703,875	100,000					3,000,000	1,603,875	4,703,875
Fire Tanker	Cash	279,003		279,003						-	279,003
Fire Ladder Truck	Tax Note		1,000,000				1,000,000			-	1,000,000
Fire Pumper-Rescue Truck	Tax Note		760,000					760,000		-	760,000
Police Evidence Facility	Cash	600,000		100,000	500,000					-	600,000
Police Generator	Cash	150,000			150,000					-	150,000
Public Safety Allocation		5,730,253	6,463,875	904,003	3,650,000	1,276,250	1,000,000	760,000	3,000,000	1,603,875	12,194,128

Fire Station Facilities

The City has been working on the design and development of the new fire station facility with architectural firm BRW. Fire Station #2 is vital to our continuously growing community and will be located in the new Grand Oaks subdivision development located on the east side of Cleveland. This facility will have a total construction cost of \$4,701,250 and includes a multi-floor, 3 apparatus bay, and 12,278 square foot facility with a complete dorm build-out. A cash allocation of \$425,000 will be used to support the beginning stages of this project and the remaining \$4,300,000 will be backed by bond financing. At the time of this report, the engineering phase is 100% complete; groundbreaking is anticipated in November of 2021. This project is expected to roll over into multiple fiscal years and to be completed in Fiscal Year 2023. A proposed Fire Station #3 that will duplicate the engineering and design of Fire Station #2 is incorporated in the multi-year plan, ideally this would be located on the west end of the City near Fostoria. An estimated total cost for this development would incorporate a 10% increase from station #2 to reflect inflation, which would be a total cost of \$4,709,875. This project is currently unfunded and would require bond funding to be secured by Fiscal Year 2026.

Fire Equipment

The City ordered a 1000 GPM / 2000 Gallon Tanker Freightliner M2 106 2-door Cab/ Chassis at the beginning of Fiscal Year 2021. Electronics that will fully equip the truck are currently on back order due to COVID-19, which is causing a delay in delivery. The tanker will cost the City \$279,003, which is a savings of the original \$300,000 that was initially budgeted. Additionally, a new Fire Ladder Truck 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. The ladder is necessary in allowing firefighters to reach higher points when fighting structure fires, and an access route for rescuing. In order to purchase this piece of equipment in Fiscal Year 2024 we will need debt financing via tax note. Furthermore, to maintain adequacy with the ever-growing City a fire pumper truck is necessary. This is the most valuable rig in fire service today; its popularity has increased throughout the decades as manufacturers have developed more versatile and innovative designs. Aging pumpers would remain in fleet to assist in emergencies. Along with the ladder truck, this apparatus will be debt financed and will depend heavily on development to support the purchased planned for Fiscal Year 2025.

Police Facilities

A Property Evidence Facility exists in order for an agency to receive, catalog, safely store, and maintain the integrity of evidence, found property, and property for safekeeping in accordance with state laws and city ordinances. The City is planning and working with Randall Scott Architects to construct an auxiliary facility that would be located near the existing police station. Fiscal year 2021 allowed for \$100,000 to be allocated for the structure and an additional \$500,000 in Fiscal Year 2022. In addition, the City has budgeted \$150,000 to replace the generator currently located at the Police Department. The return on investment is higher to install a new generator rather than repairing the existing one.

Transportation

Project		Secured Funds	Unsecured Funds	Estimated Thru FY21	Fiscal Year Planned Appropriations					Beyond 5-Year	Project Total
					FY 2022	FY 2023	FY 2024	FY 2025	FY 2026		
Airport Runway Lighting	Match; Grant	98,500		90,000	8,500					-	98,500
Airport Sign	Cash	27,300		27,300						-	27,300
Airport Hangar (2021)	Agreement	312,000			98,000	42,000	42,000	42,000	42,000	46,000	312,000
Paving Overlay	Bond; Cash	1,400,000		100,000	900,000	100,000	100,000	100,000	100,000	-	1,400,000
Northside Boulevard	EDC; Debt	-	2,875,000			375,000	1,000,000	1,500,000		-	2,875,000
Transportation Allocation		1,901,400	1,050,000	563,300	908,500	1,129,600	100,000	150,000	100,000	-	2,951,400

Airport

Cleveland Municipal Airport is located about five miles east outside of the City. The facility is furnished with a 5,000-foot runway, and approximately 75 hangars with an additional 10 hangars under construction. Jack Stephens and the City of Cleveland entered an agreement on cost reimbursement for relocation of the hangar complex to be transferred to the Cleveland Municipal Airport. Reimbursement will be a total of \$256,000, paid out over the next seven to ten years upon collection of rental revenue; as well as \$56,000 for an asphalt apron. The City is considering the potential drainage issues. In addition to the new construction of the hangars, another project at the airport will consist of reconstruction of 850-feet of HMA taxiway, replacement of MIRLs and PAPI-4's on runways 16-34. The total design and construction of the project costs are currently estimated to be \$1,285,000 and our sponsor share of \$118,500. A separate CARES grant for engineering design covers 100% of estimated engineering design; any additional costs over the \$100,000 will be a 90/10 share. A second portion of the CARES grant will cover at least \$30,000 of our \$118,500 share. Lastly, a plan to fabricate and install a double-faced, illuminated pylon sign, with routed section, and channel letters outside of the Airport is being designed for Fiscal Year 2022.

Streets

Street resurfacing is the process of removing a portion of the existing pavement on a street and overlaying it with a new layer. The purpose of this project is to extend the life of the streets, delaying more expensive roadway repairs in the future. There are many streets citywide that are in need of this rehabilitation; CO Bond 2021 has been secured in Fiscal Year 2021 to proceed with this project. The City has dedicated \$1,400,000 to complete this project over a multi-year period including engineering costs of \$77,000. Northside Boulevard will be a new construction of roadway that will connect FM 2025 and Hwy 59. Cleveland ISD is currently building a new Northside Elementary School that will be located in this area, plans call for a 90ft wide road that would alleviate traffic off FM 2025. EDC has approved to fund \$1M that will need to be secured by debt financing; the City is looking at other funding opportunities through TxDOT and Liberty County.

Community

Project		Secured Funds	Unsecured Funds	Estimated Thru FY21	Fiscal Year Planned Appropriations					Beyond 5-Year	Project Total
					FY 2022	FY 2023	FY 2024	FY 2025	FY 2026		
Sports Park FEMA Lighting		137,200		88,000	49,200					-	137,200
Stancil Park Pavilion	Cash	325,000		325,000						-	325,000
Depot Project	Bond; Cash	350,000	400,000	40,000	110,000	200,000	400,000			-	750,000
Downtown Revitalization Project Phase II	Match; Grant	119,600		90,000		29,600				-	119,600
Pedestrian / Bike Trail	Match; Grant	-	250,000				250,000			-	250,000
Community Service Allocation		812,200	400,000	453,000	159,200	200,000	400,000	-	-	-	1,212,200

Amenities

Stancil Park has served our community for many generations after being named in remembrance of Mr. J.W. Stancil in 1962. The grounds currently consist of a log cabin, rodeo arena, and two pavilion areas that is available for rental

for any occasion. Staff is currently in discussion with BRW in the hopes of engineering an additional pavilion facility that will serve as a modern multi-purpose event center within the current grounds of the park. Staff is budgeting \$325,000 for this development with engineering costs not to exceed 15% of total project cost. In addition to the new pavilion, the City has purchased the Sante Fe Depot for \$40,000 that dates back to the early 1900's. This building will be relocated parallel to Stancil Park on Peach St. and preserved; the Depot will be a major asset to the community as an added venue to host private parties and community events. Relocation and improvement costs are currently estimated at \$750,000 that is partially debt financed; staff will look for other sourcing opportunities to complete this project. The City of Cleveland owns and operates the 97- acre Cleveland Municipal Sports Park that comprises of four lighted baseball/softball fields, two lighted T-ball fields, covered bleachers and concession stand. The electrical components of the park were damaged during Hurricane Harvey in 2017; FEMA awarded the City funds to repair the park in January of 2020. Engineering costs are near 25% of the entire project costs, with the City's 10% match of \$137,500.

The Texas Department of Agriculture has approved to support phase II of the Downtown Revitalization Project in the amount of \$500,000. This Project is the City's best effort to provide economic development activities in the form of sidewalk improvements along with beautification of the downtown area, which serves many businesses that operate in the City of Cleveland. This project will be funded through the Texas Community Development Block Grant Program. Our Economic Development Corporation will be matching \$90,000 for this project along with the \$29,600 remaining funds from the first phase. The City is also hoping to incorporate a pedestrian / bike trail in the future. This would be a Community Development Block Grant Program similar to the Downtown Revitalization project. Ideally, this trail would span around half a mile connecting from Stancil Park to the Cleveland Museum. The purpose of this design is to provide a safe crossing of the bayou that runs parallel with Peach St. and connect the city facilities that are located on the street with the central business district, joining the current sidewalk projects into a longer walking path. This would provide a great opportunity for workout, recreation, and easy access to multiple amenities that the city has to offer.

Utilities

Project		Secured Funds	Unsecured Funds	Estimated Thru FY21	Fiscal Year Planned Appropriations					Beyond 5-Year	Project Total
					FY 2022	FY 2023	FY 2024	FY 2025	FY 2026		
AMR Meter Project	Cash	485,000		242,500		60,000	60,000	60,000	60,000		482,500
Elevated Water Tank #1 Rehabilitation	Bond	550,000			550,000						550,000
Elevated Water Tank #2 Rehabilitation	Bond	610,000			610,000						610,000
Elevated Water Tower #3 (New - Tanglewood)	Bond	3,000,000			2,000,000	1,000,000					3,000,000
Elevated Water Tower #4 (New - BNSF)	EDC; Cash	200,000				200,000					200,000
Utilities Allocation:		4,845,000	-	242,500	3,160,000	1,260,000	60,000	60,000	60,000	-	4,842,500

Automated Meter Reading

Automated Meter Reading is the technology of automatically collecting consumption, diagnostic, and status data from water meters and transferring that data to a central database for billing, troubleshooting, and analyzing. This system will eliminate human error and improve overall operational efficiency. Meter readers will now have the ease to do drive by readings rather than manually entering in data. Staff is near completion of setting the smart meters in the Kirbywood subdivision in expectations for the meters to go online by January 1. After Kirbywood is complete, staff will then move on to installing the transmitters in Grand Oaks and Pinewood Trails subdivisions. Included in this multi-year project is implementation of the Advanced Metering Infrastructure; this is a long range radio system that will be installed on elevated water tower #2 located on Denison St. This will provide readings to be transmitted to the software through the database. The total for this project expected to be near \$485,000 spanning through Fiscal Year 2026.

