



ANNUAL REPORT

FY 2016

The Proposed Budget was adopted at the regular council meeting of the Flatonia City Council on September 8th, 2015.

This budget will raise more total property taxes than last year's budget by \$66,729 (29%), and of that amount \$36,630 is tax revenue from new property added to the tax roll this year.

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TAX STATEMENT

Tax Statement

2015-2016 BUDGET

This budget will raise more revenue from property taxes than the last year's budget by an amount of \$66,729.43, which is a 29% increase from last year's budget. The property tax revenue from new property added to the tax roll this year is \$36,630.

The average taxable value of a residence homestead in the City of Flatoria this year is \$102,765. With the adopted rate of \$0.33 per \$100 of taxable value, the amount of taxes imposed this year on the average home would be \$339.12. However, your individual taxes at a greater or lesser rate, or even decrease, depending on the change in the taxable value of your property in relation to the change in taxable value of all other property and the adopted tax rate.

ELECTED AND APPOINTED OFFICIALS

Elected and Appointed Officials

ELECTED OFFICIALS

Bryan Milson.....Mayor
Catherine Steinhauser.....Mayor Pro-Tem
Mark Eversole.....Councilman
Dennis Geesaman.....Councilman
Ed Hulsey.....Councilman
Ginny Needham-Sears.....Councilman

APPOINTED OFFICIALS

R. Scott Dixon.....City Manager
Angela Beck Esq.....City Attorney
Kathy Mladenka.....Municipal Court Judge

DEPARTMENT DIRECTORS

Melissa BrunnerCity Secretary
Mike Noak.....Chief of Police
Jack Pavlas.....Director of Utilities
Gregg Robinson.....Building Official

BUDGET LETTER

Budget Letter

August 31, 2015

To the Honorable Mayor and City Council of Flatonia, Texas

In accordance with Texas Statute and the City of Flatonia Code of Ordinances, the Proposed Annual Budget for fiscal year 2016 (FY2016), beginning October 01, 2015, and ending September 30, 2016, is hereby presented for your consideration. The FY2016 Proposed Budget maintains existing service levels and implements budget requests and priorities identified during the strategic planning process and approved by City Council. The Proposed Budget relies on conservative revenues and maintains the current tax rate of \$0.33.

The Budget also serves as a policy document for the City of Flatonia as it establishes City priorities, goals, and programs for the upcoming year. The Budget contains the appropriations necessary to achieve specified services, functions, and activities essential to the accomplishment of the City's objective to enhance the quality of life for the City's residents and businesses.

ECONOMIC OUTLOOK

For FY2016, the economic outlook is stable. Although sales tax revenues have declined sharply due to decreased oil & gas activity, other indicators including building permits, new home starts and local unemployment rates are each positive. Over the past two years, the City Council has taken significant steps to stabilize the City's revenues by establishing "rainy day funds" for both the general and utility funds, increasing the property tax rate to its historic level of \$0.33 and making necessary changes with respect to a variety of fees to reduce the tax burden on the City's residents and businesses.

FUTURE CONCERNS

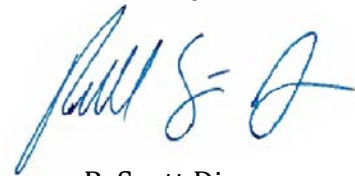
The Proposed Budget addresses the immediate operational needs of the City of Flatonia. There are many factors that will affect the organization's ability to maintain service levels in the years ahead. Staff is currently working with the City Council to identify and address future needs.

BUDGET LETTER

CONCLUSION

The Proposed Budget maintains spending within conservative revenue estimates while ensuring that the City will be able to continue to meet the needs of its residents and businesses. City Council and staff must continue to work together to manage the City's available financial resources and to establish realistic priorities. Budgeting and prioritizing the City's spending will continue to be a challenge for the foreseeable future; the City cannot address all of its needs in any single budget year. Working together, the City's staff, elected and appointed officials, will continue to emphasize a multi-year approach so that the City's long-term objectives of a sustainable, superior quality of life for the residents of Flatonia can be realized.

Sincerely,



R. Scott Dixon

City Manager, Flatonia, TX

FY₂₀₁₆ PROPOSED BUDGET

FY₂₀₁₆ Proposed Budget

The Proposed Budget for FY2016 for all funds is \$4,426,227. The Proposed Budget is “balanced”; the estimated revenues of \$4,749,783 for all funds exceed proposed expenditures by \$323,555.

BUDGETARY PRIORITIES AND FOCUS

The FY2016 Proposed Budget is designed to provide for the needs of the Flatonia’s residents as well as the needs of the City. This Budget takes into account the necessity to maintain or improve municipal service levels in a manner that is consistent with the financial policies adopted by the City Council. Please refer to the Fiscal and Budgetary Policies contained in the Appendix of this document.

Minimum Fund Balances

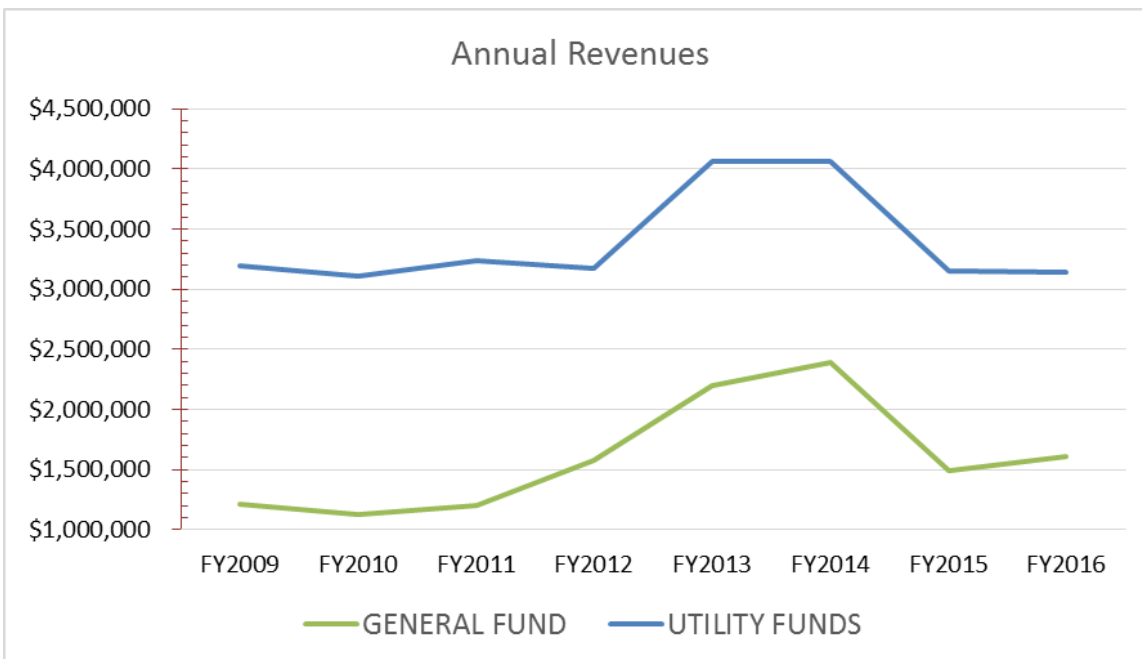
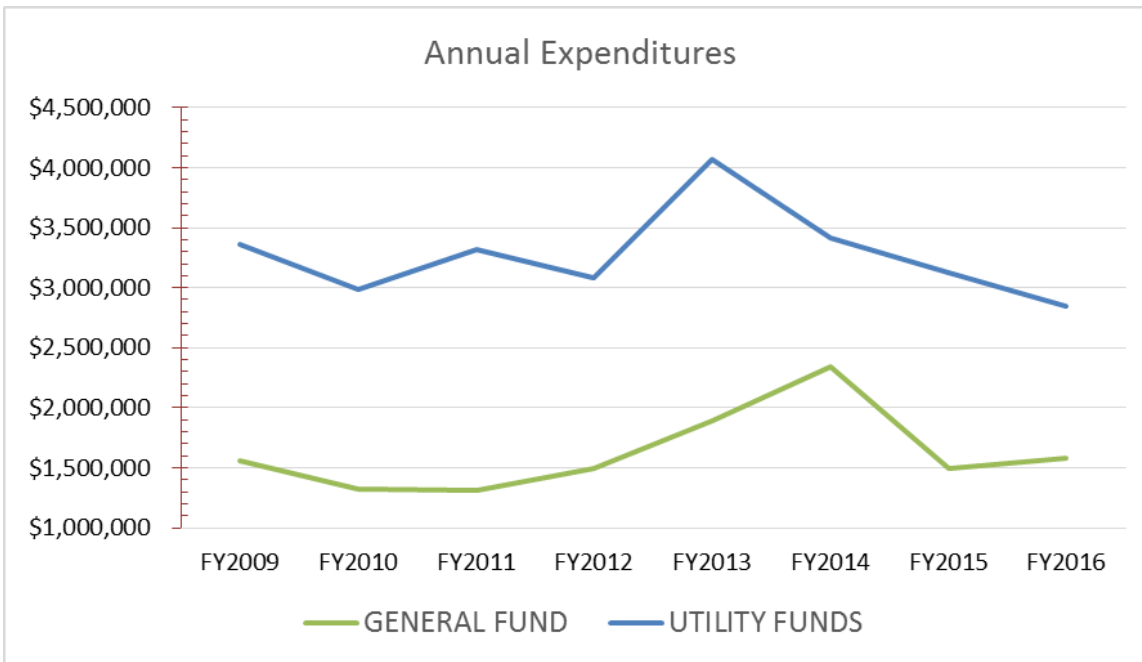
The Fiscal and Budgetary Policies for the City of Flatonia contain the following guidance with respect to fund balances:

“Fund Balance/Retained Earnings: Maintain the fund balance and retained earnings of the various operating funds at levels sufficient to protect the City’s credit worthiness as well as its financial position from emergencies.”

The City Council has established a minimum fund balance of forty-five (45) days operating expenses as calculated in each budget year for both the General and Utility Funds. The Fund Balance requirement for the proposed budget equal \$194,466 and \$351,233 for the General and Utility Funds respectively.

FY₂₀₁₆ PROPOSED BUDGET

GENERAL AND UTILITY BUDGET COMPARISONS



FY₂₀₁₆ PROPOSED BUDGET

OVERVIEW OF PROPOSED BUDGET AND SIGNIFICANT FUNDS

The FY2016 Budget includes total expenditures for all funds in the total amount of \$4,426,227.

General Fund Summary

	Actual			Adopted Budget	Proposed Budget
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
GENERAL FUND					
REVENUES	1,573,810	2,192,735	2,391,407	1,493,242	1,611,483
EXPENDITURES	1,496,743	1,894,801	2,346,542	1,492,179	1,577,338
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	77,067	297,934	44,864	1,063	34,145

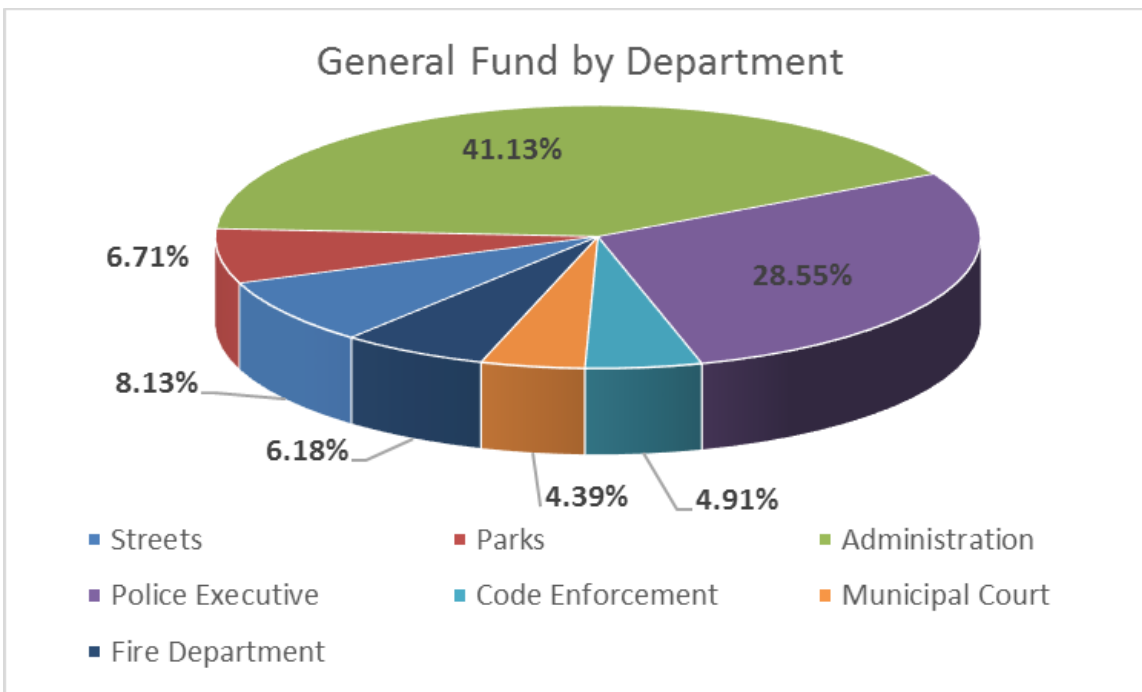
The Proposed General Fund Budget increases the current adopted budget by \$85,159 or 5.7%. The increased expenditures are attributed to a number of different expenses including intergovernmental (County), services and personnel.

General Fund Department Detail

General Fund Budget by Department						
Department	Actual			Budget	Proposed	Proposed vs. Budget
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2014-2015
Streets	101,371	117,184	250,211	142,344	128,238	(14,105)
Parks	115,384	128,699	190,857	100,075	105,854	5,779
Administration	599,803	984,235	693,304	569,945	648,715	78,770
Police Executive	397,596	423,606	908,591	436,913	450,341	13,428
Code Enforcement	73,607	70,663	73,478	80,931	77,456	(3,475)
Municipal Court	71,669	72,632	71,018	69,015	69,177	162
Fire Department	137,313	97,782	159,083	92,956	97,556	4,600
	\$1,496,743	\$1,894,801	\$2,346,542	\$1,492,179	\$1,577,338	

The Increase of \$78,770 in Administration includes \$25,000 for the City's participation in County Airport expansion and \$12,500 for tourism and promotion. The tourism and promotion expense utilizes Hotel Occupancy Tax revenue which is restricted for this purpose.

FY₂₀₁₆ PROPOSED BUDGET

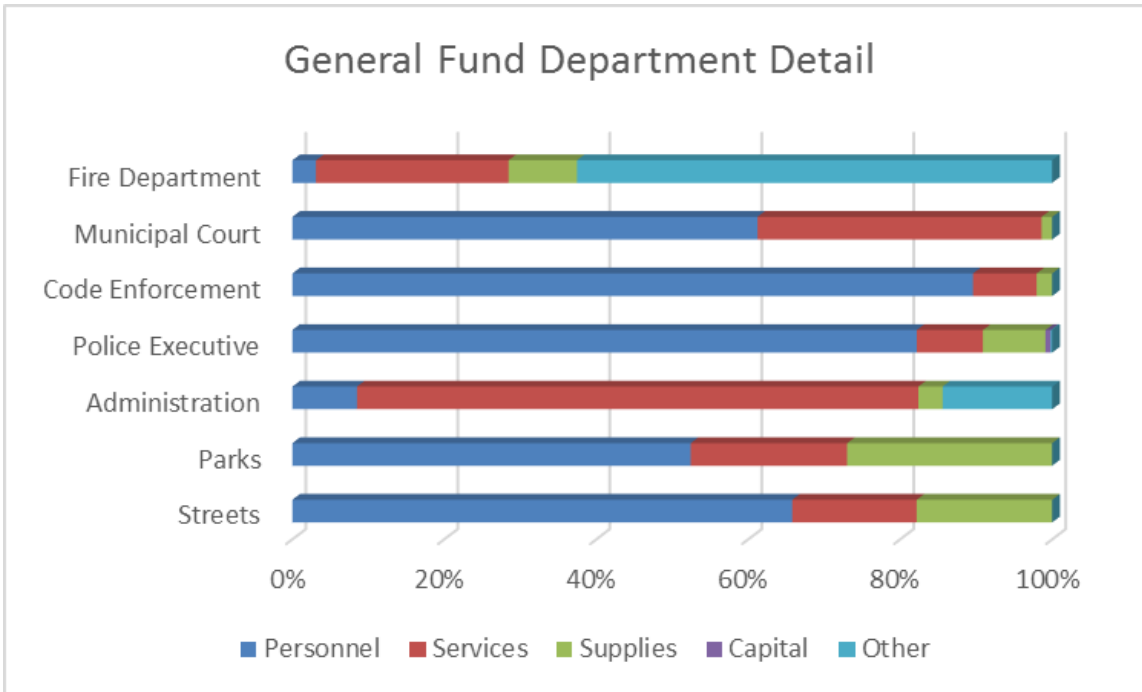


The pie chart above illustrates the percentage of budget each General Fund Department accounts for. Administration and Police are the two largest departments in terms of expenditures representing 41.13% and 28.55% of the Proposed FY2016 Budget respectively.

General Fund Budget - Department Detail

Department	Personnel	Services	Supplies	Capital	Other
Streets	84,363	21,000	22,875	-	-
Parks	55,479	21,800	28,575	-	-
Administration	55,224	479,178	20,775	-	93,538
Police Executive	370,116	39,200	37,025	3,000	1,000
Code Enforcement	69,381	6,475	1,600	-	-
Municipal Court	42,352	25,850	975	-	-
Fire Department	4,881	39,600	14,075	-	97,782
	\$681,797	\$633,103	\$125,900	\$3,000	\$192,320

FY₂₀₁₆ PROPOSED BUDGET



The table and chart above provide a break-down of major expense categories by Department. Because on-going revenues are insufficient to meet all of the City's Capital needs, major capital expenditures are addressed separately utilizing available fund balance as determined after all expenditures have been accounted for in the current budget year.

