

City of Palacios Fiscal Year 2013-2014 Final Budget

This budget will raise more revenue from property taxes than last year's budget by an amount of \$23,872, which is a 2.04 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$12,132.

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

FOR: Mayor Sardelich, Judy Chavez, Ed Schulze, Gary Hafernick, Andy Erdelt and Troy Lewis

AGAINST: None

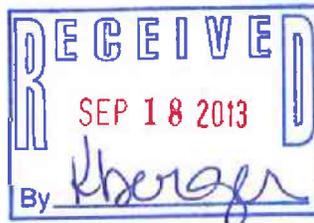
PRESENT and not voting: None

ABSENT: Johnny Tran

Property Tax Rate Comparison

	2013-2014	2012-2013
Property Tax Rate:	\$0.85787/100	\$0.85787/100
Effective Tax Rate:	\$0.84785/100	\$0.85787/100
Effective Maintenance & Operations Tax Rate:	\$0.79704/100	\$0.82357/100
Rollback Tax Rate:	\$0.90402/100	\$0.93092/100
Debt Rate:	\$0.03206/100	\$0.03235/100

Total debt obligation for City of Palacios secured by property taxes: \$44,637



**City Manager's
Budget Message
For the
2013-2014 Fiscal Year**

Budget Goals

The Budget Goals for the 2013-2014 Fiscal year will be to increase projected ending 2012-2013 fund balances for all funds including General, Water, Equipment, and Airport Funds. This year's budget is projected to increase fund balances to match the City's goal of maintaining a minimum unassigned fund balance in the General Fund of fifteen percent (15%) of the subsequent year's budgeted expenditures and outgoing transfers. We will have to closely monitor cash flow and expenditures on a monthly basis to prevent each fund from dipping into their respective fund balances. Another major goal is to continue with water and wastewater infrastructure projects to provide uninterrupted services to the citizens of Palacios.

Financial Policies

During the 2012-2013 budget year, Council adopted a Fund Balance Policy to protect fund balances as required by Governmental Accounting Standards Board ("GASB") Statement No. 54, *Fund Balance Reporting and Governmental Fund Definitions*. By applying this policy to all of the city's funds, staff will continue to be as conservative as possible, while expending funds to provide and improve necessary services.

In addition to adopting a Fund Balance Policy, Council adopted a Fraud Policy, Cash Receipts Policy, Fixed Assets Policy, and an Investment Policy to provide direction for city staff to manage monies and budgets.

Significant Changes in Expenditures

General Fund

Revenues from all sources in the fund are projected to be lower than this year's current budgeted revenues by \$226,000. The fund has a projected decrease of \$225,200 in total expenditures. The decrease in expenditures is reflected across all departments including special items.

In the Special Items department, the line item for a 75% reimbursement of the taxes collected on the Beachside Subdivision has been reduced by \$6,100 and is offset in the tax revenue section of the General Fund. It is important to note that reimbursements are only made from this line item when taxes from the Beachside Subdivision are paid.

Water Fund

Revenues in the Water Fund are projected to be the same as current year of \$1.77 million. The fund has a projected decrease in expenditures of \$17,100 from this year's current budget.

Major expenditures are scheduled from the proceeds of the sale of Certificates of Obligation for a new well, groundwater storage tank and other improvements. These expenditures are accounted

for in the 2011 Series Certificate of Obligation Fund. Principal and interest for the budget year 2013-2014 is \$459,655.

The Sewer Department reflects a decrease of expenditures in the amount of \$29,556. This year's budget does not include participating in the CDBG Program. The City is eligible to participate in the program during the 2014-15 budget year.

Airport Fund

The city participated in the RAMP program with TxDOT Aviation and will be completed this budget year. Depending on oil and gas revenues, minor rehabilitation and maintenance of airport facilities are planned for the budget year.

Equipment Fund

The amount transferred into this fund by the other departments increased by \$14,000. due to the completion of the backhoe debt payment. The capital lease payment for the dump truck and gradall is \$29,300. The fluctuation in the cost of fuel and maintenance repairs continues to require close monitoring to preserve the balance in this fund. Being that this is an Internal Service Fund, increased operating costs burdens the General, Water, and Airport funds that transfer monies to support this fund.

Other Major Changes

Insurance benefits throughout the funds will remain at the current fiscal year level due to the management of health care costs by the City's insurance carrier.

Financial Condition

General Fund

The financial condition of the city's General Fund is sound. Revenues are projected to be even with budgeted expenditures.

Reserves allocated in the Restricted Fund Balance for use on future projects are budgeted to increase by \$5,000 for the replacement of a fire truck and \$30,000 for street rehabilitation. At the end of the 2013-2014 budget year, the reserve balance will be \$107,600 for a Fire Truck, Street Rehabilitation, Swimming Pool, and Emergency Management.

The General Fund's approximate ending cash balance is expected to be \$583,000 by the end of this fiscal year. The restricted cash balance of \$107,600 will leave unrestricted cash balance of \$475,400.

Water Fund

The financial condition of the city's Water Fund needs to be monitored carefully due to the increase in bond payments in the amount of \$179,585. Expenditures are projected to decrease the fund balance by \$124,000.

The Water Fund's fund balance is projected to be around \$89,000 by the end of the current budget.