Elevated Water Towers

Elevated water tower #1 was built by Chicago Bridge and Iron Company in 1936, the structure is a 100,000-gallon riveted steel elevated water storage tank. Elevated water tower #2 is a 400,000-gallon storage tank dated back to 1965 that was built by Pittsburgh Des Moines. Staff has scheduled the rehabilitation of both towers for Fiscal Year 2022 for a total of \$1.1M that will be funded by CO Bond 2021. This restoration should extend the life expectancy of water tower #1 beyond 2042. The structure of water tower #2 is in overall fair condition; the exterior coating system is in poor condition and failing to provide suitable corrosion protection. The interior of the tank is near the end of its useful life and is ready for replacement. Immediately following the rehabilitation of water tower #2, the Advanced Metering Infrastructure will be placed to serve the Glen Park area.

Proposition of a third elevated water tower was brought forth to the City during Fiscal Year 2021 to service the new Northside Elementary School and other new and existing developments located near FM 2025. This structure will be funded by the American Rescue Plan Act of 2021, and is expected to total approximately \$3M. With an estimated fifteen-month completion timeline, the City is working diligently with Strand Engineering to insure the tower will meet the construction completion timeline of the new elementary school of July 2022. BNSF is in the process of clearing and developing 1,186 acres on the West end of Hwy 105 and Fostoria for a new Logistics Center. A potential development utility agreement for a proposed fourth water tower that would service the Westside including the Cleveland West Industrial Park alongside BNSF has been in discussion. The ultimate plan is that BNSF will design and construct the infrastructure with the ability for expansion; BNSF will dedicate the elevated water tower to the City to own and operate, and fund any necessary enlargements needed. This tower is anticipated to go online near Fiscal Year 2024.

The following is the allocation breakdown by division:

Project	Secured Funds	Unsecured Funds	Estimated Thru FY21	Fiscal Year Planned Appropriations					Beyond 5-Year	Project Total
				FY 2022	FY 2023	FY 2024	FY 2025	FY 2026		
Public Safety	5,730,253	6,463,875	904,003	3,650,000	1,276,250	1,000,000	760,000	3,000,000	1,603,875	12,194,128
Public Works / Transportation	1,837,800	2,875,000	217,300	1,006,500	517,000	1,142,000	1,642,000	142,000	-	4,712,800
Community Service	931,800	650,000	543,000	159,200	229,600	400,000	250,000	-	-	1,581,800
Customer Service / Utilities	4,845,000	-	242,500	3,160,000	1,260,000	60,000	60,000	60,000	-	4,845,000
Total CIP Allocation:	13,344,853	9,988,875	1,906,803	7,975,700	3,282,850	2,602,000	2,712,000	3,202,000	13,344,853	23,333,728

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 operating in a manner similar to private business enterprises, where costs of providing the services to the public 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 2022 ADOPTED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
Operating Revenue:	\$3,398,553	\$3,386,895	\$3,418,492	\$3,558,947
Non-Operating Revenue:	\$1,598,899	\$0	\$224,320	\$0
Total Revenues:	\$4,997,453	\$3,386,895	\$3,642,812	\$3,558,947
Operating Expenses:	\$3,324,694	\$2,455,386	\$2,488,234	\$2,747,463
Non-Operating Expenses:	\$19,558	\$931,509	\$931,509	\$811,484
Total Expenses:	\$3,344,253	\$3,386,895	\$3,419,743	\$3,558,947
<i>Revenues Over/(Under)Exp</i>	<i>1,653,200</i>	<i>0</i>	<i>223,068</i>	<i>0</i>
Net Position - Beginning		15,309,573	15,309,573	13,642,726
<i>Cash Balance - Beginning</i>		<i>1,993,645</i>	<i>1,993,645</i>	<i>2,216,713</i>
Net Position - Ending	\$15,309,573	\$15,309,573	\$15,532,641	\$13,642,726
<i>Cash Balance - Ending</i>	<i>1,993,645</i>	<i>\$1,993,645</i>	<i>\$2,216,713</i>	<i>\$2,216,713</i>
Reserve Requirement (25%)		846,724	846,724	889,737
Excess/(Deficit)		1,146,921	1,369,990	1,326,976

Fiscal Year 2020-2021:

Water & Sewer revenue is \$3,642,812, \$1,354,641 lower than last year's total revenue \$4,997,453 due to a projected non-operating income. Operating income at \$3,418,492, being \$19,939 higher than last year operating total of \$3,398,553. Total projected revenues are 7.6% higher than amended due to the timing on CDBG reimbursement. Changes from the amended to the projected budget highlighted below:

- Water and sewer charges projected to break even or slightly higher than amended budget.
- Union Tank Car (UTLX) wastewater flow volume is less than previous year to date and projected at \$15,000 less than the amended budget due to activity.
- Other revenue is \$20,000 lower than the amended budget primarily due to late penalties waived for several months. Council approved / notify to waive late penalties for residents due to the COVID-19 hardship.
- Garbage revenue is higher than amended budget by \$7,800 due a mid-year change in garbage rates.

Fiscal year 2021 expenses totaling \$3,419,743 projected to be \$40,197 or 1.2% higher than amended budget due to supplies and materials in water production and sewer division.

- The Water Production Division at \$980,604 or 3% over amended budget is due to supplies cost associated with new meters. A new meter on new construction is a pass-through, as the developer is responsible for the cost of the original meter. Additionally, there was an increase in materials and gasoline costs, inflation contributed a large amount to this outcome.
- The Sewer Division projected at \$829,870 above amended by 1.7% due to changes in property insurance coverage, equipment repair, and materials. As in the division above, these issues curbed with adequate allocation in fiscal year 2022 and supplied predominantly in the proposed base budget.
- The Sanitation Division at \$235,200 is on target with the amended, although the cost in services has increased as a pass through.

Revenues are projected over expenses \$223,068 by year-end, which is greater than the balanced amended budget. Retained cash is projected to end the fiscal year greater than \$2 Million. Staff will continue to monitor the expense related to the water sewer operations and will make necessary adjustments prior to final adoption.

Fiscal Year 2021-2022:

Water & Sewer revenue is \$3,558,947, 83,865 lower than last year projected revenue mainly due non-operating revenue from the awarded \$224,320 in CDBG grant funding, a reduction of \$7,350 in insurance proceeds and a \$15,900 decrease in payment plans that were available in FY 2021 to residents to help relieve hardship due to the pandemic. However; the city remains poised for anticipated residential growth considering the number of residential homes doubled in FY 2021. The new development is expanding rapidly and expect new residential homes to triple by the end of FY 2022.

Total expenses are \$3,558,947, with operational expenses at \$2,747,463. Non-operating expenses include Financial Obligations of \$610,842. An allocation of recurring expense at \$98,469 to give employees a 5% merit increase across the board, salary adjustment to different positions to bring their pay to standards and health benefit increase. Council approved \$1.43 increase to water bills to help support an additional Crew Worker I position. As mentioned previously the new residential growth is increasing rapidly requiring the city to increase personnel to maintain regular operations. The adopted changes to the proposed budget decreased additional CIP funds to add a second Crew Worker I position and support the health insurance increase (~ 5.5%). Capital program funded by cash adopted at \$200,642. This budget included a total of \$392,739 in supplemental items with a balance budget.

Expenses adopted include the following:

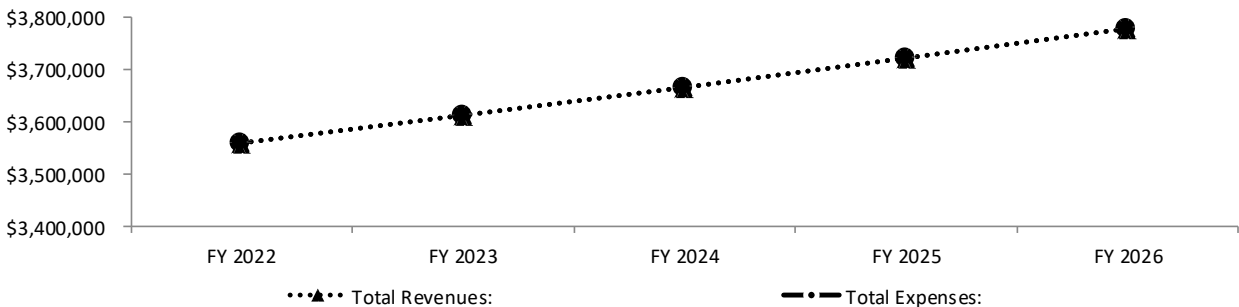
	<u>Recurring</u>	<u>Non-recurring</u>	<u>Total</u>
Salary (COLA 5%)	\$49,520		\$49,520
Salary Adjustment	\$36,190		\$36,190
Health Insurance (~ 5.5%)	\$12,767		\$12,767
Additional Cost EST #1 & #2		\$110,000	\$110,000
Additional CIP Funding		\$90,642	\$90,642
Crew Worker I	\$46,810		\$46,810
Crew Worker I	\$46,810		\$46,810
Total Water/Sewer Fund <u>Adopted</u> Supplemental	\$192,097	\$200,642	\$392,739

Available cash ending balance at 9/30/2022 expected to be greater than \$2.2 million with unreserved cash at \$1,326,976 above policy requirement. The calculation of cash reserves includes all in non-recurring capital. Maintain an excess allows the fund to support unknown emergency needs via Council resolution and amendment to the adopted budget without risking the reserve requirement proposed at \$889,737.