Utility Funds Summary

	Actual			Adopted Budget	Proposed Budget
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
UTILITY FUNDS					
REVENUES	3,175,380	4,066,870	4,064,800	3,154,354	3,138,300
EXPENDITURES	3,083,590	4,064,463	3,412,276	3,128,803	2,848,889
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	91,790	2,407	652,523	25,551	289,411

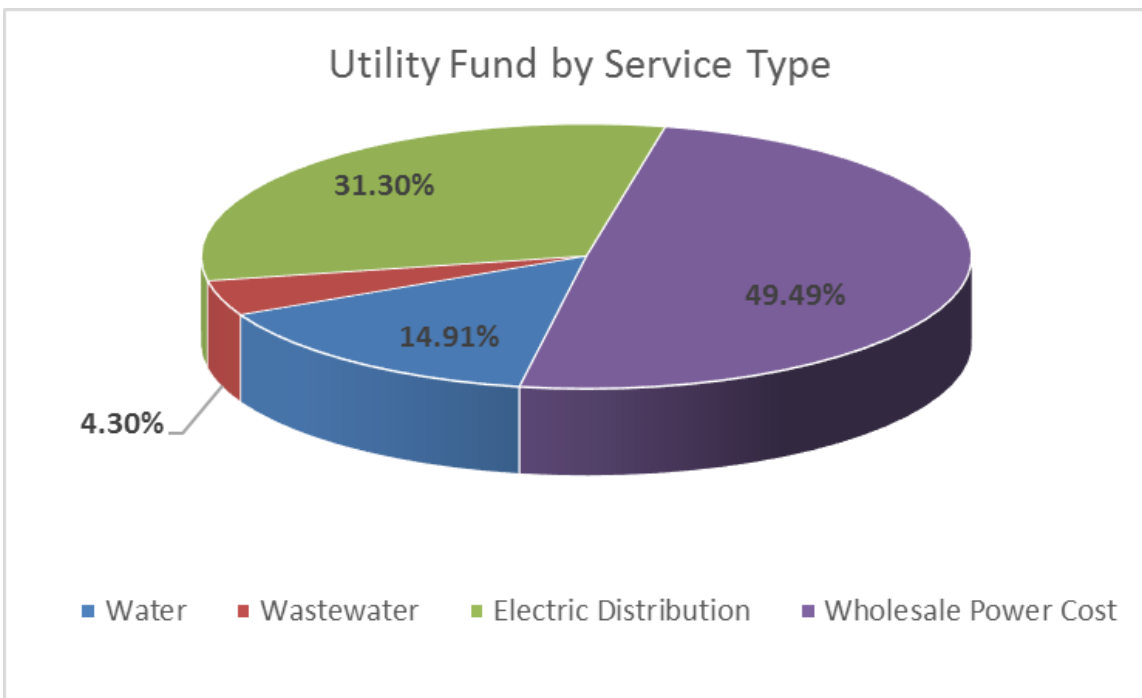
The Proposed Utility Funds Budget decreases the current adopted budget by \$279,914 or -9%. The decrease is largely due to an anticipated reduction in the cost of the City's

FY₂₀₁₆ PROPOSED BUDGET

electricity costs. A majority of these cost savings have been passed on to the electric consumers of Flatonia as reflected by the budget reduction.

Utility Funds by Service Area

Department	Actual			Budget 2014-2015	Proposed 2015-2016	Proposed vs. Budget 2014-2015
	2011-2012	2012-2013	2013-2014			
Water	402,318	635,155	454,046	425,890	424,657	(1,234)
Wastewater	245,298	265,363	127,697	127,775	122,575	(5,200)
Electric Distribution	788,367	1,542,145	854,137	925,138	891,658	(33,481)
Wholesale Power Cost	1,647,607	1,621,800	1,976,396	1,650,000	1,410,000	(240,000)
	\$3,083,590	\$4,064,463	\$3,412,276	\$3,128,803	\$2,848,889	

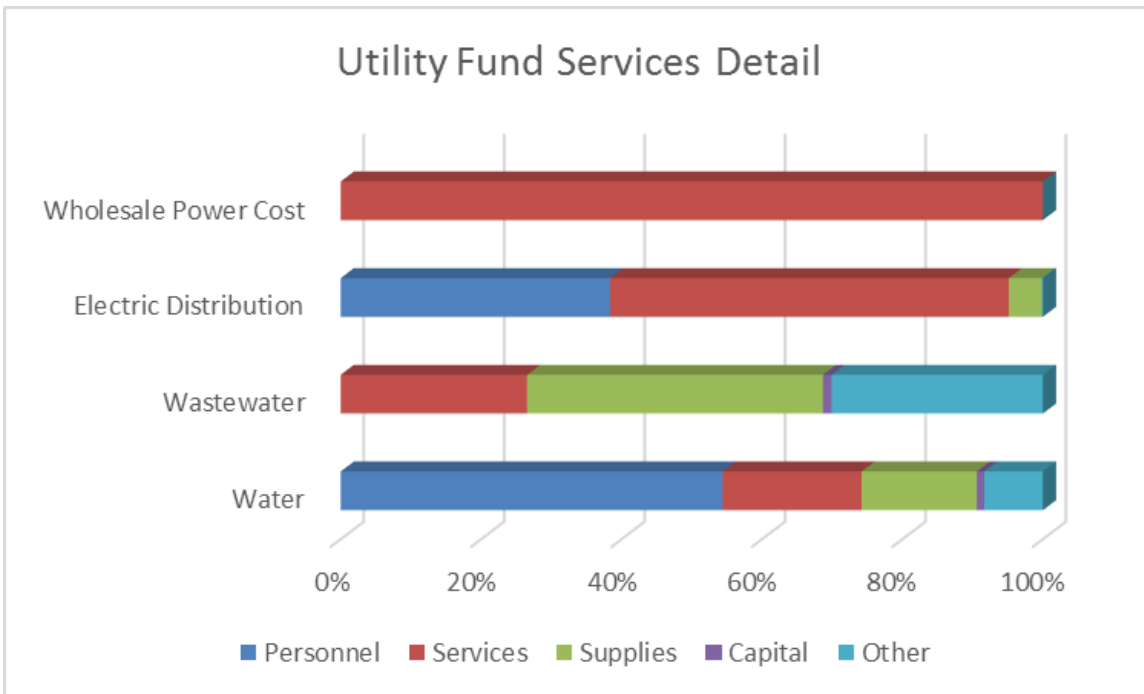


As reflected in the prior pie chart, Wholesale Power Cost represents approximately 50% of all Utility Funds expenditures. The City of Flatonia owns its electric distribution system and purchases power from The Lower Colorado River Authority (LCRA). In addition to the cost of power purchase, the City charges distribution fees to cover the costs of utility infrastructure and personnel.

FY₂₀₁₆ PROPOSED BUDGET

Utility Fund Budget - Department Detail

Department	Personnel	Services	Supplies	Capital	Other
Water	230,982	84,075	69,600	4,500	35,500
Wastewater	-	32,525	51,650	1,500	36,900
Electric Distribution	342,138	506,170	41,950	-	1,400
Wholesale Power Cost	-	1,410,000	-	-	-
	\$573,119	\$2,032,770	\$163,200	\$6,000	\$73,800

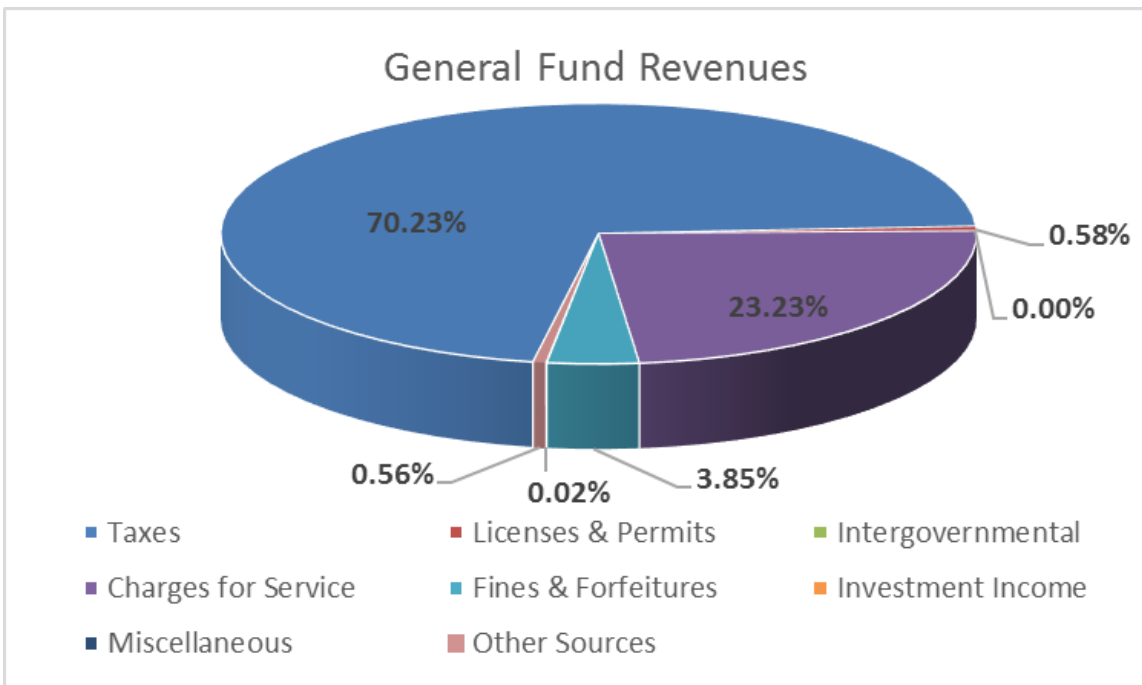


As the table and chart above indicate, Wholesale Power Cost and Waste Water do not currently have personnel allocated to them. Any personnel associated with power purchase and waste water services are allocated to the Electric Distribution and Water service areas respectively. The “other” expense in Water and Wastewater is attributed to debt service for past capital projects including the City’s arsenic treatment system and waste water pond maintenance.

FY₂₀₁₆ PROPOSED BUDGET

MAJOR SOURCES OF REVENUE

Revenue Source	Actual			Budget	Proposed
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Taxes	972,319	1,068,436	1,108,764	1,044,527	1,131,768
Licenses & Permits	7,488	13,414	17,284	9,350	9,350
Intergovernmental	87,615	112,148	76,979	-	-
Charges for Service	320,828	330,898	376,202	343,425	374,425
Fines & Forfeitures	75,906	65,662	62,054	62,000	62,000
Investment Income	245	831	691	350	350
Miscellaneous	89,863	41,759	148,678	24,590	24,590
Other Sources	19,546	559,587	600,754	9,000	9,000
	\$1,573,810	\$2,192,735	\$2,391,407	\$1,493,242	\$1,611,483

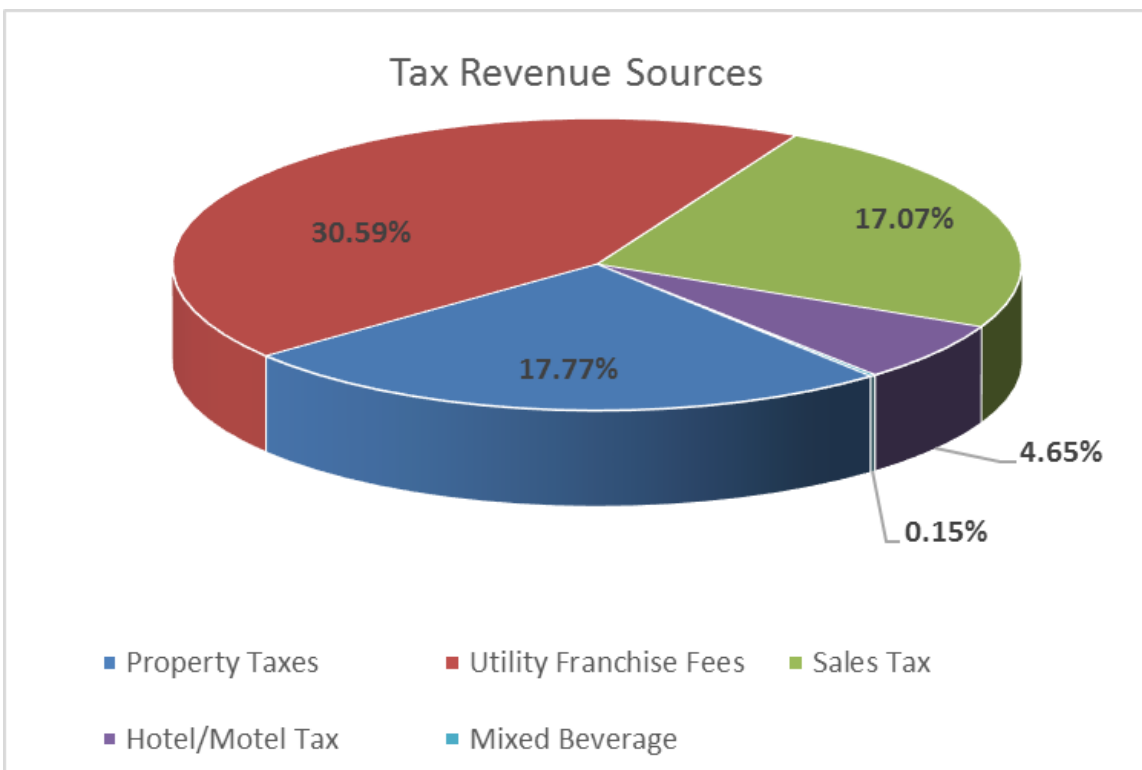


The majority of the City's revenue is derived from taxes (70%) and charges for service (23%). Over 90% of the revenue from "Charges for Service" is related to the City's solid waste services which are provided by Texas Disposal Systems (TDS). In addition to collecting the TDS fees, the City charges a service fee for administering the trash service.

FY₂₀₁₆ PROPOSED BUDGET

Tax Revenue Detail

Taxes	Actual			Budget	Proposed
	FY2012	FY2013	FY2014	FY2015	FY2016
Property Taxes	187,028	191,689	205,300	235,127	286,368
Utility Franchise Fees	469,909	482,328	465,302	486,500	493,000
Sales Tax	249,769	341,789	380,151	268,000	275,000
Hotel/Motel Tax	62,760	50,645	53,542	52,500	75,000
Mixed Beverage	2,853	1,985	4,469	2,400	2,400
	\$972,319	\$1,068,436	\$1,108,764	\$1,044,527	\$1,131,768



Less than 1/3 of all General Fund revenues is derived from property and sales taxes.

FY₂₀₁₆ PROPOSED BUDGET

Property Tax

The Proposed FY2016 Budget relies on maintaining the current property tax rate of \$0.33 per \$100 valuation. The table below provides the effective and rollback tax rates for both the current and proposed budget years.

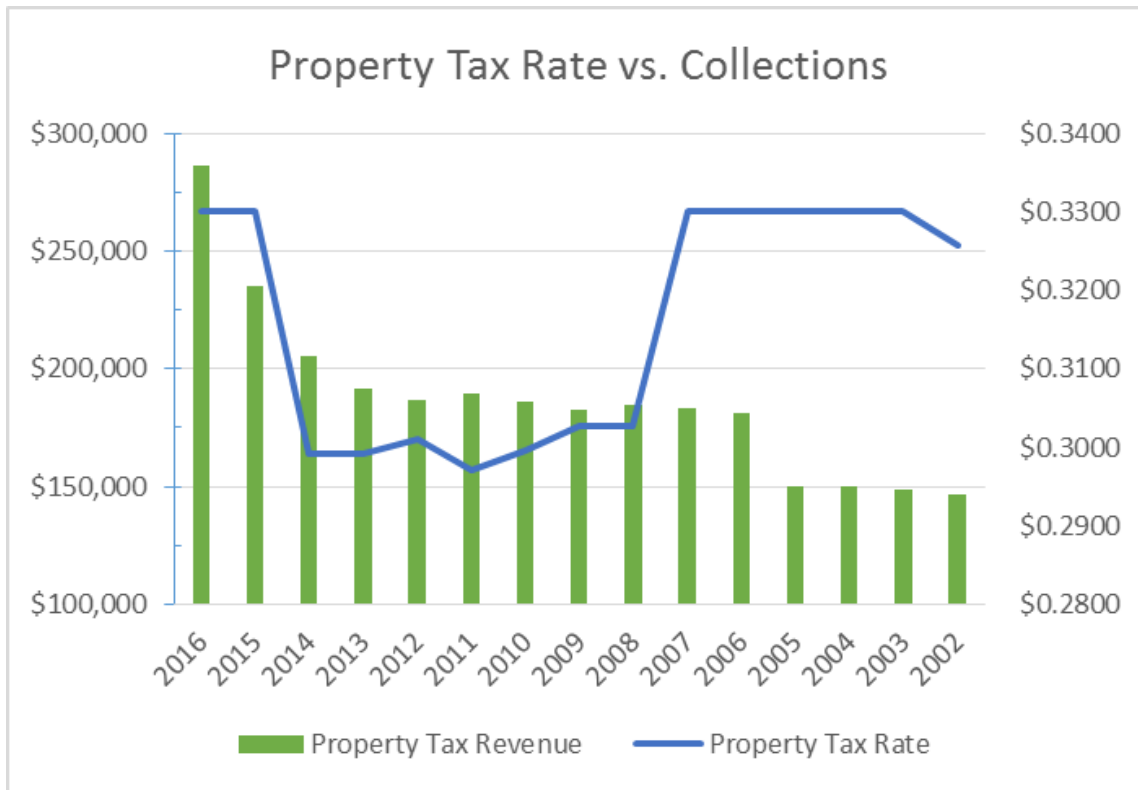
The effective rate is the tax rate necessary to collect the same dollar amount of property tax revenue as the current year based upon the taxing jurisdiction's total appraised value. In other words, if a jurisdiction's tax base rises by 20%, the property tax rate necessary to collect the same amount of revenue will decrease by approximately 20%.