Airport Fund

The financial condition of the city's Airport Fund needs to be closely monitored. The continued lack in interest in new leases and landing activity has reduced the fund balance. For years expenditures have exceeded revenues. The Airport Fund's fund balance is projected to around \$5,200 by the end of the current budget.

Equipment Fund

The financial status of this internal service fund is solvent due to the support by the other major funds. Any increase or decrease in needed funding will continue to be reflected by an increase or decrease in expenditures from the other major funds. The financial policy of this fund is generally to have revenues and expenditures match with a goal of building a restricted fund balance of \$20,000 to offset the fluctuations in fuel costs and repairs. The goal is to eliminate additional transfers to the Internal Service Fund when expenditures exceed revenues. The Equipment Fund's fund balance is expected to be around \$5,000 by the end of the budget year 2012-2013.

Departments

The City provides services to the citizens and visitors of Palacios through a departmental structure including Administration, Police, Municipal Court, and Public Works.

Administration

The Administration department currently consists of five employees including the office of the city manager, city secretary, building inspector, finance, and utility billing.

The City Manager's duties are spelled out in the City Charter. In summary, the City Manager is employed by the City Council, and is responsible for managing the day-to-day affairs of the City. This includes the management of the City workforce, and the development, presentation, and monitoring of the City budget. The City Manager's office is responsible for ensuring timely and accurate responses to complaints and information requests from the public and City Council.

The City Secretary's office posts all required notices to the public, prepares agendas and keeps minutes of all City Council, Boards, Commissions meetings, and public hearings; is the custodian of all public records. Anyone wanting to request public information must fill out an Application for Public Information.

The Building and Inspections department oversee permits and inspections that are required by the City of Palacios' Code of Ordinances and provide safe construction with sound materials for new commercial and home construction; major remodeling and repairs. Once construction has begun, inspections are necessary throughout the construction process to assure compliance with safety standards and City regulations.

The Finance Department is responsible for providing fiscal control and guidance for all financial transactions of the City. In addition, Finance is responsible for complying with all applicable local, state and federal requirements. Utility billing is responsible for cash receipts and receivables of revenues from utility services provided by the City.

In addition, the utility building clerk coordinates all sanitation activities with outside providers to ensure services are received at a reasonable cost.

Police

The Police department has fifteen full-time and ten part-time employees, six of which are full-time officers and 7 part-time officers, three administration positions, crime investigations division, and dispatchers. The department provides a variety of services to improve the public safety and quality of life for its citizens and visitors of Palacios.

Municipal Court

The Municipal Court consists of one Judge and two associate judges, court clerk, and one part-time warrant officer. The department is responsible for processing and recording all traffic violation and other misdemeanor charges. The Court compiles statistical reports for the Texas Judicial Council and reports all moving violations to the Texas Department of Public safety.

Public Works

The Public Works department includes the street, water, sewer, parks, airport, recycling center, and animal control divisions. The department currently has ten full-time employees and one part-time employee. The department is responsible for all water and sewer infrastructure repairs, maintenance of streets and parks, manage the airport and recycling center, and perform animal control functions for the city.

Summary

The major challenge of the City of Palacios is to maintain current services to its citizens while decreasing operating costs through efficiencies, management of individual departments, and accountability of its employees. Our plan is to improve all services to the citizens of Palacios by making water and sewer infrastructure improvements, joining with the other entities in making repairs to structures in Parks, and additional street and drainage improvements.

Sincerely,



David Kocurek
City Manager
City of Palacios

**CAPITAL EXPENDITURES
FOR THE
2013-2014
FISCAL YEAR**

The following is a summary of Capital Expenditures for the City of Palacios. These amounts are reflected in the 2013-2014 budget.

General Fund

The Streets Department is proposing a Capital Expenditure of \$50,000 plus \$30,000 that was restricted from 2012-2013 budget for street reconstruction and seal coat. An allocation of \$9,000.00 has been designated for related services to support these projects. An allocation of \$23,000.00 has been designated for reconstruction material for street repairs and drainage projects.

These items will be financed through General Fund revenues such as property tax, sales tax, and franchise taxes.

Water Fund

The City of Palacios will utilize the \$1,522,400 grant from HUD for the Texas Disaster Recovery Program to replace deteriorated sewer lines and manholes. An allocation of \$5,000 has been budgeted for the purchase of an ice machine for the Service Center.

Airport Fund

The Airport fund is scheduled to complete the repairs and renumbering of the runway. \$10,000 will be budgeted for the City's match to the RAMP Program (90% federal cost share).

Equipment Fund

The Equipment Fund is proposing a Capital Expenditure of \$23,000.00 for replacement of one police vehicle. This expenditure items will be financed through the Equipment Fund revenue, which is funded by the General, Water, and Airport Funds.



David Kocurek
City Manager

**CITY OF PALACIOS
OUTSTANDING BOND INDEBTEDNESS**

2013-2014 Budget

On August 16, 2004, the City of Palacios refinanced its General Obligation 1988 Permanent Improvement Bonds and its 1994 Combination Tax and Waterworks and Sewer System Certificates of Obligation and issued the General Obligation Refunding Bonds, Series 2004.