MULTI-YEAR PLAN

A five-year plan is program for forecasting purposes only. It is projected that Fund 300 will maintain a balanced budget for fiscal years ending 2022 through 2026; however it provides only limited resource for new and expanded programs without changes to current rate, number of new customers and/or volume of consumption. The plan consists of maintaining our current levels of services 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 2022 ADOPTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED
Charges For Service	2,964,310	3,008,775	3,053,906	3,099,715	3,146,211
Other Service Charges	91,400	92,771	94,163	95,575	97,009
Interest	3,346	3,396	3,447	3,499	3,551
Other Fees	201,487	204,509	207,577	210,691	213,851
Garbage	298,404	302,880	307,423	312,035	316,715
Operating Revenue:	\$3,558,947	\$3,612,331	\$3,666,516	\$3,721,514	\$3,777,337
Total Revenues:	\$3,558,947	\$3,612,331	\$3,666,516	\$3,721,514	\$3,777,337
Water Administration	448,536	455,265	462,093	469,025	476,060
Water Production	1,063,323	1,079,272	1,095,462	1,111,893	1,128,572
Sewer Department	985,000	999,775	1,014,771	1,029,993	1,045,443
Sanitation Department	250,604	254,363	258,179	262,051	265,982
Operating Expenses:	\$2,747,463	\$2,788,675	\$2,830,505	\$2,872,962	\$2,916,057
Financial Obligations	610,842	604,989	597,483	595,844	587,580
Capital Projects	200,642	218,667	238,528	252,708	273,700
Non-Operating Expenses:	\$811,484	\$823,656	\$836,011	\$848,552	\$861,280
Total Expenses:	\$3,558,947	\$3,612,331	\$3,666,516	\$3,721,514	\$3,777,337
<i>Revenues Over Expenditures</i>	0	0	0	0	0
Cash Balance - Beginning	2,216,713	2,216,713	2,216,713	2,216,713	2,216,713
Cash Balance - Ending	\$2,216,713	\$2,216,713	\$2,216,713	\$2,216,713	\$2,216,713
Reserve Requirement (25%)	889,737	903,083	916,629	930,379	944,334
Excess/(Deficit)	1,326,976	1,313,630	1,300,085	1,286,334	1,272,379



As projected, the fund would allow for >\$218,000 in new or expanded programs for future budget years (FY23-26). Unless recurring expenditures increase, such as personnel over the calculated 2% annual expectation. The calculation accounts for the \$201K in non-recurring items adopted in fiscal year 2022.

WATER & SEWER FUND - 300
FISCAL YEAR 2022 ADOPTED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
Charges For Service	2,830,564	2,850,000	2,835,000	2,964,310
Other Service Charges	118,558	94,949	78,959	91,400
Interest	13,597	3,346	3,346	3,346
Water Fees	167,908	162,600	217,387	201,487
Sanitation	267,926	276,000	283,800	298,404
Operating Revenue:	\$3,398,553	\$3,386,895	\$3,418,492	\$3,558,947
Non-Operating Revenue:	\$1,598,899	\$0	\$224,320	\$0
Total Revenues:	\$4,997,453	\$3,386,895	\$3,642,812	\$3,558,947
Water Administration	697,487	444,710	442,560	448,536
Water Production	1,552,208	951,922	980,604	1,063,323
Wastewater Treatment	812,303	823,554	829,870	985,000
Sanitation Department	262,696	235,200	235,200	250,604
Operating Expenses:	\$3,324,694	\$2,455,386	\$2,488,234	\$2,747,463
Financial Obligations	98,924	624,548	624,548	610,842
Non-Departmental / Transfers	(79,366)	0	0	0
Capital Programs	0	306,961	306,961	200,642
Non-Operating Expenses:	\$19,558	\$931,509	\$931,509	\$811,484
Total Expenses:	\$3,344,253	\$3,386,895	\$3,419,743	\$3,558,947
<i>Revenues Over Expenditures</i>	<i>1,653,200</i>	<i>0</i>	<i>223,068</i>	<i>0</i>
Net Position - Beginning		15,309,573	15,309,573	13,642,726
<i>Cash Balance - Beginning</i>		<i>1,993,645</i>	<i>1,993,645</i>	<i>2,216,713</i>
Net Position - Ending	\$15,309,573	\$15,309,573	\$15,532,641	\$13,642,726
<i>Cash Balance - Ending</i>	<i>1,993,645</i>	<i>\$1,993,645</i>	<i>\$2,216,713</i>	<i>\$2,216,713</i>
Reserve Requirement (25%)		846,724	846,724	889,737
Excess/(Deficit)		1,146,921	1,369,990	1,326,976

WATER & SEWER FUND - 300
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
REVENUES					
<u>Service Charges</u>					
300-4000-09-0866	Water Charges	1,481,049	1,490,000	1,490,000	1,546,405
300-4000-09-0866	Sewer Charges	1,201,638	1,210,000	1,210,000	1,267,905
300-4000-09-0866	Waste Water Revenue - UTLX	147,876	150,000	135,000	150,000
	Total Service Charges	2,830,564	2,850,000	2,835,000	2,964,310
<u>Other Service Charges</u>					
300-4000-09-0850	Insurance Proceeds	61,817	7,349	7,349	0
300-4000-09-0866	Direct Water Sales	2,831	1,800	2,500	2,500
300-4000-09-0895	Reconnect Fees	6,025	13,000	13,000	13,000
300-4000-09-0895	Over / (Short)	(43)	0	0	0
300-4000-09-0895	Returned Check Fees	541	600	600	600
300-4000-09-0895	Late Charges Billed	32,453	60,000	40,000	60,000
300-4000-09-0895	Misc. W&S Billings	300	100	410	200
300-4000-09-0895	Transfer Fees	175	0	0	0
300-4000-09-0895	Other Income	97	100	100	100
300-4000-09-0895	Credit Charge Fees	14,362	12,000	15,000	15,000
	Total Other Service Charges	118,558	94,949	78,959	91,400
<u>Interest</u>					
300-4000-10-0894	Interest Income	13,597	3,346	3,346	3,346
	Total Interest	13,597	3,346	3,346	3,346
<u>Water Fees</u>					
300-4000-11-0867	Meter Installation	32,950	18,500	46,887	46,887
300-4000-11-0867	Meter Service	11,390	10,000	15,000	15,000
300-4000-11-0867	Water Taps	25,247	35,500	35,500	35,500
300-4000-11-0867	Sewer Taps	7,744	13,000	13,000	13,000
300-4000-11-0867	Street Cuts	5,900	6,500	12,000	12,000
300-4000-11-0867	Payment Plan	0	100	16,000	100
300-4000-11-0868	WM Mgmt. Fees (Revenue)	84,677	79,000	79,000	79,000
	Total Water Fees	167,908	162,600	217,387	201,487
<u>Garbage</u>					
300-4000-12-0873	Garbage Pickup Revenue	234,075	246,000	246,000	260,604
300-4000-12-0873	Garbage Bag Income	2,530	2,600	2,600	2,600
300-4000-12-0873	Garbage Tag Income	427	500	500	500
300-4000-12-0874	Additional Garbage Cart	30,894	26,900	34,700	34,700
	Total Garbage	267,926	276,000	283,800	298,404
<u>Non-Operating</u>					
300-4000-99-1000	CDBG SSI-7218080	272,676	0	224,320	0
300-4000-99-1000	Contr. Capital-Cap. Projects	342,335	0	0	0
300-4000-99-9800	Transfers In	983,888	0	0	0
	Total Non-Operating	1,598,899	0	224,320	0
	TOTAL REVENUES:	4,997,453	3,386,895	3,642,812	3,558,947

**WATER & SEWER FUND - 300
FISCAL YEAR 2022 ADOPTED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Water Administration</u>					
<u>Salaries & Benefits</u>					
300-5310-01-1010	Salaries	203,565	222,190	222,190	219,590
300-5310-01-1011	Overtime	3,036	2,500	2,500	2,500
300-5310-01-1020	Group Insurance	36,654	35,080	35,080	28,516
300-5310-01-1030	Social Security Contribution	14,023	17,280	17,280	16,990
300-5310-01-1040	Retirement Contribution	55,126	24,295	24,295	23,470
300-5310-01-1050	Unemployment Compensation	766	1,040	1,040	1,040
300-5310-01-1060	Worker's Compensation	3,013	980	980	930
300-5310-01-1080	Medical Exams	283	0	0	0
	Total Salaries & Benefits	316,465	303,365	303,365	293,036
<u>Professional Services</u>					
300-5310-02-2040	Accounting/Audit	0	15,000	15,000	15,000
300-5310-02-2090	Other Professional Services	35,941	55,000	56,000	56,000
	Total Professional Services	35,941	70,000	71,000	71,000
<u>Property Services</u>					
300-5310-03-2220	Electricity	2,616	2,800	2,800	2,800
300-5310-03-2430	Facilities Maintenance	165	0	0	5,000
	Total Property Services	2,781	2,800	2,800	7,800
<u>Other Services</u>					
300-5310-04-2730	Printing & Binding	4,797	3,200	2,200	3,200
300-5310-04-2750	Dues & Membership	70	300	0	300
300-5310-04-2830	Seminars & Schools	1,784	2,000	1,000	3,000
300-5310-04-9900	Credit Card Fees	12,098	12,000	16,000	18,000
	Total Other Services	18,749	17,500	19,200	24,500
<u>Supplies</u>					
300-5310-05-3010	Office	2,897	3,800	1,000	2,800
300-5310-05-3030	Employee Relations	400	500	450	1,200
300-5310-05-3100	Other Operating Supplies	1,234	745	745	1,200
300-5310-05-3115	Janitorial Supplies	0	1,000	500	500
300-5310-05-3130	Postage	12,217	15,000	13,000	15,000
	Total Supplies	16,747	21,045	15,695	20,700
<u>Other Expenditures</u>					
300-5310-06-5060	Furniture/Fixtures	270	0	500	1,500
300-5310-06-5095	Contingency	0	15,000	15,000	15,000
	Total Other Expenditures	270	15,000	15,500	16,500
<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	291,534	0	0	0
	Total Financial Obligations	306,534	15,000	15,000	15,000
	Total Water Administration:	697,487	444,710	442,560	448,536

