

City of Abernathy

Budget

**For the Fiscal year
Beginning October 1, 2014
Ending September 30, 2015**

Notice

**This budget proposes increased property tax revenue of
\$20,895 more than last year's budget.**

City of Abernathy

P.O. Box 310
Abernathy, Texas 79311

July 24, 2014

To the Honorable Mayor, Members of the City Council, and Citizens of Abernathy:

In accordance with the Civil Statutes of the State of Texas and the Article of Incorporation of the City of Abernathy, the proposed budget for the fiscal year beginning October 1, 2014 is submitted for your review and consideration. The budget is intended to present, in financial terms, the overall plan for providing municipal services during the forthcoming year. This budget provides funding for the continued basic level of services offered by the City.

General Fund

The General Fund provides for basic services of the city including Mayor and City Council, Administration, Police Department, Emergency Medical Services, Fire Department, Street Maintenance, Sanitation Services, Parks and Recreation, Library, Municipal Court, Code Enforcement and Animal Control.

The General Fund is funded with revenues from property tax, sales tax, and franchise tax as well as a transfer from the Water/Sewer Fund and Prior Year Fund Balance for payment in lieu of taxes, and other miscellaneous fees. The Ad Valorem tax base increased 4.03 % from last year. The Ad Valorem tax rate has been proposed at .5382/\$100 valuation. This rate is unchanged from last year's rate.

In March of 2013, the City Council voted to expand the Police Department Personnel by adding one officer. In lieu of taxes, Prior Year Fund Balance will be used to cover this cost for a 2-year period.

In April of 2013, the City Council approved a contract with University Medical Center EMS for the day-to-day operations of Emergency Medical Services within the city. Under this agreement, the city contributes the facilities and EMT-Basic personnel to assist UMC's EMT-Paramedics with calls. In lieu of taxes, a transfer from the Water/Wastewater Fund will pay for this service.

Major capital improvements projects allocated in the General Fund Include:

Non-Departmental

TDHCA HOME Reservation Grant - \$451,000

Streets

Sealcoat Project - \$50,000

Phillips-Pinson Project – \$328,000

Proprietary Funds

Proprietary Funds are used to account for the city's "businesslike" activities include the Water/Sewer Department and Airport. Revenues for Enterprise Funds are generated through fees that specifically pay for these services. A portion of the fund balances generated in the city's Water/Sewer Fund are transferred to the General Fund.

In August 2011, the City Council adopted a 6-tier rate to encourage high water users to implement conservation measures and provide funds for the anticipated replacement and maintenance of an ageing water and sewer system.

In August. 2013 the Council passed a resolution for the dissolution of aviation activities at the Airport and redistribution of Airport Assets to the General Fund.

Major capital improvements projects allocated in the Water/Sewer Fund Include:

Phillips-Pinson Project – \$210,000

Personnel

Personnel account for 45.02% of the City's budgeted expense when Grant Project Funds and the Phillips Pinson Project are removed.

Salaries

Employee salaries were increased 1.5% (March CPI) in the FY2014-2015 budget for all employees.

Insurance

Medical insurance costs increased 3% for FY2014-2015. The city offers 100% coverage for all full-time employees and 50% of dependant coverage for employees, who were hired prior to September, 2012. Employees are required to purchase Dental Insurance.

The City provides \$15,000 life insurance for all full-time employees.

Outstanding Debt

Fire Star Pumper Truck

<u>FY – Pmt. #</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>
2014-2015 - #8	\$13,841.51	\$13,195.09	\$646.42	\$0.00

John Deere Backhoe

<u>FY – Pmt. #</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>
2014-2015 - #4	19,802.69	\$17,938.78	\$1,863.91	\$38027.91
2015-2016 - #5	19,802.69	\$18,539.73	\$1,262.96	\$19272.13
2016-2017 - #6	19,802.69	\$18,539.73	\$641.89	\$0.00

Summary

City staff will continue to monitor the financial situation in a timely manner and will be prepared to bring recommendations to the Council at any time during the year if serious declines in revenues or unexpected expenses are foreseen.

Work has continued in the area of developing growth within the City of Abernathy. This is a strategy leading in the right direction and reinforces the fact that I am lucky to be able to work with a visionary Mayor and City Council.

I would like to express my appreciation to the Mayor and Council. What the staff works on and presents would be meaningless if the Council was not interested in striving for a professional, well run organization. I appreciate the opportunity to work for you, and will always attempt to be attentive to the desires of the Council.