The "rollback" rate is the maximum rate allowed under State law that will not be subject to a citizen recall. The "rollback" rate is calculated based on a number of factors and differs from one taxing jurisdiction to the next. If a taxing entity adopts a rate that is higher than this rate, then it may be subject to a "recall" election should a sufficient number of citizens object to the established rate.

Per \$100 Valuation	Fiscal Year 2014-2015	Fiscal Year 2015-2016
Adopted Tax Rate	\$0.33	\$0.33
Effective Tax Rate	\$0.29	\$0.27
Rollback Tax Rate	\$0.22	\$0.31

Due to the State's formula for calculating the "rollback" rate, the City of Flatonia typically has a rate that is fairly low by comparison to other jurisdictions. This is because the City has adopted a ½ cent sales tax for the purpose of "Property Tax Reduction". The revenue derived from this sales tax is allocated to the general fund and available for any use for which property taxes are also authorized.

FY₂₀₁₆ PROPOSED BUDGET



The bar graph above reflects both the historic property tax rate and dollar amount of revenues collected for the City of Flatonia. From 2003 to 2007, the City maintained a constant tax rate of \$0.33 however, in 2008, the City began adopting the effective rate each subsequent year until 2015 when the “historic” rate of \$0.33 was re-established.

FY₂₀₁₆ PROPOSED BUDGET

Taxing Jurisdiction	2014 Taxable Value ¹	2014 Tax Rate ¹	2014 Estimated Tax Revenue ²	2014 Population ³	Per Capita Tax
Fayette County	\$2,672,940,006	\$0.4193	\$11,207,637.45	24,833	\$451.32
LaGrange ISD	\$947,029,295	\$1.04	\$9,849,104.67	1,885	\$5,224.99
Schulenburg ISD	\$390,902,434	\$1.1565	\$4,520,786.65	713	\$6,340.51
Flatonia ISD	\$451,963,853	\$1.31	\$5,920,726.47	613	\$9,658.61
Fayetteville ISD	\$154,552,696	\$1.04	\$1,607,348.04	211	\$7,617.76
Round Top/Carmine ISD	\$301,617,318	\$1.145	\$3,453,518.29	284	\$12,160.28
City of LaGrange	\$268,561,603	\$0.2157	\$579,287.38	4,670	\$124.04
City of Schulenburg	\$231,933,259	\$0.1725	\$400,084.87	2,893	\$138.29
City of Flatonia	\$69,347,005	\$0.33	\$229,954.67	1,386	\$165.91
City of Fayetteville	\$30,846,154	\$0.2699	\$83,253.77	260	\$320.21
City of Carmine	\$17,472,606	\$0.046	\$8,037.40	255	\$31.52
Town of Round Top	\$30,992,120	\$0.0489	\$15,155.15	92	\$164.73

Sources:

1. Tax values & Rates: Fayette CAD - <http://www.fayettecad.org/>
2. Revenue: Estimate (\$Value/100*Rate)
3. Population: <http://www.txcip.org/tac/census/profile.php?FIPS=48149>
ISD Population reflects 2014-15 Enrollment - http://ritter.tea.state.tx.us/adhocrpt/Standard_Reports.html

The table above illustrates how the City of Flatonia compares to other taxing jurisdictions in Fayette County in terms of tax rates, total taxes collected and “per capita” tax.

Sales Tax

The table to the right contains the budgeted and collected sales tax amounts for fiscal years 2007 through 2016. The ‘Actual’ amount in FY 2015 and 2016 are not included because these revenues have not yet been fully realized. The ‘Actual’ amounts have been adjusted for inflation. The City typically utilizes very conservative estimates when budgeting sales tax revenue as reflected in the City’s adopted Fiscal & Budgetary Policies:

“In order to maintain a stable level of services, the City shall use a conservative, objective, and analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year and should avoid mid-year service reductions. “

Year	Budget	Actual
2007	\$170,000	\$199,270
2008	\$170,000	\$203,964
2009	\$170,000	\$210,038
2010	\$170,000	\$220,852
2011	\$170,000	\$226,928
2012	\$200,000	\$263,083
2013	\$225,000	\$352,165
2014	\$250,000	\$397,998
2015	\$268,000	
2016	\$275,000	

FY₂₀₁₆ PROPOSED BUDGET

2016 Sales Tax Forecast (YTD Actuals)

	Budget	Flat (Last Yr)	Down 2%	Up 2%	Up 4%
Oct	\$35,990	\$35,990	\$35,990	\$35,990	\$35,990
Nov	\$23,335	\$23,335	\$23,335	\$23,335	\$23,335
Dec	\$24,937	\$24,937	\$24,937	\$24,937	\$24,937
Jan	\$22,577	\$22,577	\$22,577	\$22,577	\$22,577
Feb	\$22,017	\$22,017	\$22,017	\$22,017	\$22,017
Mar	\$22,645	\$22,645	\$22,645	\$22,645	\$22,645
Apr	\$27,830	\$27,830	\$27,830	\$27,830	\$27,830
May	\$23,722	\$23,722	\$23,722	\$23,722	\$23,722
Jun	\$26,246	\$23,851	\$23,374	\$24,328	\$24,805
Jul	\$24,800	\$44,036	\$43,156	\$44,917	\$45,798
Aug	\$22,306	\$30,136	\$29,534	\$30,739	\$31,342
Sep	\$24,046	\$36,101	\$35,379	\$36,823	\$37,545
	\$300,451	\$337,179	\$334,497	\$339,862	\$342,544

The table above illustrates the type of analysis the City utilizes when estimating sales tax revenues. The highlighted portion indicates actual revenues collected at the time the table was used. Each column estimates future collections based on the assumptions listed i.e. “Down 2%” results in an estimate that is 2% less than the budgeted amount.

DEBT SERVICE

The City of Flatonia does not levy property tax to pay down its existing debt instead, it utilizes existing cash reserves and annual revenues from all sources to satisfy debt obligations. The table below lists all current debt obligations. These obligations carry a “tax pledge” or guarantee by the City that it will levy sufficient property tax to pay the debt if at any time revenue from other sources becomes insufficient to pay the debt.

Debt	Purpose	Amount	Term	Ending	Remaining	Rate	Debt Svc.
TWDB '06	Arsenic Project	\$ 660,000	20	2026	12	0%	\$ 35,000
TWDB '12	WW Expansion	\$ 266,000	8	2020	6	2.01%	\$ 36,000
13 Series	PD/VFD Building	\$ 340,000	10	2023	9	2.75%	\$ 40,000
14 GovCap	Equipment Purchase	\$ 135,000	7	2021	7	3.98%	\$ 22,500

FY₂₀₁₆ PROPOSED BUDGET

CAPITAL PLANNING

The City of Flatonia has engaged in comprehensive planning efforts many times over the past several decades. A major part of any comprehensive planning effort by the City involves estimating the useful life of its assets as well as maintenance and replacement costs. Due to lack of sufficient funding, many of these assets have not been maintained or replaced as would otherwise be desirable. The table below is a sample of some of the City and Fire Department vehicles currently in need of replacement. Similar tables exist for major equipment and facilities.

Departme	Make/Model	Description	Life	Remaining Life	Replacement Year
Fire	Ford/F800	Fire Truck	20	-15	2000
Fire	Ford/F350 1T	Fire Truck	15	-14	2001
Street	Intl Harvester/S1700	Water Truck	20	-13	2002
Fire	GMC/New Brush	Fire Truck-Tank	15	-12	2003
Fire	Chevy/C60	Fire Truck	20	-10	2005
Street	Chevy/C30	Stake Bed	20	-9	2006
Unassigned	Ford/F250	Pickup	15	-7	2008
Fire	Chevy/C30	Fire Truck	15	-7	2008
Fire	Chevy/C30	Fire Truck	15	-6	2009
Street	Falcon/Lowboy	Trailer	20	-2	2013
Street	Chevy/Kodiak	Dump Truck	20	-1	2014
Street	Ford/F350 1T	Pickup-Crew	15	-1	2014
Police	Ford/Crown Vic.	Passenger Veh.	8	0	2015
Electric	Ford/F350 1T	pickup - crew	15	1	2016
Police	Ford/F150 1/2T	Pickup	8	1	2016
Fire	Ford/Crown Vic.	Passenger Veh.	15	2	2017
Fire	GMC	Fire Truck	12	2	2017
Fire	Ford/F550	Fire Truck	12	2	2017
Police	Ford/F150 1/2T	Pickup	8	3	2018

PERSONNEL

The City of Flatonia currently employs 18 full-time employees. The Proposed FY2016 Budget includes funds allocated to fill two vacancies that were recently created when one of the City's long-time employees retired and another accepted employment with a another company. The Budget also includes a modest 2% Cost of Living Adjustment (COLA). Each year, the City utilizes the Consumer Price Index (CPI) for the Houston and San Antonio region as estimated by the Bureau of Labor & Statistics to forecast localized inflation (or deflation).

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

	Actual						Adopted Budget	Proposed Budget
	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
GENERAL FUND								
REVENUES	1,214,014	1,127,613	1,198,712	1,573,810	2,192,735	2,391,407	1,493,242	1,611,483
EXPENDITURES	1,565,051	1,320,018	1,310,121	1,496,743	1,894,801	2,346,542	1,492,179	1,577,338
UTILITY FUNDS								
REVENUES	3,193,581	3,114,229	3,235,917	3,175,380	4,066,870	4,064,800	3,154,354	3,138,300
EXPENDITURES	3,355,804	2,990,667	3,314,926	3,083,590	4,064,463	3,412,276	3,128,803	2,848,889

City of Flatonia, Texas
FY 15/16 Proposed Budget

General Fund Budget by Department

Department	Actual						Budget	Proposed	Proposed vs. Budget
	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	
Streets	614,923	318,167	213,581	101,371	117,184	250,211	142,344	128,238	(14,105)
Parks	-	388	108,643	115,384	128,699	190,857	100,075	105,854	5,779
Administration	499,629	484,503	423,859	599,803	984,235	693,304	569,945	648,715	78,770
Police Executive	274,938	316,221	357,662	397,596	423,606	908,591	436,913	450,341	13,428
Code Enforcement	68,100	70,285	70,671	73,607	70,663	73,478	80,931	77,456	(3,475)
Municipal Court	53,278	58,741	62,102	71,669	72,632	71,018	69,015	69,177	162
Fire Department	54,183	71,713	73,603	137,313	97,782	159,083	92,956	97,556	4,600

Utility Fund Budget by Department

Department	Actual						Budget	Proposed	Proposed vs. Budget
	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	
Water	343,219	323,711	468,575	402,318	635,155	454,046	425,890	424,657	(1,234)
Wastewater	508,863	303,066	420,142	245,298	265,363	127,697	127,775	122,575	(5,200)
Electric Distribution	761,237	708,396	832,175	788,367	1,542,145	854,137	925,138	891,658	(33,481)
Wholesale Power Cost	1,742,485	1,655,494	1,594,034	1,647,607	1,621,800	1,976,396	1,650,000	1,410,000	(240,000)

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual						Adopted	Proposed
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Budget	Budget
		2014-2015	2015-2016						
Taxes									
3100	FCAD Property Tax Receipts	-	-	-	-	-	-	-	-
3110	Ad Valorem Taxes Current	175,372	177,026	178,520	179,621	183,386	192,452	226,427	268,447
3112	Ad Valorem Taxes Delinquent	4,315	5,546	7,354	4,885	4,914	7,577	5,500	10,569
3113	Penalties & Interest Prop Tax	3,042	3,259	3,556	2,522	3,389	5,271	3,200	7,353
3117	Telephone Co. Franchise Fee	18,148	17,629	16,740	19,909	11,495	11,136	11,500	18,000
3118	Cable Franchise Fee	-	-	-	-	-	-	-	-
3119	Utility Fund Franchise Fees	298,334	300,000	444,670	450,000	470,833	454,167	475,000	475,000
3120	Pole Attachment Fees	-	-	-	-	-	-	-	-
3130	Sales Tax Revenue	175,757	195,454	214,938	249,769	341,789	380,151	268,000	275,000
3141	Hotel/Motel Tax	26,390	23,969	25,753	62,760	50,645	53,542	52,500	75,000
3143	Mixed Beverage Tax	1,776	2,064	2,287	2,853	1,985	4,469	2,400	2,400
TOTAL TAXES		703,134	724,947	893,818	972,319	1,068,436	1,108,764	1,044,527	1,131,768
	% of increase year over year		1.031	1.233	1.088	1.099			
Licenses & Permits									
3210	Business Licenses & Permits	-	-	-	150	400	755	250	250
3220	Dog Licenses	76	113	189	342	176	276	200	200
3222	Building Permits	1,268	3,192	1,869	5,646	12,238	14,354	8,000	8,000
3225	Truck Parking Permits	-	-	-	100	-	-	-	-
3230	Other Licenses & Permits	-	950	875	1,250	600	1,900	900	900
TOTAL LICENSES & PERMITS		1,344	4,255	2,933	7,488	13,414	17,284	9,350	9,350
Intergovernmental Rev									
3330	Federal Payments in Lieu Taxes	-	-	-	-	-	-	-	-
3332	LCRA Grant to FD	-	-	-	8,995	25,000	-	-	-
3333	Parks Grant	-	-	-	56,574	84,779	75,750	-	-
3334	State Grants	4,028	21,091	9,530	22,046	2,369	1,229	-	-
3335	Downtown Revitalization	-	-	-	-	-	-	-	-
3341	Cops Grant	-	-	-	-	-	-	-	-
3350	Grants (LCRA)	-	-	-	-	-	-	-	-
TOTAL INTERGOVERNMENTAL REV		4,028	21,091	9,530	87,615	112,148	76,979	-	-
Charges for Service									
3430	Return Check Fee	630	960	570	600	870	510	600	600
3440	Customer Service	-	-	-	-	-	-	-	-
3441	Administrative Fee	-	-	-	-	-	-	-	-
3442	Penalties & Interest	2,766	2,973	2,962	3,231	3,392	3,464	3,000	3,000
3443	Refuse Collection	265,610	277,833	296,930	309,983	322,623	362,495	334,000	365,000

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual						Adopted Budget	Proposed Budget
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
3450	Limb Chipping Revenue	800	210	60	135	150	45	25	25
3469	Code Enforcement Revenue	43	70	117	265	40	1,041	500	500
3475	Park Revenue	4,530	3,077	4,638	3,588	3,823	5,298	4,800	4,800
3476	Movies on Main	-	-	2,775	2,526	-	-	-	-
3477	State Training Fund	-	-	-	-	-	-	-	-
3491	Cemetery	1,251	800	50	500	-	3,350	500	500
TOTAL CHARGES FOR SERVICE		275,630	285,923	308,102	320,828	330,898	376,202	343,425	374,425
Fines & Forfeitures									
3510	Fines	29,738	36,424	40,618	46,954	40,835	37,650	40,000	40,000
3511	Court Costs	15,311	17,329	24,468	28,952	24,827	24,404	22,000	22,000
3512	Bonds - Deferred Disposition	3,161	4,414	-	-	-	-	-	-
3513	Drug Seizure	-	-	-	-	-	-	-	-
TOTAL FINES & FORFEITURES		48,210	58,167	65,086	75,906	65,662	62,054	62,000	62,000
Investment Income									
3610	Interest Earnings	247	197	92	245	831	691	350	350
TOTAL INVESTMENT INCOME		247	197	92	245	831	691	350	350
Miscellaneous Revenue									
3810	Post Office Rent	7,800	8,255	8,580	8,580	8,580	8,580	9,090	9,090
3811	Miscellaneous Revenue	4,913	6,066	1,519	3,594	19,531	24,191	4,000	4,000
3812	Water Tower Antenna Rental	-	-	498	1,404	1,404	1,287	1,000	1,000
3820	Land Lease/Royalty	-	-	43,833	72,822	4,764	83,270	5,000	5,000
3825	Park House Rental	3,600	2,520	2,115	-	1,500	-	-	-
3830	Insurance Reimbursement	15,234	6,233	7,093	3,363	5,680	3,200	5,500	5,500
3831	TXDOT Grant	170,001	-	-	-	-	-	-	-
3832	Restricted Donation	3,000	-	275	-	300	28,150	-	-
3833	Citizens on Patrol	-	-	136	100	-	-	-	-
TOTAL MISCELLANEOUS REVENUE		204,548	23,074	64,049	89,863	41,759	148,678	24,590	24,590
Other Financing Sources									
3900	Transfers from Elec Fund	-	-	(18,048)	-	856	-	-	-
3910	Transfer from MMA	(33,077)	-	(135,994)	-	-	-	-	-
3920	Transfers from Park Account	-	-	-	-	-	2,748	-	-
3921	Sales of Fixed Assets	469	675	-	-	-	-	-	-
3922	Sale of Motor Vehicles	-	-	-	-	-	-	-	-
3930	Fire Department Donation	9,481	9,284	9,144	19,546	9,087	9,441	9,000	9,000
3931	Sale of Certificates of Obliga	-	-	-	-	-	475,078	-	-
3935	FD Donations for Cap Projects	-	-	-	-	5,000	34,290	-	-
3955	Transfers from Equipment Fund	-	-	-	-	544,644	-	-	-
3999	Transfers from Other Funds	-	-	-	-	-	79,197	-	-

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual					Adopted	Proposed	
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Budget	Budget	
		2013-2014	2014-2015	2015-2016					
TOTAL OTHER FINANCING SOURCES		(23,127)	9,959	(144,898)	19,546	559,587	600,754	9,000	9,000
TOTAL REVENUES		1,214,014	1,127,613	1,198,712	1,573,810	2,192,735	2,391,407	1,493,242	1,611,483

