

**City of Abernathy**

**Budget**

**For the Fiscal year  
Beginning October 1, 2013  
Ending September 30, 2014**

**Notice**

**This budget proposes increased property tax revenue of  
\$10,991 more than last year's budget.**

# City of Abernathy

P.O. Box 310  
Abernathy, Texas 79311

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July 24, 2013

## 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, 2013 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 2.29 % 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 - \$902,000

#### Streets

Sealcoat Project - \$50,000

## 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.

No major capital improvement projects for the Water/Sewer Department or Airport are included.

## Personnel

Personnel account for 47.73% of the City's budgeted expense when Grant Project Funds are removed.

### Salaries

Employee salaries were increased 1.5% (March CPI) in the FY2013-2014 budget for all employees except the newly created positions in EMS and Police officers, where a scale salary has been implemented.

### Insurance

Medical insurance costs increased 18% for FY2013-2014. 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>
2013-2014 - #7	\$13,841.51	\$12,578.84	\$1,262.67	\$13,255.99
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>
2013-2014 - #3	19,802.69	\$17,357.31	\$2,445.38	\$56,281.18
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

<b>OPERATING REVENUES</b>		<b>FY 13-14</b>
014007	AD VALOREM TAXES	\$422,900
014014	DELINQUENT AD VALOREM TAXES	\$15,000
014021	PENALTIES AND INTEREST	\$4,000
014028	FRANCHISE FEES	\$110,000
014035	LICENSES & PERMITS	\$3,000
014049	MUNICIPAL COURT FEES	\$25,000
014056	COURT TECHNOLOGY FEES	\$450
014057	COURT SECURITY FEE	\$250
014070	MISCELLANEOUS	\$1,975
014077	LEASES AND RENTS	\$22,000
014084	SANITATION CHARGES	\$252,000
014091	LANDFILL FEES (HALE COUNTY)	\$4,800
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	\$5,000
014140	SALE OF PROPERTY	\$1,000
	<b>TOTAL</b>	<b>\$1,068,975</b>

<b>GRANT PROJECT REVENUE</b>		<b>FY 13-14</b>
014416	TDHCA PROJECT - RESERVE PROG	\$902,000
	<b>TOTAL</b>	<b>\$902,000</b>
	<b>FUND BALANCE TRANSFER FOR POLICE</b>	<b>\$46,500</b>
	<b>INTERFUND TRANSFER</b>	<b>\$119,450</b>
	<b>TOTAL REVENUE - ALL SOURCES</b>	<b>\$2,136,925</b>

<b>CITY PARKS</b>		<b>FY 13-14</b>
015013	CONTRACTED MAINTENANCE	\$1,100
015014	CITY PARK MAINTENANCE	\$9,000
	<b>TOTAL</b>	<b>\$10,100</b>

<b>JUDICIAL</b>		<b>FY 13-14</b>
015049	LEGAL - PROSECUTOR	\$500
015056	JUDICIAL EXPENSES	\$15,000
015063	DUES, REGISTRATIONS & MEETINGS	\$1,000
	<b>TOTAL</b>	<b>\$16,500</b>

<b>NONDEPARTMENTAL</b>		<b>FY 13-14</b>
015105	APPRAISAL DIST. EXPENSE	\$10,000
015112	LEGAL PUBLICATIONS	\$2,500
015113	CODIFICATION	\$1,500
015119	LEGAL	\$7,500
015126	ACCOUNTING	\$6,500
015140	JANITORIAL SUPPLIES	\$1,500
015147	TELEPHONES	\$15,900
015151	UTILITIES	\$31,500
015154	GENERAL INSURANCE/SAFETY	\$22,000
015189	CITY HALL MAINT	\$8,000
015195	SENIOR CITIZENS MAINT	\$3,000
015196	POST OFFICE MAINT	\$1,000
015203	CLINIC MAINT	\$500
015210	HEALTH INSPECTION CONTRACT	\$2,000
015226	TDHCA PROJECT - (RESERVE)	\$902,000
<b>TOTAL</b>		<b>\$1,015,400</b>

<b>LEGISLATIVE</b>		<b>FY 13-14</b>
015266	DUES, REGISTRATIONS & MEETINGS	\$3,500
015273	TRAVEL	\$1,000
<b>TOTAL</b>		<b>\$4,500</b>

<b>ADMINISTRATION</b>		<b>FY 13-14</b>
015301	ADMINISTRATIVE AUTO ALLOWANCE	\$5,500
015308	SOFTWARE / IT	\$2,500
015315	DUES, REGISTRATIONS & MEETINGS	\$4,000
015322	TRAVEL	\$1,000
015329	OFFICE SUPPLIES	\$6,000
015336	PRINTING	\$300
015343	POSTAGE	\$1,500
015350	ELECTION	\$4,000
015357	EQUIPMENT LEASES	\$525
015385	CIVIL DEFENSE	\$2,000
<b>TOTAL</b>		<b>\$27,325</b>