It is hoped that this budget reflects the thinking and policies of the City Council and is representative of the desires of the Citizens of Abernathy. I especially hope you will let me know if you have any questions about this budget or the overall budget process.

Respectfully submitted,

Mike Cypert, City Manager

GENERAL FUND BUDGET

OPERATING REVENUES		FY 14-15
014007	AD VALOREM TAXES	\$443,795
014014	DELINQUENT AD VALOREM TAXES	\$15,000
014021	PENALTIES AND INTEREST	\$4,000
014028	FRANCHISE FEES	\$125,000
014035	LICENSES & PERMITS	\$3,000
014036	GOLF CART REGIST.	\$100
014037	ANIMAL CONTROL FEES	\$600
014049	MUNICIPAL COURT FEES	\$25,000
014056	COURT TECHNOLOGY FEES	\$450
014057	COURT SECURITY FEE	\$250
014070	MISCELLANEOUS	\$1,000
014077	LEASES AND RENTS	\$64,000
014084	SANITATION CHARGES	\$260,000
014091	LANDFILL FEES (HALE COUNTY)	\$4,800
014094	RECYCLING	\$4,000
014105	SALES TAX INCOME	\$120,000
014112	SALES TAX (AD VALOREM)	\$60,000
014119	MOSQUITO SPRAYING	\$16,000
014127	LIBRARY SERVICES	\$5,600
014133	INTEREST INCOME	\$2,600
014140	SALE OF PROPERTY	\$1,000
	TOTAL	\$1,156,195
GRANT PROJECT REVENUE		FY 14-15
014416	TDHCA PROJECT - HOME	\$451,000
	TOTAL	\$451,000
	FUND BALANCE TRANSFER FOR PHILLIPS-PINSON	\$328,000
	FUND BALANCE TRANSFER FOR POLICE	\$46,500
	INTERFUND TRANSFER	\$110,709
	TOTAL REVENUE - ALL SOURCES	\$2,092,404
CITY PARKS		FY 14-15
015013	CONTRACTED MAINTENANCE	\$1,700
015014	CITY PARK MAINTENANCE	\$9,000
	TOTAL	\$10,700

JUDICIAL		FY 14-15
015049	LEGAL - PROSECUTOR	\$500
015056	JUDICIAL EXPENSES	\$13,500
015063	DUES, REGISTRATIONS & MEETINGS	\$1,250
TOTAL		\$15,250
NONDEPARTMENTAL		FY 14-15
015105	APPRAISAL DIST. EXPENSE	\$6,000
015112	LEGAL PUBLICATIONS	\$2,500
015113	CODIFICATION	\$1,200
015119	LEGAL	\$11,000
015126	ACCOUNTING	\$6,500
015140	JANITORIAL SUPPLIES	\$1,600
015147	TELEPHONES	\$14,700
015151	UTILITIES	\$31,500
015154	GENERAL INSURANCE/SAFETY	\$26,200
015182	VEHICLE REG. SUPPLIES	\$25
015189	CITY HALL MAINT	\$7,600
015195	SENIOR CITIZENS MAINT	\$3,000
015196	POST OFFICE MAINT	\$1,000
015203	CLINIC MAINT	\$500
015207	HVAC CONTRACT MAINT.	\$2,500
015210	ENVIRONMENTAL HEALTH INSP.	\$1,500
015226	TDHCA PROJECT - (RESERVE)	\$451,000
TOTAL		\$568,325
LEGISLATIVE		FY 14-15
015266	DUES, REGISTRATIONS & MEETINGS	\$4,000
015273	TRAVEL	\$1,000
TOTAL		\$5,000
ADMINISTRATION		FY 14-15
015301	ADMINISTRATIVE AUTO ALLOWANCE	\$6,000
015308	SOFTWARE / IT	\$1,500
015315	DUES, REGISTRATIONS & MEETINGS	\$4,000
015322	TRAVEL	\$1,000
015329	OFFICE SUPPLIES	\$6,000
015336	PRINTING	\$450
015343	POSTAGE	\$1,700
015350	ELECTION	\$4,000
015357	EQUIPMENT LEASES	\$525
015385	CIVIL DEFENSE	\$2,000
TOTAL		\$27,175