The debt service requirements for this combined issue are funded from property taxes and water/sewer revenues. The maturity dates are basically the same as the original issues. The tax supported portion matured on February 15, 2009 and the water/sewer revenue supported portion will mature on February 15, 2014. The interest rate is 3.357%.

The current balance outstanding for this issue is \$145,000.00 in Principal and \$2,755.00 in Interest. The tax supported portion of this issue is paid off leaving these balances to be paid from the Water Fund. A Principal amount of \$145,000.00 and Interest amount of \$2,755.00, for a total of \$147,755, will be paid for Fiscal Year 2013-2014.

The savings from refinancing the General Obligation bonds was \$13,679.00 over the remainder of the bonds and \$117,438.00 for the Certificates of Obligation for a total savings of \$131,117.00

This issuance was rated an insurable AAA by Standard and Poor's due to the city's sound fiscal management practices and stability. This is the highest rating available and is equal to Fortune 500 companies' ratings.

The refinancing and issuance of the bonds was handled by Steve Elliot of Southwest Securities in San Antonio, Texas.

Tax Notes in the amount of \$264,000 were issued on August 5, 2008 for the purchase of the building that currently houses City Hall. Portions of the building will be utilized for additional Police Department, Code Enforcement, and Administrative Offices.

The proceeds from the City of Palacios Series 2008 Tax Notes were distributed with \$252,000 being allocated toward the purchase of the building and \$12,000 being allocated for related financial and legal expenses. The debt service requirements for this combined issue are funded from General Fund revenue sources.

The current balance outstanding for this issue is \$84,200.00 in Principal and \$5,369.16 in Interest. The net interest cost for this issue is 4.005 %. The final maturity date of the issue is August 15, 2015. A Principal amount of \$41,100.00 and Interest amount of \$3,537.40 for a total of \$44,637.40 will be paid for Fiscal Year 2013-2014.

The refinancing and issuance of the bonds was handled by Victor Quiroga, Jr. of Southwest Securities in San Antonio, Texas.

Certificates of Obligation were issued on February 22, 2011 for the funding of water and wastewater infrastructure improvements. Such improvements were for the drilling of a new water well, new main line construction between the two elevated tanks, replacement of old water mains, and rehabilitation of structures at the wastewater treatment plant.

The current balance outstanding for this issue is \$3,580,000.00 in Principal and \$ 1,533,725.00 in Interest. The net interest cost for this issue is 4.375 %. The final maturity date of the issue is August 15, 2031. A Principal amount of \$180,000.00 and Interest amount of \$131,900.00, for a total of \$311,900.00, will be paid for Fiscal Year 2013-2014. The issuance was structured with interest only payments for the first two years to allow a buildup of reserves for the first principal payment.

The issuance of the Certificates of Obligation was handled by Victor Quiroga, Jr. of Southwest Securities in San Antonio, Texas.



David Kocurek
City Manager

CITY OF PALACIOS
2013 - 2014 ANNUAL BUDGET

GENERAL FUND

SUMMARY OF RESTRICTED FUND BALANCE

	ADOPTED BUDGET 2012-2013	ACTUAL RESTRICTED 2012-2013	BEGINNING BALANCE 2013-2014
FIRETRUCK	\$5,000.00	\$5,000.00	\$0.00
STREET REHABILITATION	\$0.00	\$30,000.00	\$30,000.00
SAFE TO SCHOOL BRIDGE	\$0.00	\$0.00	\$0.00
SWIMMING POOL	\$0.00	\$0.00	\$0.00
REWARD FUND	\$0.00	\$0.00	\$0.00
PARKS RESTROOM	\$0.00	\$0.00	\$0.00
LEGAL	\$0.00	\$0.00	\$0.00
CITY SERVICE FACILITIES	\$0.00	\$0.00	\$0.00
ANIMAL SHELTER	\$0.00	\$0.00	\$0.00
DRAINAGE FUND	\$0.00	\$0.00	\$0.00
COUNCIL CONTINGENCY	\$0.00	\$0.00	\$0.00
EMERGENCY MANAGEMENT	\$0.00	\$0.00	\$0.00
PAVILION ROOF	\$0.00	\$0.00	\$0.00
	----- \$5,000.00	----- \$35,000.00	----- \$30,000.00

RESTRICTED FUND HISTORY BALANCES

	BALANCE AS OF 2011-2012	BALANCE AS OF 2012-2013	BEGINNING BALANCE 2013-2014
FIRETRUCK	\$75,000.00	\$80,000.00	\$80,000.00
STREET REHABILITATION	\$0.00	\$30,000.00	\$30,000.00
SAFE TO SCHOOL BRIDGE	\$0.00	\$0.00	\$0.00
SWIMMING POOL	\$10,000.00	\$10,000.00	\$10,000.00
REWARD FUND	\$0.00	\$0.00	\$0.00
PARKS RESTROOM	\$0.00	\$0.00	\$0.00
LEGAL	\$0.00	\$0.00	\$0.00
CITY SERVICE FACILITIES	\$0.00	\$0.00	\$0.00
ANIMAL SHELTER	\$0.00	\$0.00	\$0.00
DRAINAGE FUND	\$0.00	\$0.00	\$0.00
EMERGENCY MANAGEMENT	\$12,600.00	\$12,600.00	\$12,600.00
	----- \$97,600.00	----- \$132,600.00	----- \$132,600.00

