

CITY OF PALACIOS
PROPOSED ANNUAL BUDGET

Fiscal Year

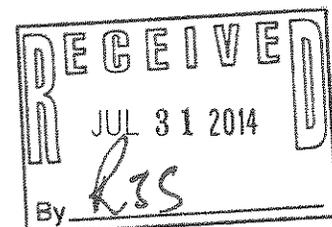
October 1, 2014

to

September 30, 2015

This budget will raise more total property taxes than last year's budget by an amount of \$28,200, which is a 1.2 percent increase from last year's budget. The property tax revenue to be raised from new property added to the roll this year is \$8,887.

Tax revenue amount from new property is more than budgeted difference over last year's budgeted amount due to legislative calculation requirements.



**City Manager's
Budget Message
For the
2014-2015 Fiscal Year**

Budget Goals

The Budget Goals for the 2014-2015 Fiscal year will be to increase ending 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. Major goals included in this budget are to continue water and wastewater infrastructure projects, street and drainage improvements, and beautification of the City.

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 higher than this year's current budgeted revenues by \$28,200. The fund has a projected increase in expenditures of \$28,200 in total expenditures. The 2014-15 budget is an increase of 1.2 percent over last year's budgeted expenditures.

In the Special Items department, the line item for a 75% reimbursement of the taxes collected on the Beachside Subdivision 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. The total developer reimbursement as of October 1, 2013 is \$261,025.

Debt Service Fund

Tax Notes, Series 2008 will mature this year. We will make the final payment in the amount of \$45,332.

Water Fund

Revenues in the Water Fund are projected to decrease by \$8,800 due to lowering the estimated penalty and service charges in their respective accounts. Budgeted revenues are estimated at \$1.75 million. The fund has a projected decrease in expenditures of \$2,200 from this year's current budget.

Major expenditures were completed last year which were funded 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 are \$308,300 for the budget year 2014-2015. This is a decrease of \$151,355 from last year's budget of \$459,655.

The General Obligation Refunding Bonds, Series 2004 (Original Issuance Amount: \$1,545,000) was paid off last year in the amount of \$147,755.

We will make our second payment in the amount of \$88,500 towards the capital lease for the new water meters.

The Sewer Department reflects an increase of expenditures in the amount of \$34,350. This year's budget includes participating in the CDBG Program. The City will match \$70,000 toward the program.

Airport Fund

The city completed the Airport Runway Repair project in the RAMP program with TxDOT Aviation. 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 \$2,000. 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. This budget includes the purchase of vehicles for the police department, water department, and a zero-turn mower for the street department.

Other Major Changes

Employee insurance benefits throughout the funds increased by 3 percent. Property, General Liability, Flood, and Windstorm insurances budgeted amounts remained the same. Workman's Compensation decreased overall from the last years' budget.

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, \$50,000 for street rehabilitation, \$10,000 for Park Restrooms and \$2,400 for Emergency Management. At the beginning of the 2014-2015 budget year, the reserve balance will be \$90,000 for a Fire Truck, \$80,000 for Street Rehabilitation, \$10,000 for Swimming Pool Repairs, \$10,000 for Park Restrooms, and \$15,000 for Emergency Management.

The General Fund's approximate ending cash balance is expected to be \$700,000 at the beginning of this fiscal year. The restricted cash balance of \$205,000 will leave unrestricted cash balance of \$495,000.

Water Fund

The financial condition of the city's Water Fund is improving due to the payoff of the 2004 bond in the amount of \$151,355. The fund balance at the beginning of the 2014-15 budget year is projected to be \$125,000.

Airport Fund

The financial condition of the city's Airport Fund needs to be closely monitored. The continued lack of interest in new leases and landing activity has reduced the fund balance. For years expenditures have exceeded revenues. The fund balance at the beginning of the 2014-2015 budget year is projected to be \$5,000.

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 the fund balance to \$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 fund balance at the beginning of the 2014-2015 budget year is projected to be \$10,000.

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, code enforcement officer, 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 and the custodian of all public records. Anyone wanting to request public information must submit the request in writing.