SANITATION		FY 14-15
015434	CONTRACT SERVICES	\$141,600
	CONTRACTED FUEL ADJUSTMENT	
015435	FEES	\$10,000
015448	CONTRACT HAULING	\$20,000
015452	RECYCLING PROGRAM	\$3,000
015462	FUEL & OIL	\$1,650
015469	VECTOR CONTROL (MOSQUITO)	\$16,000
015476	SUPPLIES	\$1,000
015483	EQUIPMENT MAINTENANCE	\$2,000
015497	ANIMAL CONTROL	\$3,000
015501	CODE ENFORCEMENT	\$16,000
	TOTAL	\$214,250
STREETS		FY 14-15
015525	POTHOLE REPAIR	\$14,000
015532	ENGINEERING FEES	\$4,200
015546	UTILITIES - STREET LIGHTING	\$26,500
015553	FUEL & OIL	\$7,300
,015560	UNIFORMS	\$4,285
015567	SUPPLIES	\$5,000
015574	VEHICLE MAINTENANCE	\$3,000
015581	EQUIPMENT MAINTENANCE	\$13,000
015595	SEALCOAT PROJECT	\$50,000
015608	STREET SIGN REPAIRS	\$2,000
015611	PHILLIPS-PINSON PAVING	\$328,000
	TOTAL	\$457,285
FIRE		FY 14-15
015616	FIRE DEPARTMENT FUND	\$26,400
015651	FUEL & OIL	\$3,500
015665	SPECIAL EQUIPMENT	\$15,000
015672	BUILDING & GROUNDS	\$1,000
015686	LEASE PAYABLE	\$13,845
	TOTAL	\$59,745
POLICE		FY 14-15
015728	UNIFORMS	\$3,000
015735	SOFTWARE / IT	\$300
015742	DUES, REGISTRATIONS & TRAINING	\$2,000
015749	TRAVEL	\$1,000
015757	LEADS ONLINE	\$1,200
015791	FUEL & OIL	\$22,000
015812	SUPPLIES & EQUIPMENT	\$24,000
015819	VEHICLE MAINTENANCE	\$4,000
	TOTAL	\$57,500

LIBRARY		FY 14-15
----------------	--	-----------------

015868	LIBRARY SERVICES	\$7,800
015872	SOFTWARE SUPPORT	\$550

	TOTAL	\$8,350
--	--------------	----------------

EMS		FY 14-15
------------	--	-----------------

015966	UNIFORMS & SUPPLIES	\$3,000
015980	BUILDING & GROUNDS	\$1,000

	TOTAL	\$4,000
--	--------------	----------------

	TOTAL OPERATING EXPENSE	\$1,427,580
--	--------------------------------	--------------------

PAYROLL		FY 14-15
----------------	--	-----------------

017007	JUDICIAL SALARY	\$10,250
017014	CUSTODIAL SALARY (PT)	\$8,600
017021	ADMINISTRATIVE SALARIES	\$123,125
017022	LIBRARY SALARIES	\$12,500
017029	PARK SALARIES	\$84,920
017035	FIRE SALARIES	\$530
017042	POLICE SALARIES	\$191,850
017043	EMS SALARIES	\$112,280
017049	TML - ADMIN. DEPARTMENT	\$11,215
017056	TML - PARKS DEPARTMENT	\$16,820
017063	TML - POLICE DEPARTMENT	\$28,035
017105	TMRS - ADMIN. DEPARTMENT	\$4,925
017106	TMRS - LIBRARY	\$500
017112	TMRS - PARKS DEPARTMENT	\$3,400
017119	TMRS - POLICE DEPARTMENT	\$7,674
017120	TMRS - EMS DEPARTMENT	\$4,500
017133	HR EXPENSES	\$2,000
017600	PAYROLL TAX EXPENSE (FICA)	\$41,700

	TOTAL	\$664,824
--	--------------	------------------

	FY 14-15
TOTAL EXPENSE	\$2,092,404
TOTAL REVENUES	\$2,092,404
NET SURPLUS (DEFICIT)	\$0

Water Fund Budget

REVENUES		FY 14-15
024014	INTEREST INCOME	\$3,000
024021	RECONNECTION FEES	\$6,300
024028	RETURNED CHECK / LATE FEES	\$25,000
024035	LEASE INCOME	\$29,000
024042	CRP CROP INCOME	\$1,500
024056	METERED WATER SALES	\$534,000
024063	SEWER SERVICE SALES	\$171,000
024070	WATER SEWER PERMITS	\$2,000
024084	MISCELLANEOUS	\$1,000
	TOTAL	\$772,800
	FUND BALANCE TRANSFER - (PHILLIPS PINSON)	\$158,594
	TOTAL REVENUE - ALL SOURCES	\$931,394