CITY OF PALACIOS
2013-2014 ANNUAL BUDGET

GENERAL FUND

CASH PROJECTION SUMMARY

	Actual Audited 2011-2012	Year End Projection 2012-2013	Proposed Budget 2013-2014
Est. Beginning Balance	560,978.00	608,166.00	583,000.00
Revenues	2,196,017.00	2,375,000.00	2,374,800.00
Expenditures	2,377,720.00	2,400,166.00	2,374,800.00
Transfer In	422,280.00		
Transfer Out	193,389.00		

Ending Cash Balances	608,166.00	583,000.00	583,000.00
Rev/Exp Difference	47,188.00	-25,166.00	0.00
Restricted Fund Balances	97,600.00	132,600.00	132,600.00
Unrestricted Fund Balances	510,566.00	450,400.00	450,400.00

CITY OF PALACIOS
2013-2014 ANNUAL BUDGET

WATER/SEWER FUND

CASH PROJECTION SUMMARY

	Actual Audited 2011-2012	Year End Projection 2012-2013	Proposed Budget 2013-2014
Est. Beginning Balance	63,581.00	88,632.00	89,082.00
Revenues	2,852,975.00	1,774,950.00	1,763,800.00
Expenditures	2,828,343.00	1,774,500.00	1,757,200.00
Ending Cash Balances	88,213.00	89,082.00	95,682.00
Rev/Exp Difference	24,632.00	450.00	6,600.00
Restricted Fund Balances	0.00	0.00	0.00
Unrestricted Fund Balances	88,213.00	89,082.00	95,682.00

CITY OF PALACIOS
2013-2014 ANNUAL BUDGET

AIRPORT FUND

CASH PROJECTION SUMMARY

	Actual Audited 2011-2012	Year End Projection 2012-2013	Proposed Budget 2013-2014
Est. Beginning Balance	104,226.00	-4,800.00	5,200.00
Revenues	77,901.00	70,000.00	88,600.00
Expenditures	157,207.00	60,000.00	61,100.00
Subtotals	24,920.00	5,200.00	32,700.00
Rev/Exp Difference	-79,306.00	10,000.00	27,500.00
Fuel Inventory	29,720.00	0.00	0.00
Unrestricted Fund Balances	-4,800.00	5,200.00	32,700.00

CITY OF PALACIOS
2013-2014 ANNUAL BUDGET

EQUIPMENT FUND

CASH PROJECTION SUMMARY

	Actual Audited 2011-2012	Year End Projection 2012-2013	Proposed Budget 2013-2014
Est. Beginning Balance	-38,718.00	0.00	0.00
Revenues	351,895.00	193,000.00	207,000.00
Expenditures	242,075.00	193,000.00	207,000.00
Transfer Out	71,102.00		
Rev/Exp Difference	109,820.00	0.00	0.00
Est. Ending Balance	0.00	0.00	0.00

CITY OF PALACIOS
2013-2014 ANNUAL BUDGET

Hotel Motel Tax Fund

CASH PROJECTION SUMMARY

	Actual Audited 2011-2012	Year End Projection 2012-2013	Proposed Budget 2013-2014
Est. Beginning Balance	1,262.00	4,475.00	15,510.00
Revenues	21,253.00	24,035.00	18,005.00
Expenditures	18,040.00	13,000.00	18,000.00
Rev/Exp Difference	3,213.00	11,035.00	5.00
Ending Cash Balances	4,475.00	15,510.00	15,515.00

CITY OF PALACIOS
2013-2014 ANNUAL BUDGET

Economic Development Corporation

CASH PROJECTION SUMMARY

	Actual Audited 2011-2012	Year End Projection 2012-2013	Proposed Budget 2013-2014
Est. Beginning Balance	212,567.00	282,096.00	310,596.00
Revenues	173,946.00	185,000.00	176,250.00
Expenditures	104,417.00	145,000.00	183,570.00
Ending Cash Balance	282,096.00	322,096.00	303,276.00
Rev/Exp Difference	69,529.00	40,000.00	-7,320.00
Restricted Fund Balance	10,000.00	11,500.00	13,000.00
Unrestricted Fund Balance	272,096.00	310,596.00	290,276.00

01 -GENERAL FUND

REVENUES	BUDGET
01-04020 TAXES	1,252,280
01-04021 TAXES DELINQUENT	65,000
01-04022 PENALTY & INTEREST	45,000
01-04023 OTHER FEES	3,500
01-04030 PLAT FEES	300
01-04040 BLDG/MOVING/PLUMB/PERM.	15,000
01-04050 DOG LICENSES	300
01-04051 ANIMAL CONTROL FEES	2,500
01-04055 MH & RV LICENSE FEES	7,600
01-04060 FRANCHISE TAXES	145,000
01-04065 INTERNET CONTRACT	3,000
01-04070 SALES TAX	330,000
01-04071 PROP TAX REDUCT SALES TAX	165,000
01-04072 MIXED BEVERAGE TAX	3,200
01-04074 BINGO TAX	500
01-04080 FINES & COURT COSTS	65,000
01-04120 SALE-LABOR & MATERIAL	6,500
01-04210 WATER FUND TRANSFERS	150,600
01-04230 AIRPORT FUND TRANSFERS	3,000
01-04265 HOTEL/MOTEL ADMINISTRATION	5,000
01-04306 RENT - CITY HALL PLAZA	14,000
01-04310 LEASE	1,300
01-04316 DOCK RENTAL	2,400
01-04700 INTEREST INCOME	900
01-04704 MINERAL LEASE	6,000
01-04710 MISC. RECEIPTS	3,000
01-04720 SEAWALL MAINTENANCE CONTRACT	50,000
01-04730 INSURANCE REIMBURSEMENT	16,700
01-04800 SALE OF RECYCLABLE MATERIAL	8,000
01-04801 RECYCLE TRAILER LEASE	420
01-04804 RESERVATION FEES FOR PARK	3,000
01-04962 WEED LOTS/DEMOLITIONS	800
TOTAL REVENUES	2,374,800