The Building and Inspections department oversees permits and inspections that are required by the City of Palacios' Code of Ordinances providing safe construction with sound materials for new commercial and home construction including 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 staff consists of 16 full-time and 11 part-time employees. The department has 6 full-time patrol officers and 8 part-time patrol officers. The department has three divisions including an administration, crime investigations, and patrol division. 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 a Judge and 2 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 10 full-time employees. 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 increase 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 improvements to the city's parks, and additional street and drainage improvements.

Sincerely,



David Kocurek
City Manager
City of Palacios

**CAPITAL EXPENDITURES
FOR THE
2014-2015
FISCAL YEAR**

The following is a summary of Capital Expenditures for the City of Palacios. These amounts are reflected in the 2014-2015 budget.

General Fund

The Streets Department is proposing a Capital Expenditure of \$50,000 this budget year and \$80,000 from the accumulated restricted funds from prior years for street reconstruction and seal coat. An allocation of \$10,000.00 has been designated for related services to support these projects. An allocation of \$25,000.00 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 \$400,000 Matagorda County pass-through grant from HUD for the Texas Disaster Recovery Program to replace deteriorated sewer lines and manholes; \$15,000 for waterline extensions; \$5,000 for the purchase of an ice machine for the Service Center.

Airport Fund

No capital expenditures are scheduled for 2014-2015 budget.

Equipment Fund

The Equipment Fund is proposing a Capital Expenditure of \$30,000.00 for replacement of one police vehicle, one public works vehicle, and a zero-turn mower. These 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**

2014-2015 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.

This debt service requirement has been completed and the debt maturity was February 15, 2014 and the bond has been paid off.

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 \$43,100 in Principal and \$1,831.76 in Interest. The interest cost for this year is 4.25 %. The final maturity date of the issue is August 15, 2015. A Principal amount of \$44,016 and Interest amount of \$1,832 for a total of \$44,932 will be paid for Fiscal Year 2014-2015. The note will be paid off August 15, 2015.

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

Certificates of Obligation, Series 2011 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 \$ 1,720,583.33 in Interest. The interest rate for this bond varies from 2% to 4.375 %. The final maturity date of the issue is August 15, 2031. A Principal amount of \$180,000.00 and Interest amount of \$128,300 for a total of \$308,300 will be paid for Fiscal Year 2014-2015. 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
2014 - 2015 ANNUAL BUDGET

GENERAL FUND

SUMMARY OF RESTRICTED FUND BALANCE

	ADOPTED BUDGET 2013-2014	ACTUAL RESTRICTED 2013-2014	PROPOSED BALANCE 2014-2015
FIRETRUCK	\$0.00	\$5,000.00	\$5,000.00
STREET REHABILITATION	\$0.00	\$30,000.00	\$50,000.00
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	\$10,000.00
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	\$2,400.00
PAVILION ROOF	\$0.00	\$0.00	\$0.00
	----- \$0.00	----- \$35,000.00	----- \$67,400.00

RESTRICTED FUND HISTORY BALANCES

	BALANCE AS OF 2012-2013	BALANCE AS OF 2013-2014	BEGINNING BALANCE 2014-2015
FIRETRUCK	\$80,000.00	\$85,000.00	\$90,000.00
STREET REHABILITATION	\$0.00	\$30,000.00	\$80,000.00
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	\$10,000.00
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	\$15,000.00
	----- \$102,600.00	----- \$137,600.00	----- \$205,000.00