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual						Adopted Budget	Proposed Budget
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
STREETS									
Personnel Services									
4150.1021	Executive	-	-	-	-	-	-	-	-
4150.1022	Supervisor	-	-	-	-	-	-	-	-
4150.1023	Clerical/Laborer	46,997	40,695	22,867	24,275	37,078	45,424	54,068	54,068
4150.1024	Department Head	-	-	-	-	-	-	-	-
4150.1025	Pool Staff	21,039	18,299	-	-	-	-	-	-
4150.1100	Stand By	-	-	-	-	1,050	2,000	2,300	2,300
4150.1110	Longevity	408	564	336	408	480	588	725	851
4150.1120	Overtime	899	656	177	416	573	185	500	500
4150.1200	Social Security	4,457	3,709	719	1,549	2,378	2,832	3,516	-
4150.1210	Medicare	973	893	356	357	561	662	822	822
4150.1215	ST and LT Disability	-	-	-	103	135	220	204	822
4150.1220	Group Health Insurance	13,301	12,279	4,769	4,776	5,628	10,238	9,717	10,006
4150.1230	Group Dental Insurance	220	232	137	161	452	689	677	725
4150.1235	AFLAC/Liberty National	-	-	81	-	-	0	-	-
4150.1240	Retirement	8,637	8,709	4,937	4,684	6,908	8,449	10,151	10,151
4150.1250	Unemployment Tax (SUTA)	203	578	343	275	20	414	284	284
4150.1255	Life Flight	-	-	-	-	40	80	80	110
4150.1280	Workers Comp	5,554	2,925	3,574	3,717	5,587	1,994	3,725	3,725
TOTAL PERSONNEL SERVICES		102,688	89,539	38,296	40,721	60,890	73,777	86,769	84,363
Services									
4150.2100	Engineering	200	-	300	-	468	2,405	500	500
4150.2103	Medical Expense	145	315	185	170	50	-	100	100
4150.2220	Building & Grounds	2,883	702	9	61	1,661	590	-	-
4150.2222	Water, Sewer & Electric Lines	-	-	-	-	-	-	-	-
4150.2224	Motor Vehicle Repair	598	3,176	462	1,111	1,238	3,172	3,000	3,000
4150.2225	Heavy Equipment	235	1,670	199	523	779	1,614	1,500	1,750
4150.2226	Machinery & Equipment	4,417	5,731	939	2,038	4,082	2,967	2,500	3,000
4150.2227	Paving & Drainage Supplies	-	-	-	794	-	6,893	10,000	7,500
4150.2230	Rental of Equipment	-	8,195	-	-	-	8,775	10,000	1,500
4150.2310	General Liability Insurance	2,022	1,988	1,682	1,672	1,589	1,456	1,800	1,800
4150.2311	Insurance of Motor Equipment	2,100	2,032	1,686	1,496	1,676	1,704	1,650	1,650
4150.2325	Radio Service	-	20	239	200	259	219	200	200
4150.2330	Advertising & Public Notices	-	-	-	-	-	-	-	-
4150.2350	Travel	13	252	-	-	14	-	-	-
4150.2360	Permits	-	-	-	-	-	-	-	-
4150.2370	Education & Training	2,860	1,858	226	16	-	-	-	-
TOTAL SERVICES		15,473	25,939	5,927	8,081	11,816	29,795	31,250	21,000

City of Flatonia, Texas
FY 15/16 Proposed Budget

Supplies

4150.3111	Ice, Cups, Etc.	6	-	363	283	259	225	225	225
4150.3112	Fuel	981	2,737	4,108	5,589	4,730	6,898	6,200	5,750
4150.3113	Oil & Grease	358	357	337	-	142	483	350	350
4150.3114	Chemicals	2,680	1,412	557	166	1,857	847	1,500	1,500
4150.3120	Utilities	47,888	33,508	6,937	12,260	11,552	11,813	12,000	11,000
4150.3160	Minor Tools & Equipment	376	34	246	325	138	334	250	250
4150.3162	Hardware	-	-	-	-	-	-	-	-
4150.3164	Parts & Materials	3,471	1,995	269	1,312	713	351	300	300
4150.3170	Wearing Apparel	1,485	1,575	708	970	552	636	1,000	1,000
4150.3171	Medical Supplies	-	-	-	-	-	-	-	-
4150.3172	Miscellaneous	(2,550)	1,439	144	92	344	397	400	400
4150.3174	Signal, Markers & Barricades	1,515	1,971	2,220	3,848	1,615	7,383	2,100	2,100
4150.3176	Janitorial Supplies	-	-	-	-	-	-	-	-
TOTAL SUPPLIES		56,210	45,028	15,889	24,845	21,902	29,367	24,325	22,875

Capital Outlays

4150.4110	Land Acquisition	-	-	-	-	-	-	-	-
4150.4140	Park Maintenance	-	-	-	-	-	-	-	-
4150.4142	Park Improvement	1,525	21,083	-	-	-	16,483	-	-
4150.4143	Grant Match (TPWD-Park Imp)	-	-	1,000	-	-	-	-	-
4150.4144	Street Improvements	24,493	34,403	18,795	20,137	14,896	100,772	-	-
4150.4145	Parks Improvements Grant Funds	-	-	-	-	-	-	-	-
4150.4146	Radio	-	-	-	-	-	-	-	-
4150.4250	Vehicle (dump truck)	-	-	-	-	-	-	-	-
4150.4600	Capital Outlay	414,350	101,976	133,571	7,725	7,680	-	-	-
TOTAL CAPITAL OUTLAYS		440,368	157,462	153,366	27,862	22,576	117,255	-	-

Interfund Charges

4150.5250	Disability Insurance	184	199	103	-	-	-	-	-
TOTAL INTERFUND CHARGES		184	199	103	-	-	-	-	-

Depreciation & Amorit

4150.6100	Depreciation	-	-	-	-	-	-	-	-
TOTAL DEPRECIATION & AMORIT		-	-	-	-	-	-	-	-

Other Costs

4150.7200	Programs	-	-	-	-	-	-	-	-
4150.7300	Bad Debt Expense - Streets	-	-	-	(138)	-	17	-	-
TOTAL OTHER COSTS		-	-	-	(138)	-	17	-	-

TOTAL Streets

614,923	318,167	213,581	101,371	117,184	250,211	142,344	128,238
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City of Flatonia, Texas
FY 15/16 Proposed Budget

	4250.3176	Janitorial Supplies	-	-	45	6	15	8	50	50
	4250.3180	Movies on Main	-	-	3,265	2,919	25	-	-	-
TOTAL SUPPLIES			-	-	36,275	28,791	29,876	26,127	30,575	28,575
Capital Outlays										
	4250.4142	Park Improvements	-	-	10,528	5,308	-	-	-	-
	4250.4143	Grant Match	-	-	-	1,495	5,348	-	-	-
	4250.4145	Park Improvements - Grant Fund	-	-	-	(1,296)	8,012	84,736	-	-
	4250.4600	Capital Outlay Expenses	-	-	-	21,701	20,485	-	-	-
TOTAL CAPITAL OUTLAYS			-	-	10,528	27,208	33,845	84,736	-	-
Interfund Charges										
	4250.5250	Disability Insurance	-	8	88	-	-	-	-	-
TOTAL INTERFUND CHARGES			-	8	88	-	-	-	-	-
TOTAL Parks			-	388	108,643	115,384	128,699	190,857	100,075	105,854

City of Flatonia, Texas
FY 15/16 Proposed Budget

Acct No.	Account Name	Actual						Adopted	Proposed
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Budget	Budget
		2014-2015	2015-2016						
4400.4141	Cemetery	1,957	1,651	1,344	1,100	1,287	-	1,600	-
4400.4230	Furniture	860	-	-	-	-	-	-	-
4400.4235	Computer Hardware	179	1,171	-	-	46	-	-	-
4400.4240	Computer Software	306	-	-	-	(59)	-	-	-
4400.4245	Website Update	-	293	-	-	-	-	-	-
4400.4250	Vehicle	-	-	-	-	-	-	-	-
4400.4300	Land Purchase	-	-	-	-	-	-	-	-
4400.4600	Capital Outlay	1,686	-	(525)	-	4,684	-	-	-
TOTAL CAPITAL OUTLAYS		4,988	3,115	819	1,100	5,958	-	1,600	-
Interfund Charges									
4400.5250	Disability Insurance	77	89	77	-	-	-	-	-
TOTAL INTERFUND CHARGES		77	89	77	-	-	-	-	-
Depreciation & Amorit									
4400.6100	Depreciation	-	-	-	-	-	-	-	-
TOTAL DEPRECIATION & AMORIT		-	-	-	-	-	-	-	-
Other Costs									
4400.7100	County Airport Expense	3,075	3,547	3,291	4,294	3,902	3,965	8,700	25,000
4400.7200	Programs	7,477	4,500	4,000	5,885	6,711	5,000	5,500	7,500
4400.7210	Animal Shelter	3,120	3,120	2,860	3,120	3,640	3,120	3,200	3,200
4400.7220	Economic Development	-	4,400	-	-	-	-	-	-
4400.7230	Tourism - Contract with C of C	-	-	-	-	-	-	-	-
4400.7240	Cemetery Contribution	-	-	-	-	-	1,350	-	-
4400.7300	Bad Debt Expense	401	660	(3)	-	160	257	-	-
TOTAL OTHER COSTS		14,073	16,227	10,148	13,299	14,413	13,692	17,400	33,700
Debt Services									
4400.8100	Water Tower Antenna	-	-	-	-	-	-	-	-
4400.8200	Emergency Siren Upgrade	-	-	-	-	18,454	-	-	-
TOTAL DEBT SERVICE		-	-	-	-	18,454	-	-	-
TOTAL Administration		499,629	484,503	423,859	599,803	984,235	693,304	569,945	648,715

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual						Adopted	Proposed
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Budget 2014-2015	Budget 2015-2016
Police Executive									
Personnel Services									
4521.1021	Executive	41,307	43,263	48,006	49,038	50,243	56,536	60,441	60,441
4521.1023	Patrol Officers	97,209	97,118	103,420	108,394	149,207	152,862	155,921	155,921
4521.1024	Reserve Officers	8,294	23,565	22,986	44,198	7,504	3,319	8,000	12,000
4521.1025	Narcotics Officer	-	-	15,000	19,250	19,000	19,000	19,500	21,000
4521.1100	Stand By	2,400	2,500	2,400	3,100	3,000	2,400	2,400	2,400
4521.1110	Longevity	1,164	1,410	1,500	1,950	2,034	2,280	2,652	3,012
4521.1120	Overtime	5,186	2,774	2,590	9,999	9,433	4,010	3,000	3,000
4521.1200	Social Security	10,163	10,510	11,726	13,833	13,606	13,695	14,947	14,947
4521.1210	Medicare	2,377	2,458	2,743	3,194	3,224	3,203	3,496	3,496
4521.1215	LT & ST Disability	-	-	-	-	652	759	868	900
4521.1220	Group Health Insurance	21,559	20,828	20,002	20,026	23,621	31,651	30,162	30,988
4521.1230	Group Dental Insurance	1,057	463	539	607	1,688	1,970	1,936	2,071
4521.1235	AFLAC/Liberty National	-	-	242	-	-	-	-	-
4521.1240	Retirement	29,460	28,960	34,094	38,715	41,145	38,759	41,005	41,005
4521.1250	Unemployment Tax (SUTA)	274	1,114	598	1,702	284	1,089	1,205	1,205
4521.1255	Life Flight	-	-	-	-	40	200	200	275
4521.1260	Uniform Pay	2,250	2,150	2,500	2,750	3,000	3,000	3,000	3,000
4521.1270	Certificate Pay	3,900	4,050	4,200	3,450	2,400	2,900	4,200	6,300
4521.1280	Workers Comp	5,519	4,319	5,282	5,074	6,247	6,340	8,155	8,155
TOTAL PERSONNEL SERVICES		232,119	245,482	277,828	325,280	336,328	343,973	361,088	370,116
Services									
4521.2101	Grant Consultant	-	-	-	-	-	-	-	-
4521.2102	Legal	-	-	-	-	-	-	-	-
4521.2103	Medical Expense	305	2,023	2,392	3,465	-	2,589	2,500	2,500
4521.2104	Medical Exams	-	-	-	-	-	-	-	-
4521.2130	Computer Service Contract	770	3,658	255	-	1,231	1,086	500	500
4521.2220	Building & Grounds	1,953	2,724	1,359	961	2,146	6,004	2,100	2,200
4521.2224	Motor Vehicle Repair	6,365	8,726	6,769	7,949	9,464	6,715	4,500	6,500
4521.2226	Machinery & Equipment	-	-	-	-	-	-	-	-
4521.2230	Rental of Equipment	-	-	-	-	-	-	-	-
4521.2233	Vehicle Lease	-	-	-	-	-	-	-	-
4521.2310	General Liability Insurance	1,891	2,409	2,421	2,613	3,943	3,659	3,400	3,400
4521.2311	Insurance of Motor Equipment	1,853	2,203	2,415	2,239	2,337	2,327	2,400	2,400
4521.2320	Telephone	2,437	3,080	6,072	9,555	8,385	9,762	8,800	8,800
4521.2321	Computer Access - Internet Con	-	-	-	-	-	-	-	-
4521.2325	Radio Service	3,353	4,321	4,115	2,868	3,451	3,087	4,000	4,000
4521.2330	Advertising & Public Notices	-	-	61	-	-	-	50	50

City of Flatonia, Texas
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4521.2340	Printing	734	744	209	507	-	90	750	750
4521.2350	Travel	595	167	701	249	333	952	2,000	2,500
4521.2360	Permits	-	-	-	-	-	-	-	-
4521.2361	Buy Money	-	-	-	14	-	-	50	50
4521.2370	Education & Training	381	808	2,191	-	967	2,026	3,000	5,000
4521.2375	Radar Equip. Recertification	155	150	150	175	245	140	300	300
4521.2390	Code Enforcement Expenses	-	-	-	-	-	996	200	250
TOTAL SERVICES		20,792	31,013	29,110	30,595	32,502	39,433	34,550	39,200
Supplies									
4521.3110	Freight & Express	-	-	-	-	-	-	-	-
4521.3111	Ice, Cups, Etc.	-	-	-	-	-	-	250	250
4521.3112	Fuel	11,008	17,938	28,391	25,906	24,316	19,293	27,500	21,000
4521.3113	Oil & Grease	89	155	(45)	-	-	-	100	100
4521.3114	Chemicals	-	-	-	-	-	-	-	-
4521.3115	Postage	96	11	-	208	15	52	250	250
4521.3116	Office Supplies	516	1,947	1,229	1,182	815	5,242	2,000	5,750
4521.3120	Utilities	1,254	1,242	1,138	1,180	1,989	4,101	4,200	4,000
4521.3130	Citizen on Patrol Expenses	-	-	60	-	-	-	-	-
4521.3140	Books	-	239	125	16	-	289	300	300
4521.3160	Minor Tools & Equipment	91	159	276	110	20	64	125	125
4521.3162	Hardware	-	-	-	-	-	-	-	-
4521.3164	Parts & Materials	-	-	-	-	-	-	-	-
4521.3170	Wearing Apparel	2,415	4,008	2,054	6,010	1,963	1,366	3,500	3,000
4521.3171	Medical Supplies	-	-	-	211	-	940	100	100
4521.3172	Miscellaneous	3,384	179	104	-	8	400	700	700
4521.3175	Signs, Markers, Etc.	-	-	-	-	-	-	50	50
4521.3176	Janitorial Supplies	-	225	45	71	-	108	300	300
4521.3177	Ammunition	36	1,277	345	-	643	570	900	1,100
TOTAL SUPPLIES		18,889	27,380	33,722	34,894	29,769	32,424	40,275	37,025
Capital Outlays									
4521.4110	Land Acquisition	-	-	-	-	-	-	-	-
4521.4130	Grant Match	-	3,411	-	-	-	-	-	-
4521.4146	Radio	-	-	-	-	-	-	-	-
4521.4230	Furniture/ Office Equipment	240	365	337	188	165	-	-	-
4521.4235	Computer Hardware	1,020	1,894	7,000	110	1,969	-	-	1,000
4521.4240	Computer Software	1,013	1,626	5,231	1,390	4,174	3,807	-	500
4521.4250	Vehicle	170	1,084	1,597	-	-	-	-	-
4521.4260	Equipment	153	3,355	1,902	3,099	2,695	-	-	1,500
4521.4600	Capital Outlay	-	-	-	1,705	15,665	475,082	-	-
TOTAL CAPITAL OUTLAYS		2,596	11,735	16,067	6,492	24,668	478,889	-	3,000

Interfund Charges

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	4521.5250	Disability Insurance	542	611	576	-	-	-	-	-
TOTAL INTERFUND CHARGES			<u>542</u>	<u>611</u>	<u>576</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation & Amorit										
	4521.6100	Depreciation	-	-	-	-	-	-	-	-
TOTAL DEPRECIATION & AMORIT			<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Costs										
	4521.7200	Programs	-	-	359	335	339	522	1,000	1,000
	4521.7210	Tobacco Grant Expenditures	-	-	-	-	-	13,350	-	-
TOTAL OTHER COSTS			<u>-</u>	<u>-</u>	<u>359</u>	<u>335</u>	<u>339</u>	<u>13,872</u>	<u>1,000</u>	<u>1,000</u>
TOTAL Police Executive			<u>274,938</u>	<u>316,221</u>	<u>357,662</u>	<u>397,596</u>	<u>423,606</u>	<u>908,591</u>	<u>436,913</u>	<u>450,341</u>