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01 -GENERAL FUND
10-MAYOR AND CITY COUNCIL

EXPENDITURES	BUDGET
01-10-05000 SALARIES & WAGES	20,400
01-10-05021 CELL PHONE ALLOWANCE	1,200
01-10-05060 OFFICE SUPPLIES	200
01-10-05300 SPECIAL SERVICES	500
01-10-05310 TRAVEL-TRAINING-DUES	2,500
01-10-05315 SUBSCRIPTIONS & MEMBERSHP DUES	1,200
01-10-05700 SOCIAL SECURITY	1,650
01-10-05744 WORKER'S COMPENSATION	100
TOTAL 10-MAYOR AND CITY COUNCIL	27,750

01 -GENERAL FUND
11-ELECTIONS

EXPENDITURES	BUDGET
01-11-05060 OFFICE SUPPLIES	1,200
01-11-05300 SPECIAL SERVICES	750
TOTAL 11-ELECTIONS	1,950

01 -GENERAL FUND
12-ADMINISTRATION

EXPENDITURES	BUDGET
01-12-05000 SALARIES & WAGES	286,000
01-12-05010 OVERTIME	2,000
01-12-05020 AUTO ALLOWANCE	6,000
01-12-05021 CELL PHONE ALLOWANCE	1,200
01-12-05025 PERSONNEL RELATED COSTS	500
01-12-05050 SUPPLIES	2,000
01-12-05060 OFFICE SUPPLIES	6,000
01-12-05130 MAINT-OFFICE EQUIPMENT	5,160
01-12-05135 MAINT-COMP SOFTWARE/SYSTEM	17,500
01-12-05150 MAINT-HEAT & AIR COND.	300
01-12-05160 MAINT- BUILDINGS	2,000
01-12-05250 TELEPHONE	5,000
01-12-05260 ELECTRICITY	5,000
01-12-05270 GAS	300
01-12-05300 SPECIAL SERVICES	30,000
01-12-05301 DRUG TESTING SERVICES	2,000
01-12-05305 AUDIT SERVICES	10,750
01-12-05310 TRAVEL-TRAINING-DUES	7,600
01-12-05315 SUBSCRIPTIONS & DUES	560
01-12-05700 SOCIAL SECURITY	22,500
01-12-05710 HEALTH INSURANCE	47,000
01-12-05740 RETIREMENT	48,000
01-12-05744 WORKER'S COMPENSATION	1,500
TOTAL 12-ADMINISTRATION	508,870

01 --GENERAL FUND
15-LEGAL

EXPENDITURES	BUDGET
01-15-05300 SPECIAL SERVICES	11,000
TOTAL 15-LEGAL	11,000

01 -GENERAL FUND
16-CORPORATION COURT

EXPENDITURES	BUDGET
01-16-05000 SALARIES & WAGES	63,000
01-16-05021 CELL PHONE ALLOWANCE	480
01-16-05060 OFFICE SUPPLIES	300
01-16-05135 MAINT-COMP SOFTWARE/SYSTEM	4,490
01-16-05250 TELEPHONE	80
01-16-05300 SPECIAL SERVICES	900
01-16-05310 TRAVEL-TRAINING-DUES	1,500
01-16-05700 SOCIAL SECURITY	5,000
01-16-05710 HEALTH INSURANCE	6,950
01-16-05740 RETIREMENT	5,600
01-16-05744 WORKER'S COMPENSTATION	300
TOTAL 16-CORPORATION COURT	88,600