<b>SANITATION</b>		<b>FY 13-14</b>
015434	CONTRACT SERVICES	\$140,000
015435	CONTRACTED FUEL ADJUSTMENT FEES	\$13,000
015448	CONTRACT HAULING	\$17,500
015450	RECYCLING PROGRAM	\$2,500
015462	FUEL & OIL	\$1,650
015469	VECTOR CONTROL (MOSQUITO)	\$16,000
015476	SUPPLIES	\$500
015483	EQUIPMENT MAINTENANCE	\$2,000
015497	ANIMAL CONTROL	\$2,500
015501	CODE ENFORCEMENT	\$16,000
<b>TOTAL</b>		<b>\$211,650</b>

<b>STREETS</b>		<b>FY 13-14</b>
015525	CONTRACT MAINTENANCE	\$15,000
015532	ENGINEERING FEES	\$4,200
015546	UTILITIES - STREET LIGHTING	\$26,500
015553	FUEL & OIL	\$7,300
015567	SUPPLIES	\$4,000
015574	VEHICLE MAINTENANCE	\$3,000
015581	EQUIPMENT MAINTENANCE	\$10,000
015595	SEALCOAT PROJECT	\$50,000
015608	STREET SIGN REPAIRS	\$2,000
<b>TOTAL</b>		<b>\$122,000</b>

<b>FIRE</b>		<b>FY 13-14</b>
015616	FIRE DEPARTMENT FUND	\$26,400
015651	FUEL & OIL	\$4,000
015672	BUILDING & GROUNDS	\$1,000
015686	LEASE PAYABLE	\$13,850
<b>TOTAL</b>		<b>\$45,250</b>

<b>POLICE</b>		<b>FY 13-14</b>
015728	UNIFORMS	\$2,000
015735	SOFTWARE / IT	\$200
015742	DUES, REGISTRATIONS & TRAINING	\$2,000
015749	TRAVEL	\$750
015757	LEADS ONLINE	\$1,200
015791	FUEL & OIL	\$18,000
015812	SUPPLIES & EQUIPMENT	\$10,000
015819	VEHICLE MAINTENANCE	\$4,000
<b>TOTAL</b>		<b>\$38,150</b>

<b>LIBRARY</b>		<b>FY 13-14</b>
015868	LIBRARY SERVICES	\$7,800
015872	SOFTWARE SUPPORT	\$550
<b>TOTAL</b>		<b>\$8,350</b>

<b>EMS</b>		<b>FY 13-14</b>
015966	UNIFORMS & SUPPLIES	\$2,500
015980	BUILDING & GROUNDS	\$1,000
<b>TOTAL</b>		<b>\$3,500</b>

**TOTAL OPERATING EXPENSE** **\$1,502,725**

<b>PAYROLL</b>		<b>FY 13-14</b>
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017007	JUDICIAL SALARY	\$10,000
017014	CUSTODIAL SALARY (PT)	\$8,625
017021	ADMINISTRATIVE SALARIES	\$123,450
017022	LIBRARY SALARIES	\$12,500
017029	PARK SALARIES	\$42,560
017035	FIRE SALARIES	\$525
017042	POLICE SALARIES	\$214,550
017043	EMS SALARIES	\$106,750
017049	TML - ADMIN. DEPARTMENT	\$11,000
017056	TML - PARKS DEPARTMENT	\$7,700
017063	TML - POLICE DEPARTMENT	\$33,875
017105	TMRS - ADMIN. DEPARTMENT	\$4,720
017106	TMRS - LIBRARY	\$540
017112	TMRS - PARKS DEPARTMENT	\$1,830
017119	TMRS - POLICE DEPARTMENT	\$9,225
017120	TMRS - EMS DEPARTMENT	\$4,600
017133	HR EXPENSES	\$2,000
017600	PAYROLL TAX EXPENSE (FICA)	\$39,750
<b>TOTAL</b>		<b>\$634,200</b>

	<b>FY 13-14</b>
<b>TOTAL EXPENSE</b>	<b>\$2,136,925</b>
<b>TOTAL REVENUES</b>	<b>\$2,136,925</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>\$0</b>



## Water Fund Budget

<b>REVENUES</b>		<b>FY 13-14</b>
024014	INTEREST INCOME	\$4,250
024021	RECONNECTION FEES	\$7,000
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
	<b>TOTAL</b>	<b>\$774,750</b>