WATER & SEWER FUND - 300
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Water Production</u>					
<u>Salaries & Benefits</u>					
300-5330-01-1010	Salaries	353,724	398,900	398,900	441,010
300-5330-01-1011	Overtime	46,874	14,600	14,600	30,000
300-5330-01-1020	Group Insurance	104,266	82,240	82,240	101,421
300-5330-01-1030	Social Security Contribution	28,098	31,670	31,670	28,870
300-5330-01-1040	Retirement Contribution	108,062	44,720	44,720	39,900
300-5330-01-1050	Unemployment Compensation	1,464	1,660	1,660	1,450
300-5330-01-1060	Worker's Compensation	12,110	15,250	15,250	13,490
300-5330-01-1080	Medical Exams	283	0	0	0
	Total Salaries & Benefits	654,882	589,040	589,040	656,141
<u>Professional Services</u>					
300-5330-02-2090	Other Professional Services	8,223	13,000	13,000	13,000
	Total Professional Services	8,223	13,000	13,000	13,000
<u>Property Services</u>					
300-5330-03-2210	Natural Gas	797	650	2,000	2,000
300-5330-03-2220	Electricity	55,627	73,122	73,122	77,322
300-5330-03-2410	Motor Vehicle Repair	16,401	10,000	8,000	10,000
300-5330-03-2420	Equipment Repair	21,675	15,000	15,000	17,000
300-5330-03-2430	Facility Maintenance	19,909	18,000	18,000	20,000
300-5330-03-2520	Equipment Rental	0	3,000	3,000	4,000
	Total Property Services	114,409	119,772	119,122	130,322
<u>Other Services</u>					
300-5330-04-2700	Property/Liability Insurance	30,124	30,000	30,282	32,000
300-5330-04-2720	Advertising	0	700	700	700
300-5330-04-2740	Meeting Expenses	0	500	500	500
300-5330-04-2750	Dues & Membership	70	210	210	210
300-5330-04-2830	Seminars & Schools	151	2,000	2,000	2,000
300-5330-04-6030	License Expense	6,002	6,500	9,000	10,000
	Total Other Services	36,346	39,910	42,692	45,410
<u>Supplies</u>					
300-5330-05-3030	Employee Relations	700	800	700	800
300-5330-05-3040	Gasoline/Diesel	14,142	15,000	20,000	22,000
300-5330-05-3050	Oil/Lube	579	500	600	700
300-5330-05-3060	Small Tools	5,460	5,000	5,000	5,000
300-5330-05-3080	Uniform Expense	3,343	2,500	3,550	3,550
300-5330-05-3100	Other Operating Supplies	2,663	6,500	8,000	8,000
300-5330-05-3105	Lab Fees/Chemicals	12,845	14,500	14,500	16,000
300-5330-05-3110	Materials	45,157	50,000	65,000	65,000
300-5330-05-3115	Meter Expense	56,599	59,000	63,000	61,000
300-5330-05-3120	Consumables	876	900	900	900
300-5330-05-3125	Safety	78	500	500	500
	Total Supplies	142,443	155,200	181,750	183,450
<u>Other Expenditures</u>					
300-5330-06-2435	Street Repairs	8,431	25,000	25,000	25,000
	Total Other Expenditures	8,431	25,000	25,000	25,000

**WATER & SEWER FUND - 300
FISCAL YEAR 2022 ADOPTED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Depreciation</u>					
300-5330-08-6010	Depreciation	577,474	0	0	0
	Total Depreciation	577,474	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:	1,552,208	951,922	980,604	1,063,323

WATER & SEWER FUND - 300
FISCAL YEAR 2022 ADOPTED BUDGET

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Wastewater Treatment</u>					
<u>Salaries & Benefits</u>					
300-5350-01-1010	Salaries	228,190	251,240	251,240	352,150
300-5350-01-1011	Overtime	21,300	25,500	25,500	25,500
300-5350-01-1020	Group Insurance	52,527	52,250	52,250	80,960
300-5350-01-1030	Social Security Contribution	16,761	21,300	21,300	28,900
300-5350-01-1040	Retirement Contribution	67,658	29,945	29,945	39,920
300-5350-01-1050	Unemployment Compensation	798	1,240	1,240	1,240
300-5350-01-1060	Worker's Compensation	8,659	13,790	13,790	16,740
300-5350-01-1080	Medical Exams	287	0	0	0
	Total Salaries & Benefits	396,181	395,265	395,265	545,410
<u>Professional Services</u>					
300-5350-02-2090	Other Professional Services	6,721	10,000	10,000	10,000
	Total Professional Services	6,721	10,000	10,000	10,000
<u>Property Services</u>					
300-5350-03-2220	Electricity	94,440	96,000	96,000	96,000
300-5350-03-2410	Motor Vehicle Repair	15,332	8,500	8,500	8,500
300-5350-03-2420	Equipment Repair	44,986	39,000	42,000	42,000
300-5350-03-2430	Facility Maintenance	38,303	52,349	42,000	45,000
300-5350-03-2440	Sludge Removal	35,826	35,000	35,000	35,000
300-5350-03-2520	Rental Equipment	0	4,000	4,000	4,000
	Total Property Services	228,887	234,849	227,500	230,500
<u>Other Services</u>					
300-5350-04-2700	Property Insurance	70,410	64,000	70,565	71,000
300-5350-04-2720	Advertising	117	1,000	1,000	1,000
300-5350-04-2740	Meeting Expenses	0	500	500	500
300-5350-04-2750	Dues & Membership	0	140	140	140
300-5350-04-2830	Seminars & Schools	1,666	2,500	1,200	2,500
300-5350-04-6030	License Expense	9,978	10,500	10,500	10,500
	Total Other Services	82,171	78,640	83,905	85,640
<u>Supplies</u>					
300-5350-05-3030	Employee Relations	500	550	500	550
300-5350-05-3040	Gasoline/Diesel	12,819	13,000	13,000	13,000
300-5350-05-3050	Oil/Lube	890	750	1,000	1,000
300-5350-05-3060	Small Tools	2,580	2,500	3,000	3,200
300-5350-05-3080	Uniform Expense	2,882	1,500	2,700	2,700
300-5350-05-3100	Other Operating Supplies	4,161	4,500	4,500	4,500
300-5350-05-3105	Lab Fees/Chemicals	52,769	60,000	60,000	60,000
300-5350-05-3110	Materials	9,310	10,500	17,000	17,000
300-5350-05-3120	Consumables	961	1,000	500	500
300-5350-05-3125	Safety	799	500	1,000	1,000
	Total Supplies	87,671	94,800	103,200	103,450
<u>Financial Obligations</u>					
300-5350-99-8000	Transfer Out to Technology	10,000	10,000	10,000	10,000
	Total Financial Obligations	10,000	10,000	10,000	10,000
	Total Wastewater Treatment:	812,303	823,554	829,870	985,000

**WATER & SEWER FUND - 300
FISCAL YEAR 2022 ADOPTED BUDGET**

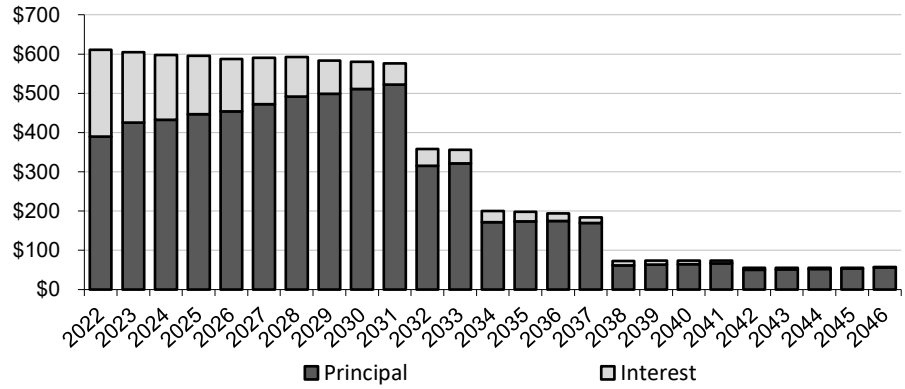
		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Sanitation Department</u>					
<u>Garbage</u>					
300-5370-07-2811	Garbage Pickup-Residential	259,365	232,000	232,000	246,604
300-5370-07-3120	Garbage Bags	3,331	3,200	3,200	4,000
	Total Garbage	262,696	235,200	235,200	250,604
	Total Sanitation:	262,696	235,200	235,200	250,604
<u>Non-Operational</u>					
<u>Financial Obligations</u>					
300-5380-99-9900	Bond Principal Payment	0	445,000	445,000	390,000
300-5380-99-9901	Interest on Bond Payments	102,675	179,548	179,548	220,842
300-5380-99-9915	Fiscal Agent Fees	1,250	0	0	0
300-5380-99-9920	2012A Bond Issue Costs	(5,001)	0	0	0
300-5380-99-9922	Transfers To CIP	(79,366)	0	0	0
300-5380-99-9925	Capital Programs	0	306,961	306,961	200,642
	Total Financial Obligations	19,558	931,509	931,509	811,484
	Total Non-Operating:	19,558	931,509	931,509	811,484
	TOTAL EXPENSES:	3,344,253	3,386,895	3,419,743	3,558,947