01 -GENERAL FUND
17-LIBRARY

EXPENDITURES	BUDGET
01-17-05300 SPECIAL SERVICES	30,000
TOTAL 17-LIBRARY	30,000

01 -GENERAL FUND
20-POLICE

EXPENDITURES	BUDGET
01-20-05000 SALARIES & WAGES	670,000
01-20-05010 OVERTIME	12,000
01-20-05021 CELL PHONE ALLOWANCE	9,600
01-20-05025 PERSONNEL RELATED COSTS	1,000
01-20-05050 SUPPLIES	3,000
01-20-05055 GUNS & AMMUNITION	1,500
01-20-05060 OFFICE SUPPLIES	5,000
01-20-05080 CLOTHING	3,000
01-20-05130 MAINT- OFFICE EQUIP.	7,400
01-20-05135 MAINT-COMP SOFTWARE/SYSTEM	26,700
01-20-05140 MAINT. RADIOS-RADAR	1,200
01-20-05160 MAINT-BUILDINGS	800
01-20-05215 INVESTIGATIVE EXPENSE	600
01-20-05250 TELEPHONE	7,600
01-20-05260 ELECTRICITY	5,000
01-20-05270 Gas	480
01-20-05300 SPECIAL SERVICES	2,000
01-20-05310 TRAVEL-TRAINING-DUES	6,000
01-20-05315 SUBSCRIPTIONS & DUES	1,900
01-20-05320 SUPPORT OF PRISONERS	700
01-20-05700 SOCIAL SECURITY	54,320
01-20-05710 HEALTH INSURANCE	105,000
01-20-05740 RETIREMENT	100,500
01-20-05744 WORKER'S COMPENSATION	17,000
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TOTAL 20-POLICE	1,042,300

01 -GENERAL FUND
30-FIRE

EXPENDITURES	BUDGET
01-30-05030 VEHICLE SUPPLIES	1,000
01-30-05050 SUPPLIES	4,700
01-30-05070 CHEMICALS	200
01-30-05080 CLOTHING	1,000
01-30-05090 FIRE SUPPLIES	2,000
01-30-05160 MAINT. - BUILDINGS	1,000
01-30-05250 TELEPHONE	1,100
01-30-05260 ELECTRICITY	1,000
01-30-05270 GAS	300
01-30-05300 SPECIAL SERVICES	1,000
01-30-05310 TRAVEL-TRAINING-DUES	800
01-30-05510 INSTRUMENT/APPARATUS	3,000
01-30-05740 RETIREMENT	17,000
01-30-05744 WORKERS COMP	600
TOTAL 30-FIRE	34,700

01 -GENERAL FUND
35-RECYCLE CENTER

EXPENDITURES	BUDGET
01-35-05000 SALARIES & WAGES	24,400
01-35-05021 CELL PHONE ALLOWANCE	480
01-35-05050 SUPPLIES	1,000
01-35-05160 MAINT-BUILDINGS	800
01-35-05250 TELEPHONE	700
01-35-05260 ELECTRICITY	900
01-35-05310 TRAVEL-TRAINING-DUES	750
01-35-05315 SUBSCRIPTIONS & DUES	120
01-35-05700 SOCIAL SECURITY	1,920
01-35-05710 HEALTH INSURANCE	6,890
01-35-05740 RETIREMENT	4,080
01-35-05744 WORKER'S COMPENSATION	1,460
TOTAL 35-RECYCLE CENTER	43,500

01 -GENERAL FUND
40-SWIMMING POOL

EXPENDITURES	BUDGET
C1-40-05206 REPAIRS & MAINTENANCE	25,000
TOTAL 40-SWIMMING POOL	25,000

01 -GENERAL FUND
42--PARKS

EXPENDITURES	BUDGET
01-42-05000 SALARIES & WAGES	29,150
01-42-05010 OVERTIME	500
01-42-05050 SUPPLIES	6,000
01-42-05070 CHEMICALS	1,000
01-42-05080 CLOTHING	200
01-42-05260 ELECTRICITY	20,000
01-42-05300 SPECIAL SERVICES	88,200
01-42-05700 SOCIAL SECURITY	2,230
01-42-05710 HEALTH INSURANCE	6,900
01-42-05740 RETIREMENT	4,640
01-42-05744 WORKER'S COMPENSATION	2,000
TOTAL 42--PARKS	160,820

01 -GENERAL FUND
43-STREETS

EXPENDITURES	BUDGET
01-43-05000 SALARIES & WAGES	29,150
01-43-05010 OVERTIME	500
01-43-05050 SUPPLIES	6,000
01-43-05052 TOOLS	500
01-43-05070 CHEMICALS	1,500
01-43-05080 CLOTHING	200
01-43-05140 MAINT. RADIOS	100
01-43-05180 RECONSTRUCTION MATERIAL	15,000
01-43-05190 PIPE & CULVERTS	8,000
01-43-05260 ELECTRICITY	45,000
01-43-05300 SPECIAL SERVICES	10,000
01-43-05530 OTHER-CAPITAL OUTLAY	50,000
01-43-05700 SOCIAL SECURITY	2,230
01-43-05710 HEALTH INSURANCE	6,930
01-43-05740 RETIREMENT	4,800
01-43-05744 WORKER'S COMPENSATION	2,000
TOTAL 43-STREETS	181,910

01 -GENERAL FUND
55-ANIMAL CONTROL

EXPENDITURES	BUDGET
01-55-05050 SUPPLIES	1,500
01-55-05051 DOG/CAT FOOD	700
01-55-05052 TOOLS	200
01-55-05070 CHEMICALS	1,500
01-55-05250 TELEPHONE	800
01-55-05260 ELECTRICITY	1,200
01-55-05300 SPECIAL SERVICES	1,000
01-55-05310 TRAVEL-TRAINING-DUES	500
TOTAL 55-ANIMAL CONTROL	7,400