01 -GENERAL FUND

REVENUES	BUDGET
01-04020 TAXES	1,276,300
01-04021 TAXES DELINQUENT	50,000
01-04022 PENALTY & INTEREST	45,000
01-04023 OTHER FEES	3,500
01-04030 PLAT FEES	300
01-04040 BLDG/MOVING/PLUMB/PERM.	16,000
01-04050 DOG LICENSES	300
01-04051 ANIMAL CONTROL FEES	3,000
01-04055 MH & RV LICENSE FEES	8,000
01-04060 FRANCHISE TAXES	145,000
01-04065 INTERNET CONTRACT	3,500
01-04070 SALES TAX	340,000
01-04071 PROP TAX REDUCT SALES TAX	170,000
01-04072 MIXED BEVERAGE TAX	6,000
01-04074 BINGO TAX	100
01-04080 FINES & COURT COSTS	66,000
01-04120 SALE-LABOR & MATERIAL	6,000
01-04210 WATER FUND TRANSFERS	150,600
01-04265 HOTEL/MOTEL ADMINISTRATION	8,000
01-04306 RENT - CITY HALL PLAZA	14,600
01-04310 LEOSE	2,000
01-04316 DOCK RENTAL	2,400
01-04700 INTEREST INCOME	1,500
01-04710 MISC. RECEIPTS	2,500
01-04720 SEAWALL MAINTENANCE CONTRACT	50,000
01-04730 INSURANCE REIMBURSEMENT	20,000
01-04800 SALE OF RECYCLABLE MATERIAL	8,000
01-04801 RECYCLE TRAILER LEASE	900
01-04804 RESERVATION FEES FOR PARK	3,000
01-04962 WEED LOTS/DEMOLITIONS	500
TOTAL REVENUES	2,403,000

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
01-10-05130 MAINT-OFFICE EQUIPMENT	1,600
01-10-05300 SPECIAL SERVICES	500
01-10-05310 TRAVEL-TRAINING	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	29,350

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	1,000
01-12-05020 AUTO ALLOWANCE	6,000
01-12-05021 CELL PHONE ALLOWANCE	2,400
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	8,400
01-12-05135 MAINT-COMP SOFTWARE/SYSTEM	20,000
01-12-05150 MAINT-HEAT & AIR COND.	1,000
01-12-05160 MAINT- BUILDINGS	2,000
01-12-05250 TELEPHONE	5,500
01-12-05260 ELECTRICITY	3,300
01-12-05270 GAS	480
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	9,000
01-12-05315 SUBSCRIPTIONS & DUES	2,500
01-12-05700 SOCIAL SECURITY	22,500
01-12-05710 HEALTH INSURANCE	48,000
01-12-05740 RETIREMENT	49,000
01-12-05744 WORKER'S COMPENSATION	1,200
TOTAL 12-ADMINISTRATION	519,530

01 -GENERAL FUND
15-LEGAL

EXPENDITURES	BUDGET
01-15-05300 SPECIAL SERVICES	8,000
TOTAL 15-LEGAL	8,000

01 -GENERAL FUND
16-CORPORATION COURT

EXPENDITURES	BUDGET
01-16-05000 SALARIES & WAGES	64,500
01-16-05021 CELL PHONE ALLOWANCE	480
01-16-05060 OFFICE SUPPLIES	300
01-16-05135 MAINT-COMP SOFTWARE/SYSTEM	4,700
01-16-05250 TELEPHONE	80
01-16-05300 SPECIAL SERVICES	800
01-16-05310 TRAVEL-TRAINING-DUES	1,500
01-16-05700 SOCIAL SECURITY	5,000
01-16-05710 HEALTH INSURANCE	7,200
01-16-05740 RETIREMENT	6,000
01-16-05744 WORKER'S COMPENSTATION	200
TOTAL 16-CORPORATION COURT	90,760

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	700,000
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	27,200
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	6,000
01-20-05315 SUBSCRIPTIONS & DUES	1,900
01-20-05320 SUPPORT OF PRISONERS	700
01-20-05700 SOCIAL SECURITY	55,000
01-20-05710 HEALTH INSURANCE	115,000
01-20-05740 RETIREMENT	112,000
01-20-05744 WORKER'S COMPENSATION	16,000
TOTAL 20-POLICE	1,093,980