WATER & SEWER LONG-TERM DEBT

WATER & SEWER DEBT MATURITY SCHEDULE

Fiscal Year	Principal	Interest	Total
FY2022	390,000	220,842	610,842
FY2023	425,000	179,989	604,989
FY2024	432,500	164,983	597,483
FY2025	446,250	149,594	595,844
FY2026	453,750	133,830	587,580
FY2027	472,500	117,604	590,104
FY2028	491,250	100,630	591,880
FY2029	498,750	84,455	583,205
FY2030	511,250	68,723	579,973
FY2031	522,500	53,448	575,948
FY2032	315,000	42,630	357,630
FY2033	321,250	34,978	356,228
FY2034	171,250	28,761	200,011
FY2035	173,750	24,017	197,767
FY2036	175,000	19,164	194,164
FY2037	170,000	14,308	184,308
FY2038	61,250	11,308	72,558
FY2039	63,750	10,058	73,808
FY2040	65,000	8,689	73,689
FY2041	66,250	7,213	73,463
FY2042	50,000	5,873	55,873
FY2043	51,250	4,671	55,921
FY2044	52,500	3,406	55,906
FY2045	53,750	2,078	55,828
FY2046	56,250	703	56,953
Total	6,490,000	1,491,955	7,981,955

Series Name	Principal Amount
Series 2017 CO	1,835,000
Series 2021 W/S Refunding Bond	2,740,000
Series 2021 W/S Revenue Bond	1,915,000
Total	6,490,000



DATE	DESCRIPTION	AMOUNT ISSUED	AMOUNT OUTSTANDING AS OF 9/30/21		PAYMENT TOTAL	AMOUNT OUTSTANDING AS OF 9/30/22
			PRINCIPAL	INTEREST		
03/01/2022	Series 2017 Certificate	2,200,000	115,000	27,792	142,792	
09/01/2022	of Obligation (W/S Portion)			26,076	26,076	
	Fiscal Year Total		1,835,000	53,868	168,868	1,720,000
03/01/2022	Series 2021 Refunding	2,740,000	195,000	61,667	256,667	
09/01/2022				42,350	42,350	
	Fiscal Year Total		2,740,000	104,017	299,017	2,545,000
03/01/2022	Series 2021 W/S Revenue	1,915,000	80,000	37,670	117,670	
09/01/2022				25,287	25,287	
	Fiscal Year Total		1,915,000	62,957	142,957	1,835,000
	TOTAL	6,855,000	6,490,000	390,000	220,842	610,842

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

SERIES 2017 CO WATER PROJECTS

Fiscal Year	Principal	Interest	Total
FY2022	115,000	53,868	168,868
FY2023	115,000	50,441	165,441
FY2024	115,000	47,022	162,022
FY2025	115,000	43,614	158,614
FY2026	115,000	40,225	155,225
FY2027	115,000	36,868	151,868
FY2028	115,000	33,475	148,475
FY2029	115,000	30,025	145,025
FY2030	115,000	26,575	141,575
FY2031	115,000	23,125	138,125
FY2032	115,000	19,675	134,675
FY2033	115,000	16,225	131,225
FY2034	115,000	12,703	127,703
FY2035	115,000	9,109	124,109
FY2036	115,000	5,444	120,444
FY2037	110,000	1,788	111,788
FY2038			
FY2039			
FY2040			
FY2041			
FY2042			
FY2043			
FY2044			
FY2045			
FY2046			
Total	1,835,000	450,182	2,285,182

SERIES 2021 W/S REFUNDING

Fiscal Year	Principal	Interest	Total
FY2022	195,000	104,017	299,017
FY2023	215,000	80,400	295,400
FY2024	220,000	71,700	291,700
FY2025	230,000	62,700	292,700
FY2026	235,000	53,400	288,400
FY2027	250,000	43,700	293,700
FY2028	265,000	33,400	298,400
FY2029	270,000	24,050	294,050
FY2030	280,000	15,800	295,800
FY2031	285,000	8,750	293,750
FY2032	145,000	4,450	149,450
FY2033	150,000	1,500	151,500
FY2034			
FY2035			
FY2036			
FY2037			
FY2038			
FY2039			
FY2040			
FY2041			
FY2042			
FY2043			
FY2044			
FY2045			
FY2046			
Total	2,740,000	503,867	3,243,867

SERIES 2021 W/S REVENUE

Fiscal Year	Principal	Interest	Total
FY2022	80,000	62,957	142,957
FY2023	95,000	49,148	144,148
FY2024	97,500	46,261	143,761
FY2025	101,250	43,280	144,530
FY2026	103,750	40,205	143,955
FY2027	107,500	37,036	144,536
FY2028	111,250	33,755	145,005
FY2029	113,750	30,380	144,130
FY2030	116,250	26,348	142,598
FY2031	122,500	21,573	144,073
FY2032	55,000	18,505	73,505
FY2033	56,250	17,253	73,503
FY2034	56,250	16,058	72,308
FY2035	58,750	14,908	73,658
FY2036	60,000	13,720	73,720
FY2037	60,000	12,520	72,520
FY2038	61,250	11,308	72,558
FY2039	63,750	10,058	73,808
FY2040	65,000	8,689	73,689
FY2041	66,250	7,213	73,463
FY2042	50,000	5,873	55,873
FY2043	51,250	4,671	55,921
FY2044	52,500	3,406	55,906
FY2045	53,750	2,078	55,828
FY2046	56,250	703	56,953
Total	1,915,000	537,906	2,452,906

CAPITAL EQUIPMENT FUND

SUMMARY

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 2022 ADOPTED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
Charges for Service	205,694	204,000	204,000	204,000
Other Revenue	0	0	0	0
Interest	1,919	1,200	1,200	1,200
Non-Operating Income	(68,997)	0	0	0
Total Revenues	\$138,616	\$205,200	\$205,200	\$205,200
Capital Outlay	6,200	205,200	205,200	205,200
Financial Obligations	118,770	0	0	0
Total Expenses	\$124,970	\$205,200	\$205,200	\$205,200
<i>Revenues Over Expenses</i>	<i>13,646</i>	<i>0</i>	<i>0</i>	<i>0</i>
Cash Balance - Beginning		184,677	184,677	184,677
Cash Balance - Ending		\$184,677	\$184,677	\$184,677
Reserve Requirement (25%)		51,300	51,300	51,300
Excess/(Deficit)*		133,377	133,377	133,377

Fiscal Year 2020-2021:

Revenues for the Capital Equipment Fund are projected at \$205,200 for September 30, 2021. The city is averaging \$17,000 per month in the base water and sewer rates. The city is projecting limited resources of interest earnings and sale of assets bringing total operating revenues on target with the amended budget of \$205,200.

Expenses for the Capital Equipment Fund are projected to total \$205,200. Expenses include the following:

- Purchase of a TYMCO street sweeper at \$165,725; which is a \$6,975 savings of the budgeted \$172,700.
- Replacement of a pickup truck for Public Works budgeted for \$32,500.

Available cash balance on September 30, 2019 is projected at \$133,377.

Fiscal Year 2021-2022:

Revenues total \$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 \$205,200, the adopted capital outlay includes the following:

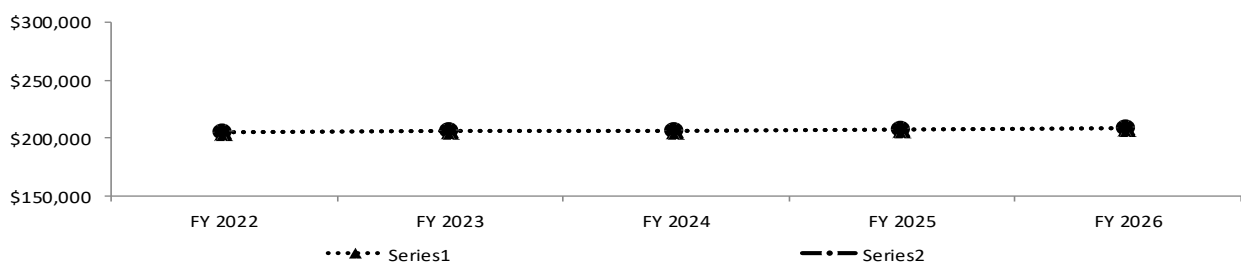
- Purchase of a mini excavator at \$52,000. With the new subdivisions and annexations, this equipment is necessary to have the ability to reach these areas, as Pinewood Trails is ten miles from the public works building. The hydraulic breaker that is included will allow access to utilities that are underneath the concrete streets.
- Replacement of a dump truck for \$82,000. We currently have one for water and one for streets. One is over ten years old and is having transmission issues and other mechanical problems. This would allow both departments to continue with jobs, and increase productivity when more material must be hauled.
- Purchase of additional street sweeper attachments at \$5,000. These additional attachments are for the regular maintenance on the sweeper; gutter brooms, air curtains, rubber seals, and skid plates.
- Replacement of light duty pickup trucks for Public Works budgeted for \$66,200.

Anticipated revenues of \$205,200 balance expenses, maintaining an estimated cash ending balance of \$184,677 with an excess of \$133,377 over the reserve.

MULTI-YEAR PLAN

It is projected that Fund 701 will maintain a balanced budget for fiscal years ending 2022 through 2026. 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 2022 ADOPTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 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	184,677	184,677	184,677	184,677	184,677
Fund Balance - Ending	\$ 184,677	\$ 184,677	\$ 184,677	\$ 184,677	\$ 184,677



**CAPITAL EQUIPMENT FUND - 701
FISCAL YEAR 2022 ADOPTED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>REVENUES</u>				
<u>Property Taxes</u>				
701-4000-01-0101 Base Water Rate	106,322	105,000	105,000	105,000
701-4000-01-0102 Sewer Base Rate	99,372	99,000	99,000	99,000
Total Property Taxes	205,694	204,000	204,000	204,000
<u>Interest</u>				
701-4000-10-0894 Interest	1,919	1,200	1,200	1,200
Total Interest	1,919	1,200	1,200	1,200
<u>Non-Operating</u>				
701-4000-99-0900 Transfer In	10,369	0	0	0
Total Non-Operating	(68,997)	0	0	0
Total Revenues:	\$138,616	\$205,200	\$205,200	\$205,200
<u>EXPENSES</u>				
<u>Capital Outlay</u>				
701-5730-17-2090 Equipment Purchases	6,200	172,700	172,700	139,000
701-5730-17-2095 Vehicle Purchases	0	32,500	32,500	66,200
Total Capital Outlay	6,200	205,200	205,200	205,200
<u>Financial Obligations</u>				
701-5180-99-9900 Principal - Equipment Note	116,854	0	0	0
701-5180-99-9901 Interest - Equipment Note	1,916	0	0	0
Total Financial Obligations	118,770	0	0	0
Total Expenses:	\$124,970	\$205,200	\$205,200	\$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 Express, and La Quinta.