01 --GENERAL FUND
70--SPECIAL ITEMS

EXPENDITURES	BUDGET
01-70-05732 UNEMPLOYMENT	5,000
01-70-05750 INSURANCE & BONDS	70,000
01-70-05760 COMMUNITY IMPROV.	1,000
01-70-05770 TRANSFERS TO EQUIPMENT FD	70,000
01-70-05780 MAYOR'S CONTINGENCY	5,000
01-70-05785 HOSPITAL ASSISTANCE	10,000
01-70-05787 DEVELOPMENT AGREEMENT REBATE	50,000
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TOTAL 70--SPECIAL ITEMS	211,000
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TOTAL EXPENDITURES	2,374,800
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02 -WATER FUND

REVENUES	BUDGET
02-04120 SALE - LABOR AND MATERIAL	2,000
02-04500 WATER REVENUES	905,000
02-04501 SEWER REVENUES	744,000
02-04504 PENALTY CHARGES	45,000
02-04510 WATER TAPS	5,000
02-04520 SEWER TAPS	1,500
02-04530 SERVICE CHARGES	16,000
02-04601 GARBAGE RETAINAGE	40,000
02-04700 INTEREST INCOME	300
02-04710 MISC. RECEIPTS	5,000
TOTAL REVENUES	<u>1,763,800</u>

02 -WATER FUND
WATER DEPARTMENT

EXPENDITURES	BUDGET
02-22-05000 SALARIES & WAGES	262,000
02-22-05010 OVERTIME	22,000
02-22-05021 CELL PHONE ALLOWANCE	1,200
02-22-05025 PERSONNEL RELATED COSTS	200
02-22-05050 SUPPLIES	50,000
02-22-05052 TOOLS	3,000
02-22-05060 UTILITY OFFICE SUPPLIES	500
02-22-05070 CHEMICALS	6,000
02-22-05080 CLOTHING	1,500
02-22-05122 STATIONARY EQUIPMENT	7,000
02-22-05135 MAINT-COMP SOFTWARE/SYSTEM	9,600
02-22-05160 MAINT-BUILDINGS	1,500
02-22-05230 WATER SAMPLES & TESTING	3,400
02-22-05240 INSPECTION & PERMIT FEES	4,900
02-22-05250 TELEPHONE	3,600
02-22-05260 ELECTRICITY	32,000
02-22-05300 SPECIAL SERVICES	25,000
02-22-05302 BUILDING LEASE	9,600
02-22-05303 STATEMENT PRINT/MAIL SERVICE	15,100
02-22-05305 AUDIT FEES	10,750
02-22-05310 TRAVEL-TRAINING-DUES	1,000
02-22-05510 INSTRUMENTS/APPARATUS	8,000
02-22-05530 OTHER-CAPITAL OUTLAY	5,000
02-22-05700 SOCIAL SECURITY	22,000
02-22-05710 HEALTH INSURANCE	55,500
02-22-05740 RETIREMENT	46,500
02-22-05744 WORKER'S COMPENSATION	10,000
TOTAL WATER DEPARTMENT	616,850

02 -WATER FUND
SEWER DEPARTMENT

EXPENDITURES	BUDGET
02-23-05000 SALARIES & WAGES	32,000
02-23-05010 OVERTIME	5,000
02-23-05025 PERSONNEL RELATED COSTS	200
02-23-05050 SUPPLIES	15,000
02-23-05052 TOOLS	500
02-23-05070 CHEMICALS	15,000
02-23-05080 CLOTHING	200
02-23-05120 STATIONARY EQUIP MAINT	20,000
02-23-05140 MAINT. RADIOS	100
02-23-05160 MAINT-BUILDINGS	500
02-23-05230 WATER SAMPLES & TESTING	7,000
02-23-05240 INSPECTION & PERMIT FEES	5,000
02-23-05250 TELEPHONE	1,350
02-23-05260 ELECTRICITY	98,000
02-23-05300 SPECIAL SERVICES	70,000
02-23-05310 TRAVEL-TRAINING-DUES	700
02-23-05700 SOCIAL SECURITY	2,900
02-23-05710 HEALTH INSURANCE	6,500
02-23-05740 RETIREMENT	6,000
02-23-05744 WORKER'S COMPENSATION	1,200
TOTAL SEWER DEPARTMENT	287,150

02 -WATER FUND
SPECIAL SERVICES DEPARTM

EXPENDITURES	BUDGET
02-25-05220 PRINCIPAL EXPENSE - BONDS	325,000
02-25-05230 INTEREST EXPENSE - BONDS	134,700
02-25-05336 CAPITAL LEASE	88,000
02-25-05730 GENERAL FUND CONTRIBUTION	150,600
02-25-05732 UNEMPLOYMENT	1,000
02-25-05750 INSURANCE & BONDS	18,000
02-25-05770 TRANSFER TO EQUIPMENT FND	135,000
02-25-05800 FEE PAYMENTS	900
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TOTAL SPECIAL SERVICES DEPARTM	853,200
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TOTAL EXPENDITURES	1,757,200 =====
REVENUE OVER/(UNDER) EXPENDITURES	6,600 =====

04 -AIRPORT FUND

REVENUES	BUDGET
04-04122 FUEL SALES	18,000
04-04306 HANGAR RENTAL & TIEDOWNS	4,200
04-04320 PISD SCHOOL BARN LEASE	150
04-04330 GOLF ASSOC LEASE	100
04-04350 T HANGAR LEASE	5,000
04-04370 FARMING LEASE	1,700
04-04390 GRAZING LEASE	21,900
04-04700 INTEREST INCOME	50
04-04704 MINERAL LEASE	37,500
TOTAL REVENUES	88,600