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	1,500
01-30-05110 VEHICLE EXPENSE	500
01-30-05160 MAINT. - BUILDINGS	1,000
01-30-05250 TELEPHONE	1,100
01-30-05260 ELECTRICITY	1,000
01-30-05270 GAS	400
01-30-05300 SPECIAL SERVICES	1,000
01-30-05310 TRAVEL-TRAINING-DUES	800
01-30-05510 INSTRUMENT/APPARATUS	2,200
01-30-05740 RETIREMENT	19,500
01-30-05744 WORKERS COMP	600
TOTAL 30-FIRE	36,500

01 -GENERAL FUND
35-RECYCLE CENTER

EXPENDITURES	BUDGET
01-35-05000 SALARIES & WAGES	8,800
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	750
01-35-05315 SUBSCRIPTIONS & DUES	120
01-35-05700 SOCIAL SECURITY	700
01-35-05740 RETIREMENT	1,500
TOTAL 35-RECYCLE CENTER	15,270

01 -GENERAL FUND
40-SWIMMING POOL

EXPENDITURES	BUDGET
01-40-05206 REPAIRS & MAINTENANCE	22,000
TOTAL 40-SWIMMING POOL	22,000

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
01-42-05080 CLOTHING	400
01-42-05260 ELECTRICITY	18,000
01-42-05300 SPECIAL SERVICES	88,200
01-42-05700 SOCIAL SECURITY	2,230
01-42-05710 HEALTH INSURANCE	7,100
01-42-05740 RETIREMENT	4,800
01-42-05744 WORKER'S COMPENSATION	2,000
TOTAL 42-PARKS	158,380

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	2,500
01-43-05140 MAINT. RADIOS	100
01-43-05180 RECONSTRUCTION MATERIAL	15,000
01-43-05190 PIPE & CULVERTS	10,000
01-43-05260 ELECTRICITY	40,000
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	7,100
01-43-05740 RETIREMENT	4,800
TOTAL 43-STREETS	177,880

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	4,000
01-70-05750 INSURANCE & BONDS	70,000
01-70-05760 COMMUNITY IMPROV.	1,000
01-70-05770 TRANSFERS TO EQUIPMENT FD	72,000
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	212,000
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TOTAL EXPENDITURES	2,403,000
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02 -WATER FUND

REVENUES	BUDGET
02-04120 SALE - LABOR AND MATERIAL	5,000
02-04500 WATER REVENUES	905,000
02-04501 SEWER REVENUES	744,000
02-04504 PENALTY CHARGES	38,000
02-04510 WATER TAPS	5,000
02-04520 SEWER TAPS	1,500
02-04530 SERVICE CHARGES	12,500
02-04601 GARBAGE RETAINAGE	40,000
02-04700 INTEREST INCOME	1,000
02-04710 MISC. RECEIPTS	3,000
TOTAL REVENUES	1,755,000 =====

02 -WATER FUND
WATER DEPARTMENT

EXPENDITURES	BUDGET
02-22-05000 SALARIES & WAGES	238,500
02-22-05010 OVERTIME	30,000
02-22-05021 CELL PHONE ALLOWANCE	1,200
02-22-05025 PERSONNEL RELATED COSTS	450
02-22-05050 SUPPLIES	50,000
02-22-05052 TOOLS	3,000
02-22-05060 UTILITY OFFICE SUPPLIES	500
02-22-05070 CHEMICALS	8,000
02-22-05080 CLOTHING	2,000
02-22-05122 STATIONARY EQUIPMENT	7,000
02-22-05135 MAINT-COMP SOFTWARE/SYSTEM	11,000
02-22-05140 MAINT. RADIOS	500
02-22-05160 MAINT-BUILDINGS	1,500
02-22-05230 WATER SAMPLES & TESTING	5,000
02-22-05240 INSPECTION & PERMIT FEES	5,000
02-22-05250 TELEPHONE	3,600
02-22-05260 ELECTRICITY	42,000
02-22-05300 SPECIAL SERVICES	25,000
02-22-05302 BUILDING LEASE	9,600
02-22-05303 STATEMENT PRINT/MAIL SERVICE	15,000
02-22-05305 AUDIT FEES	10,750
02-22-05310 TRAVEL-TRAINING-DUES	1,000
02-22-05510 INSTRUMENTS/APPARATUS	9,000
02-22-05530 OTHER-CAPITAL OUTLAY	20,000
02-22-05700 SOCIAL SECURITY	20,500
02-22-05710 HEALTH INSURANCE	50,100
02-22-05740 RETIREMENT	46,500
02-22-05744 WORKER'S COMPENSATION	7,500
TOTAL WATER DEPARTMENT	624,200