NONDEPARTMENTAL		FY 14-15
025007	ACCOUNTING	\$6,500
025021	JANITORIAL SUPPLIES	\$500
025035	GENERAL INSURANCE/SAFETY	\$26,200
025049	TELEPHONES	\$5,500
025067	UTILITIES	\$5,000
025069	BUILDING & GROUNDS	\$8,100
	TOTAL	\$51,800

ADMINISTRATION		FY 14-15
025147	SOFTWARE / IT	\$2,500
025154	LEGAL/PUBLICATIONS	\$2,000
025168	DUES, REGISTRATIONS & MEETINGS	\$500
025182	OFFICE SUPPLIES	\$5,000
025189	PRINTING	\$2,000
025196	POSTAGE	\$6,500
025238	EQUIPMENT MAINTENANCE	\$200
025252	LEASES PAYABLE	\$750
025259	MISCELLANEOUS	\$400
	TOTAL	\$19,850

WATER / SEWER MAINTENANCE	FY 14-15
----------------------------------	-----------------

025462	UNIFORMS	\$5,715
025476	ENGINEERING FEES	\$4,000
025483	DUES, REGISTRATIONS & TRAINING	\$5,000
025490	TRAVEL	\$1,500
025525	UTILITIES	\$55,000
025539	STATE FEES & PERMITS	\$7,000
025546	FUEL & OIL	\$25,750
025567	SUPPLIES	\$12,000
025574	VEHICLE MAINTENANCE	\$7,000
025581	EQUIPMENT MAINTENANCE	\$14,000
025595	BUILDING & GROUNDS	\$16,000
025602	WATER/SEWER TREATMENT	\$20,000
025609	UTILITY MAINTENANCE	\$68,000
025610	VEHICLE REPLACEMENT	\$27,000
025623	BACKHOE LEASE PAYMENT	\$19,800
025630	PHILLIPS-PINSON UTILITIES	\$210,000

	TOTAL	\$497,765
--	--------------	------------------

TOTAL OPERATING EXPENSE		\$569,415
--------------------------------	--	------------------

PAYROLL	FY 14-15
----------------	-----------------

027007	ADMINISTRATIVE SALARIES	\$28,650
027014	MAINTENANCE SALARIES	\$165,000
027021	TML - ADMIN. DEPARTMENT	\$7,620
027056	TML - MAINTENANCE DEPARTMENT	\$27,400
027077	TMRS - ADMIN. DEPARTMENT	\$1,150
027084	TMRS - MAINTENANCE DEPARTMENT	\$6,600
027600	PAYROLL TAX EXPENSE (FICA)	\$14,850

	TOTAL	\$251,270
--	--------------	------------------

REVENUE RESERVE FUND		\$0
INTERFUND TRANSFER		\$110,709

	FY 14-15
TOTAL EXPENSE	\$931,394
TOTAL REVENUES	\$931,394
NET SURPLUS (DEFICIT)	\$0

Airport Fund Budget

OPERATING REVENUES	FY 14-15
---------------------------	-----------------

TOTAL REVENUE - ALL SOURCES	\$0
-----------------------------	-----

EXPENDITURES	FY 13-14
---------------------	-----------------

TOTAL OPERATING EXPENSE	\$0
-------------------------	-----

Tax Calculation

<u>Certified Totals</u>	Lubbock	Hale	Total
Total Net Taxable Value	\$22,481,780	\$68,734,403	\$91,216,183
Total Value of Protested Property	+ \$893,979	\$0	\$893,979
Transfer Adjustments	\$0	\$0	\$0
Total Tax Value, over 65 and Disabled	- \$4,973,138	\$15,034,130	\$20,007,268
Adjusted Tax Value	= \$18,402,621	\$53,700,273	\$72,102,894
Projected tax rate	x 0.53820	0.53820	0.53820
Projected Levy without over 65/Disabled ceiling	= \$99,043	\$289,015	\$388,058
Total Levy to be collected over 65/Disabled	+ \$22,542	\$61,522	\$84,064
Total Levy	= \$121,585	\$350,537	\$472,122
Anticipated Collection Rate (percentage)	x 0.94	0.94	0.94
Anticipated Levy Amount	= \$114,290	\$329,505	\$443,794

Proposed Tax Rate	\$0.5382
Budgeted Tax Levy	\$443,795