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual						Adopted	Proposed
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Budget	Budget
Code Enforcement									
Personnel Services									
4523.1022	Code Compliance Officer	39,416	38,979	39,749	41,432	41,723	42,222	43,815	43,815
4523.1110	Longevity	1,788	1,866	1,938	2,010	2,082	2,154	2,226	2,298
4523.1120	Overtime	-	-	-	199	89	46	100	100
4523.1200	Social Security	2,332	2,174	2,385	2,448	2,491	2,486	2,797	2,797
4523.1210	Medicare	546	509	558	564	591	582	654	654
4523.1215	LT & ST Disability					149	176	162	162
4523.1220	Group Health	8,730	9,472	8,889	8,758	7,514	10,665	9,247	10,423
4523.1230	Group Dental	119	178	202	228	497	591	387	414
4523.1235	AFLAC/Liberty National	-	-	-	-	-	-	-	-
4523.1240	Retirement	7,876	7,860	8,625	8,159	8,131	7,717	8,076	8,076
4523.1250	Unemployment Tax (SUTA)	-	189	72	261	(77)	207	226	226
4523.1270	Certificate Pay	-	-	-	-	-	-	-	-
4523.1280	Workers Comp	364	285	338	342	430	343	416	416
TOTAL PERSONNEL SERVICES		61,171	61,512	62,756	64,401	63,620	67,189	68,106	69,381
Services									
4523.2103	Medical Expense	65	65	-	65	65	-	-	-
4523.2130	Computer Service Contract	-	-	550	173	330	295	250	250
4523.2220	Building & Grounds	38	294	19	9	-	-	800	800
4523.2224	Motor Vehicle Repair	989	810	1,330	29	1,127	31	250	250
4523.2310	General Liability	823	752	428	401	443	77	450	450
4523.2311	Insurance of Motor Vehicle	225	215	216	195	186	223	225	225
4523.2320	Telephone	1,117	951	1,037	880	1,328	1,202	1,200	1,200
4523.2325	Radio Service	239	239	310	200	259	219	300	300
4523.2330	Public Notices	-	-	-	141	76	600	500	500
4523.2350	Travel	58	464	118	90	207	25	250	250
4523.2360	Memberships	591	346	535	574	655	507	600	600
4523.2370	Education & Training	90	480	195	981	140	280	150	150
4523.2390	Code Enforcement Expenses	106	997	769	289	821	1,492	6,000	1,500
TOTAL SERVICES		4,341	5,613	5,507	4,027	5,637	4,951	10,975	6,475
Supplies									
4523.3112	Fuel	19	278	514	409	423	362	700	450
4523.3116	Office Supplies	212	191	197	281	462	288	300	300
4523.3120	Utilities	1,254	1,242	1,138	1,180	-	-	-	-
4523.3140	Books	-	-	-	216	-	25	150	150
4523.3160	Minor Tools & Equipment	50	172	5	277	8	-	100	100
4523.3170	Wearing Apparel	892	1,019	391	409	500	584	500	500

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	4523.3172	Miscellaneous	<u>-</u>	<u>82</u>	<u>-</u>	<u>77</u>	<u>13</u>	<u>79</u>	<u>100</u>	<u>100</u>
TOTAL SUPPLIES			2,427	2,984	2,245	2,849	1,406	1,338	1,850	1,600
Capital Outlays										
	4523.4235	Computer Hardware	-	-	-	440	-	-	-	-
	4523.4600	Capital Outlay	-	-	-	1,890	-	-	-	-
TOTAL CAPITAL OUTLAYS			<u>-</u>	<u>-</u>	<u>-</u>	<u>2,330</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Interfund Charges										
	4523.5250	LT- ST Disability	161	176	163	-	-	-	-	-
TOTAL INTERFUND CHARGES			<u>161</u>	<u>176</u>	<u>163</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL Code Enforcement			<u>68,100</u>	<u>70,285</u>	<u>70,671</u>	<u>73,607</u>	<u>70,663</u>	<u>73,478</u>	<u>80,931</u>	<u>77,456</u>

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual						Adopted Budget	Proposed Budget
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Municipal Court									
Personnel Services									
4530.1021	Executive	10,978	11,308	11,308	11,880	12,840	13,048	13,048	13,048
4530.1023	Court Clerks	14,999	15,782	16,099	16,940	17,459	18,132	18,337	18,337
4530.1110	Longevity	171	210	246	282	318	354	392	428
4530.1200	Social Security	1,684	1,680	1,775	1,815	1,949	2,018	1,964	1,964
4530.1210	Medicare	393	393	415	418	462	472	459	459
4530.1515	LT & ST Disability					58	68	114	114
4530.1220	Group Health	2,165	2,348	2,204	2,208	2,064	2,925	2,776	2,859
4530.1230	Group Dental	46	5	-	-	-	-	194	207
4530.1235	AFLAC/Liberty National	-	-	-	-	-	-	-	-
4530.1240	Retirement	3,077	3,193	3,506	3,296	3,530	3,420	3,336	3,336
4530.1250	Unemployment Tax (FUTA)	115	342	193	565	21	414	158	158
4530.1255	LifeFlight	-	-	-	-	-	20	80	110
4530.1270	Certificate Pay	600	600	600	600	1,200	1,200	1,200	1,200
4530.1280	Workers Comp	100	-	-	-	-	-	131	131
TOTAL PERSONNEL SERVICES		34,328	35,861	36,346	38,004	39,901	42,072	42,190	42,352
Services									
4530.2103	Medical Expense	185	170	85	160	65	-	100	100
4530.2130	Computer Services	-	-	1,367	1,435	1,911	2,623	500	500
4530.2220	Building & Grounds	69	261	19	-	1,182	-	100	100
4530.2310	General Liability Insurance	63	64	54	56	556	-	500	500
4530.2320	Telephone	910	913	965	1,040	928	549	950	950
4530.2350	Travel	845	1,036	715	601	519	800	900	900
4530.2361	Court Costs	14,733	16,606	20,359	28,086	24,124	24,445	22,000	22,000
4530.2370	Education & Training	530	582	405	450	350	200	800	800
TOTAL SERVICES		17,335	19,632	23,969	31,828	29,635	28,617	25,850	25,850
Supplies									
4530.3115	Postage	-	-	166	135	208	73	150	150
4530.3116	Office Supplies	212	194	346	576	1,012	512	700	700
4530.3120	Utilities	1,254	1,242	1,138	1,180	1,061	-	-	-
4530.3140	Books	-	158	36	-	-	-	50	50
4530.3150	Overpayments to Refund	(1)	264	(7)	(107)	(42)	-	-	-
4530.3172	Miscellaneous	91	20	-	-	33	176	50	50
4530.3176	Janitorial Supplies	-	-	45	-	-	-	25	25
TOTAL SUPPLIES		1,556	1,878	1,724	1,784	2,272	761	975	975
Capital Outlays									

City of Flatonia, Texas
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	4530.4230	Furniture/Office Equipment	-	-	-	-	628	-	-	-
	4530.4235	Computer Hardware	-	-	-	-	-	-	-	-
	4530.4240	Computer Software	-	1,302	-	-	196	(432)	-	-
	4530.4600	Capital Outlay	-	-	-	-	-	-	-	-
TOTAL CAPITAL OUTLAYS			-	1,302	-	-	824	(432)	-	-
Interfund Charges										
	4530.5250	Disability Insurance	59	68	63	53	-	-	-	-
TOTAL INTERFUND CHARGES			59	68	63	53	-	-	-	-
Total Municipal Court			53,278	58,741	62,102	71,669	72,632	71,018	69,015	69,177

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual						Adopted	Proposed
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Budget	Budget
Fire Department									
Personnel Services									
4540.1215	Disability Insurance	-	-	-	2,370	-	2,369	2,400	2,400
4540.1255	Air Evac	-	-	-	1,445	1,455	1,315	1,500	1,500
4540.1280	Workers Comp	617	595	1,229	1,275	3,690	1,197	2,048	2,048
TOTAL PERSONNEL SERVICES		617	595	1,229	5,090	5,145	4,881	4,881	4,881
Services									
4540.2103	Medical Expense	1,617	2,165	2,013	874	-	580	1,500	1,500
4540.2130	Computer Services	-	-	220	20	559	386	300	300
4540.2220	Building & Grounds	1,766	2,094	2,056	1,132	1,434	1,540	1,500	1,500
4540.2224	Motor Vehicle Repair	5,472	8,914	8,673	7,314	9,823	12,305	11,500	13,500
4540.2226	Machinery & Equipment	2,276	3,906	5,494	6,112	13,539	6,157	8,500	8,500
4540.2310	General Liability Insurance	1,978	1,761	1,925	1,709	611	584	1,800	1,800
4540.2311	Insurance of Motor Equipment	4,133	4,835	4,693	4,406	5,023	5,121	5,200	5,200
4540.2320	Telephone	687	500	527	531	1,170	1,225	1,200	1,200
4540.2321	Computer Access - Internet	358	430	430	897	777	717	800	800
4540.2325	LCRA Radios	-	120	728	842	1,117	976	900	900
4540.2350	Travel	1,681	1,500	738	397	592	850	800	800
4540.2370	Education & Training	2,113	1,330	2,795	1,731	2,327	2,905	2,100	3,600
TOTAL SERVICES		22,081	27,555	30,292	25,965	36,972	33,347	36,100	37,600
Supplies									
4540.3112	Fuel	1,027	2,188	3,633	3,279	3,026	3,583	4,100	4,100
4540.3113	Oil & Grease	533	573	104	-	-	8	75	75
4540.3116	Office Supplies	612	280	28	289	567	476	350	350
4540.3120	Utilities	3,647	3,269	4,298	3,961	5,124	6,785	7,200	6,800
4540.3162	Hardware	-	-	-	-	-	900	-	-
4540.3170	Wearing Apparel	532	1,500	642	2,404	1,125	2,420	1,200	1,200
4540.3171	Medical Supplies	-	120	-	-	531	-	300	300
4540.3172	Miscellaneous	975	660	1,577	2,168	677	382	750	750
4540.3174	Member Relations	270	296	795	490	-	-	500	500
TOTAL SUPPLIES		7,596	8,886	11,077	12,591	11,050	14,553	14,475	14,075
Capital Outlays									
4540.4140	Equipment	9,796	8,130	16,220	8,825	16,253	45,603		
4540.4146	Radio	-	-	-	-	-	16,332		
4540.4150	Pumper Truck	-	-	-	-	-	-		
4540.4520	Grant Match	982	11,754	-	-	-	-		
4540.4600	Capital Outlay	-	-	-	58,007	2,154	4,799		

**City of Flatonia, Texas
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TOTAL CAPITAL OUTLAYS			10,778	19,884	16,220	66,832	18,407	66,734	-	-
Interfund Charges										
	4540.5250	Disability Insurance	2,234	2,234	2,233	-	-	-	-	-
TOTAL INTERFUND CHARGES			2,234	2,234	2,233	-	-	-	-	-
Depreciation & Amorit										
	4540.6100	Depreciation	-	-	-	-	-	-	-	-
TOTAL DEPRECIATION & AMORIT			-	-	-	-	-	-	-	-
Other Costs										
	4540.7200	Firemen's Retirement Fund	10,174	11,222	11,632	25,039	24,350	38,400	36,000	37,500
	4540.7210	Programs	703	1,337	920	1,796	1,858	1,168	1,500	1,500
TOTAL OTHER COSTS			10,877	12,559	12,552	26,835	26,208	39,568	37,500	39,000
TOTAL Fire Department			54,183	71,713	73,603	137,313	97,782	159,083	92,956	97,556

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual					Adopted	Proposed
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Budget 2014-2015
57 -Water								
Intergovernmental Rev								
3350.0000	Grant	-	-	-	-	-	-	-
TOTAL INTERGOVERNMENTAL REV		-	-	-	-	-	-	-
Charges For Service								
3440.0000	Customer Service	-	-	-	-	-	-	-
3441.0000	Reconnect Charges	-	-	-	-	-	-	-
3442.0000	Penalties & Interest	3,858	3,931	4,139	4,082	4,246	4,207	4,100
3444.0000	Sales	424,029	361,184	471,243	431,924	480,943	457,062	450,000
3445.0000	Tapping Fees	1,575	375	1,225	2,350	6,925	1,838	1,600
TOTAL CHARGES FOR SERVICE		429,462	365,490	476,607	438,356	492,114	463,107	455,700
Miscellaneous Revenue								
3811.0000	Miscellaneous Revenue	993	20	(1,819)	3,677	10,069	27,484	-
3815.0000	Grant Revenue	-	-	-	-	-	130,000	-
3825.0000	Park House Rent	-	240	30	-	-	-	-
3830.0000	Insurance Reimbursement	-	-	-	-	-	-	-
TOTAL MISCELLANEOUS REVENUE		993	260	(1,789)	3,677	10,069	157,484	-
Other Financing Sources								
3900.0000	Transfer From Another Fund	747	-	41,341	-	2,917	-	-
3910.0000	Transfer from Capital Project	-	-	-	-	-	-	-
3921.0000	Sales of Fixed Assets	-	-	-	-	-	-	-
3936.0000	Transfer In Debt Service	-	-	-	-	2,200	-	-
3940.0000	Transfer From General Fund	-	-	-	187	493	(2,748)	-
TOTAL OTHER FINANCING SOURCES		747	-	41,341	187	5,610	(2,748)	-
TOTAL REVENUES		431,202	365,750	516,159	442,220	507,793	617,843	435,300
Personnel Services								
4570.1021	EXECUTIVE	8,251	12,000	8,580	5,288	13,146	44,000	55,729
4570.1022	Supervisor	12,323	11,821	13,280	13,076	13,982	49,856	34,320
4570.1023	Clerical/ Laborer	61,671	61,446	62,351	65,229	78,567	63,793	58,897
4570.1100	Stand By	3,700	3,113	3,288	3,300	3,488	3,275	2,900
4570.1110	Longevity	2,474	2,642	2,797	2,907	3,056	5,423	5,690
4570.1120	Overtime	1,207	1,207	1,923	2,560	2,266	6,973	2,000
4570.1200	Social Security	5,660	5,490	5,598	5,766	7,019	10,572	9,680
4570.1210	Medicare	1,287	1,278	1,370	1,339	1,650	2,473	2,264
4570.1215	Disability Insurance	-	-	-	327	322	623	562

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual						Adopted Budget	Proposed Budget
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
4570.1220	Group Health Insurance	10,017	10,099	8,313	9,051	8,873	21,354	20,266	23,269
4570.1230	Group Dental Insurance	231	262	284	313	713	1,438	1,026	1,098
4570.1235	AFLAC/Liberty National	-	-	-	-	-	-	-	-
4570.1240	Retirement	17,144	18,207	19,458	17,729	21,375	30,058	27,946	27,946
4570.1250	Unemployment Tax (SUTA)	45	189	72	261	95	414	781	781
4570.1255	LifeFlight	-	-	-	-	-	-	40	55
4570.1260	Uniform Pay	-	-	-	-	-	-	-	-
4570.1270	Certificate Pay	1,200	1,550	1,800	1,800	1,800	1,800	3,000	3,000
4570.1280	Workers Comp	1,660	2,076	1,578	1,597	2,284	1,788	4,314	4,314
TOTAL PERSONNEL SERVICES		126,870	131,380	130,692	130,543	158,636	243,839	229,415	230,982
Services									
4570.2100	Engineering Services	165	415	5,713	1,155	1,938	4,670	1,500	2,100
4570.2101	Grant Consultant	-	-	-	-	-	-	-	-
4570.2102	Legal	-	-	-	-	-	-	-	-
4570.2103	Medical	170	40	78	216	-	-	100	100
4570.2106	Financial Consultants	-	-	2,082	135	3,867	594	2,200	2,200
4570.2110	Debt Service Fees	-	-	-	2,719	1,900	1,950	2,500	2,500
4570.2220	Building & Grounds	464	1,299	4,989	1,618	1,436	2,699	1,500	1,500
4570.2221	Water Well Maintenance	5,187	6,688	10,951	6,486	4,276	24,247	6,000	6,000
4570.2222	Water, Sewer & Electric Lines	-	-	-	-	-	-	-	-
4570.2223	Tanks & Towers	36,173	1,461	3,971	3,150	2,000	5,700	2,500	2,500
4570.2224	Motor Vehicle Repair	777	417	2,353	391	3,022	1,513	1,000	2,000
4570.2225	Heavy Equipment	36	314	12	25	-	-	500	500
4570.2226	Machinery & Equipment	4,226	2,384	(439)	1,702	1,317	1,104	1,500	1,800
4570.2227	Water Analysis	1,704	2,907	2,194	3,060	2,887	1,963	2,500	2,800
4570.2228	Contract Services	-	-	-	-	-	-	-	-
4570.2230	Rental of Equipment	720	-	-	75	145	-	-	-
4570.2232	Construcion Equip.-Back Hoe Le	-	-	-	-	-	-	-	-
4570.2310	General Liability Insurance	2,758	2,484	3,037	2,941	2,016	2,381	3,100	3,100
4570.2311	Insurance of Motor Equipment	456	403	376	373	633	505	550	550
4570.2320	Telephone	-	-	-	-	-	-	-	-
4570.2325	Radio Service	558	547	419	349	494	384	425	425
4570.2330	Advertising & Public Notices	-	-	-	-	-	-	-	-
4570.2350	Travel	398	883	420	958	325	895	1,000	1,000
4570.2360	Permits	1,163	2,292	2,023	1,585	1,585	(1,589)	2,000	2,000
4570.2370	Education & Training	985	1,007	2,087	1,132	1,869	1,568	2,500	2,500
4570.2371	Memberships	-	-	-	-	-	413	500	500
4570.2390	Franchise Fee	-	-	50,254	50,000	50,000	50,000	50,000	50,000
TOTAL SERVICES		55,940	23,541	90,520	78,070	79,710	98,999	81,875	84,075