<b>NONDEPARTMENTAL</b>		<b>FY 13-14</b>
025007	ACCOUNTING	\$6,500
025021	JANITORIAL SUPPLIES	\$500
025035	GENERAL INSURANCE/SAFETY	\$24,000
025049	TELEPHONES	\$5,000
025067	UTILITIES	\$5,000
025069	BUILDING & GROUNDS	\$500
	<b>TOTAL</b>	<b>\$41,500</b>

<b>ADMINISTRATION</b>		<b>FY 13-14</b>
025147	SOFTWARE / IT	\$1,500
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
	<b>TOTAL</b>	<b>\$18,850</b>

<b>WATER / SEWER MAINTENANCE</b>		<b>FY 13-14</b>
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025462	UNIFORMS	\$10,000
025476	ENGINEERING FEES	\$2,700
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	\$12,000
025602	WATER/SEWER TREATMENT	\$15,000
025609	UTILITY MAINTENANCE	\$44,000
025623	BACKHOE LEASE PAYMENT	\$19,800
<b>TOTAL</b>		<b>\$230,750</b>

<b>TOTAL OPERATING EXPENSE</b>	<b>\$291,100</b>
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<b>PAYROLL</b>		<b>FY 13-14</b>
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027007	ADMINISTRATIVE SALARIES	\$42,825
027014	MAINTENANCE SALARIES	\$210,550
027021	TML - ADMIN. DEPARTMENT	\$7,600
027056	TML - MAINTENANCE DEPARTMENT	\$37,825
027077	TMRS - ADMIN. DEPARTMENT	\$1,150
027084	TMRS - MAINTENANCE DEPARTMENT	\$9,050
027600	PAYROLL TAX EXPENSE (FICA)	\$19,400
<b>TOTAL</b>		<b>\$328,400</b>

<b>REVENUE RESERVE FUND</b>	<b>\$35,800</b>
<b>INTERFUND TRANSFER</b>	<b>\$119,450</b>

<b>TOTAL EXPENSE</b>	<b>FY 13-14</b>
<b>TOTAL REVENUES</b>	<b>\$774,750</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>\$0</b>

## Airport Fund Budget

<b>OPERATING REVENUES</b>		<b>FY 13-14</b>
034014	INTEREST INCOME	\$500
034021	LEASE INCOME	\$14,400
	<b>TOTAL</b>	<b>\$14,900</b>
	<b>TOTAL REVENUE - ALL SOURCES</b>	<b>\$14,900</b>

<b>EXPENDITURES</b>		<b>FY 13-14</b>
035056	UTILITIES	\$2,000
035070	GENERAL INSURANCE / SAFETY	\$1,100
035077	CHEMICALS	\$500
035084	SUPPLIES	\$200
035091	EQUIPMENT MAINTENANCE	\$1,000
035098	BUILDING & GROUNDS	\$500
035105	RUNWAY MAINTENANCE	\$1,500
035119	MISCELLANEOUS	\$300
	<b>TOTAL</b>	<b>\$7,100</b>
	<b>REVENUE RESERVE FUND</b>	<b>\$7,800</b>
	<b>TOTAL OPERATING EXPENSE</b>	<b>\$14,900</b>

	<b>FY 13-14</b>
<b>TOTAL EXPENSE</b>	<b>\$14,900</b>
<b>TOTAL REVENUES</b>	<b>\$14,900</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>\$0</b>

## Tax Calculation

<u>Certified Totals</u>	<b>Lubbock</b>	<b>Hale</b>	<b>Total</b>
Total Net Taxable Value	\$19,642,672	\$65,446,936	\$85,089,608
Total Value of Protested Property	\$2,685,494	\$0	\$2,685,494
Transfer Adjustments	\$0	\$0	\$0
Total Tax Value, over 65 and Disabled	\$5,208,204	\$14,781,128	\$19,989,332
<b>Adjusted Tax Value</b>	<b>\$17,119,962</b>	<b>\$50,665,808</b>	<b>\$67,785,770</b>
Projected tax rate	0.53820	0.53820	0.53820
<b>Projected Levy without over 65/Disabled ceiling</b>	<b>\$92,140</b>	<b>\$272,683</b>	<b>\$364,823</b>
Total Levy to be collected over 65/Disabled	\$23,714	\$61,380	\$85,094
<b>Total Levy</b>	<b>\$115,854</b>	<b>\$334,063</b>	<b>\$449,917</b>
Anticipated Collection Rate (percentage)	0.94	0.94	0.94
<b>Anticipated Levy Amount</b>	<b>\$108,902</b>	<b>\$314,020</b>	<b>\$422,922</b>

<b>Proposed Tax Rate</b>	<b>\$0.5382</b>
<b>Budgeted Tax Levy</b>	<b>\$422,900</b>