FISCAL YEAR 2022 ADOPTED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>REVENUES</u>				
Occupancy Tax	219,084	237,840	252,002	252,438
Interest	3,267	500	850	850
Insurance Proceeds	0	272,031	272,031	0
Total Revenues	\$222,351	\$510,371	\$524,883	\$253,288
<u>EXPENDITURES</u>				
Hotel/Motel	24,563	40,500	40,672	50,000
Convention & Visitors' Bureau	169,401	780,881	771,321	203,288
Total Expenditures	\$193,963	\$821,381	\$811,993	\$253,288
Revenues Over Expenses	28,387	(311,010)	(287,110)	0
Fund Balance - Beginning		465,347	465,347	178,237
Fund Balance - Ending	\$465,347	\$154,337	\$178,237	\$178,237
Reserve Requirement (25%)		\$105,366	\$105,366	\$63,322
Excess/(Deficit)		\$48,971	\$72,871	\$114,915

Fiscal Year 2020-2021:

Projected revenues are \$524,883, 2.84% above the amended budget with hotel occupancy tax collection at \$252,002; which is \$14,512 more than the amended budget. It is expected that total occupancy tax collection would perform at normal expectations based on the collection activity from all 7 establishments over the prior year's, extracting variables such as the impact of COVID-19. The budget supports personnel cost at \$115,560, professional services (IT services) at \$27,000 and annual advertising at \$25,000. The budget includes \$341,010 in supplemental items while using \$311,010 in retained cash. The FY21 includes recurring supplemental totaling \$6,010 to support a salary and benefit merit increase. Non-recurring expenditures of \$335,000 includes the use of retained cash to support a new multi-purpose Area at Stancil Park that, in return, will expand services and generate additional revenue through user fees. Non-recurring also includes Chamber advertising at \$15,000 for annual Rock-N-Ride and Expo events.

Fiscal Year 2021-2022:

Collections for fiscal year 2022 occupancy tax are \$252,438 with total fund revenue of \$253,288. The adopted budget supports personnel cost at \$113,576, professional services (IT services) at \$28,000 and annual advertising at \$20,000. The adopted includes recurring supplemental totaling \$5,096 to support a 5% merit increase, salary adjustment and health benefit increase. Non-recurring expenditures include \$10,000 for additional advertising and \$20,000 for capital programs. This budget includes a total of \$35,096 in supplemental items with a balance budget.

The adopted supplemental expenditures include the following:

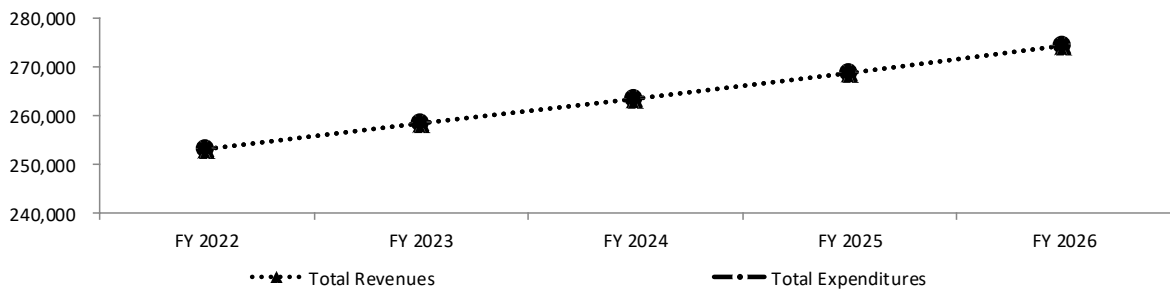
	<u>Recurring</u>	<u>Non-recurring</u>	<u>Total</u>
Salary (COLA 5%)	\$3,700		\$3,700
Salary Adjustment	\$460		\$460
Health Insurance (~ 5.5%)	\$936		\$936
Additional Advertising		\$10,000	\$10,000
Capital Programs		\$20,000	\$20,000
Total Hotel Fund <u>Adopted</u> Supplemental	\$5,096	\$30,000	\$35,096

Fund balance for 9/30/22 is projecting to be \$178,237. In order to maintain a healthy reserve, \$63,322 is required to remain as unallocated. The estimated in excess reserve \$114,915 is held for any emergency measures or possible downturn in occupancy collection without exposing any reserve requirement.

MULTI-YEAR PLAN

It is projected that Fund 600 will maintain a balanced budget for fiscal years ending 2022 through 2026. The plan consists of maintaining to improving our current levels of services 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 2022 ADOPTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED
Total Revenues	\$253,288	\$258,354	\$263,521	\$268,791	\$274,167
Hotel/Motel	50,000	50,000	50,000	50,000	50,000
CVB Base Budget	173,288	176,754	180,289	183,793	187,483
Co-Sponsored Events	10,000	10,000	10,000	10,000	10,000
Future Capital Programs	20,000	21,600	23,232	24,999	26,684
Total Expenditures	\$253,288	\$258,354	\$263,521	\$268,792	\$274,167



As projected, the fund would allow for greater than \$21,000 in new or expanded programs for future budget years (FY23-26). Unless recurring expenditures increase, such as personnel over the calculated 2% annual expectation. The calculation accounts for a \$30,000 (Co-Sponsored Events and CIP) of the non-recurring items proposed in fiscal year 2022.

**HOTEL / MOTEL OCCUPANCY TAX FUND - 600
FISCAL YEAR 2022 ADOPTED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
REVENUES					
<u>Other Services Charge</u>					
600-4000-09-0850	Insurance Proceeds	0	272,031	272,031	0
	Total Other Service Charge	0	272,031	272,031	0
<u>Interest</u>					
600-4000-10-0891	Interest Income	3,267	500	850	850
	Total Interest	3,267	500	850	850
<u>Hotel/Motel Revenue</u>					
600-4000-15-0801	Super 8	8,599	18,000	27,000	18,936
600-4000-15-0802	Motel 6	32,187	35,600	35,600	35,600
600-4000-15-0803	Budget Inn	4,137	2,740	3,500	3,500
600-4000-15-0804	M & M Hotel/Delux Inn	5,132	4,400	4,400	4,200
600-4000-15-0805	Best Western	46,194	51,500	51,500	51,200
600-4000-15-0810	Holiday Inn	72,881	65,400	70,000	72,000
600-4000-15-0815	La Quinta	67,640	60,200	60,000	67,000
600-4000-15-0820	Hotel/Motel Tax	(17,686)	0	0	0
600-4000-15-0825	Team Housing Solutions	0	0	2	2
	Total Hotel/Motel Revenue	219,084	237,840	252,002	252,438
	TOTAL REVENUES:	\$222,351	\$510,371	\$524,883	\$253,288

**HOTEL / MOTEL OCCUPANCY TAX FUND - 600
FISCAL YEAR 2022 ADOPTED BUDGET**

		FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
<u>Hotel/Motel</u>					
<u>Professional Services</u>					
600-5610-02-6050	Credit Card Fees-Hotel/Motel	413	500	381	0
600-5610-02-6070	Civic Center-Reimbursement	15,000	30,000	30,000	30,000
600-5610-02-6080	Advertising/Billboards	9,150	10,000	10,291	10,000
600-5610-02-6085	Music / Arts	0	0	0	10,000
	Total Professional Services	24,563	40,500	40,672	50,000
	Total Hotel Professional Services	\$24,563	\$40,500	\$40,672	\$50,000
 <u>CVB</u>					
<u>Salaries & Benefits</u>					
600-5620-01-1010	Salaries	53,025	80,670	80,670	78,620
600-5620-01-1011	Overtime	1,626	720	720	720
600-5620-01-1020	Group Insurance	11,322	17,790	17,790	17,956
600-5620-01-1030	FICA/Medicare	4,059	6,040	6,040	6,070
600-5620-01-1040	Retirement	6,019	8,520	8,520	8,380
600-5620-01-1050	State Unemployment Tax	218	410	410	410
600-5620-01-1060	Workers' Compensation	160	1,410	1,410	1,420
	Total Salaries & Benefits	76,430	115,560	115,560	113,576
<u>Professional Services</u>					
600-5620-02-2090	Blue Iron - Contract Services	25,000	27,000	27,000	28,000
	Total Professional Services	25,000	27,000	27,000	28,000
<u>Other Services</u>					
600-5620-04-2710	Telephone	607	850	850	800
600-5620-04-2720	Advertising	19,006	30,000	25,000	30,000
600-5620-04-2730	Promotional Merchandise	80	2,000	500	2,500
600-5620-04-2750	Dues/Subscriptions/Memberships	1,215	3,200	540	1,000
600-5620-04-2830	Seminars/Training	0	0	0	2,000
	Total Other Services	20,907	36,050	26,890	36,300
<u>Supplies</u>					
600-5620-05-3010	Office Supplies	198	240	240	312
600-5620-05-3030	Employee Relations	100	0	100	100
600-5620-05-3100	Other Operating Supplies	0	1,000	500	1,000
	Total Supplies	298	1,240	840	1,412
<u>Other Expenditures</u>					
600-5620-06-5060	Office Equipment	0	4,000	4,000	4,000
	Total Other Expenditures	0	4,000	4,000	4,000
<u>Capital Outlay</u>					
600-5620-17-5090	Other Capital Outlay >5,000	46,765	597,031	597,031	20,000
	Total Capital Outlay	46,765	597,031	597,031	20,000
	Total CVB	\$169,401	\$780,881	\$771,321	\$203,288
	TOTAL EXPENDITURES:	\$193,963	\$821,381	\$811,993	\$253,288

SPECIAL REVENUE FUND

Fiscal Year 2021-2022

In fiscal year 2022, 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 9/30/22 is projected at \$83,011.