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual						Adopted	Proposed
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Budget	Budget
		2014-2015	2015-2016						
Supplies									
4570.3111	Ice, Cups, Etc.	567	433	317	283	259	269	400	400
4570.3112	Fuel	2,921	6,461	4,117	6,296	4,532	6,512	7,000	6,500
4570.3113	Oil & Grease	471	235	436	-	127	161	200	200
4570.3114	Chemicals	10,504	8,936	16,614	8,137	13,413	7,765	10,000	8,500
4570.3115	Postage	-	-	1,132	1,491	1,375	1,849	1,300	1,300
4570.3120	Utilities	35,256	30,887	34,740	33,798	35,357	31,869	35,000	32,000
4570.3140	Books	-	-	-	-	-	-	-	-
4570.3160	Minor Tools & Equipment	1,040	723	191	684	1,217	895	1,000	1,000
4570.3161	Pipe, Fittings, etc.	-	-	-	-	-	-	-	-
4570.3162	Hardware	-	-	-	-	-	-	-	-
4570.3163	Fire Hydrant Parts	-	-	-	-	-	-	-	-
4570.3164	Parts & Materials	15,186	4,493	7,973	17,355	17,300	15,427	10,000	12,000
4570.3165	Meter Parts	-	-	-	-	-	-	-	-
4570.3166	Meters	1,425	544	4,004	9,697	2,206	8,070	5,000	6,000
4570.3167	Fire Hydrants	1,600	-	-	-	-	-	-	-
4570.3170	Wearing Apparel	980	990	495	508	552	916	700	1,200
4570.3171	Medical Supplies	-	-	-	-	-	-	-	-
4570.3172	Miscellaneous	159	428	240	157	1,295	2,089	500	500
TOTAL SUPPLIES		70,109	54,130	70,259	78,406	77,633	75,822	71,100	69,600
Capital Outlays									
4570.4110	Land Acquisition	-	-	-	-	-	-	-	-
4570.4120	New Water Lines	7,152	32,398	4,075	6,731	2,682	-	8,000	4,500
4570.4125	New PW Building	-	-	-	-	-	-	-	-
4570.4130	Match for TCDP Grant	-	-	-	-	-	-	-	-
4570.4143	Water Equipment/Projects	-	-	46,113	5,466	-	-	-	-
4570.4146	Radio	-	-	-	-	-	-	-	-
4570.4235	Computer Hardware	-	-	-	-	-	-	-	-
4570.4240	Computer Software	-	-	-	-	-	-	-	-
4570.4245	Future Capital Projects	-	-	-	-	-	-	-	-
4570.4250	Vehicle	-	-	-	-	-	-	-	-
4570.4260	Backhoe	-	-	-	-	-	-	-	-
4570.4600	Capital Outlay	-	-	-	14,264	-	-	-	-
TOTAL CAPITAL OUTLAYS		7,152	32,398	50,188	26,461	2,682	-	8,000	4,500
Interfund Charges									
4570.5110	Debt Service	35,000	35,000	35,000	35,000	-	-	-	-
4570.5250	Disability Insurance	320	368	329	-	-	-	-	-
TOTAL INTERFUND CHARGES		35,320	35,368	35,329	35,000	-	-	-	-

City of Flatonia, Texas
FY 15/16 Proposed Budget

Acct No.	Account Name	Actual						Adopted	Proposed
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Budget	Budget
		2014-2015	2015-2016						
Depreciation & Amorit									
4570.6100	Depreciation	47,246	46,894	49,710	-	-	-	-	
TOTAL DEPRECIATION & AMORIT		47,246	46,894	49,710	-	-	-	-	
Other Costs									
4570.7300	Bad Debt Expense	582	-	1,201	(163)	128	386	500	
TOTAL OTHER COSTS		582	-	1,201	(163)	128	386	500	
Interfund Transfers									
4570.8200	Transfer to Grant Account	-	-	40,676	46,111	72,952	-	-	
4570.8220	Transfer to Capital Project	-	-	-	7,890	47,014	-	-	
4570.8230	Transfer to Debt Service	-	-	-	-	35,000	35,000	35,000	
4571.8580	Transfer to Waste Water	-	-	-	-	161,400	-	-	
TOTAL Interfund Transfers		-	-	40,676	54,001	316,366	35,000	35,000	
TOTAL Water Department		343,219	323,711	468,575	402,318	635,155	454,046	424,657	
TOTAL EXPENDITURES		343,219	323,711	468,575	402,318	635,155	454,046	424,657	
EXCESS OF REVENUES OVER									
(UNDER) EXPENDITURES		87,983	42,039	47,584	39,902	(127,362)	163,797	31,043	

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual					Adopted Budget 2014-2015	Proposed Budget 2015-2016
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013		
58 - Wastewater								
Intergovernmental Rev								
3350.0000	Grants	-	-	-	-	-	-	-
TOTAL INTERGOVERNMENTAL REV		-	-	-	-	-	-	-
Charges for Service								
3440.0000	Customer Service	-	-	-	-	-	-	-
3442.0000	Penalties & Interest	2,464	2,673	2,780	2,797	2,866	2,840	2,700
3444.0000	Sales	214,887	229,957	261,964	268,198	276,039	261,970	235,000
3445.0000	Tapping Fees	3,280	2,245	1,675	1,000	4,225	675	1,500
TOTAL CHARGES FOR SERVICE		220,631	234,875	266,419	271,995	283,130	265,484	239,200
	% of increase year over year		1.065	1.134	1.021	1.041		
Miscellaneous Revenue								
3811.0000	Miscellaneous Revenue	691	380	286	2,205	1,000	500	-
3820.0000	Transfer from Other fund	265	-	-	-	4,108	-	-
3825.0000	Park House Rent	-	240	30	-	-	-	-
3830.0000	Insurance Reimbursement	-	-	-	-	-	-	-
TOTAL MISCELLANEOUS REVENUE		956	620	316	2,205	5,108	500	-
Other Financing Sources								
3900.0000	Transfer From Elec Fund	-	-	41,341	-	-	-	-
3921.0000	Sale of Fixed Assets	-	-	-	-	-	-	-
3940.0000	Transfer From General Fund	-	-	-	187	493	-	-
3957.0000	Transfer In Water Fund	-	-	-	-	161,400	-	-
3959.0000	Transfer From Electric Fund	-	-	-	-	645,602	-	-
TOTAL OTHER FINANCING SOURCES		-	-	41,341	187	807,495	-	-
TOTAL REVENUES		221,587	235,495	308,076	274,387	1,095,733	265,484	239,700
Personnel Services								
4580.1021	EXECUTIVE	8,251	11,539	9,042	5,288	13,146	-	-
4580.1022	Supervisor	12,323	11,821	13,280	13,076	13,982	-	-
4580.1023	Clerical/ Laborer	50,573	50,882	50,276	53,256	58,934	9,133	-
4580.1100	Stand By	750	513	388	900	638	-	-
4580.1110	Longevity	2,042	2,210	2,365	2,475	2,624	107	-
4580.1120	Overtime	4,625	4,574	5,318	5,338	4,735	-	-
4580.1200	Social Security	4,720	4,800	4,817	4,949	5,785	643	-
4580.1210	Medicare	1,117	1,115	1,182	1,151	1,359	150	-
4580.1215	Disability Insurance	-	-	-	277	285	-	-
4580.1220	Group Health Insurance	9,092	10,099	9,238	9,051	8,873	-	-

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual						Adopted	Proposed
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Budget	Budget
4580.1230	Group Dental Insurance	231	262	284	313	713	-	-	
4580.1235	AFLAC/Liberty National	-	-	-	-	-	-	-	
4580.1240	Retirement	15,030	16,048	16,972	15,369	18,148	1,559	-	
4580.1250	Unemployment Tax (SUTA)	45	189	72	262	9	972	-	
4580.1255	Life Flight	-	-	-	-	-	160	-	
4580.1260	Uniform Pay	-	-	-	-	-	-	-	
4580.1270	Certificate Pay	1,200	1,200	1,200	1,200	1,200	1,200	-	
4580.1280	Workers Comp	91	-	(30)	-	1,130	906	-	
TOTAL PERSONNEL SERVICES		110,090	115,252	114,404	112,905	131,561	14,830	-	
Services									
4580.2100	Engineering Services	7,915	465	3,838	630	-	2,390	500	500
4580.2101	Grant Consultant	-	-	-	-	-	-	-	-
4580.2102	Legal	-	-	-	-	-	-	-	-
4580.2103	Medical Expense	235	40	268	296	65	-	150	150
4580.2106	Financial Consultants	-	-	1,041	68	1,652	(1,595)	1,000	1,000
4570.2110	Debt Service Fees	-	-	-	2,719	2,362	(2,362)	-	-
4580.2200	Sewer Plant & Lift Stations	5,405	6,859	4,989	5,307	6,980	4,550	6,000	5,500
4580.2220	Building & Grounds	443	1,102	487	1,051	2,770	5,478	1,500	1,800
4580.2221	Water Well Maintenance	-	-	-	-	-	-	-	-
4580.2222	Water, Sewer & Electric Lines	-	-	-	-	-	-	-	-
4580.2223	Tanks & Towers	-	-	-	-	1,909	-	-	-
4580.2224	Motor Vehicle Repair	28	56	23	736	-	-	250	250
4580.2225	Heavy Equipment	-	314	-	382	2,360	-	2,000	2,000
4580.2226	Machinery & Equipment	3,296	2,671	(645)	3,572	-	805	1,500	1,500
4580.2227	Effluent Analysis	7,885	9,262	8,255	10,866	11,768	9,888	10,000	10,500
4580.2228	Contract Services	-	-	-	-	-	-	-	-
4580.2230	Rental of Equipment	-	-	-	-	-	-	-	-
4580.2232	Construcion Equip.-Back Hoe Le	-	-	-	-	-	-	-	-
4580.2310	General Liability Insurance	1,010	982	861	864	751	355	950	950
4580.2311	Insurance of Motor Equipment	-	-	-	10	-	-	25	25
4580.2320	Telephone	-	-	-	-	-	-	-	-
4580.2325	Radio Service	559	527	180	150	195	165	150	150
4580.2330	Advertising & Public Notices	285	-	-	-	-	324	-	-
4580.2350	Travel	183	336	1,336	173	733	513	1,000	1,000
4580.2360	Permits	7,950	3,978	5,193	4,182	4,137	7,573	5,000	5,000
4580.2370	Education & Training	1,207	1,197	1,945	542	1,249	1,715	1,500	1,700
4580.2371	Memberships	-	-	-	378	-	984	500	500
TOTAL SERVICES		36,401	27,789	27,771	31,926	36,931	30,782	32,025	32,525

Supplies

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual						Adopted	Proposed
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Budget	Budget
4580.3110	Freight & Express	-	-	-	-	-	-	-	-
4580.3111	Ice, Cups, Etc.	567	433	317	241	259	269	250	250
4580.3112	Fuel	2,942	6,388	4,617	6,296	4,531	6,592	6,500	6,000
4580.3113	Oil & Grease	310	173	321	-	-	-	250	250
4580.3114	Chemicals	8,778	9,451	6,751	9,399	9,765	8,537	8,500	9,000
4580.3115	Postage	-	-	1,132	1,439	1,375	1,849	1,500	1,500
4580.3120	Utilities	34,910	32,967	29,236	30,829	28,137	28,310	31,000	29,500
4580.3140	Books	-	-	-	-	-	-	-	-
4580.3160	Minor Tools & Equipment	439	402	379	418	281	577	500	500
4580.3161	Pipe, Fittings, etc.	-	-	-	-	-	-	-	-
4580.3162	Hardware	-	-	-	-	-	-	-	-
4580.3163	Fire Hydrant Parts	-	-	-	-	-	-	-	-
4580.3164	Parts & Materials	4,055	2,448	3,418	2,098	8,141	1,711	7,500	3,800
4580.3165	Meter Parts	-	-	-	-	-	-	-	-
4580.3166	Meters	-	-	-	-	-	-	-	-
4580.3167	Fire Hydrants	-	-	-	-	-	-	-	-
4580.3168	Lab Supplies	-	-	-	-	-	-	-	-
4580.3170	Wearing Apparel	1,005	1,264	481	508	552	597	600	600
4580.3171	Medical Supplies	-	-	-	-	-	-	-	-
4580.3172	Miscellaneous	5	316	6	67	2	9	250	250
TOTAL SUPPLIES		53,011	53,842	46,658	51,295	53,043	48,451	56,850	51,650
Capital Outlays									
4580.4110	Land Acquisition	-	-	-	-	-	-	-	-
4580.4120	New Wastewater Lines	4,140	2,547	(1,197)	-	630	-	2,000	1,500
4580.4125	New PW Building	-	-	-	-	-	-	-	-
4580.4130	Match for TCDP Grant	-	-	1,750	-	-	-	-	-
4580.4135	Improvements at Sewer Plant	-	-	-	-	-	-	-	-
4580.4140	Wastewater Plant Maintenance	199,076	-	-	-	-	-	-	-
4580.4143	Wastewater Equipment	-	-	2,534	-	-	-	-	-
4580.4146	Radio	-	-	-	-	-	-	-	-
4580.4235	Computer Hardware	-	-	-	-	-	-	-	-
4580.4240	Computer Software	-	-	-	-	-	-	-	-
4580.4245	Future Capital Projects	-	-	-	-	-	-	-	-
4580.4250	Vehicle	-	-	-	-	-	-	-	-
4580.4260	Backhoe	-	-	-	-	-	-	-	-
4580.4600	Capital Outlay	-	-	-	-	-	-	-	-
TOTAL CAPITAL OUTLAYS		203,216	2,547	3,087	-	630	-	2,000	1,500
Interfund Transfers									
4580.5110	Debt Service (Int. & Sinking)	49,292	49,292	49,292	49,292	-	2,362	-	-

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual						Adopted Budget	Proposed Budget
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
4580.5250	Disability Insurance	271	309	274	-	-	-	-	-
TOTAL INTERFUND TRANSFERS		49,563	49,601	49,566	49,292	-	2,362	-	-
Depreciation & Amorit									
4580.6100	Depreciation	56,247	54,035	54,488	-	-	-	-	-
TOTAL DEPRECIATION & AMORIT		56,247	54,035	54,488	-	-	-	-	-
Other Costs									
4580.7300	Bad Debt Expense	335	-	782	(120)	133	272	500	500
TOTAL OTHER COSTS		335	-	782	(120)	133	272	500	500
Debt Service									
4580.8200	Transfer to Grant Fund	-	-	123,386	-	-	-	-	-
4580.8220	Transfer to Capital Project	-	-	-	-	-	-	-	-
4580.8230	Transfer to Debt Service	-	-	-	-	31,000	31,000	36,400	36,400
4580.8240	Transfer to General Fund	-	-	-	-	-	-	-	-
4580.8257	Transfer to Water Fund	-	-	-	-	-	-	-	-
4580.8259	Transfer to Electric Fund	-	-	-	-	12,065	-	-	-
TOTAL DEBT SERVICE		-	-	123,386	-	43,065	31,000	36,400	36,400
TOTAL Sewer Department		508,863	303,066	420,142	245,298	265,363	127,697	127,775	122,575
TOTAL EXPENDITURES		508,863	303,066	420,142	245,298	265,363	127,697	127,775	122,575
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		(287,276)	(67,571)	(112,066)	29,089	830,370	137,787	111,925	142,625

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual					Adopted Budget	Proposed Budget	
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
59 - Electric									
Taxes									
3118.0000	Pole Attachment Fees	-	-	-	-	-	-	-	-
3130.0000	Sales Tax	-	-	-	-	-	-	-	-
TOTAL TAXES		-	-	-	-	-	-	-	-
Charges For Service									
3440.0000	Customer Service	3,925	625	7,819	750	36,816	400	21,154	9,000
3441.0000	Administrative Fee	1,400	1,525	1,300	1,450	1,475	1,310	1,200	1,400
3442.0000	Penalties & Interest	22,811	24,097	21,571	21,940	21,849	30,512	22,000	22,000
3443.0000	LCRA Infrastructure Loan	-	-	-	-	-	-	-	-
3444.0000	Sales	714,950	743,768	732,409	687,602	722,383	849,827	720,000	880,000
3445.0000	Power Cost Recovery Factor	1,794,930	1,735,416	1,646,734	1,666,145	1,619,187	1,979,379	1,710,000	1,500,000
TOTAL CHARGES FOR SERVICE		2,538,016	2,505,431	2,409,833	2,377,887	2,401,710	2,861,428	2,474,354	2,412,400
Investment Income									
3610.0000	Interest Earnings	-	-	-	-	-	-	-	-
TOTAL INVESTMENT INCOME		-	-	-	-	-	-	-	-
Miscellaneous Revenue									
3811.0000	Miscellaneous Revenue	2,246	6,953	1,774	80,693	48,969	320,045	5,000	5,000
3820.0000	LCRA Infrastructure Loan	-	-	-	-	-	-	-	-
3825.0000	Park House Rent	-	600	75	-	-	-	-	-
3830.0000	Insurance Reimbursement	-	-	-	-	-	-	-	-
3858.0000	Transfer From Wastewater	-	-	-	-	12,065	-	-	-
TOTAL MISCELLANEOUS REVENUE		2,246	7,553	1,849	80,693	61,034	320,045	5,000	5,000
Other Financing Sources									
3900.0000	Transfer from other fund	265	-	-	-	600	-	-	-
3921.0000	Sale of Fixed Assets	-	-	-	-	-	-	-	-
3940.0000	Transfer from General Fund	265	-	-	193	-	-	-	-
TOTAL OTHER FINANCING SOURCES		530	-	-	193	600	-	-	-
TOTAL REVENUES		2,540,792	2,512,984	2,411,682	2,458,773	2,463,344	3,181,472	2,479,354	2,417,400
Personnel Services									
4590.1021	Executive	25,313	28,846	22,605	13,221	32,865	76,988	98,492	98,492
4590.1022	Supervisor	24,752	23,642	26,364	26,151	27,964	16,809	-	-
4590.1023	Clerical/Laborer	90,937	98,528	104,589	113,431	121,132	123,000	125,894	125,894
4590.1100	Stand By	7,500	7,375	8,325	7,050	6,925	6,275	7,500	7,500
4590.1110	Longevity	2,310	2,628	2,768	2,876	3,199	3,998	2,761	2,887
4590.1120	Overtime	1,571	1,768	2,575	2,332	1,887	1,896	2,100	2,100
4590.1200	Social Security	9,230	9,508	9,955	10,209	11,790	13,811	14,734	14,734
4590.1210	Medicare	2,123	2,207	2,447	2,348	2,797	3,230	3,446	3,446