04 -AIRPORT FUND
AIRPORT DEPARTMENT

EXPENDITURES	BUDGET
04-41-05050 SUPPLIES	1,500
04-41-05100 AVIATION FUEL & OIL	18,000
04-41-05120 MAINT-MACH-TOOLS-IMPL	500
04-41-05160 MAINT-BUILDINGS	500
04-41-05250 TELEPHONE	1,200
04-41-05260 ELECTRICITY	6,600
04-41-05300 SPECIAL SERVICES	3,500
04-41-05530 CAPITAL OUTLAY	10,000
TOTAL AIRPORT DEPARTMENT	41,800

04 -AIRPORT FUND
SPECIAL ITEMS DEPARTMENT

EXPENDITURES	BUDGET
04-44-05730 GENERAL FUND CONTRIB	3,000
04-44-05750 INSURANCE & BONDS	14,300
04-44-05770 EQUIPMENT FUND TRANSFERS	2,000
TOTAL SPECIAL ITEMS DEPARTMENT	19,300
TOTAL EXPENDITURES	61,100
REVENUE OVER/(UNDER) EXPENDITURES	27,500

05 -EQUIPMENT FUND

REVENUES	BUDGET
05-04200 GENERAL FUND TRANSFERS	70,000
05-04210 WATER FUND TRANSFERS	135,000
05-04230 AIRPORT FUND TRANSFERS	2,000
TOTAL REVENUES	207,000

05 -EQUIPMENT FUND
EQUIPMENT DEPARTMENT

EXPENDITURES	BUDGET
05-51-05040 FUEL & OIL	100,000
05-51-05050 SUPPLIES	7,700
05-51-05300 SPECIAL SERVICES	47,000
05-51-05336 CAPITAL LEASE - PRINCIPAL	29,300
05-51-05530 CAPITAL OUTLAY	23,000
TOTAL EQUIPMENT DEPARTMENT	207,000
TOTAL EXPENDITURES	207,000

16 -REVENUE BONDS D

REVENUES	BUDGET
16-04020 TAX COLLECTIONS	45,038
TOTAL REVENUES	<u>45,038</u>

16 -REVENUE BONDS D
MISC EXPENSES

EXPENDITURES	BUDGET
16-14-05220 BOND PAYMENT PRINCIPAL EX	41,100
16-14-05230 BOND PAYMENT INTEREST EXP	3,537
16-14-05800 FEE PAYMENTS	400
TOTAL MISC EXPENSES	45,037
TOTAL EXPENDITURES	45,037
REVENUE OVER/(UNDER) EXPENDITURES	1

26 -HOTEL/MOTEL TAX

REVENUES	BUDGET
26-04071 HOTEL TAX REVENUE	18,000
26-04700 INTEREST INCOME	5
TOTAL REVENUES	18,005

26 -HOTEL/MOTEL TAX
HOTEL/MOTEL TAX FUND

EXPENDITURES	BUDGET
26-26-05306 PROMOTIONAL EXP/TOURISM	18,000
TOTAL HOTEL/MOTEL TAX FUND	18,000
TOTAL EXPENDITURES	18,000 =====
REVENUE OVER/(UNDER) EXPENDITURES	5 =====

28 -ECONOMIC DEVELO

REVENUES	BUDGET
28-04073 ECONOMIC DEVELOPMENT TAX	165,000
28-04200 CHAMBER CONTRACT	10,000
28-04700 INTEREST INCOME	250
28-04710 MISC. RECEIPTS	1,000
TOTAL REVENUES	176,250

28 -ECONOMIC DEVELO
ECONOMIC DEVELOPMENT COR

EXPENDITURES	BUDGET
28-28-05000 SALARIES AND WAGES	34,500
28-28-05060 OFFICE SUPPLIES	600
28-28-05130 MAINT. OFFICE EQUIPMENT	4,260
28-28-05135 MAINT-COMP SOFTWARE/SYSTEM	1,000
28-28-05160 MAINTENANCE OF BUILDING	500
28-28-05250 TELEPHONE	1,500
28-28-05260 ELECTRICITY	2,000
28-28-05302 BUILDING LEASE	4,200
28-28-05306 PROMOTIONAL EXPENSES	5,000
28-28-05307 ADMIN EXPENSE TO CITY	5,000
28-28-05310 TRAVEL, TRAINING, DUES	1,500
28-28-05315 DUES & MEMBERSHIPS	30
28-28-05370 CONTRACTS	35,000
28-28-05400 GRANTS	53,000
28-28-05410 BUILDERS INCENTIVES	25,000
28-28-05500 OFFICE EQUIPMENT	1,500
28-28-05700 SOCIAL SECURITY	2,800
28-28-05710 HEALTH INSURANCE	600
28-28-05740 RETIREMENT	5,280
28-28-05744 WORKMANS COMP	200
28-28-05750 INSURANCE--PROPERTY	100
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TOTAL ECONOMIC DEVELOPMENT COR	183,570
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TOTAL EXPENDITURES	183,570
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REVENUE OVER/(UNDER) EXPENDITURES	(7,320)
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