02 -WATER FUND
SEWER DEPARTMENT

EXPENDITURES	BUDGET
02-23-05000 SALARIES & WAGES	59,800
02-23-05010 OVERTIME	10,000
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	800
02-23-05120 STATIONARY EQUIP MAINT	12,500
02-23-05140 MAINT. RADIOS	500
02-23-05160 MAINT-BUILDINGS	1,500
02-23-05230 WATER SAMPLES & TESTING	7,000
02-23-05240 INSPECTION & PERMIT FEES	5,000
02-23-05250 TELEPHONE	1,000
02-23-05260 ELECTRICITY	90,000
02-23-05300 SPECIAL SERVICES	70,000
02-23-05310 TRAVEL-TRAINING-DUES	700
02-23-05700 SOCIAL SECURITY	5,000
02-23-05710 HEALTH INSURANCE	14,200
02-23-05740 RETIREMENT	11,200
02-23-05744 WORKER'S COMPENSATION	1,600
TOTAL SEWER DEPARTMENT	321,500

02 -WATER FUND
SPECIAL SERVICES DEPARTM

EXPENDITURES	BUDGET
02-25-05220 PRINCIPAL EXPENSE - BONDS	180,000
02-25-05230 INTEREST EXPENSE - BONDS	128,300
02-25-05336 CAPITAL LEASE	88,500
02-25-05730 GENERAL FUND CONTRIBUTION	150,600
02-25-05732 UNEMPLOYMENT	5,000
02-25-05750 PROP, GL, WIND INSURANCE	20,000
02-25-05765 HAZARD MITIGATION MATCH	31,000
02-25-05770 TRANSFER TO EQUIPMENT FND	135,000
02-25-05772 CDBG MATCH	70,000
02-25-05800 FEE PAYMENTS	900
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TOTAL SPECIAL SERVICES DEPARTM	809,300
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TOTAL EXPENDITURES	1,755,000
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04 -AIRPORT FUND

REVENUES	BUDGET
04-04122 FUEL SALES	18,000
04-04306 HANGAR RENTAL & TIEDOWNS	5,000
04-04320 PISD SCHOOL BARN LEASE	150
04-04330 GOLF ASSOC LEASE	100
04-04350 T HANGAR LEASE	6,000
04-04370 FARMING LEASE	1,900
04-04390 GRAZING LEASE	21,900
04-04700 INTEREST INCOME	25
04-04710 MISC. RECEIPTS	25
04-04860 TXDOT REIMBURSEMENT	5,000
TOTAL REVENUES	58,100

04 -AIRPORT FUND
AIRPORT DEPARTMENT

EXPENDITURES	BUDGET
04-41-05050 SUPPLIES	1,000
04-41-05100 AVIATION FUEL & OIL	18,000
04-41-05120 MAINT-MACH-TOOLS-IMPL	300
04-41-05160 MAINT-BUILDINGS	100
04-41-05250 TELEPHONE	1,300
04-41-05260 ELECTRICITY	10,000
04-41-05300 SPECIAL SERVICES	13,100
TOTAL AIRPORT DEPARTMENT	43,800

04 -AIRPORT FUND
SPECIAL ITEMS DEPARTMENT

EXPENDITURES	BUDGET
04-44-05750 INSURANCE & BONDS	14,300
TOTAL SPECIAL ITEMS DEPARTMENT	14,300
TOTAL EXPENDITURES	58,100

05 -EQUIPMENT FUND

REVENUES	BUDGET
05-04200 GENERAL FUND TRANSFERS	72,000
05-04210 WATER FUND TRANSFERS	135,000
TOTAL REVENUES	<u>207,000</u>