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual					Adopted Budget		Proposed Budget
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
4590.1215	Disability Insurance	-	-	-	593	618	889	856	856
4590.1220	Group Health Insurance	21,183	23,395	20,710	23,706	21,782	36,396	37,738	36,246
4590.1230	Group Dental Insurance	448	516	595	679	1,558	2,137	2,129	2,278
4590.1235	AFLAC/Liberty National	-	-	-	-	-	-	-	-
4590.1240	Retirement	28,451	31,590	34,447	30,945	36,258	39,460	42,540	42,540
4590.1250	Unemployment Tax (SUTA)	225	1,020	604	1,349	45	265	1,188	1,188
4590.1255	LifeFlight	-	-	-	-	-	220	200	275
4590.1260	Uniform Pay	-	-	-	-	-	-	-	-
4590.1270	Certificate Pay	600	700	600	600	600	600	900	900
4590.1280	Workers Comp	1,250	2,746	1,870	1,934	2,780	2,269	2,800	2,800
TOTAL PERSONNEL SERVICES		215,893	234,469	238,454	237,424	272,200	328,243	343,279	342,138
Services									
4590.2100	Engineering Services	9,952	7,559	7,443	7,495	6,698	16,663	8,000	8,000
4590.2101	Grant Consultant	-	-	-	-	-	-	-	-
4590.2102	Legal	-	-	-	-	-	-	-	-
4590.2103	Medical Expense	654	395	618	463	65	-	150	150
4590.2106	Financial Consultants	-	-	11,448	1,858	14,031	628	10,000	8,000
4590.2130	Computer Service Contract	220	-	812	721	1,173	36,881	1,500	25,500
4590.2220	Building & Grounds	1,862	654	434	1,032	1,507	1,445	1,720	1,720
4590.2221	Water Well Maintenance	-	-	-	-	-	-	-	-
4590.2222	Water, Sewer & Electric Lines	-	-	-	-	-	-	-	-
4590.2223	Tanks & Towers	-	-	-	-	-	-	-	-
4590.2224	Motor Vehicle Repair	1,137	1,630	796	4,492	2,776	2,645	2,500	4,500
4590.2225	Heavy Equipment	11,289	1,938	3,511	5,904	3,466	4,347	4,000	4,500
4590.2226	Machinery & Equipment	431	3,627	3	579	800	1,277	750	750
4590.2228	Contracting Services	-	-	-	-	-	-	8,039	-
4590.2230	Rental of Equipment	-	-	-	-	-	-	-	-
4590.2232	Construcion Equip.-Back Hoe Le	-	-	-	-	-	-	-	-
4590.2310	General Liability Insurance	3,294	2,819	1,879	1,569	2,418	3,048	2,400	2,400
4590.2311	Insurance of Motor Equipment	2,351	2,266	2,046	1,872	1,667	1,730	2,000	2,000
4590.2320	Telephone	4,825	5,042	4,607	4,554	5,128	5,713	4,800	4,800
4590.2321	Computer Access - Internet	-	-	-	102	-	323	-	-
4590.2325	Radio Service	1,490	1,764	1,545	1,147	1,661	1,527	1,500	1,500
4590.2330	Advertising & Public Notices	97	-	-	-	219	180	150	150
4590.2350	Travel	910	206	285	469	2,568	3,669	6,000	4,500
4590.2360	Permits	-	-	-	-	-	-	-	-
4590.2370	Education & Training	715	811	676	726	763	800	1,200	1,200
4590.2371	Memberships	-	-	-	490	1,363	738	6,500	6,500
4590.2380	Clean-up	4,308	6,356	1,378	6,301	6,399	4,200	5,000	5,000
4590.2390	Franchise Fee	298,334	300,000	394,417	400,000	420,833	404,167	425,000	425,000
4590.2395	School Electric Rebate	-	-	-	-	-	-	-	-
TOTAL SERVICES		341,869	335,067	431,898	439,774	473,535	489,980	491,209	506,170

Supplies

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual						Adopted Budget	Proposed Budget
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
4590.3110	Freight & Express	-	21	-	-	-	-	-	-
4590.3111	Ice, Cups, Etc.	567	412	317	334	410	324	300	300
4590.3112	Fuel	2,862	6,558	4,092	5,511	7,981	5,227	6,200	6,200
4590.3113	Oil & Grease	318	567	405	-	105	290	250	250
4590.3114	Chemicals	597	658	1,082	995	995	822	1,000	1,000
4590.3115	Postage	-	-	1,203	2,799	1,484	1,897	2,000	2,000
4590.3116	Office Supplies	610	1,794	2,498	2,936	2,093	5,797	2,500	2,500
4590.3120	Utilities	-	-	854	1,720	2,039	2,240	2,200	2,000
4590.3140	Books	-	-	-	-	-	-	-	-
4590.3160	Minor Tools & Equipment	854	839	812	1,398	959	2,139	1,500	1,400
4590.3161	Pipe, Fittings, etc.	-	-	-	-	-	-	-	-
4590.3162	Hardware	-	-	-	-	-	-	-	-
4590.3164	Parts & Materials	20,422	12,767	29,603	18,259	70,950	17,484	20,000	20,000
4590.3165	Meter Parts	-	-	-	-	-	-	-	-
4590.3166	Meters	1,255	9,613	4,689	849	2,846	2,160	1,500	2,500
4590.3170	Wearing Apparel	3,244	3,014	3,115	3,607	3,586	3,752	3,300	3,300
4590.3171	Medical Supplies	-	-	-	84	-	-	-	-
4590.3172	Miscellaneous	231	307	367	980	833	485	500	500
TOTAL SUPPLIES		30,960	36,550	49,037	39,472	94,281	42,616	41,250	41,950
Capital Outlays									
4590.4110	Land Acquisition	-	-	-	-	-	-	-	-
4590.4125	New PW Building	-	-	-	-	-	-	-	-
4590.4146	Radios	-	-	-	-	-	-	-	-
4590.4230	Furniture	-	-	-	-	628	-	-	-
4590.4235	Computer Hardware	4,265	3,047	-	1,669	3,810	(4,872)	-	-
4590.4240	Computer Software	17,081	18,007	18,983	15,727	19,356	(3,072)	24,000	-
4590.4245	Future Capital Projects	-	-	-	-	-	-	-	-
4590.4250	Vehicle	-	-	-	-	-	-	-	-
4590.4260	Electric Distribution Lines	12,490	5,774	6,199	19,616	15,122	-	24,000	-
4590.4270	Maintenance Facilities	-	-	-	-	-	-	-	-
4590.4280	System Improvements from LCRA	44,681	-	41,923	1,614	447	-	-	-
4590.4600	Capital Outlay	-	-	-	33,095	15,412	-	-	-
4591.4610	Capital Outlay Oilfield Expansion	-	-	-	-	-	-	-	-
TOTAL CAPITAL OUTLAYS		78,517	26,828	67,105	71,721	54,775	(7,944)	48,000	-
Interfund Charges									
4590.5250	Disability Insurance	523	649	603	-	-	-	-	-
TOTAL INTERFUND CHARGES		523	649	603	-	-	-	-	-
Depreciation & Amorit									
4590.6100	Depreciation	83,887	70,548	58,222	-	-	-	-	-
4590.6200	LCRA Loan Interest Expense	6,351	3,307	471	-	-	-	-	-
TOTAL DEPRECIATION & AMORIT		90,238	73,855	58,693	-	-	-	-	-

**City of Flatonia, Texas
FY 15/16 Proposed Budget**

Acct No.	Account Name	Actual						Adopted Budget	Proposed Budget
		2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Other Costs									
4590.7200	Programs	-	-	-	502	-	-	500	500
4590.7300	Bad Debt Expense	3,237	-	3,610	(526)	896	1,242	900	900
TOTAL OTHER COSTS		3,237	-	3,610	(24)	896	1,242	1,400	1,400
Debt Service									
4590.8200	Transfer to Grant Account				-	-	-	-	-
4590.8220	Transfer to Capital Project				-	-	-	-	-
4590.8230	Debt Service				-	-	-	-	-
4590.8240	Transfer to General Fund	-	978	(17,225)	-	856	-	-	-
4590.8255	Transfer to Equipment Fund	-	-	-	-	-	-	-	-
4590.8258	Transfer to Wastewater	-	-	-	-	645,602	-	-	-
TOTAL DEBT SERVICE		-	978	(17,225)	-	646,458	-	-	-
TOTAL Electric Distribution		761,237	708,396	832,175	788,367	1,542,145	854,137	925,138	891,658
Supplies									
4591.3100	Wholesale Electric Purchase	1,742,485	1,655,494	1,594,034	1,647,607	1,621,800	1,976,396	1,650,000	1,410,000
TOTAL SUPPLIES		1,742,485	1,655,494	1,594,034	1,647,607	1,621,800	1,976,396	1,650,000	1,410,000
TOTAL Generation & Transmission		1,742,485	1,655,494	1,594,034	1,647,607	1,621,800	1,976,396	1,650,000	1,410,000
TOTAL EXPENDITURES		2,503,722	2,363,890	2,426,209	2,435,974	3,163,945	2,830,533	2,575,138	2,301,658
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		37,070	149,094	(14,527)	22,799	(700,601)	350,939	(95,784)	115,742

CITY OF FLATONIA **FISCAL AND BUDGETARY POLICIES**

MUNICIPAL OPERATIONS

I. STATEMENT OF PURPOSE

The overall intent of the following Fiscal and Budgetary Policy Statements is to enable the City to achieve a long-term stable and positive financial condition. The watchwords of the City's financial management include integrity, prudence, stewardship, planning, accountability, and full disclosure.

The more specific purpose is to provide guidelines to the City Manager and City Staff in planning and directing the City's day-to-day financial affairs and in developing recommendations for the City Council.

The scope of these policies generally span, among other issues, accounting, purchasing, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash and investment management, expenditure control, asset management, debt management, and planning concepts, in order to:

- A. Present fairly and with full disclosure the financial position and results of the financial operations of the City in conformity with generally accepted accounting principles (GAAP), and
- B. Determine and demonstrate compliance with finance related legal and contractual issues in accordance with provisions of the Texas Local Government Code and other pertinent legal documents and mandates.

The City Council will annually review and approve the Fiscal and Budgetary Policy Statements as part of the budget process.

II. SUMMARY OF POLICY INTENDED OUTCOMES

This policy framework mandates pursuit of the following fiscal objectives:

- A. Operating Budget: Prepare, conservatively estimate revenues, present, and adopt the City's annual operating plan.
- B. Revenues Management: Design, maintain, and administer a revenue system that will assure a reliable, equitable, diversified, and sufficient revenue stream to support desired City services.

- C. Expenditure Control: Identify priority services, establish appropriate service levels, and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.
- D. Fund Balance/Retained Earnings: Maintain the fund balance and retained earnings of the various operating funds at levels sufficient to protect the City's credit worthiness as well as its financial position from emergencies.
- E. Debt Management: Establish guidelines for debt financing that will provide needed capital equipment and infrastructure improvements while minimizing the impact of debt payments on current revenues.
- F. Intergovernmental Relationships: Where feasible, coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing governmental services on an equitable basis and support favorable legislation at the State and Federal level.
- G. Grants: Seek, apply for and effectively administer within this policy's guidelines, Federal, State, and foundation grants-in-aid which address the City's current priorities and policy objectives.
- H. Economic Development: Initiate where feasible, encourage, and participate in economic development efforts to create job opportunities and strengthen the local tax base and economy
- I. Fiscal Monitoring: Prepare and present quarterly reports that analyze, evaluate, and forecast the City's financial performance and economic condition.
- J. Financial Consultants: With available resources, seek out and employ the assistance of qualified financial advisors and consultants in the management and administration of the City's financial functions.
- K. Accounting, Auditing, and Financial Reporting: Comply with prevailing Federal, State and local statues and regulations. Conform to generally accepted accounting principles as promulgated by the Government Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA), and the Government Finance Officers Association (GFOA).
- L. Capital Improvement Plan/Budget and Program: Multi-year planning, forecasting, preparation, and control of the City's capital improvement plan/budget.
- M. Capital Maintenance and Replacement: Annually review and monitor the state of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, finding alternatives, and availability of resources.

- N. Internal Controls: To establish and maintain an internal control structure designed to provide reasonable assurances that the City's assets are safeguarded and that the possibilities for material errors in the City's financial records are minimized.

III. OPERATING BUDGET

- A. Preparation - Budgeting is an essential element of the financial planning, control and evaluation process of municipal government. The "operating budget" is the City's annual financial operating plan. The budget includes all of the operating departments of the City, the debt service fund, all capital projects funds, and the internal service funds of the City. The proposed budget will be prepared with the cooperation of all City departments, and is submitted to the City Manager who makes any necessary changes and transmits the document to the City Council. A budget preparation calendar and timetable will be established and followed in accordance with State law.
- B. Revenue Estimates for Budgeting - In order to maintain a stable level of services, the City shall use a conservative, objective, and analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year and should avoid mid-year service reductions.
- C. Balanced Budget - As per State Law (TLGC 102.002), current operating revenues, including Property Tax Reduction Sales Tax transfers (which can be used for operations), will be sufficient to support current operating expenditures. Annually recurring revenue will not be less than annually recurring operating budget expenditures (operating budget minus capital outlay). Debt or bond financing will not be used to finance current expenditures.
- D. Proposed Budget Process - a proposed budget shall be prepared by the City Manager with the participation of all of the City's department directors.
- The proposed budget shall include four basic segments for review and evaluation: (1) personnel costs, (2) base budget for operations and maintenance costs, (3) service level adjustments for increases of existing service levels or additional services, and (4) revenues.
 - The proposed budget review process shall include Council participation in the review of each of the four segments of the proposed budget and a public hearing to allow for citizen participation in the budget preparation.
 - The proposed budget process shall allow sufficient time to provide review, as well as address policy and fiscal issues, by the City Council.
 - In accordance with State Law (TLGC 102.005), a copy of the proposed budget

shall be filed with the City Secretary when it is submitted to the City Council as well as placed on the City's website.

- E. Budget Adoption - Upon the determination and presentation of the final version of the proposed budget as established by the Council, a public hearing date and time will be set and publicized. The Council will subsequently consider an ordinance which, if adopted, such budget becomes the City's Approved Annual Budget. The adopted budget will be effective for the fiscal year beginning October 1. The approved budget will be placed on the City's web site.
- F. Central Control - Modifications within the operating categories (salaries, supplies, maintenance, services, capital, etc.) can be made with the approval of the City Manager. Modifications to reserve categories and interdepartmental budget totals will be made only by City Council consent with formal briefing and Council action.
- G. Planning - The budget process will be coordinated so as to identify major policy issues for City Council by integrating it into the Council's overall strategic planning process for the City. Each department shall have a multi-year business plan that integrates with the City's overall strategic plan.
- H. Reporting - Monthly financial reports will be prepared by the Finance Department and distributed to and reviewed by each Director. Information obtained from financial reports and other operating reports is to be used by Directors to monitor and control departmental budget. Summary financial reports will be presented to the City Council quarterly.

IV. REVENUES MANAGEMENT

A. REVENUE DESIGN PARAMETER.

The City will pursue the following optimum characteristics in its revenue system:

- Simplicity - The City, where possible and without sacrificing accuracy, will strive to keep the revenue system simple in order to reduce costs, achieve transparency, and increase citizen understanding of City revenue sources.
- Certainty - A knowledge and understanding of revenue sources reliability increases the viability of the revenue system. The City will understand, to the best of its ability, all aspects of its revenue sources and their performance, as well as enact consistent collection policies to provide assurances that the revenue base will materialize according to budgets, forecasts, and plans.
- Equity - The City shall make every effort to maintain equity in its revenue system: i.e. the City shall seek to minimize or eliminate all forms of subsidization between entities, funds, services utilities, and customer classes within a utility.
- Administration - The benefits of a revenue source will not exceed the cost of

collecting that revenue. Every effort will be made for the cost of collection to be reviewed annually for cost effectiveness as a part of the City's indirect cost and cost of service analysis.

- Adequacy, Diversification and Stability - The City shall attempt, in as much as is practical, to achieve a balance in its revenue system. The City shall also strive to maintain a balanced and diversified revenue system to protect the City from fluctuations in any one source due to changes in local economic conditions which adversely impact that revenue source.

B. OTHER CONSIDERATIONS.

The following considerations and issues will guide the City in its revenue policies concerning specific sources of funds:

- Cost/Benefit of Incentives for Economic Development - The City will use due caution in the analysis of any tax or fee incentives that are being considered to encourage economic development. A cost/benefit (fiscal impact) analysis will be performed as a part of the evaluation for each proposed economic development project.
- Non-Recurring Revenues - One-time or non-recurring revenues will not be used to finance on-going operational costs. Non-recurring revenues will be used only for one-time expenditures such as long-lived capital needs or one-time major maintenance projects that occur infrequently. Non-recurring revenues will not be used for budget balancing purposes except to cover the one-time expenditures described above.
- Investment Income - Earnings from investment of available monies, whether pooled or not, will be distributed to the funds in accordance with the equity balance of the fund from which monies were provided to be invested.
- Property Tax Revenues - The City shall endeavor to refrain from increasing property tax rates more than the average rate of inflation in any given year.

C. USER-BASED (DEMAND DRIVEN) FEES AND SERVICE CHARGES.

For services that are demand driven and can be associated with a user fee or charge, the direct and indirect costs of that service will be offset by a fee where possible. The City staff will endeavor to prepare a review of all fees and charges annually, but not less than once every three years, in order to ensure that these fees provide for, at minimum, full cost recovery of service.