FISCAL YEAR 2022 ADOPTED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
Interest	424	50	50	50
Seizures	4,393	0	0	0
Intergovernmental	2,188	2,000	2,173	2,000
Total Revenues	\$7,005	\$2,050	\$2,223	\$2,050
Money Seizures	0	2,050	2,223	2,050
Red Light Camera	0	0	0	0
Total Expenditures	\$0	\$2,050	\$2,223	\$2,050
Revenues Over Expenses	7,005	0	0	0
Beginning Balance - Money Seizures		105,186	105,186	105,186
Beginning Balance - RLC		0	0	0
Total Fund Balance - Beginning		105,186	105,186	105,186
Ending Balance - Money Seizures	105,186	105,186	105,186	105,186
Ending Balance - RLC	0			
Fund Balance - Ending	105,186	105,186	105,186	\$105,186
<i>Restricted - Money Seizures</i>		22,175	22,175	22,175
<i>Restricted - RLC</i>				
<i>Unrestricted Cash -Money Seizures</i>		83,011	\$83,011	\$83,011
<i>Unrestricted Cash -RLC</i>		\$0	\$0	\$0
Cash Balance - Ending		\$83,011	\$83,011	\$83,011

**SPECIAL REVENUE FUND - 915
COURT TECHNOLOGY
FISCAL YEAR 2022 ADOPTED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
Court Special Revenue	5,360	6,500	6,500	6,500
Interest	0	0	0	0
Total Revenues	\$5,360	\$6,500	\$6,500	\$6,500
Court Special Expenditures	16,115	6,500	6,500	6,500
Total Expenditures	\$16,115	\$6,500	\$6,500	\$6,500
Revenues Over Expenses	(10,755)	0	0	0
Fund Balance - Beginning		(5,445)	(5,445)	0
Fund Balance - Ending	(\$5,445)	(\$5,445)	(\$5,445)	\$0

**SPECIAL REVENUE FUND - 916
COURT SECURITY
FISCAL YEAR 2022 ADOPTED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
Court Special Revenue	4,997	5,000	5,000	5,000
Interest	0	0	0	0
Total Revenues	\$4,997	\$5,000	\$5,000	\$5,000
Court Special Expenditures	1,379	5,000	5,000	5,000
Total Expenditures	\$1,379	\$5,000	\$5,000	\$5,000
Revenues Over Expenses	3,618	0	0	0
Fund Balance - Beginning		28,813	28,813	28,813
Fund Balance - Ending	\$28,813	\$28,813	\$28,813	\$28,813

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 2021 total \$16,293, increasing from last fiscal year due to COVID-19 restrictions lifted and events occurring. The fund did receive limited donations, including for Fourth of July Fireworks that are to support the 2022 event. Expenditures in fiscal year 2022 balance with revenues to a total of \$19,975 and the estimated cash available on 9/30/2022 is \$9,303.

FISCAL YEAR 2022 ADOPTED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
REVENUES:				
<u>Interest</u>				
102-4000-10-0894 Interest	72	75	75	75
Total Interest	72	75	75	75
<u>Community Events</u>				
102-4000-30-0100 Donations - Cleanup Cleveland	0	300	0	300
102-4000-30-0110 Donations - Treat Street	(46)	300	0	300
102-4000-30-0115 Donations - Bunny Blast	0	300	0	300
102-4000-30-0120 Donations - July Fireworks	1,500	15,000	15,000	15,000
102-4000-30-1030 Donations - Hometown Christmas	869	3,700	(375)	3,700
102-4000-30-1040 I Love Cleveland Campaign	0	300	0	300
Total Community Events	2,323	19,900	14,625	19,900
Total Revenues:	\$2,395	\$19,975	\$14,700	\$19,975
EXPENDITURES:				
<u>Community Events</u>				
102-5100-30-1010 Cleanup Cleveland Expenses	0	300	0	300
102-5100-30-1020 Treat Street Expenses	0	300	0	300
102-5100-30-1030 Bunny Blast Expenses	0	300	0	300
102-5100-30-1040 July Fireworks Expenses	69	15,000	15,000	15,000
102-5100-30-1050 Hometown Christmas Expenses	1,420	3,700	1,293	3,700
102-5100-30-1060 I Love Cleveland Campaign	0	300	0	300
102-5100-30-3130 Postage	0	75	0	75
Total Community Events	1,489	19,975	16,293	19,975
Total Expenditures:	\$1,489	\$19,975	\$16,293	\$19,975
Revenue Over/(Under) Expenditures	906	0	(1,593)	0
Fund Balance - Beginning		10,896	10,896	9,303
Fund Balance - Ending	\$10,896	\$10,896	\$9,303	\$9,303

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 2022 ADOPTED BUDGET

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
REVENUES:				
Operating Revenues	\$675,513	\$718,033	\$741,633	\$768,425
Non-Operating Revenues	\$0	\$0	\$0	\$0
Total Revenues	\$675,513	\$718,033	\$741,633	\$768,425
EXPENSES:				
Operating Expenses	\$324,564	\$565,033	\$541,744	\$380,960
Financing Programs	\$286,647	\$153,000	\$294,002	\$387,465
Total Expenses	\$611,211	\$718,033	\$835,746	\$768,425
<i>Revenues Over Expenses (Total)</i>	64,302		(94,113)	0
	ADOPTED BUDGET 2021-2022			80

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
Net Position - Ending	\$2,664,156	\$2,664,156	\$2,570,043	\$2,570,043
<i>Cash Balance - Ending</i>	<i>\$1,637,793</i>	<i>\$1,637,793</i>	<i>\$1,543,680</i>	<i>\$1,543,680</i>
Reserve Requirement (25%)		179,508	208,937	192,106
Annual Debt Coverage		190,664	190,664	187,544
Excess/(Deficit)		1,267,621	1,144,080	1,164,030

Fiscal Year 2020-2021 Budget:

Total revenues are projected at \$741,633 of which \$715,833 or 96.5% is from sales tax remittances. Staff is anticipating sales tax to break even by year-end due to the Governor lifting COVID-19 restrictions. However, we will continue to monitor and adjust accordingly before adoption. Other income is totaling at \$9,000, based on an agreement between EDC and the property owner of 315 Dr. Rick Kelly to have a structure on the property demolished. Interest revenue is proposed to come in at \$16,800.

Projected expenses are \$835,746 and \$117,713 more than amended. Operating expenses are expected to come in 4.1% lower than the amended budget. Non-operating expenses are showing to be \$141,002 over the amended budget. Capital outlay at \$90,000, which is likely to be reallocated in fiscal year 2022 as a carryover for phase II CDBG project for downtown revitalization. Additionally, \$63,342 was spent for the purchase of a parcel of land on FM 1010 and booked as an asset. Business incentives include \$189,002, as EDC made an agreement with Burgerworks, LTD. to split the plumbing costs for the relocation of Whataburger.

Ending cash balance is projected at \$1,543,680 with cash over operating requirement at 09/30/2021 projected at \$1,144,080.

Fiscal Year 2021-2022 Budget:

Total revenues are adopted at \$768,425 of which \$751,625 or 97.8% is from sales tax remittances. Total revenues are \$26,792 or 3.6% more than projected fiscal year 2021 considering recovery from the pandemic. Sales tax is projected to increase by 5% considering the restrictions lifted due to the pandemic. Total projected expenses are \$768,425 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 2022 is with the following highlights:

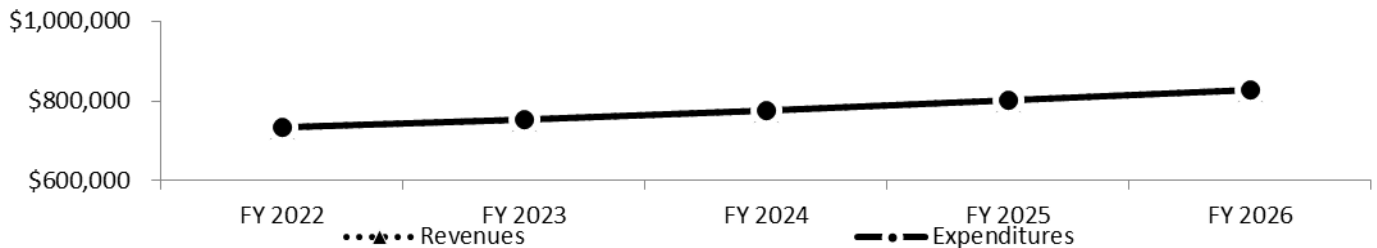
- Capital outlay of \$319,465 which funds will be allocated for gateway sign(s), downtown mural(s) and capital projects. Detail allocation is to include \$100K for gateway sign(s) and \$30K for mural project. The numbers for these projects are undetermined due to inflation.
- Increase in professional services, mainly legal.
- An allocation of \$90,000 will be carryover from fiscal year 2021 to start phase II participation in Central Business District sidewalk project. Grant funding pursued to begin a second phase of improvements to downtown.

Ending cash balance projected at \$1,543,680 with cash over operating requirement and annual debt coverage at 9/30/22 projected at \$1,164,030.