05 -EQUIPMENT FUND
EQUIPMENT DEPARTMENT

EXPENDITURES	BUDGET
05-51-05030 VEHICLE PARTS	6,000
05-51-05035 HEAVY EQUIP PARTS & SUPPLIES	6,700
05-51-05040 FUEL & OIL	100,000
05-51-05050 SUPPLIES	1,000
05-51-05300 SPECIAL SERVICES	34,000
05-51-05336 CAPITAL LEASE - PRINCIPAL	29,300
05-51-05530 CAPITAL OUTLAY	30,000
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TOTAL EQUIPMENT DEPARTMENT	207,000
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TOTAL EXPENDITURES	207,000
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16 -REVENUE BONDS D

REVENUES	BUDGET
16-04020 TAX COLLECTIONS	45,332
TOTAL REVENUES	45,332 =====

16 -REVENUE BONDS D
DEBT SERVICE EXPENSE

EXPENDITURES	BUDGET
16-14-05220 BOND PAYMENT PRINCIPAL EX	43,100
16-14-05230 BOND PAYMENT INTEREST EXP	1,832
16-14-05800 FEE PAYMENTS	400
TOTAL DEBT SERVICE EXPENSE	45,332
TOTAL EXPENDITURES	45,332

26 -HOTEL/MOTEL TAX

REVENUES	BUDGET
26-04071 HOTEL TAX REVENUE	21,500
26-04700 INTEREST INCOME	100
TOTAL REVENUES	21,600

26 -HOTEL/MOTEL TAX
HOTEL/MOTEL TAX FUND

EXPENDITURES	BUDGET
26-26-05306 PROMOTIONAL EXP/TOURISM	18,500
26-26-05307 ADMIN. EXPENSE TO CITY	2,000
26-26-05310 TRAVEL, TRAINING, DUES	1,000
TOTAL HOTEL/MOTEL TAX FUND	21,500
TOTAL EXPENDITURES	21,500
REVENUE OVER/(UNDER) EXPENDITURES	100

28 -ECONOMIC DEVELO

REVENUES	BUDGET
28-04073 ECONOMIC DEVELOPMENT TAX	170,000
28-04200 CHAMBER CONTRACT	12,000
28-04700 INTEREST INCOME	1,300
28-04710 MISC. RECEIPTS	1,000
TOTAL REVENUES	184,300

28 -ECONOMIC DEVELO
ECONOMIC DEVELOPMENT COR

EXPENDITURES	BUDGET
28-28-05000 SALARIES AND WAGES	35,300
28-28-05060 OFFICE SUPPLIES	700
28-28-05130 MAINT. OFFICE EQUIPMENT	5,000
28-28-05135 MAINT-COMP SOFTWARE/SYSTEM	1,000
28-28-05160 MAINTENANCE OF BUILDING	1,000
28-28-05250 TELEPHONE	1,800
28-28-05260 ELECTRICITY	2,000
28-28-05300 SPECIAL SERVICES	30,000
28-28-05302 BUILDING LEASE	4,200
28-28-05306 PROMOTIONAL EXPENSES	5,000
28-28-05307 ADMIN EXPENSE TO CITY	6,000
28-28-05310 TRAVEL, TRAINING	2,500
28-28-05315 DUES & MEMBERSHIPS	1,000
28-28-05370 CONTRACTS	37,000
28-28-05400 GRANTS	43,000
28-28-05410 BUILDERS INCENTIVES	15,000
28-28-05500 OFFICE EQUIPMENT	5,000
28-28-05700 SOCIAL SECURITY	2,800
28-28-05710 HEALTH INSURANCE	600
28-28-05740 RETIREMENT	6,100
28-28-05744 WORKMANS COMP	200
28-28-05750 INSURANCE--PROPERTY	100
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TOTAL ECONOMIC DEVELOPMENT COR	205,300
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TOTAL EXPENDITURES	205,300
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REVENUE OVER/(UNDER) EXPENDITURES	(21,000)
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