D. ENTERPRISE FUND RATES.

Utility rates and rate structures for electric, water and sewer services will be constructed to target full cost of service recovery. Annually the City will review and adopt electric, water and sewer utility rates and a rate structure that generates

revenue sufficient to fully cover operating expenses, meet the legal restrictions of all applicable bond covenants, provide for an adequate level of working capital, and recover applicable general/administrative costs. The Solid Waste function will have rates that fully recover all costs and maintain an adequate balance.

- General and Administrative (G&A) Charges – Where feasible, G&A costs will be charged to all funds for services of indirect general overhead costs, which may include general administration, finance, customer billing, facility use, personnel, technology, engineering, legal counsel, and other costs as deemed appropriate. These charges will be determined through an indirect cost allocation study following accepted practices and procedures.

E. INTERGOVERNMENTAL REVENUES.

As a general rule, intergovernmental revenues (grants) will not be utilized for on-going operating costs. Any potential grant opportunity will be examined to identify all costs related to matching and continuation of program requirements. Staff will focus on one-time grants to avoid long-term implications. If it is determined that accepting a grant with on-going cost conditions is in the interests of the City, all the operating and maintenance costs must be included in the financial forecast and their ultimate effect on operations and revenue requirements be known.

F. REVENUE MONITORING.

Revenues as they are received will be regularly compared to budgeted revenues and variances will be investigated. This process will be summarized in the appropriate budget report.

V. EXPENDITURE CONTROL

- A. Appropriations – The point of budgetary control is at the department level in the General Fund and at the fund level in all other funds. When budget adjustments among Departments and/or funds are necessary, they must be approved by the City Council.
- B. Current Funding Basis - The City shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues plus the planned use of fund balance accumulated through prior year savings. (The use of fund balance shall be guided by the Fund Balance/Retained Earnings Policy Statements.)
- C. Avoidance of Operating Deficits - The City shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit (i.e., projected expenditures in excess of projected revenues) is projected at year-end. Corrective actions can include a hiring freeze, expenditure reductions, fee increases, or use of fund balance within the Fund.

- D. Balance/Retained Earnings Policy- Expenditure deferrals into the following fiscal year, short-term loans, or use of one-time revenue sources shall be avoided to balance the budget.
- E. Maintenance of Capital Assets - Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at a sufficient level to protect the City's investment, to minimize future replacement and maintenance costs, and to continue service levels.
- F. Periodic Program Reviews - The City Manager shall undertake periodic staff and third-party reviews of City programs for both efficiency and effectiveness. Privatization and contracting with other governmental agencies will be evaluated as alternative approaches to service delivery. Programs which are determined to be inefficient and/or ineffective shall be reduced in scope or eliminated.
- G. Salary - The City shall strive to maintain competitive salary levels for municipal employees. A salary survey will be conducted through a sampling of surrounding and comparable municipal organizations to create a comparison. The City will strive to maintain salary levels within three percent (3%) of the median of surveyed benchmark municipalities.
- H. Purchasing - The City shall make every effort to maximize any discounts offered by creditors/vendors. Staff shall also use competitive bidding in accordance to State law, as well as intergovernmental partnerships and purchasing cooperatives to attain the best possible price on goods and services.
- I. Prompt Payment - All invoices will be paid within 30 days of receipt in accordance with the prompt payment requirements of State law (TGC 2251).

VI. FUND BALANCE/RETAINED EARNINGS

- A. General Fund Undesignated Fund Balance - The City shall strive to maintain the General Fund undesignated fund balance at, or in excess of, 45 days of operation.
- B. Retained Earnings of Other Operating Funds - In the Utility Fund, the City shall strive to maintain positive retained earnings at, or in excess of, 45 days of operation.
- C. Use of Fund Balance - Fund Balance will be targeted to only be used with Council approval and can only be used for the following: emergencies, non-recurring expenditures, such as technology/FF&E (furniture, fixtures and equipment), or major capital purchases that cannot be accommodated through current year savings. Should such use reduce the balance below the appropriate level set as the objective for that fund, recommendations will be made on how to restore it. The Council shall approve all commitments by formal action. The action to commit funds must occur prior to fiscal year-end, to report such commitments in the balance sheet of the

respective period, even though the amount may be determined subsequent to fiscal year-end. A commitment can only be modified or removed by the same formal action.

The Council delegates the responsibility to assign funds to the City Manager or his/her designee. The Council shall have the authority to assign any amount of funds. Assignments may occur subsequent to fiscal year-end.

The Council will utilize funds in the following spending order: Restricted, Committed, Assigned, Unassigned

VII. DEBT MANAGEMENT

A. Debt Issuance Analysis

All consideration of debt issuance for major capital assets will be prepared within the framework of a Council approved multi-year capital improvement plan and forecast for all City facilities and infrastructure.

B. Analysis of Debt Issuance and Debt Issuance Alternatives

Staff will explore alternatives to the issuance of debt for capital acquisitions and construction projects. These alternatives will include, but not be limited to, (1) grants-in-aid, (2) use of reserves, (3) use of either current on-going general revenues or one-time revenues, (4) contributions from developers and others, (5) leases, (6) user fees, and (7) impact fees.

C. Use of Debt Financing

The useful life of the asset or project shall, at a minimum, exceed the payout schedule of any debt the City assumes. Debt financing instruments to be considered by the City may include:

- General obligation bonds - These must be authorized by a vote of the citizens of Flatonia.
- Revenue bonds - These bonds generate capital requirements necessary for continuation or expansion of a service which produces revenue and for which the asset may reasonably be expected to provide for a revenue stream to fund the debt service requirement.
- Certificates of obligation - These can be authorized by Council approval with debt service by either general revenues or backed by a specific revenue stream or a combination of both.
- Lease/purchase agreements - These shall only be used to purchase capital assets that cannot be financed from either current revenues or fund balance/retained earnings and to fund infrastructure improvements and additions.

D. Assumption of Additional Debt

The City shall not assume more tax-supported general purpose debt than it retires each year without first conducting an objective analysis as to the community's ability to assume and support additional debt service payments.

E. Affordability Targets

The City shall use an objective multi-year analytical approach to determine whether it can afford to assume new general purpose debt beyond what it retires each year. This process shall compare generally accepted standards of affordability to the current values for the City. The process shall also examine the direct costs and benefits of the proposed expenditures. The decision on whether or not to assume new debt shall be based on these costs and benefits and on the City's ability to "afford" new debt as determined by the aforementioned standards. The City shall strive to achieve and/or maintain these standards at a low to moderate classification.

F. Debt Structure

The City shall structure its debt payment schedules for general purpose debt to ensure level principal repayment schedules. The City shall not assume any debt with "balloon" repayment schedules which consist of low annual payments and one large payment of the balance due at the end of the term. While balloon payment structures minimize the size of debt payments during the period, they force a large funding requirement on the budget of the final year. Given the uncertainties of the future, level payment schedules improve budget planning and financial management.

G. Sale Process

The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated bid. The City shall award bonds based on a true interest cost (TIC) basis as long as the financial advisor agrees that the TIC basis can satisfactorily determine the lowest and best bid.

H. Bond Rating Agencies Presentations

Full disclosure of operations and open lines of communication shall be made to the bond rating agencies. City staff, with assistance of financial advisors, shall prepare the necessary materials and presentation to the bond rating agencies.

I. Continuing Disclosure

The City is committed to continuing disclosure of financial and pertinent credit information relevant to the City's outstanding securities.

J. Debt Refunding-

City staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. As a general rule, the present value savings of a particular refunding should exceed 3.5% of the refunded maturities.

VIII. INTERGOVERNMENTAL RELATIONSHIPS

The City will pursue coordinated efforts with other governmental agencies to achieve common policy objectives, share the cost of providing government services on an equitable basis, and support favorable legislation at the State and Federal levels.

A. Inter-local Cooperation in Delivering Services

In order to promote the effective and efficient delivery of services, the City shall actively seek to work with other local jurisdictions in joint purchasing consortia, sharing facilities, sharing equitably the costs of service delivery, and developing joint programs to improve service to its citizens.

B. Legislative Program

The City shall cooperate with other jurisdictions to actively oppose any State or Federal regulation or proposal that mandates additional City programs or services and does not provide the funding to implement them. Conversely, as appropriate, the City shall support legislative initiatives that provide more funds for priority local programs.

IX. GRANTS

A. Grant Guidelines

The City shall apply, and facilitate the application by others, for only those grants that are consistent with the objectives and high priority needs previously identified above in these policies. The potential for incurring on-going costs, to include the assumption of support for grant funded positions from local revenues, will be considered prior to applying for a grant.

B. Grant Review

All grant submittals shall be reviewed for their cash match requirements, their potential impact on the operating budget, and the extent to which they meet the City's policy objectives. If there are cash match requirements, the source of funding shall be identified prior to application. Staff will focus on one-time grants to avoid long-term implications related to additional expenditures in future years.

C. Grant Program Termination

The City shall terminate grant funded programs and associated positions when grant funds are no longer available unless alternate funding is identified.

X. ECONOMIC DEVELOPMENT

A. Positive Business Environment

The City shall endeavor, through its regulatory and administrative functions, to provide a positive business environment in which local businesses can grow, flourish and create jobs. The City Council and City staff will be sensitive to the needs, concerns and issues facing local businesses.

B. Commitment to Business Expansion, Diversification, and Job Creation

The City shall encourage and participate in economic development efforts to expand Flatonia's economy to increase local employment. These efforts shall not only focus on newly developing areas but also on other established sections of Flatonia where development can generate additional jobs and other economic benefits.

C. Coordinate Efforts with Other Jurisdictions

The City's economic development program shall encourage close cooperation with other local jurisdictions, chambers of commerce, and groups Interested in promoting the economic well-being of this area.

D. Cost/Benefit of Incentives for Economic Development

The City will use due caution in the analysis of any tax or fee incentives that are used to encourage economic development. A cost/benefit (fiscal impact) analysis will be performed as part of such evaluation for each prospect. Economic development agreements will contain performance language as to the business's proposed economic impact to Flatonia in exchange for City incentives with adequate "claw-back" provisions for the City.

XI. FISCAL MONITORING

A. Financial Status and Performance Reports

Quarterly reports comparing expenditures and revenues to current budget, projecting expenditures and revenues through the end of the year, noting the status of fund balances to include dollar amounts and percentages, and outlining any remedial actions necessary to maintain the City's financial position shall be prepared for review by the City Manager and the Council.

B. Compliance with Council Policy Statements

The Fiscal and Budgetary Policies will be reviewed annually by the Council and updated, revised or refined as deemed necessary. Policy statements adopted by the Council are guidelines, and occasionally, exceptions may be appropriate and required. However, exceptions to stated policies will be specifically identified, and the need for the exception will be documented and fully explained.

XII. FINANCIAL CONSULTANTS

To employ the assistance of qualified financial advisors and consultants as needed in the management and administration of the City's financial functions. These areas include but are not limited to investments, debt administration, financial accounting systems, program evaluation, and financial impact modeling. Advisors shall be selected on a competitive basis using objective questionnaires and requests for proposals based on the scope of the work to be performed.

XIII. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

To comply with prevailing local, state, and federal regulations relative to accounting, auditing, and financial reporting, accounting practices and financial reporting shall conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants, (AICPA), and the Government Finance Officers Association (GFOA).

A. Accounting

The City is solely responsible for the recording and reporting of its financial affairs, both internally and externally. The City Manager is responsible for establishing the structure for the City's chart of accounts and for assuring that procedures are in place to properly record financial transactions and report the City's financial position.

B. External Auditing

City will be audited annually by outside independent accountants (auditors). The auditors must be a CPA firm and must demonstrate significant experience in the field of local government auditing. They must conduct the City's audit in accordance with generally accepted auditing standards. The auditors' report on City's financial statements will be completed within a timely period of the City's fiscal year-end. The auditor will jointly review the management letter with the City Council, if necessary. In conjunction with this review, the City Manager shall respond in writing to the City Council regarding the auditor's Management Letter, addressing the issues contained therein. The City will not require auditor rotation, but will circulate request for proposal for audit services on a periodic basis as deemed appropriate.

C. Responsibility of Auditor to City Council

The auditor is retained by and it accountable directly to the City Council and will have access to direct communication with the City Council if the City Staff is unresponsive to auditor recommendations or if the auditor considers such communication necessary to fulfill its legal and professional responsibilities.

D. Internal Financial Reporting

The City Secretary will prepare internal financial reports sufficient for management to plan, monitor, and control City's financial affairs.

XIV. CAPITAL BUDGET AND PROGRAM

A. Preparation

The City's capital budget will include all capital projects funds and all capital resources. While the capital budget will be prepared annually on a project basis, it will be based on an on-going, multi-year capital improvement plan (CIP) that shows all funded and unfunded projects as identified by staff for all City facilities and infrastructure. The multi-year CIP will be reviewed annually, updated by staff and presented to the Council for its review and approval. The annual capital budget will be prepared by the Finance Department with the involvement of responsible departments based on the multi-year CIP.

B. Control

All capital project expenditures must be appropriated in the capital budget. The City Manager must certify the availability of resources before any capital project contract is presented to the City Council for approval.

C. Program Planning

The capital budget will be taken from the capital improvements project plan for future years. The planning time frame for the capital improvements project plan should normally be five years, with a minimum of at least three years. The replacement and maintenance for capital items should also be projected for the next five years. Future maintenance and operational costs will be considered so that these costs can be included as appropriate in the annual budget.

D. Financing Programs

Where applicable and with Council approval, impact fees, pro-rata charges, assessments, or other fees should be used to fund capital projects which have a primary benefit to specific, identifiable property owners.

- Recognizing that long-term debt is usually a more expensive financing method, alternative financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire major assets with expected lives which equal or exceed the average life of the debt issue.

E. Reporting

Periodic financial reports will be prepared to enable the department directors to manage their capital budgets. Summary capital project status reports will be presented to the City Council quarterly.

XV. CAPITAL MAINTENANCE AND REPLACEMENT

The City recognizes that deferred maintenance and not anticipating capital replacement needs increases future capital costs. Annually, available funds will be evaluated during the budget process and a percentage of each operating fund's budget will be recommended to the Council for transfer. Upon approval by the Council, the recommended amount will be transferred to the appropriate funds (General or Utility Maintenance Replacement Fund) for major maintenance/ replacement of street, building roof, flooring, air conditioning, equipment, etc.

XVI. INTERNAL CONTROLS

A. Written Procedures

Whenever possible, written procedures will be established and maintained by the City Manager for all functions involving purchasing, cash handling and/or accounting throughout the City. These procedures will embrace the general concepts of fiscal responsibility set for in this policy statement.

B. Department Directors' Responsibilities

Each department director is responsible for ensuring that good internal controls are followed throughout his/her department, that all directives or internal controls are implemented, and that all independent auditor internal control recommendations are addressed. Departments will develop and periodically update written internal control procedures.

XVII. ASSET MANAGEMENT

A. Investments

The City Manager (or his designee) shall promptly invest all City funds with the depository bank in accordance with the provisions of the current Bank Depository Agreement or in any negotiable instrument authorized by the City Council. Further,

investments shall be made in accordance with the Investment Policy approved by the City Council for the City of Flatonia that meets the requirements of the Public Funds Investment Act (PFIA), Section 2256 of the Texas Local Government Code. The City Secretary will issue quarterly reports on investment activity to the City Council.

B. Cash Management

City's cash flow will be managed to maximize the cash available to invest. Such cash management will entail the centralization of cash collections, where feasibility, including utility bills, building and related permits and license, fines, fees, and other collection offices as appropriate. Periodic review of cash flow position will be performed to determine performance of cash management and conformance to investment policies. The underlying theme will be that idle cash will be invested with the intent to (1) safeguard assets, (2) maintain liquidity, and (3) maximize return.

C. Fixed Assets and Inventory

Such assets will be reasonably safeguarded and properly accounted for and prudently insured. The fixed asset inventory log will be updated regularly by the City Secretary and shall include:

- a. A serial number - If the item does not have a unique serial number, the City Secretary will establish a fixed asset numbering system. That number will be used if a serial number is not furnished with the item.
- b. Description of the item, such as computer, truck, brush chipper, etc.
- c. Brand name of the item or manufacturer's name.
- d. Date the item was acquired by the city as well as the age or date of manufacture if the item was purchased in a 'used' condition.
- e. Initial cost of the item.
- f. Date the item was disposed of by the City.
- g. Disposal method (lost, destroyed, stolen, etc.)
- h. Value received (if any).

An inventory of the items on the fixed asset log will be conducted at least annually. If an item on the log is destroyed, lost, stolen or sold, the department head is responsible for insuring that the information about the item is reported to the City Secretary to be promptly recorded in the log.

D. Capitalization Criteria

For purposes of budgeting and accounting classification, the following criteria must be capitalized:

- The asset is owned by the City of Flatonia

- The expected useful life of the asset must be longer than one year, or extend the life on an identifiable existing asset by more than one year
- The original cost of the asset must be at least \$5,000
- The asset must be tangible
- On-going repairs and general maintenance are not capitalized
- New Purchases – All costs associated with bringing the asset into working order will be capitalized as part of the asset cost. This includes startup costs, engineering or consultant type fees as part of the asset cost once the decision or commitment to purchase the asset is made. The cost of land acquired should include all related costs associated with its purchase
- Improvements and Replacement – Improvement will be capitalized when they extend the original life of an asset or when they make the asset more valuable than it was originally. The replacement of assets components will normally be expenses unless they are a significant nature and meet all the capitalization criteria.

E. Computer System/Data Security

The City shall provide security of its computer/network system and data files through physical and logical security systems that will include, but are not limited to: network user authentications, firewalls, content filtering, spam/virus protection, and redundant data backup.