MULTI-YEAR PLAN

It is projected that Fund 200 will maintain a balanced budget for fiscal years ending 2023 through 2026. 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 2022 ADOPTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED
Total Revenues	\$768,425	\$791,488	\$815,351	\$840,612	\$867,075
Salaries & Benefits	\$120,316	\$123,925	\$127,643	\$131,472	\$135,417
Professional Services	\$48,200	\$49,646	\$51,135	\$52,669	\$54,250
Other Services	\$23,600	\$24,308	\$25,037	\$25,788	\$26,562
Supplies	\$1,300	\$1,339	\$1,379	\$1,421	\$1,463
Financial Obligations	\$187,544	\$194,320	\$190,992	\$187,664	\$194,232
Operating Expenses	\$380,960	\$393,538	\$396,187	\$399,015	\$411,923
Property Services	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Affordable Housing and Demolition	\$18,000	\$12,000	\$12,000	\$12,000	\$12,000
Capital / Supplemental	\$319,465	\$330,949	\$352,164	\$374,597	\$388,152
Business Incentives	\$45,000	\$50,000	\$50,000	\$50,000	\$50,000
Financing Programs	\$387,465	\$397,949	\$419,164	\$441,597	\$455,152
Revenues Over Expenses	\$0	\$0	\$0	\$0	\$0
Fund Balance - Cash Ending	1,543,680	1,543,680	1,543,681	1,543,681	1,543,681



Capital and supplemental programs are projected to have additional cash to support the annual programs requested, beginning with \$330,949 in fiscal year 2023 and maxing out to \$388,152 by 2026. It is estimated that nearly \$1.4M can be raised to support sustainable capital and incentive programming from 2023 – 2026 while meeting other obligations and operational cost.

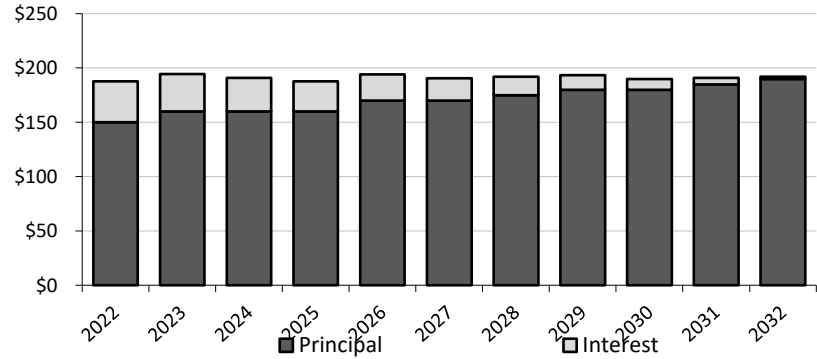
**ECONOMIC DEVELOPMENT CORPORATION FUND
FISCAL YEAR 2022 ADOPTED BUDGET**

	FY 2020 YEAR END ACTUAL	FY 2021 AMENDED BUDGET	FY 2021 YEAR END PROJECTED	FY 2022 ADOPTED BUDGET
REVENUES:				
Sales Taxes	652,091	715,833	715,833	751,625
Other Income	1,000	0	9,000	0
Interest Revenue	22,422	2,200	16,800	16,800
Operating Revenues	\$675,513	\$718,033	\$741,633	\$768,425
Total Revenues	\$675,513	\$718,033	\$741,633	\$768,425
EXPENSES:				
Salaries & Benefits	64,897	108,730	108,730	120,316
Professional Services	35,959	60,200	53,200	48,200
Other Services	14,781	30,334	16,745	23,600
Supplies	476	4,000	1,300	1,300
Contributions	0	171,105	171,105	0
Financial Obligations	206,760	190,664	190,664	187,544
Operating Expenses	\$324,564	\$565,033	\$541,744	\$380,960
Property Services	0	0	5,000	5,000
Affordable Housing and Demolition	9,000	18,000	0	18,000
Capital Outlay	197,008	90,000	90,000	189,465
Gateway Sign(s)	0	0	0	100,000
Downtown Mural(s)	0	0	0	30,000
Business Incentives	80,639	45,000	199,002	45,000
Financing Programs	\$286,647	\$153,000	\$294,002	\$387,465
Total Expenses	\$611,211	\$718,033	\$835,746	\$768,425
<i>Revenues Over Expenses (Total)</i>	64,302		(94,113)	0
Net Position - Beginning		2,664,156	2,664,156	2,570,043
Cash Balance - Beginning		1,637,793	1,637,793	1,543,680
Net Position - Ending	\$2,664,156	\$2,664,156	\$2,570,043	\$2,570,043
Cash Balance - Ending	\$1,637,793	\$1,637,793	\$1,543,680	\$1,543,680
Reserve Requirement (25%)		179,508	208,937	192,106
Annual Debt Coverage		190,664	190,664	187,544
Excess/(Deficit)*		1,267,621	1,144,080	1,164,030

CORPORATION LONG-TERM DEBT
CORPORATION DEBT MATURITY SCHEDULE

Fiscal Year	Principal	Interest	Total
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
Total	1,880,000	223,496	2,103,496

Series Name	Principal Amount
Series 2019 Refunding (Sports Park/Water Well)	1,880,000
Total	1,880,000



DATE	DESCRIPTION	AMOUNT ISSUED	AMOUNT OUTSTANDING AS OF 9/30/20	PRINCIPAL	INTEREST	PAYMENT TOTAL	AMOUNT OUTSTANDING AS OF 9/30/22
03/01/2022	Series 2019 Refunding	2,030,000		150,000	19,552	169,552	
09/01/2022					17,992	17,992	
	Fiscal Year Total		1,880,000	150,000	37,544	187,544	1,730,000
	TOTAL	2,030,000	1,880,000	150,000	37,544	187,544	1,730,000

SERIES 2019 G/O Refunding

Fiscal Year	Principal	Interest	Total
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
Total	1,880,000	223,496	2,103,496

APPENDIX



CITY OF CLEVELAND, TEXAS

ADOPTED BUDGET

FISCAL YEAR 2021-2022



CITY OF CLEVELAND, TEXAS
ADOPTED BUDGET

FISCAL YEAR 2021-2022

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

	<u>FY2020-21 PROJECTED</u>	<u>FY2021-22 ADOPTED</u>	<u>DATE OF CHANGE</u>
Preliminary Revenues:	\$8,704,869	\$8,760,981	
<u>Changes to Preliminary Revenues:</u>			
1 Adjust Property Tax (0.7600 to 0.7550)		\$124,694	09/14/21
2 Sales Tax Adjustment		\$214,750	08/16/21
3 Sales Transfer EDC		(\$35,792)	08/16/21
Total Revenue Changes:	\$0	\$303,652	
Total Revenue with Changes:	\$8,704,869	\$9,064,633	
Preliminary Expenditures:	\$9,895,207	\$8,760,981	
<u>Changes to Preliminary Expenditures:</u>			
1 Health Insurance (~ 5.5%)		\$36,340	08/16/21
2 CID Clerk (P/T to F/T - Mid Year)		\$25,249	08/24/21
3 Fire Department Software		\$15,870	08/24/21
4 Generator Police Facility		\$150,000	08/24/21
5 Campbell Park Rehab		\$100,000	08/24/21
6 Park Equipment		\$60,000	08/24/21
7 Contracted Mowing Services Airport		\$10,600	08/24/21
8 Street Resurfacing		\$70,000	08/24/21
9 Tyler Technologies AMR		\$2,800	08/24/21
10 Christmas Decorations		\$20,000	08/24/21
11 Additional Events		\$7,000	08/24/21
12 4 P/T Crew Worker Positions		(\$46,810)	08/24/21
13 Full Time Crew Worker Position		\$46,810	08/24/21
14 Large Police Evidence Room - Additional		\$350,000	08/31/21
15 Apron Hangar - Stephens Agreement		\$56,000	08/31/21
16 Increase Professional Services Expense - Dev.Service		\$69,412	09/14/21
Total Change in Expenditures:		\$973,271	
Total Expenditures with Changes:	\$9,895,207	\$9,734,252	
Net Revenues Over/(Under) Expenses	(\$1,190,338)	(\$669,619)	
Beginning Fund Balance	\$6,459,426	\$5,269,088	
Ending Fund Balance	\$5,269,088	\$4,599,469	

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

	<u>FY2020-21 PROJECTED</u>	<u>FY2021-22 ADOPTED</u>	<u>DATE OF CHANGE</u>
Preliminary Revenues:	\$3,642,812	\$3,497,533	
<u>Changes to Preliminary Revenues:</u>			
1 Increase W/S Rates (\$1.43)		\$46,810	08/24/21
2 Increase Garbage Revenue - Additional Homes		\$14,604	09/14/21
Total Revenue Changes:	\$0	\$61,414	
Total Revenue with Changes:	\$3,642,812	\$3,558,947	
Preliminary Expenditures:	\$3,419,743	\$3,497,533	
<u>Changes to Preliminary Expenditures:</u>			
1 Health Insurance (~ 5.5%)		12,767	08/24/21
2 Crew Worker I		46,810	08/24/21
3 Reduction to Proposed CIP		(59,577)	08/24/21
4 Crew Worker I		46,810	08/24/21
5 Increase Garbage Expense - Additional Homes		14,604	09/14/21
Total Change in Expenditures:		\$61,414	
Total Expenditures with Changes:	\$3,419,743	\$3,558,947	
Net Revenues Over/(Under) Expenses	\$223,068	\$0	
Beginning Cash Balance	1,993,645	2,216,713	
Ending Cash Balance	\$2,216,713	\$2,216,713	

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

	<u>FY2020-2021 PROJECTED</u>	<u>FY2021-2022 ADOPTED</u>	<u>DATE OF CHANGE</u>
Preliminary Revenues:	\$524,883	\$253,288	
<u>Changes to Preliminary Revenues:</u>			
1 Hotel Occupancy Tax		\$936	08/24/21
Total Revenue Changes:	\$0	\$936	
Total Revenue with Changes:	\$524,883	\$254,224	
Preliminary Expenditures:	\$811,993	\$253,288	
<u>Changes to Preliminary Expenditures:</u>			
1 Health Insurance (~ 5.5%)		\$936	08/24/21
Total Change in Expenditures:	\$0	\$936	
Total Expenditures with Changes:	\$811,993	\$254,224	
Net Revenues Over/(Under) Expenses	(\$287,110)	\$0	
Beginning Fund Balance	465,347	\$178,237	
Ending Fund Balance	\$178,237	\$178,237	
* Reserve Requirement (25%)	\$105,366	\$56,088	
Excess/(Deficit)	\$72,871	\$122,150	

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 rear 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.

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.

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

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.

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

FISCAL YEAR 2021-2022



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